

## **INDEPENDENT REVIEW**

When you established your Compliance Program and with MoneyGram's approval, you indicated how often you would have an Independent Review of your AML Compliance Program.

In the event that you do not have your own Independent Review form, the following pages of this section contains an **Independent Review** template that you should have the reviewer use as a guide and complete accordingly.

### ***As a reminder:***

- An Independent Review of your MSB is required by Federal AML Regulations.
- The Independent Review will be conducted by a person or persons who are knowledgeable about the AML requirements that apply to MSBs.
- ***The Agent's Independent Review cannot be conducted by your designated Compliance Officer, anyone that reports to your Compliance Officer, or any MoneyGram representative.***

### **What do I do with the completed *Independent Review Form*?**

Once the Independent Review Form has been completed and signed by the reviewer, please keep/file/store it with your Compliance related documents for at least 5 years.

**Please make extra copies of the blank Independent Review Form and do not use your last blank one.**

# INDEPENDENT REVIEW FORM

Please Complete **ALL** Parts, Questions, Blanks, and Fields

**Note:** The Independent Review cannot be conducted by your designated Compliance Officer, anyone that reports to your Compliance Officer, or any MoneyGram representative.

Business Name/Business DBA:

Business Street Address:

City:  State:  Zip:

How many OTHER locations does this business operate that processes MoneyGram services?  \* Note: Please provide addresses for other locations covered by this review on Page 9 of this Independent Review Form.

## Part 1: MONEY SERVICES BUSINESS (MSB) REGISTRATION (Only Check One)

MSB Registration is **NOT** required at the time of this review because the Business **DOES NOT** conduct a money service business on its own behalf and is covered by the MoneyGram MSB Registration.

-or-

MSB Registration **IS** required at the time of this review because the Business **DOES** conduct a money service business on its own behalf and **IS** registered as a MSB with the US Department of Treasury. *A copy of the registration IS kept in the Business AML Files.*

## Part 2: RISK ASSESSMENT

MSBs are often targeted by money launderers or other criminals to help them hide or disguise the nature, location, source, ownership or control of illegally obtained money. The risk of this occurring increases based on the location of the Business, the number and types of financial services offered and/or the number of providers offered. Offering multiple products and/or services increases a money launderer or other criminal's ability to structure transactions to avoid detection and recordkeeping requirements.

If more than one (1) product or service is offered, the Independent Reviewer should review the Business' Compliance Program with more in-depth analysis on each type of product or service offered.

### Location Risk

Law enforcement agencies and government regulators have identified areas that are at higher risk for money laundering, related financial crimes, and drug and human trafficking. The appropriate websites are listed to help determine the correct response to the following questions:

- Yes  No  Is the Business located in an area at *high risk* for **money laundering** or related **financial crimes**?  
<http://www.fincen.gov> (Search site for high risk areas for money laundering)
- Yes  No  Is the Business located in an area at *high risk* for **drug trafficking**?  
<http://www.whitehouse.gov> (Search site for Drug Trafficking areas)
- Yes  No  Does the Business transfers funds to *high-risk* locations?  
<http://www.treasury.gov/> (Search site for OFAC sanctions)

### Product Risk

Which products or services below does the Business offer: (Check all that apply)

- Money/Wire Transfers  Money Orders  Stored Value Cards  Currency Exchange  Check Cashing

### Service Risk

Being an Agent for more than one MSB provider/competitor of money services makes it easier for a money launderer or other criminal to structure transactions to avoid detection and recordkeeping requirements.

- Yes  No  Is the Business an Agent for more than one MSB provider?

If "Yes", please list all Business' MSB Providers:

**Compliance Officer**

Yes  No  Has the Business Designated/Named a Compliance Officer?

Name of the Business Compliance Officer:

Yes  No  Does the Compliance Officer fully understand and complete the responsibilities of this position?

**Briefly describe, in the space below, the responsibilities of the Compliance Officer and explain how the Independent Reviewer is certain the Compliance Officer understands and complete the responsibilities of this position:**



**Compliance Program**

Yes  No  Has the Business adopted a **written** Compliance Program?

Yes  No  Does the adopted Compliance Program includes written policies, procedures and internal controls designed to comply with the requirements of the **Bank Secrecy Act** including:

- Customer identification
- E-Filing Suspicious Activity Reports (SAR)
- E-Filing Currency Transaction Reports (CTR)
- Recordkeeping and retention requirements
- Response to law enforcement requests for information

**Briefly describe, in the space below, how the Compliance Program was verified by the reviewer:**



Yes  No  Does the Compliance Program include limits specific to the Business, such as a maximum send amount, a maximum receive amount or a maximum amount of money orders that may be purchased?

**Briefly describe, in the space below, how these limits are monitored and enforced:**



**Part 4: EMPLOYEE TRAINING**

- Yes  No  Have ALL employees that process MSB transactions received AML Compliance related training?
- Yes  No  Does the training include having the employee read the Business Compliance Program?
- Yes  No  Are employees trained to recognize all forms of suspicious activity including, but not limited to, money laundering, fraud, elder/senior financial abuse, and structuring?
- Yes  No  Is the training material used current with existing regulations and requirements?
- Yes  No  Does the training material used contain all necessary content to help assure all employees understand what is required to maintain compliance?
- Yes  No  Are employees tested to confirm that they have learned the compliance requirements?
- Yes  No  Are all employee training records well documented and processed to be stored for a minimum of 5 years?

***If a "No" was checked for any question above, please use the space below to explain why:***

**Training Frequency Schedule**

Please indicate below the schedule the Business implements for employee AML Compliance related training: *(Check all that apply)*

- Every Month  Every 6 months  Once a Year  As Necessary

***Briefly describe, in the space below, the training material and content:***



***Briefly describe, in the space below, how the employee training process/content was verified by the reviewer:***



**Customer Identification**

Yes  No  Is a valid, government issued, photo I.D. recorded for **money order** sales of \$3,000 or more?

