

# Use of Additional Information in Suspicious Transaction Report Analysis

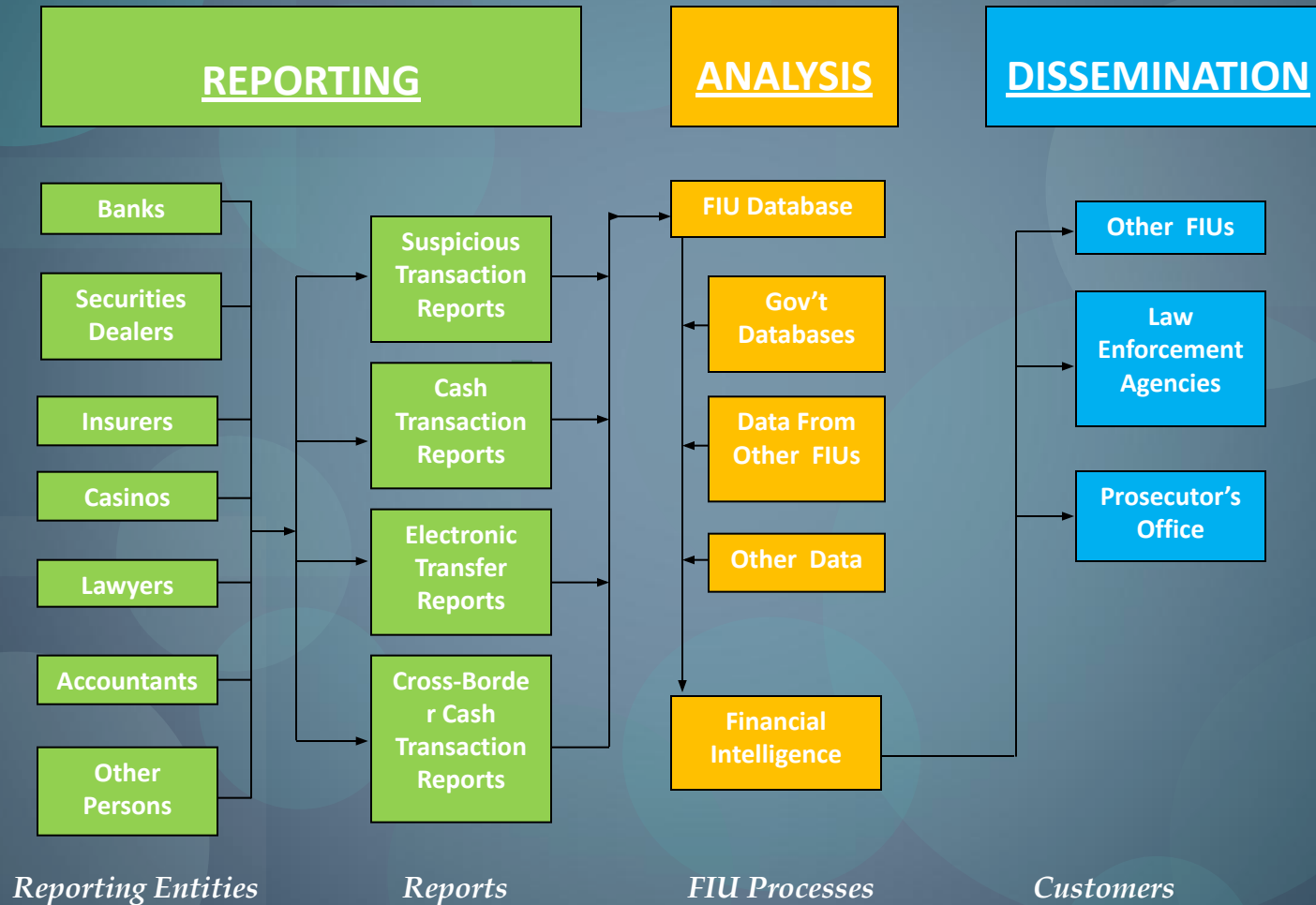
## FIU Approach

# Types of Additional Information

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- Threshold-based transaction and other reports received by the FIU in accordance with AML/CFT legislation.
- Government information (law enforcement, regulatory).
- Commercially available information.

