

Money Service Businesses Review and Risk Assessment

Customer Name: _____

Account Number(s): _____

Type of Account(s): _____

Date of Application: _____

Type of Business (Circle one): Corporation, Sole Proprietorship, Partnership, LLC, LLP, Other (explain) _____

Determine whether the Business is a Money Service Business (MSB).

1. Is the business involved in any of the following? (Circle all that apply.)

- A. Currency dealer or currency exchange
- B. Check Cashing
- C. Issuer of Traveler's checks, money orders, or stored value
- D. Seller or Redeemer of Traveler's checks, money orders, or stored value
- E. Money Transmitter

2. If A, B, C, or D is circled for question #1, does the business engage in transactions greater than \$1,000 for any person on any day in one or more transactions? Yes or No.

If yes, this business is considered a money service business. Is this business registered? Yes or No.

If yes, request a copy of the MSB registration. List the State and Country that the business is registered in.

State: _____ Country: _____

RISK ASSESSMENT Section

1. What type of Money Service Business is this account holder? (Circle the one that applies)

- A. A principal with a fleet of agents
- B. An agent of another MSB
- C. An individual MSB working on its own behalf

2. When was this business established? Month: _____ Year: _____

3. When did the current owners establish or buy the business? Years: _____

4. What is the percentage of business derived from MSB activities? _____ Percent.

5. What markets does the business serve? (Circle all that apply)

- A. Local market with two party checks only
- B. Local market with third party checks cashed
- C. Local market with payroll checks
- D. Commercial account check cashing
- E. State wide transactions
- F. International transactions

6. What will the MSB use with this/these accounts? (Circle all that apply and list number of transactions expected per month and expected dollar amount of the average transactions)

- A. Currency Deposits or Withdrawals Number _____ Amount _____
- B. Check Deposits Number _____ Amount _____
- C. Currency Exchange Number _____ Amount _____
- D. Domestic Wire services Number _____ Amount _____
- E. International Wire services Number _____ Amount _____
- F. Purchase of Travelers checks, money orders, stored value cards Number _____ Amount _____
- G. ACH transfers Number _____ Amount _____

Reviewed by: _____

Date: ___/___/___.

BSA Officer Review Sheet for Money Service Businesses

Customer Name: _____
Account Number(s): _____
Type of Account(s): _____
Date of Application: _____
Type of Business (Circle one): Corporation, Sole Proprietorship, Partnership, LLC, LLP, Other (explain) _____
Date Reviewed: ___/___/___.

Review the MSB review sheet completed by the Money Service Business (MSB) owner or manager. Evaluate the answers for the following criteria to determine whether the MSB is considered "low" or "high" risk.

Low Risk Indicators

- This business primarily markets to customers that conduct routine transactions with moderate frequency in low amounts.
- Offers only a single line of MSB products (i.e. only check cashing)
- Is a check casher that does not accept out of state checks
- Is a check casher that does not accept third-party checks
- Is a check casher that only cashes payroll or government checks
- Is an established business with an operating history
- Only provides services such as check cashing to local residents
- Is a money transmitter that only remits funds to domestic entities
- Only facilitates domestic bill payments

Higher Risk Indicators

- Allows customers to conduct higher-amount transactions with moderate to high frequency
- Offers multiple types of money service products
- Is a check casher that cashed any third-party check or cashes checks for commercial businesses
- Is a money transmitter that offers only, or specializes in, cross-border transactions, particularly to jurisdictions posing heightened risk for money laundering or the financing of terrorism or to countries identified as having weak anti-money laundering controls
- Is a currency dealer or exchanger for currencies of jurisdictions posing heightened risk for money laundering or the financing of terrorism or countries identified as having weak anti-money laundering controls
- Is a new business without established operating history
- Is located in an area designated as a High Risk Money Laundering and Related Financial Crimes Area or a High-Intensity Drug Trafficking Area

Is this business considered Low Risk or Higher Risk? (Circle one) If the customer is High Risk, additional monitoring is necessary.

Enhanced Due Diligence for High Risk Customers

1. Request and review a copy of the MSB's anti-money laundering program
2. Has the MSB tested its anti-money laundering program? Yes or No.
3. Conduct an on-site visit.
4. Review a list of agents receiving services directly or indirectly from this MSB.
5. Review written procedures for the operation of the MSB.
6. Review written agent management and termination practices for the MSB.
7. Review training provided for management and employees engaging in MSB business.
8. Review written employee screening practices for the MSB.
9. Review account activity periodically to look for trends and discover unusual account activity.