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### NMTA Bulletin — Volume 9 — Thursday, October 21, 2004

**Please note:** If you would like to join the Association, please 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 Soon

Dear Readers,

It gives me great pleasure to announce the NMTA Winter Forum, *Crossroads: The Roadmap to Compliance*, to be held in New York City on November 15<sup>th</sup>, 2004. Please see our website for full details and Registration Form. You may register online or by mail. Everyone is welcome, including non-members, but space is limited, so please register soon. This will be a chance to meet colleagues and regulators, to share your views and perhaps learn a few things. For regulators, this will be a chance to meet a broad cross-section of the industry. I hope to see you there!

Regards,

-David

David Landsman  
Executive Director

### Industry and Government News and Trends

Wells Fargo, Banorte in Mexico money transfer pact ...Reuters ... October 20, 2004 ... Abstract: New York, Sept 28 (Reuters) - Wells Fargo & Co. , the No. 4 U.S. bank, on Tuesday said it has partnered with Grupo Financiero Banorte SA to make it easier for people living in the United States to wire...Banorte In Mexico Money Transfer Pact" ...

<http://www.reuters.com/newsArticle.jhtml?type=topNews&storyID=6356084>

See the attachments to this page; even the old material from 2002 is enlightening. The EU is light years ahead of us in the regulation of e-money. —ed. <http://neuclear.org/display/neu/Electronic+Money>

Sending Money Home ... Albuquerque Journal ...October 15, 2004 ....College would not be possible for Rafael Castillo's two sons back in Chihuahua, Mexico, without the monthly \$800 he wires home. "They depend on me," said the food service employee who lives and...transferring service, called VIGO, offered at the Guadalupe...Founded in 1985, VIGO was developed to offer...

[http://www.abqjournal.com/north/241346north\\_news10-14-04.htm](http://www.abqjournal.com/north/241346north_news10-14-04.htm)

Immigrants have options for money transfer...Akron Beacon Journal (subscription) ...Akron,OH,USA... Texas. In 1999, Western Union, First Data and MoneyGram Payment Systems Inc. settled claims the companies' fees were unfairly high. ...

<http://www.ohio.com/mld/ohio/business/9876730.htm>

Feds Try to Cut Off Illegal Immigration...Associated Press Online - Top News...October 12, 2004 ...Law enforcement officials in the Phoenix area are using new tactics to cut off illegal immigration: They are going after used-car salesmen who sell vehicles to smugglers, and arresting operators of safe houses

where immigrants stay after crossing the border.  
<http://www.rscopyright.com/AP/content.html?id=D85M4KN80>

**Also see:** Homeland Security: Major Challenges Remain in Transforming Immigration Programs. GAO-05-81, October 14....<http://www.gao.gov/cgi-bin/getrpt?GAO-05-81>  
Highlights - <http://www.gao.gov/highlights/d0581high.pdf>

From the St. Petersburg Times April, 2004, an immigrant saga, from the Hidalgo region of Mexico, to Clearwater, Florida. –ed. <http://www.sptimes.com/2004/webspecials04/francisco/>

Chain Store Guide Releases Top 50 Hispanic Markets Report...Associated Press Online - Top News....Wednesday, October 20, 2004  
<http://www.rscopyright.com/AP/content.html?id=D85R532G0>

### **Banks of High Money Laundering Concern**

Ala. Bank AmSouth to Pay \$10M Penalty ...Associated Press Online - Top News...October 12, 2004 ...Federal regulators imposed a \$10 million penalty against an Alabama bank for alleged violations of rules barring money laundering. ....jointly announced the action on Tuesday against AmSouth Bancorporation of Birmingham, Ala.... <http://www.rscopyright.com/AP/content.html?id=D85M4K480>

**Good page:** Huge Bank Fine Shows Urgent Need for Compliance Training...Gartner - Stamford,CT,United States... This agreement should prompt every business subject to the US Bank Secrecy Act to reevaluate its compliance activities to determine whether it could be next in ...  
[http://www3.gartner.com/DisplayDocument?doc\\_cd=124495](http://www3.gartner.com/DisplayDocument?doc_cd=124495)

