



**The National Money Transmitters Association, Inc.**

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## **NMTA Bulletin — Volume 11 — Thursday, November 11, 2004**

**Please note:** If you would like to join the Association, you can download and print out the application posted on our website [www.nmta.us](http://www.nmta.us). (You do not have to be a money transmitter to join.) If you would like more information, please email me. If you have an item you think would be of interest to the money transmitter community, please send it to me for possible inclusion in the Bulletin. If you would like to stop receiving the Bulletin, reply to this email with "Unsubscribe" in the header.

### **NMTA Forum Coming This Monday, November 15, 2004**

It is still not too late to register for the NMTA Winter Forum, *Crossroads: The Roadmap to Compliance*, to be held in New York City on November 15<sup>th</sup>, 2004. You may register and pay quickly on our website. Everyone is welcome, including non-members. We have a great program lined up, so don't miss this chance to learn the latest in compliance!

#### ***Crossroads: The Roadmap to Compliance* \***

8:00 – 9:00	Sign-in and breakfast	
9:00 – 9:30	Opening Remarks	David Landsman Executive Director, NMTA
9:30 – 10:15	A Dialogue With OFAC Current OFAC Compliance	Gerard W. LiVigni Compliance Officer, OFAC
10:15 – 11:00	The AML Program BSA Compliance Exams	David Tilzer BSA/AML Program Manager, IRS
11:00 – 11:15	Morning Break	
11:15 – 12:00	What's New in New Jersey? NJ's New BSA/AML Exam Process	Ludi de Asis Hughes Assistant Director, NJDOBI
12:00 – 1:30	Lunch	
1:30 – 2:15	FinCEN's Re-Organization and Regulatory Policy	Anna Fotias Senior Regulatory Program Specialist, FinCEN
2:15 – 3:00	Suspicious Activity Reporting	Alex Basden Senior Specialist, Office of TEC/BSA
3:00 – 3:45	Investigations	Ralph Fatigate Associate Director, Protiviti
3:45 – 5:00	Industry Discussion	

\* Times are approximate.

**Industry and Government News and Trends**

Read the following article all the way through. Among the many troubling issues raised, the most troubling to me is that neither the article nor the banks distinguish between licensed and unlicensed check cashers. See page 29 in the following document: <http://www.dbf.state.fl.us/licensing/ch560.pdf>, where it says, I believe, that check cashing as a business requires a license in the State of Florida. –ed.

Patriot Act cuts migrants' cash flow Daytona Beach News-Journal - Daytona,FL,USA ... Unbeknownst to Trinidad, he was feeling the effects of the USA Patriot Act, passed two weeks after the terrorist attacks in September 2001. ... <http://www.news-journalonline.com/NewsJournalOnline/News/WestVolusia/03WVVolWEST01110704.htm>

Financial Regulation: Industry Changes Prompt Need to Reconsider U.S. Regulatory Structure. GAO-05-61, October 6. <http://www.gao.gov/cgi-bin/getrpt?GAO-05-61>

**Highlights** – <http://www.gao.gov/highlights/d0561high.pdf>

Immigration Enforcement: DHS Has Incorporated Immigration Enforcement Objectives and Is Addressing Future Planning Requirements....GAO-05-66, October 8....<http://www.gao.gov/cgi-bin/getrpt?GAO-05-66>

**Highlights** - <http://www.gao.gov/highlights/d0566high.pdf>

Wachovia buys SouthTrust Bank, becomes largest bank in .....MENAFN - Middle East... Checking account customers can now use a free online bill-paying service (which ... he called "one of the nation's best and largest financial services companies." ... [http://www.menafn.com/qn\\_news\\_story.asp?StoryId=CqyCuueienZe0nfDHv2HVDMLHyNv5C1nVDq](http://www.menafn.com/qn_news_story.asp?StoryId=CqyCuueienZe0nfDHv2HVDMLHyNv5C1nVDq)

PATRIOT ACT anti-money laundering rules may be finalized in 30 ...JCK - King of Prussia,PA,United States... word from the US Treasury Department's Financial Crimes Enforcement Network (FINCEN) that final rules that will extend the 2001 USA PATRIOT Act's anti-money ... <http://www.jckgroup.com/article/CA478103/jck?section=Legislative%2C+Regulatory+%26+Legal>