# FIU Information Flow



# Threshold-Based Reports Received by an FIU

- Cash transaction reports.
- Cross-border currency and/or financial instrument reports.
- Electronic fund transfer reports.

# Threshold Report Structure

Reporting sections include information on the:

1. reporting institution or border authority filing the report;
2. physical person conducting the transaction;
3. person (physical or legal) on whose behalf the transaction is conducted;
4. transaction;
5. account (except cross-border transaction reports).

# Threshold Report Elements

## PART 1: Reporting Institution Information

1. Name of Reporting Institution
2. Reporting Institution Identifying Number
3. Physical Address
4. Contact Person at Reporting Institution
5. Telephone number
6. Type of Reporting Institution Submitting STR

# Threshold Report Elements Continued

## PART 2: Information on the Physical Person Conducting the Transaction

1. Surname(s)	2. Given Names
3. Date of birth	
4. Identity document number	5. Type of identity document
6. Country of residence	7. Country of citizenship
8. Physical Address	
9. City	10. Postal code
11. Telephone number(s)	13. Occupation/Type of Business

# Threshold Report Elements Continued

## **PART 3: Information Concerning the Physical or Legal Person on Whose Behalf the Transaction is Conducted**

- |   |  |
|---|--|
| 1. Surname(s) of individual or name of legal person   |  |
| 2. Given Names  | 3. Date of birth                       |
| 4. Identity/registration number   | 5. Type of ID/registration document    |
| 6. Country of domicile  | 7. Country of citizenship/registration |
| 8. Physical Address   |  |
| 9. City   | 10. Postal code                        |
| 11. Telephone number  | 12. Occupation/Type of Business        |
| 13. Relationship of individual conducting the transaction to the person on whose behalf the transaction is conducted. |  |



# Threshold Report Elements Continued

## PART 4: Transaction Information

- |   |   |
|---|---|
| 1. Currency   | 2. Amount                               |
| 3. Date of transaction                              | 4. End date of activity (if applicable) |
| 5. Description of funds involved in the transaction |   |
| 6. Suspected offense                                |   |

## PART 5: Account Information

- |   |                                |
|---|--------------------------------|
| 1. Account number                         | 2. Type of account             |
| 3. Date opened                            | 4. Date closed (if applicable) |
| 5. Full name(s) of account holder(s)      | 6. Account status              |
| 7. Additional information (if applicable) |                                |

# Threshold Reports in STR Analysis

## – DISADVANTAGES –

- Numbers of reports may be unmanageable.
- Vast majority of reported activities are legitimate.
- Analysis of them by themselves are of limited value.
- Those related to ML/TF have recognizable patterns and characteristics and are reported as STRs in most cases.

# Threshold Reports in STR Analysis

## — ADVANTAGES —

- Provide documented identifying data used by STR subjects.
- Identify potential persons for the analytical cluster.
- Uncover fund flows, transaction patterns, and conversion of funds relating to STR subjects.
- Point to other sources of information from reporting institutions and partner FIUs.

# Other Information Received by the FIU

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- FIU exchange information.
- Sponsoring agency data for those FIUs housed in a larger organization.
- FIU case data.
- Supplemental STR background information from reporting institutions.

# Types of Government Information

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- Investigation reports and criminal history records.
- Company formation and registration records.
- Border crossing records (arrival and departure).
- Immigration records (visa and long-term admission to country).
- Passport and drivers license records.
- Vehicle, aircraft and boat registration.
- Intelligence reports.

# Sample Criminal History Information

## Venezuela Criminal History Report

First Name:	John	Case Number:	FOM19980802
Middle Name:	M	Name on File:	Johnny Smith
Last Name:	Smith	Date of birth on file:	9/1/1973
Country:	Venezuela	File Date:	8/15/1998
City/Province:	Maracaibo/Zulia	Charge:	Drug trafficking
Passport Number:	US 210428928	Disposition Date:	9/27/1998
Date of Birth:	9/1/1973	Disposition:	Guilty
Degree	Felony	Sentence:	4 years jail