Classy class action. –ed. Associated Press Online....Ticket Center Files \$45 Million Lawsuit Against Popular, Inc. SAN JUAN, Puerto Rico, Oct. 17 /PRNewswire/ –“Popular, Inc.... and Banco Popular....were recently sued .....for multiple banking and antitrust violations against vendors in the entertainment ticketing industry, particularly against Ticket Center....In January 2003, the company announced that, under a Deferred Prosecution Agreement with U.S. authorities ...it would forfeit \$21.6 million to....  
<http://www.rscopyright.com/AP/content.html?id=D85P8I200>

MTFG N.Y. unit ordered to improve money laundering surveillance+ ... Publication: Associated Press ...Online - Top News Date: October 20, 2004 Abstract: The Federal Reserve Bank of New York has ordered Union Bank of California International, a New York subsidiary of Mitsubishi Tokyo Financial Group Inc., to improve surveillance on money laundering, MTFG officials in Tokyo...management problems regarding money laundering during its regular inspection...  
<http://www.rscopyright.com/AP/content.html?id=D85R2VDO1>

**Also see:** UnionBanCal Reports....Business Wire (press release) – San Francisco, CA,USA UnionBanCal... has entered into a written agreement with the Federal Reserve Bank of New York (the New York Reserve Bank) relating to UBOCI's Bank Secrecy Act (BSA) controls ...  
[http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20041019006222&newsLang=en](http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20041019006222&newsLang=en)

Update 4-Japan FSA says filed criminal complaint against UFJ ... Reuters.....October 11, 2004 .....Tokyo, Oct 7 (Reuters) - Japan's Financial Services Agency said on Thursday it had filed a criminal complaint against UFJ Bank, the main banking unit of UFJ Holdings Inc. ...for impeding inspections of its...to prevent suspected money laundering. ....  
<http://www.reuters.com/newsArticle.jhtml?type=topNews&storyID=6437201>

Three Senior Citigroup Managers Removed ...Associated Press Online - Top News ...October 20, 2004 Citigroup Inc.. the financial services giant, confirmed on Wednesday that it was removing three senior executives in the wake of a banking scandal in Japan. The bank released a memo from chief executive

Charles Prince saying that Sir Deryck Maughan, a Citigroup...been linked to money laundering, extended loans used to...

<http://www.rscopyright.com/AP/content.html?id=D85R7DGG1>

**Also see:** <http://money.cnn.com/2004/10/20/news/fortune500/citigroup.reut/index.htm>

Citigroup ....on the other hand, hasn't performed as well. Down 5.8% in 2004 to \$44.56, the lingering effects of scandals have besieged the company.....

[http://www.forbes.com/2004/10/12/cz\\_mr\\_1012gurupicks.html](http://www.forbes.com/2004/10/12/cz_mr_1012gurupicks.html)

South Korea to investigate Citigroup operations-FT... Reuters ...October 14, 2004 ...London, Oct 5 (Reuters) - South Korea's financial regulator will investigate the Korean operations of U.S. financial services firm Citigroup after Japan's decision to shut its private banking unit, the Financial Times reported on Tuesday. "Regarding what happened to Citigroup...possible links to money laundering and domestic fund outflows...

<http://www.rscopyright.com/redirect.html?article=http%3A%2F%2Fwww.reuters.com%2FnewsArticle.jhtml%3Ftype%3DtopNews%26amp%3BstoryID%3D6410747&pid=5398>

### Commentary

Sept. 11: War on terrorism succeeding, but...UPI.com ...October 17, 2004 ...(This analysis is part of UPI's Special Report on the anniversary of the 2001 terror attacks.) In nearly two years since the Sept. 11 attacks on New York and Washington, America's counter-attack -- the war on terrorism -- can claim to have...identify and block money laundering, and U.S. Customs officers...