**Also see:** <http://www.indystar.com/articles/9/191456-3639-223.html>

Toothless Fight Against Money Laundering...Inter Press Service (subscription) – World...Paris, Nov 10 (IPS) - The fight against money laundering for terrorism is making little headway, and could be diverting attention from organised and corporate ... [http://www.ipsnews.net/new\\_notas.asp?idnews=26227](http://www.ipsnews.net/new_notas.asp?idnews=26227)

Registration of Pakistanis begins.... UPI.com ...November 3, 2004...Pakistanis, who comprise the largest number of Muslim immigrants in the United States, began registering with the Immigration and Naturalization Service Monday in line with new regulations. Large numbers turned up to register at Manhattan's Federal Building in New York. Elsewhere, lines...acronym, the USA Patriot Act of 2001. The act... <http://www.upi.com/view.cfm?StoryID=20030113-123421-5818r>

Of the following “high-risk” banks, how many got into trouble because of a domestic licensed money transmitter? None. -ed

**Riggs reports Q3 loss, faces investigations** Investor's Business Daily (subscription) - USA ... Washington, DC-based owner of Riggs Bank said its results were impacted by \$20.3 million in additional expenses related to Bank Secrecy Act compliance efforts ... <http://www.investors.com/breakingnews.asp?journalid=23917811&brk=1>

**Also see:**

[http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20041109006205&newsLang=en](http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20041109006205&newsLang=en)

INTERNATIONAL BANK REACHES SETTLEMENT International Bank of Miami has agreed to a disciplinary order from the U.S. Comptroller of the Currency and will permanently shutter its Capital Markets Group.<http://www.miami.com/mld/miamiherald/business/10132260.htm>

ABN Amro Profits Rise in Third Quarter...Forbes - USA... ABN Amro also confirmed that it is under investigation by US regulators relating "to its dollar-clearing activities and other Bank Secrecy Act matters." <http://www.forbes.com/business/manufacturing/feeds/ap/2004/11/01/ap1623294.html>

The USA Patriot Act and its International Impact...The Florida International Bankers Association (FIBA), Inc...<http://www.bettermanagement.com/library/library.aspx?libraryid=10835>

Footprint of the Financial Giants...HispanicBusiness.com - USA... Mr. Aguilar notes that some banks hope to establish long-term relationships by offering free checking services to customers who open remittance accounts. ...<http://www.hispanicbusiness.com/news/newsbyid.asp?id=18862>

Play at an Online Casino using Various Payment Methods...Online Casino Reports - USA... make deposit and receive winnings directly through major credit cards and PayPal --one of the internet biggest and most established online payment systems. ...  
[http://www.onlinecasinoreports.com/news\\_show.asp?id=610](http://www.onlinecasinoreports.com/news_show.asp?id=610)

Internet Payment Companies working with Online Casinos...Online Casino Reports - USA... you the most. Neteller is one of the largest, most widely used and most secure online payment systems on the net. Recently there ... [http://www.onlinecasinoreports.com/news\\_show.asp?id=608](http://www.onlinecasinoreports.com/news_show.asp?id=608)

Wells Fargo and S1 Team Up to Offer Banks New Private Labeled .....Business Wire (press release) - San Francisco,CA,USA... and have had to either turn customers away due to the bank's lack of infrastructure or had to default to only offering US dollar denominated payment services. ...  
[http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20041104005427&newsLang=en](http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20041104005427&newsLang=en)

Secretary Snow Names Daniel Glase Deputy Assistant Secretary Of Terrorist Financing And Financial Crimes...This Department of Treasury press release may be viewed at:  
<http://www.treas.gov/press/releases/js2086.htm>

### **To Get a License, or Not To Get a License**

This California startup is domiciled in the State of California and cannot be found on the DFI's list of Licensed Transmitters of Money Abroad. Why? Because it's stored value, so it doesn't count. Get it? I don't either. This is the startup model of choice these days. Banks will seem to have no problem doing business with them. Multiply this by about 10,000 such new companies every year. Is anybody listening? Is anybody concerned? Or do we as a society just focus on those like us, who are naive enough to get a license? --ed.