# Sample Border Crossing Information

## US Bureau of Customs and Border Protection

Passenger Surname	Stanton	ID Doc. Country	US
First Name	Sarah	ID Doc. Type	Passport
Other Name		Inspector	B. Taylor
Date of Birth	02/02/1975	Airline	UA
Crossing Date/Time	09/06/2007 1530	Flight Number	716
Location	JFK Airport Concourse E	Arrival Location	New York
Identity Doc. #	659302887	Departure Location	

# Sample Driver's License Information

Commonwealth of Virginia			
Surname	Johnson	Issue Date	05/28/1998
First Name	Karl	Expiry Date	09/16/2004
Date of Birth	06/06/1951	Restrictions	0
Address	1860 Quinn Street Arlington, VA 22201	Gender	Male
Driver's License #	A22-87-2409	Height	6-01



# Government Information in STR Analysis

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## – DISADVANTAGES –

- Requesting/receiving information from other government agencies may be time consuming.
- Information sharing restrictions may apply.
- Information may require special handling.
- Information may not be available electronically.

# Government Information in STR Analysis

## — ADVANTAGES —

- Provides documented identifying data used by STR subjects.
- Identifies potential persons for the analytical cluster.
- Identifies assets, physical movements, criminal activity.
- Reliability of information is of excellent quality.

# Types of Commercial Information

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- Business Records
- Identifying Data on Physical and Legal Persons
- Property Records
- Personal Property Records
- Bankruptcy Records
- Civil Case Documents
- Judgment Records
- Lien Records

# Sample Information: Dun & Bradstreet Business Information Report

## Business Summary

- Gorman Manufacturing Company, Inc  
492 KOLLER STREET  
SAN FRANCISCO, CA 94110

This is a **headquarters** location. Branch(es) or division(s) exist.

- Web site: [www.gorman.com](http://www.gorman.com) Telephone: 650 555-0000 Fax: 650 555-0011
- Chief executive: LESLIE SMITH, PRES
- Stock Symbol [GRM](#)
- Year started: 1965                      Employs: 110 (100 here)
- Financial statement date: DEC 31 2000
- Sales F: 19,683,736                      Net worth F: 3,160,644
- History: CLEAR                              Financing: SECURED
- SIC: 2752
- **Line of business:** COMMERCIAL PRINTING

# Sample Information: Dun & Bradstreet Business Information Report Continued

## Corporate Family

- **Headquarter**
- **Gorman Manufacturing Company Inc. Foundation**
- San Francisco, CA 81-478-5122
  
- **Parent**
- **Gorman Inc. Brothers Foundation**
- San Diego, CA 81-478-5122
  
- **Domestic Ultimate**
- **Gorman International Inc. Brothers Foundation**
- San Diego, CA 81-478-5122
  
- **Global Ultimate**
- **Gorman Co. Inc. Brothers Foundation**
- London, UK 81-478-5122

# Sample Information: Dun & Bradstreet Business Information Report Continued

## History

- The following information was reported 02/11/02:
- Officer(s): LESLIE SMITH, PRESIDENT
- KEVIN J HUNT, SEC-TREAS
- Director(s): THE OFFICER(S) and Corporate details under investigation.
- LESLIE SMITH born 1926. Graduated from the University of California, Los Angeles, CA, in June 1947 with a BS degree in Business Management. 1947-65 general manager for Raymor Printing Co, San Francisco, CA. 1965 formed subject with Kevin J Hunt. KEVIN J HUNT born 1925. Graduated from Northwestern University, Evanston, IL in June 1946. 1946-1965 was general manager for Raymor Printing Co, San Francisco, CA. 1965 formed subject with Leslie Smith.
- COMMON STOCK: AUTH SHARES - 200  
Corporate details under investigation.  
Business started 1965 by Leslie Smith and Kevin J Hunt. 100% of capital stock is owned by the officers.
- AFFILIATE
- The following is related through common principals, management and/or ownership. Gorman Affiliate Ltd, San Francisco, CA, started 1965. Operates as commercial printer. Intercompany relations: None reported by management.

# Sample Information: Dun & Bradstreet Business Information Report Continued

## Business Registration

- CORPORATE AND BUSINESS REGISTRATIONS PROVIDED BY MANAGEMENT OR OTHER SOURCE

The Corporate Details provided below may have been submitted by the management of the subject business and may not have been verified with the government agency which records such data.

