



Section 3: Monitoring Checklist TRANSACTION MONITORING

The Compliance Officer must also establish procedures to monitor and review all transactions involving money orders and money transfers (if conducted by Agent's business) to better identify those transactions that might be suspicious, high-risk, or otherwise out-of-the ordinary, and may require special record keeping or reporting, such as a SAR or CTR. The Compliance Officer should also confirm that employees have been trained on identifying and recording required information for a SAR or CTR.

Transaction monitoring **MUST** include reviewing all MSB transactions that might also identify the same or related customers conducting multiple transactions in a short period of time.

All transactions, regardless of amount, and any customer activity that appears to be abnormal or suspicious must be reported as a part of ongoing transaction monitoring requirements.

Please follow the guide below to establish your monitoring procedures:

MONITORING PROCESS GUIDE:

How often should I monitor the transactions that occurred in my business location?

It is important to review and monitor ALL transactions on a regular basis. Depending on the amount of transactions you have and the system you establish, monitoring can occur daily, weekly, or monthly. You should never let transactions accumulate that have not been reviewed. Regardless of how often you monitor your transactions, you should always use the **Compliance Monitoring Checklist** and the **Transaction Monitoring Tracking Log**, included in this section.

Where do I get the transaction information to monitor?

The transactions receipts from your business are required to be kept. You should use these receipts to monitor the transactions your business processed. You can also use:

- Money Order sales Reports
- Consumer Compliance Report (on the *MoneyGram Business Portal*)
- The *Transaction Monitoring Tracking Log* to collect transaction information requested on the *Compliance Monitoring Checklist*
- Completed SARs and CTRs you E-Filed during the monitoring period

What do I do with the completed *Compliance Monitoring Checklist*?

Once you have completed the *Compliance Monitoring Checklist*, you should sign/date it and attach it to the *Transaction Monitoring Tracking Log* and then keep/file/store it with your Compliance related documents for at least 5 years.

Please make extra copies of the blank *Compliance Monitoring Checklist* and the *Transaction Monitoring Tracking Log*. Do not use your last blank forms.

COMPLIANCE MONITORING CHECKLIST

| | | | |
|-------------------|--|---------------------|--|
| AGENT NAME | | AGENT NUMBER | |
|-------------------|--|---------------------|--|

MONITORING PERIOD: _____ to _____
Start Date End Date

| Item # | | YES | NO | N/A |
|--------|--|-----|----|-----|
| 1 | During this monitoring period, did you hire any new employees to process money order or money transfer transactions? | | | |
| 2 | Did you train the new employee(s) on AML and Fraud Prevention requirements and how to record required information from transactions? | | | |
| 3 | Have you documented the AML and fraud prevention training of this (these) new employee(s)? | | | |
| 4 | Have you identified any unusual and/or suspicious activity during this monitoring period? | | | |
| 5 | Have you detected any structuring activity ? i.e. Splitting transactions to avoid ID requirements or any transaction below ID requirements? | | | |
| 6 | Have you detected flipping activity ? i.e. Customer receiving cash and using that amount to request the cash to be sent back out? | | | |
| 7 | Have SARs been completed for suspicious activity indicated above for this monitoring period? | | | |
| 8 | Have SARs been E-filed accurately within 30 days of detection of the transaction? | | | |
| 9 | Have you identified any transactions totaling over \$10,000 in CASH for ONE customer in ONE day? | | | |
| 10 | Have CTRs been completed for transaction amounts indicated above for this monitoring period? | | | |
| 11 | Have CTRs been E-filed accurately within 15 days of the transactions? | | | |
| 12 | Have you sold Money Orders totaling \$3,000 or more, in cash, to ONE customer in ONE day during this monitoring period? | | | |
| 13 | Have you completed the Money Order Log accurately for Money Order cash sales of \$3,000 or more per #13 ? | | | |
| 14 | Have all transactions requiring identifications been verified? | | | |

NOTES/COMMENTS:

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|---|------------------|-------------|
| | | |
| COMPLIANCE OFFICER/DELEGATE NAME | SIGNATURE | DATE |