No Borders, Inc. Concludes Agreement with Mexican Federation of ...TMCnet - USA... portion of the net fees which No Borders retains from remittance transactions through ... through which a variety of financial and commercial services and products ... <http://www.tmcnet.com/submit/2004/Nov/1092691.htm>

### **Crime and Cases**

NJ Police Take Down Money Laundering Ring...7Online.com - New York,NY,USA...(Little Ferry-WABC, November 1, 2004) -- Police in New Jersey have busted up an alleged money laundering ring. ... All three were charged with money laundering. ...[http://abclocal.go.com/wabc/news/wabc\\_110104\\_carfraud.html](http://abclocal.go.com/wabc/news/wabc_110104_carfraud.html)

Former NY Prosecutor Faces Trial for Money Laundering...NY Lawyer - New York,NY,USA... Federal prosecutors contend that Albert Santoro boasted to the undercover officer that he could effectively launder money because of what he had learned as a ...

<http://www.nylawyer.com/news/04/11/111004d.html>

## International

Amnesty is a good idea....\$200 billion held outside Brazil is probably a low estimate. —ed.  
Governo estuda anistia para repatriar capital...Claudia Safatle De Brasília...O governo discute a elaboração de uma lei que permita a anistia de crimes tributários e cambiais como incentivo à repatriação de capitais. Calcula-se que os brasileiros possuam aproximadamente US\$ 200 bilhões no exterior.... <http://www.valor.com.br/veconomico/?show=index&mat=2677766&news=1>

Thursday October 28, 6:41 AM ...Brazil Raids Kroll Offices in Spy Probe...Police raided the Brazilian offices of international security consultant Kroll Inc. and arrested five employees Wednesday in an investigation into allegations of illegal spying by Kroll during the company's probe of a nasty corporate dispute. <http://asia.news.yahoo.com/041027/ap/d86028do0.html>

Brazilian police raid Moon organization.....UPI.com ...November 2, 2004 ...Brazilian federal authorities have raided holdings belonging to the Association of Families for Unification and World Peace --- an organization founded by the Rev. Sun Myung Moon --- AFUPM was suspected of tax evasion and immigration violations, the spokesman said authorities also thought the organization might have engaged in money laundering. <http://www.upi.com/view.cfm?StoryID=08052002-071751-7972r>

Citigroup, Itau Buy Control of Brazil's Credicard (Update2)...Bloomberg - USA... of purchases made on its cards to rise 21 percent in 2004 as domestic growth quickens and Brazilians turn from writing checks to electronic payment systems. ... [http://quote.bloomberg.com/apps/news?pid=10000086&sid=avUUUQNTDp2g&refer=news\\_index](http://quote.bloomberg.com/apps/news?pid=10000086&sid=avUUUQNTDp2g&refer=news_index)

Nauru passes new Acts to combat money laundering...ABC Online – Australia...The new Parliament in Nauru has passed another set of bills aimed at getting Nauru off the international money laundering black list. ... <http://www.abc.net.au/news/newsitems/200411/s1239551.htm>

Money laundering subject of new Centennial College courses...CNW Telbec (Communiqués de presse) – Canada....5 /CNW/ - With Canada acknowledged as a growing destination for money laundering, Centennial College has launched two unique courses in the subject designed ... <http://www.cnw.ca/fr/releases/archive/November2004/05/c9363.html>

Canada sees more money laundering head...London Free Press - London,Ontario,Canada... police in the last fiscal year -- a sizable jump over the \$460 million tracked the year before, says Fintrac, the federal agency monitoring money laundering.... <http://www.canoe.ca/NewsStand/LondonFreePress/News/2004/11/05/700990.html>

Also see: <http://www.rscopyright.com/AP/content.html?id=D8658LJ80>

Money Laundering: Moneygram Defends Nigerian Banks...AllAfrica.com – Africa...MONEYGRAM overseas (pty) Limited says Nigeria has not been involved in money laundering in its money transfer activity, hence its blacklisting from using its ..... <http://allafrica.com/stories/200411050008.html>