- Registered Name: Gorman Manufacturing Company, Inc. Business type: CORPORATION. Corporation type: PROFIT Date incorporated: MAY 21 1965 State of incorporation: CALIFORNIA Filing date: MAY 21 1965 Common stock Authorized shares: 200 Where filed: SECRETARY OF STATE/CORPORATIONS DIVISION, SACRAMENTO, CA

## Operations

- 02/11/02 Description: Commercial printing specializing in advertising posters, catalogs, circulars and coupons.
- Additional telephone number(s): Toll-Free 800 000-0000. Has 225 account(s). Net 30 days. Sells to commercial concerns. Non-seasonal. Employees: 110 which includes officer(s). 100 employed here. Facilities: Rents 55,000 sq. ft. in a one story cinder block building. Location: Central business section on well traveled street. Branches: Subject maintains a branch at 1 073 Boyden Road, Los Angeles, CA.

# Sample Information: Lexis/Nexis Person Report

Full Name		Address		Phone	
DOE, WILLIAM A.		123 MAIN ST DAYTON, OH 45440-1234		(937)555-1234	
ADDITIONAL PERSONAL INFORMATION					
Social Security Number		Age		Gender	
444-44-XXXX (OH:1962-1962)		03/1944 (Age:61)		Male	
Name Variations					
1.	Doe, William A.				
2.	Doe, Bill				
3.	Doe, W A				
Social Security Number Summary					
#	SSN	State Issued		Date Issued	Warnings
Most frequent SSN attributed to subject:					
1	444-44-1234	Ohio		1962-1962	



# Sample Information: Lexis/Nexis Person Report Continued

## Address Summary – Four records found for subject

#	Address	Dates	Phone	Risk
1.	(Current) 123 MAIN ST , DAYTON, OH 45440-1234	04/10/2005	(937) 555-1234	
2.	200 ELM ST, DAYTON, OH 45429-4321	02/10/2003	(937) 400-2345	
3.	345 MAPLE DR #410, FLETCHER, NC 34512 COUNTY: HENDERSON	10/1999	(828) 555-3456	Postal Mail Box
4.	654 MARTIN LUTHER KING DR #200, CORPUS CHRISTI, TX 78412-7676 COUNTY: NUECES	06/1999		Psychiatric Hospital

# Sample Lexis/Nexis Property Report

## GEORGIA Property Record

<b>Name:</b>	PUBLIC, JOHN Q PUBLIC, JANE A	<b>Total Assessed Value:</b>	\$418,765
<b>Property Address:</b>	4909 RIVERTOP WAY DULUTH GA 30097	<b>Tax Amount:</b>	\$5,023.21
<b>County:</b>	GWINNETT	<b>Tax Year:</b>	2002
<b>Mailing Address:</b>	4909 RIVERTOP WAY DULUTH GA 30097	<b>Sales Price:</b>	\$408,575
<b>Assessor's Parcel Number:</b>	6-318-256	<b>Recorded Date:</b>	Aug 1, 1997
<b>Assessed Land Value:</b>	\$69,415	<b>Land Use:</b>	Single Family Residence
<b>Assessed Improved Value:</b>	\$349,350	<b>Year Built:</b>	1996

# Commercial Data in STR Analysis

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## – DISADVANTAGES –

- Reliability of data may be questionable.
- Amount of data retrieved may prove unmanageable.
- Information is sometimes provided by STR targets.
- Incidence of false positives and name transliteration errors are not uncommon.

# Commercial Data in STR Analysis

## — ADVANTAGES —

- Identifies relationships unavailable elsewhere.
- Identifies assets, alternate identities, international locations of activity.
- Points to other sources of information from partner FIUs.

# Weighing Sources and Data

- Reliability

1. reliable
2. usually reliable
3. unreliable
4. unknown reliability

- Validity

1. confirmed
2. probable
3. doubtful
4. unknown validity

# Additional Information in STR Analysis

## Conclusion

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- Categories of Additional Information
  - FIU Data
  - Government Agency Data
  - Commercial Information
- Application in STR Analysis
  - Advantages
  - Disadvantages
- Weighing Sources and Data

QUESTIONS?