<http://www.upi.com/view.cfm?StoryID=20030827-082001-5432r>

### Crime and Cases

Swiss ban anonymous bank accounts ...UPI.com...October 17, 2004...Beginning July 1, Swiss banks will no longer offer anonymous, numbered accounts in an effort to fight fraud and terrorist financing. The emblematic anonymous numbered Swiss bank account has been part of the country's identity for over a century, but the country's...terrorist funding and money laundering. "Swiss Ban Anonymous Bank...

<http://www.upi.com/view.cfm?StoryID=20040630-040808-4255r>

**Also see:** Swiss ambassador to Luxembourg arrested ... UPI.com ...October 20, 2004 ... Switzerland's ambassador to Luxembourg has been arrested on suspicion of money laundering, prosecutors in both nations said Thursday. A statement from the Swiss federal prosecutor's office said Peter Friederich, 60, was placed under...to guard against money laundering. If banks suspect something...

<http://www.upi.com/view.cfm?StoryID=11072002-115900-8095r>

U.S. opens FBI office in Beijing ...UPI.com... October 18, 2004...U.S. Attorney General John Ashcroft on Thursday announced the opening of an attachÃ© office for the FBI in Beijing, an unprecedented move aimed at improving relations between the two countries while strengthening cooperation in fighting global terrorism and transnational crime. "The U.S....in tracking down money laundering plots." China is seeking... <http://www.upi.com/view.cfm?StoryID=20021024-083502-3621r>

UPI.com...October 17, 2004 ...The State Department's reaction to the European Union's decision to start bilateral political and trade talks with Iran was to remind European firms that sanctions legislation against Iran allows the United States to punish foreign companies that invest more than \$40 million...black list of money laundering nations is due to... <http://www.upi.com/view.cfm?StoryID=21062002-010845-2981r>

Operation Money Clip Dismantles Major Money Laundering and Drug ...DEA.gov - USA... multi-agency Organized Crime Drug Enforcement Task Force (OCDETF) investigation that targeted and dismantled an international money laundering and drug ... <http://www.dea.gov/pubs/pressrel/pr101904.html>

Customs officials accused in drug ring....10/20/04 11:11 AM, EDT...Two customs officials were among 20 people accused of participating in a drug ring that smuggled millions of dollars in heroin, cocaine and marijuana from Mexico to the U.S., according to a federal complaint unsealed Tuesday.  
<http://www.cnn.com/2004/LAW/10/20/drugring.ap/index.html>

**Also see:** <http://www.rscopyright.com/AP/content.html?id=D85QR0080>

No charges, no trial, government seizes money from working girl who is studying to become a lawyer....-ed. Law Student Paid Off Tuition as Call Girl...NY Lawyer - New York,NY,USA... Oakland Tribune and San Jose Mercury News. The stories cite a federal asset forfeiture complaint. Needless to say, this isn't the ... <http://www.nylawyer.com/news/04/10/101204k.html>

Abdurahman Alamoudi Sentenced To Jail In Terrorism Financing Case noticias.info (press release) - Spain... describe how, from November 1995 to September 2003, Alamoudi devised a scheme to obtain money from Libya and other sources overseas for transmission into the ...  
<http://www.noticias.info/Asp/aspComunicados.asp?nid=36416&src=0>

Treasury Designates Global Network, Senior Officials Of IARA For Supporting Bin Laden, Others.....The U.S. Department of the Treasury today designated the worldwide network of the Islamic African Relief Agency (IARA), along with five senior officials, pursuant to E.O. 13224. This action blocks all accounts, funds and assets of IARA in the United States and criminalizes the provision of money or other types of support to any of its offices. <http://www.treas.gov/press/releases/js2025.htm>

Treasury Designates North Valle Drug Cartel Traffickers...This Department of ... The U.S. Department of the Treasury targeted the financial network of the North Valle drug cartel by adding two of its leaders, Gabriel Puerta Parra and Luis Antonio Hernandez Zea, to the list of Specially Designated Narcotics Traffickers (SDNTs). SDNTs <http://www.treas.gov/press/releases/js2031.htm>

