

MONEY LAUNDERING.COM
15th Annual International Anti-Money Laundering Conference
 March 15-17, 2010 | The Westin Diplomat | Hollywood, Florida



Borrowing Best Practices from the Unique AML Challenges of Non-Traditional MSBs

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Conventional Remittance Systems

Inter-Bank Transfers
 Wire Transfers
 Mailed Cheques/Money Orders/Bank Drafts

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Alternative Remittance Systems

- Hawallah/Hundi/Fei-chien/Chop
- eMoney
- Mobile Financial Services
- Internet methods
- Money Service Businesses

UNBANKED UNDERBANKED CRIMINAL

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Possible indicators of underground banking...

- Use of account by third parties
- Use of different branches to make deposits
- Comparison of the stated and actual business
- high turnover on account despite low declared income
- Significant wire activity to international destinations
- remittances to unassociated companies
- Large quantities of money going through accounts
- Cash 'smurfing' into accounts
- Use of personal accounts for business purposes

eMoney

- electronic purses
- phone cards
- gift cards



eMetal Exchanges

It costs nothing to open an e-gold account. There is no credit check. There is no minimum balance requirement. There is no concept of a "merchant account" in that all e-gold accounts may spend e-gold or receive e-gold payments.

e-gold is borderless -

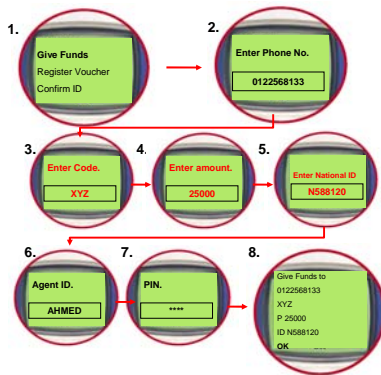
e-gold may be spent to any other e-gold account anywhere in the world via the [e-gold shopping cart interface \(SCI\)](#), the [e-gold Account Manager](#) or [web enabled mobile phone](#)

Mobile Financial Services

- Stored money facility
- Not linked to bank account
- Not regulated
- Transfer by text
- Disposable audit trail
- Anonymity if desired

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Eight steps to transferring funds



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Other Internet Methods

Online Auction Sites – non-existent goods

Online payment systems – PayPal etc

Virtual Worlds

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Second Life



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Second Life

According to Fortune magazine's David Kirkpatrick, Second Life creator Linden Lab reported that in December 2006, "17,000 [Second Life] residents had positive cash flow in Linden dollars, with about 450 generating monthly income in excess of \$1,000" in U.S. dollars

AND

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Second Life

Quote from the site information page

"Linden Lab generally does not regulate the content of communications between users or users' interactions with the Service. As a result, Linden Lab has very limited control, if any, over the quality, safety, morality, legality, truthfulness or accuracy of various aspects of the Service."

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