Finmin plans to crack the whip on money laundering...Economic Times - New Delhi,India... from unrelated persons, mandatory filing of Annual Information Returns (AIR) and prosecution for falsification of books of accounts to check money laundering. ... <http://economictimes.indiatimes.com/articleshow/906087.cms>

H I-TECH :- How IT drives Afribank by MD...Vanguard - Lagos,Nigeria... It is one of two banks recently appointed by Travelex for its money transfer service. To partner successfully with Travelex for ...<http://www.vanguardngr.com/articles/2002/features/fe510112004.html>

Money Transfer In 10 Minutes...Bru Direct - Brunei Darussalam... IPHO in partnership with MoneyGram International Money Transfer also provided a 10-minute \$10 promotion for five countries. With ...

<http://www.brudirect.com/DailyInfo/News/Archive/Nov04/081104/nite10.htm>

Devaluation stokes up forex black market...ZVNEWS.com - UK... Money transfer agencies also reported a significant drop in business since the new rate was announced. An official at Stanbic Bank ...<http://www.zvnews.com/issuefull.cfm?ArticleID=10503>

Revolution in the system of money transfer...Kazinform - Astana,Kazakhstan... It is a first system of money transfer through the cash machine in Kazakhstan and Central Asia; and according to the experts of the international payment ... <http://www.inform.kz/showarticle.php?lang=eng&id=99166>

Moneygram Expands...AllAfrica.com – Africa...Access to money transfer services will improve after MoneyGram International, a leading cash transfer agency struck a deal with Uganda Finance Trust Ltd to <http://allafrica.com/stories/200411010569.html>

The Philippines: is it \$6b or \$15b? Oh well, a billion here, a billion there....-ed.  
Wells Fargo helps Filipino-Americans...San Mateo County Times - San Mateo,CA,USA...Daly City -- Melanio Calayag dropped off \$250 at PERA remittance services Friday in Daly City, confident that in less than 24 hours, his son Lauro in Manila ...  
<http://www.sanmateocountytimes.com/Stories/0,1413,87~11268~2518228,00.html>

Also see: [http://biz.yahoo.com/prnews/041105/sff014a\\_1.html](http://biz.yahoo.com/prnews/041105/sff014a_1.html)

Labor dependency...ABS CBN News - Quezon City,Philippines... A remittance level of \$15 billion in 2003 would be equivalent to about ... competition from informal remitters which sometimes offer there same services at cheaper ... <http://www.abs-cbnnews.com/NewsStory.aspx?section=Focus&oid=62651>

US-Syria Talks on Money Laundering...Arutz Sheva – Israel..... to be held as to solve the standing problem over US accusations to the Commercial Bank of Syria that has been concentrated on money laundering," Al-Hussein ... <http://www.israelnn.com/news.php3?id=71863>

## **Compliance Events**

Webcast in Spanish: "Creando una cultura de cumplimiento en casas de cambio y remesadoras" (Creating a compliance culture in money services businesses). Two outstanding speakers, Oscar A. Herasme, CAMS, president and legal counsel of the External Compliance Officer, Inc. (Washington, D.C.), and Miguel Martínez, CAMS, director of risk administration and compliance officer at Base Internacional Casa de Cambio (Monterrey, México) will share their knowledge and expertise on this subject with Spanish-speaking professionals. We hope you can join us, so please mark your calendars: December 2, 2004 from 1- 3 PM. EST. <https://acams.org/espanol/webcasts/20041202/webcastreg.aspx>

Anti-money laundering group opens local chapter...Crain's New York Business - New York,NY,USA...The only US organization to certify anti-money laundering specialists is opening a New York City chapter that is meant to serve as a model for other local ...<http://www.crainsny.com/news.cms?id=9180>

Oct 26 (Reuters) - ....Commerce Bancorp Inc.....announced Michael Shepard has joined the firm as senior vice president, heading the Bank Secrecy Act unit....  
<http://www.reuters.com/newsArticle.jhtml?type=topNews&storyID=6617333>