## International

Sao Paulo mayoral race gets malevolent...UPI.com ... October 15, 2004 ...The mayoral race in Sao Paulo, Brazil's largest city, is quickly becoming a tit-for-tat exchange of verbal blows between incumbent Marta Suplicy and her challenger Jose Serra, a former health minister and presidential candidate. During their first televised debate Thursday night, Suplicy...including embezzlement and money laundering -- are not guilt... <http://www.upi.com/view.cfm?StoryID=20041015-021302-3823r>

**Also see:** Police Charge Former Sao Paulo Mayor ....Associated Press Online - Top News...October 13, 2004...Federal police formally charged a former Sao Paulo mayor with money laundering, embezzlement and other crimes they allege he committed while in office, officials said Wednesday. Paulo Salim Maluf is accused of overbilling the government for highway and tunnel projects while mayor...  
<http://www.rscopyright.com/redirect.html?article=http%3A%2F%2Fwww.rscopyright.com%2FAP%2Fcontent.html%3Fid%3DD85MQHK01&pid=5648>

FSA unveils money-laundering progress report...LIA - UK... Authority (FSA) has issued a progress report on its efforts to simplify the UK's customer identification verification regime for anti-money laundering purposes ... <http://www.lia.co.uk/news/news.asp?ItemID=3644996>

**Also see:** FSA progresses on new money laundering guidelines...ifaonline.co.uk - London,United Kingdom...Streamlined rules on anti-money laundering requirements should answer criticisms of an existing heavy-handed approach that is turning off customers and ...  
<http://db.riskwaters.com/public/showPage.html?page=194330>

Major crackdown on money laundering...Scottish tv - Glasgow,Scotland,UK...The assets have been identified by the Scottish Drugs Enforcement Agency, which also tackles money laundering, immigration

crime and sex offences against ...

[http://scotlandtoday.scottishtv.co.uk/content/default.asp?page=s1\\_1\\_1&newsid=5430](http://scotlandtoday.scottishtv.co.uk/content/default.asp?page=s1_1_1&newsid=5430)

Beware latest scam: money laundering...Shout 99 – UK...The letter cites genuine money laundering laws such as the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2003.

<http://www.shout99.com/contractors/showarticle.pl?id=27810&n=>

Basic bank accounts: targeting the unbanked...UK Comment Wire - UK... Consumers able to access money transmission mechanisms would benefit from paying bills by direct debit, while also being able to receive salaries and benefits ...

[http://www.commentwire.com/commwire\\_story.asp?commentwire\\_ID=6062](http://www.commentwire.com/commwire_story.asp?commentwire_ID=6062)

Arab Nations Team Up to Fight Terrorism Finances...Reuters ...October 14, 2004 ...PARIS (Reuters) - Arab nations are teaming up to fight money laundering and terrorist funding, with special attention on non-profit organizations and hawala, an informal cash transfer system widely used in the...Task Force on Money Laundering (FATF), told Reuters

<http://www.reuters.com/newsArticle.jhtml?type=topNews&storyID=6496393>

Southern Africa: Anti-money laundering laws essential...Reuters AlertNet - London, England,UK...JOHANNESBURG, 19 October (IRIN) - All Southern African countries need to outlaw money laundering because it is costing their economies several billion dollars ...

<http://www.alertnet.org/thenews/newsdesk/IRIN/29aef4c60f118277090f2ca69d338917.htm>

Jamaica To Get Tougher On Money Laundering...Hardbeatnews.com - Jackson Heights, NY,USA... Jamaica Act,' the 'Banking Act,' the 'Financial Institutions Act' and the 'Building Societies Act' to address deficiencies and tackle money laundering and to ...

<http://www.hardbeatnews.com/details2310.htm>

UNI backs low cost remittance plan to help migrant workers...Union Network International – World...UNI is to back plans for a new low cost international money transmission service to help the increasing number of migrant workers across the globe. ...

<http://www.union-network.org/UNIAsiaPacific.nsf/0/7D6302B0BFC86F4BC1256F2B003D7F4D?OpenDocument>

Mexico City's former finance secretary faces money laundering ...NapaNet Daily News - Napa,CA,USA... Ponce faces money laundering charges and is being held in a high-security federal prison outside the capital, federal prosecutors said. ...

