

## *Money Laundering*

Have you ever seen a drug dealer pull out a credit-card machine to accept payment for a dime bag? Ever known someone to pay for a TV they bought off the back of a truck with a personal check? Probably not. Most criminals conduct their business in cash. This creates an obvious problem — cash is bulky, heavy and risky to carry around. (One million dollars in twenties weighs about one hundred pounds.) As a result, criminals need to find a way to "launder" their ill-gotten gains. "Money laundering" is the process that criminals use to disguise the true origin and ownership of cash by introducing it into legitimate enterprises. Laundering money is a lucrative and sophisticated business, both in the U.S. and overseas. Some sources estimate that more than \$300 billion is laundered annually worldwide.

You might say, "We're not a bank, so why do we need to be worried?" There are several reasons why it is important to have some familiarity with the money-laundering process, the laws that make it illegal, and our legal responsibilities to help prevent it. As banks and financial institutions become more closely scrutinized by law enforcement in connection with money-laundering activity, criminals are forced to become more creative in finding ways to introduce their ill-gotten gains into the legitimate economy. Increasingly, they are using other types of businesses in the laundering process. Therefore, every organization is more vulnerable than ever.

### Course Summary

This 30-minute course is intended to familiarize employees with the process of money laundering and the laws that make it a crime. The topics covered in the course include —

- Defining "money laundering"
- The money-laundering process
- Section 1956 of the Money Laundering Control Act
- Section 1957 of the Money Laundering Control Act
- Reporting requirements
- Anti-structuring rules
- Red flags
- Tips for preventing money laundering