[http://www.napanews.com/templates/index.cfm?template=story\\_full&id=5C1FC747-EA3F-4650-8F76-59FA39AA01ED](http://www.napanews.com/templates/index.cfm?template=story_full&id=5C1FC747-EA3F-4650-8F76-59FA39AA01ED)

Taskforce to seek RAB help in anti-money laundering acts...Financial Express.bd - Bangladesh... The taskforce also decided to send a request letter to the Ministry of Commerce for taking measures to stop money transfer through courier services. ...

[http://www.financialexpress-bd.com/index3.asp?cnd=10/15/2004&section\\_id=1&newsid=1356&spcl=no](http://www.financialexpress-bd.com/index3.asp?cnd=10/15/2004&section_id=1&newsid=1356&spcl=no)

Microfinance: responding to the diverse financial needs of the ....Daily Star - Beirut,Lebanon... Competition among banks and money transfer agencies can help to reduce the fees associated with remittances and put more working capital in the hands of rural....

[http://www.dailystar.com.lb/article.asp?edition\\_id=10&categ\\_id=3&article\\_id=9195](http://www.dailystar.com.lb/article.asp?edition_id=10&categ_id=3&article_id=9195)

## **Compliance Industry**

Money Laundering Alert's 10th Annual International Money Laundering Conference & Exhibition The Westin Diplomat Resort & Spa, Hollywood, Florida, USA, March 2-4, 2005....Time is running out to save \$400 by October 15 - sign up at...

<http://www.moneylaunderingconference.com/2005/default.aspx?kc=4KE102>

Prime Associates, Inc. Announces CAMS Achievement...Yahoo News (press release) - USA  
... a complete suite of state-of-the-art solutions for Anti-Money Laundering, OFAC and Sanctioned  
Parties, Enhanced Due Diligence, Bank Secrecy Act and other ...  
[http://biz.yahoo.com/prnews/041012/phtu030\\_1.html](http://biz.yahoo.com/prnews/041012/phtu030_1.html)

## Company News

Remarkable profits. –ed.

First Data third-quarter profits rise.....Reuters.....October 16, 2004 ...NEW YORK, Oct 14 (Reuters) -  
Electronic payments processing company First Data Corp. said on Thursday third-quarter earnings  
rose 28 percent because of gains in its money transfer business. The Denver-based company,...Union in  
its money transfer network, said third-quarter net...  
<http://www.reuters.com/newsArticle.jhtml?type=topNews&storyID=6499498>

**Also see:** <http://www.rscopyright.com/AP/content.html?id=D85N4S9O0>

**Also see:** <http://www.denverpost.com/Stories/0,1413,36~33~2468899,00.html>

Payment Data Systems, Inc. Announces Secure Cash Network's Pronto ...PR Newswire (press release) -  
USA- PDS Becomes Payment Transaction Engine Behind SCN's Stored Value Cards - SAN ANTONIO,  
Oct. 19 /PRNewswire-FirstCall/ -- Payment Data Systems, Inc. ...  
<http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=109&STORY=/www/story/10-19-2004/0002287737&EDATE=>

Text money transfer expected to boost sales by 37 percent...ABS CBN News - Quezon City,Philippines...  
Philippines. Recipients can in turn transact using this mobile wallet or exchange stored value for cash in  
designated outlets. Ablaza ...  
<http://www.abs-cbnnews.com/NewsStory.aspx?section=Business&OID=61756>

A billion here, a billion there...-ed.

Starbucks nears \$1 bln on store card...CBS MarketWatch – USA...CHICAGO (CBS.MW) -- The  
reloadable Starbucks stored-value card is nearing the \$1 billion mark of total balances since its 2001  
launch....  
<http://cbs.marketwatch.com/news/story.asp?guid=%7B6C97C009-4E0A-4C26-965F-1F88076E8685%7D&siteid=google&dist=google>

Xoom Expands Its Money Transfer Services to South America; New ...Business Wire (press release) -  
San Francisco,CA,USA...SAN FRANCISCO--(BUSINESS WIRE)--Oct. 13, 2004--Xoom Corporation  
announced that it has expanded its money transfer service to six South American countries. ...  
[http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20041013005780&newsLang=en](http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20041013005780&newsLang=en)

HispanicBusiness.com - USA...American Card Services Launches Internet Platform Permitting Check.....  
the unbanked consumer with quality financial services," said Mr ... today in the EmpaSys(TM) bill  
payment program by ... customers the convenience of paying their bills ...  
<http://www.hispanicbusiness.com/news/newsbyid.asp?id=18708>

Center for Financial Services Innovation Study Highlights .....Business Wire (press release) - San  
Francisco,CA,USA...18, 2004--The Center for Financial Services Innovation (CFSI) today released its  
latest case study, The PayNet Deposit Program: Check Cashier-Credit Union ...  
[http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20041018005352&newsLang=en](http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20041018005352&newsLang=en)

CSI's Executive View Helps Fight Fraud, Money Laundering...PR Newswire (press release) - USA... In  
addition to the anti-money laundering programs and monitoring of high-risk customers banks are required  
to do, they should also watch for suspicious ...

<http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=109&STORY=/www/story/10-19-2004/0002287564&EDATE=>

New Technology Offers Immigrant Workers Convenience of ATM Cards ...Yahoo News (press release) - USA... Secondary Card initiative, MyMoneyPlus allows users to send money to their home countries without having to go through the traditional money transfer services. ...

[http://biz.yahoo.com/prnews/041012/latu132\\_1.html](http://biz.yahoo.com/prnews/041012/latu132_1.html)

CheckFree Business Unit, APS, Extends Marketing Agreement with .....Business Wire (press release) - San Francisco,CA,USA..... APS maintains agents in all 50 states, and operates as a licensed money transmitter in the 36 states that require such licenses to process walk-in bill payments...

[http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news\\_view&newsId=20041013005169&newsLang=en](http://home.businesswire.com/portal/site/google/index.jsp?ndmViewId=news_view&newsId=20041013005169&newsLang=en)

Cyphermint Partners with American Payment Systems (APS) For Bill ...PrimeZone (press release) - Los Angeles,CA,United States..... With the relationship the companies will provide electronic bill payment services for Cyphermint's PayCash(tm) and Kiosk Integration Solutions.

..[http://www.primezone.com/newsroom/news\\_releases.mhtml?d=65496](http://www.primezone.com/newsroom/news_releases.mhtml?d=65496)

ATSI Announces Long-Term Strategy...Associated Press Online - Top News Date: October 20, 2004 ....(<http://www.atsi.net> ) ATSI Communications, Inc. (OTC BB: ATSX) announced today a long-term strategy that coincides with the recently released business model. The company's primary focus is on providing international voice over Internet protocol ("VoIP") services with an emphasis on Latin...size of the money transfer business between the U.S....

<http://www.rscopyright.com/AP/content.html?id=D85R9M481>

### Other Fields

The fiscal conservative's Gordian workaround for the debt ceiling. –ed.

October 14, 2004 JS-2029 Letter from Secretary Snow to Congress Regarding Debt Limit...The Honorable Bill Frist, Majority Leader, United States Senate Washington, DC 20515

<http://www.treas.gov/press/releases/js2029.htm>

**Also see:** The letter itself: <http://www.treas.gov/press/releases/reports/frist.pdf>

UK Data Protection Act....It seems to be an evolving field of UK law, which you should probably consult a solicitor about, but it seems that the DPA was enacted to make business take precautions with handling only certain kinds of data...-ed.

<http://www.vnunet.com/news/1158869>

<http://www.hms.gov.uk/acts/acts1998/19980029.htm#aofs>

<http://www.informationcommissioner.gov.uk/>

[http://www.theregister.co.uk/2004/10/11/dpa\\_help\\_sme/](http://www.theregister.co.uk/2004/10/11/dpa_help_sme/)