Yes  No  Is a valid, government issued, photo I.D. recorded for **money transfer** transactions of \$900 or more?

Yes  No  Does the Compliance Officer (or their designee) periodically review the Money Order logs, the Send/Receive forms, and/or the Form Free receipts to ensure that the Customer I.D. policy and procedures are being followed?

**Briefly describe, in the space below, how the customer I.D. process was verified by the reviewer:**



**Money Order Processing**

Yes  No  Are all money order transactions of \$3,000 or more recorded on a Money Order Log?

Yes  No  Does the Compliance Officer (or their designee) review daily activity to identify money order transactions that may require a money order log to be completed?

How often are money order logs reviewed to determine if CTRs and/or SARs should have been E-Filed?

Every Day  Every Week  Every Month  Other *(Explain Below)*

Yes  No  Are completed money order logs stored for a minimum of 5 years?

**Money Transfers Processing**

Yes  No  Are money transfer send/receive forms or form free receipts accurately completed for transfers of \$3,000 or more?

Yes  No  Does the Compliance Officer (or their designee) review money transfer send/receive forms or form free receipts for accuracy and completeness?

How often are money transfer send/receive forms or form free receipts reviewed to determine if CTRs and/or SARs should have been E-Filed?

Every Day  Every Week  Every Month  Other *(Explain Below)*

Yes  No  Are money transfer send/receive forms or form free receipts for transfers of \$3,000 or more stored for a minimum of 5 years?

**Briefly describe, in the space below, how the money order/transfer processes was verified by the reviewer:**



**If a "No" or "Other" was checked for any question above, please use the space below to explain why:**



**E-Filing Suspicious Activity Reports (SARs)**

Yes  No  Does the Compliance Officer (or their designee) review all transaction activity to look for structuring and other suspicious patterns to ensure that SARs are being E-Filed when necessary?

Transaction activity is reviewed:

Every Day  Every Week  Every Month  Other *(Explain Below)*

Yes  No  Are there blank E-File SAR forms available to employees so that they may **immediately** collect information from suspicious transactions? *Note: SARs are E-filed through the BSA E-Filing System.*

Yes  No  Are SARs accurately completed and timely E-Filed for all suspicious transactions of \$2,000 or more?

Yes  No  Are copies of SARs that were E-Filed, and the supporting documentation, stored for a minimum of 5 years?

**E-Filing Currency Transaction Reports (CTRs)**

Yes  No  Does the Compliance Officer (or their designee) review all transaction activity to identify those transactions that, either individually or combined, may require a CTR to be E-Filed?

Transaction activity is reviewed:

Every Day  Every Week  Every Month  Other *(Explain Below)*

Yes  No  Are there blank E-File CTR forms available to employees so that they may **immediately** collect information from transactions requiring a CTR? *Note: CTRs are E-filed through the BSA E-Filing System.*

Yes  No  Are CTRs accurately completed and timely E-Filed for all transactions more than \$10,000, including fees?

Yes  No  Are copies of CTRs that were E-Filed, and the supporting documentation, stored for a minimum of 5 years?

**Briefly describe, in the space below, how the SAR/CTR E-File processes was verified by the reviewer:**



**If a "No" or "Other" was checked for any question above, please use the space below to explain why:**



- Yes  No  Do the disclosure forms contain all the language translations used by the Business to advertise MoneyGram products and services?
- Yes  No  Does the Business provide the correct disclosure form to customers BEFORE processing an *international* money transfer transaction?
- Yes  No  Does the Business retain a copy of the *international* transaction receipt containing the customer's signature?
- Yes  No  Is the Error Resolution and Cancellation Notice available for customers upon request?
- Yes  No  Are the Business employees able to explain the cancellation refund process to customers when required?

**Briefly describe, in the space below, how the Dodd-Frank processes was verified by the reviewer:**



**If a "No" was checked for any question above, please use the space below to explain why:**



Part 8: INDEPENDENT REVIEW

- Yes  No  Are Independent Reviews regularly conducted on the Business to monitor and maintain a required compliance program?

How often is an Independent Review conducted?

- Every Six Months
- Every Year
- Other *(Explain Below)*

**Briefly describe, in the space below, how the Independent Review process was verified by the reviewer:**



**If a "No" or "Other" was checked for any question above, please use the space below to explain why:**



It is critical that the Business being reviewed is meeting *reporting* and *recordkeeping* requirements. It is recommended that the reviewer conducts an analysis or test on a sample of random completed transactions from the past. *Guidelines for this analysis are detailed below.*

Yes  No  Will a business data and records analysis be conducted on the Business? *(If not, please explain why below.)*

**Briefly describe, in the space below, the results of the business data and records analysis:**



### Business Data and Records Analysis Guidelines

1. Money transfers of \$900 and above must include the customer's:
  - Name
  - Current residential address
  - Phone number
  - Type of ID provided, the ID number and the ID issuer
2. Money transfers of \$3,000 and above must include the customer's:
  - Name
  - Current residential address
  - Phone number
  - Type of ID provided, the ID number and the ID issuer
  - Social Security number (SSN) or Tax ID Number (TIN), if the customer is a citizen or authorized resident in the U.S.  
*A SSN or TIN is unnecessary if the customer lives and works outside of the U.S. and presents a passport or other applicable photo ID issued by a foreign government.*
  - Date of birth (DOB)
  - Specific occupation
  - Signature
3. Multiple money order cash purchases made by the *same person in one business day* must be aggregated, or added together, and treated as a single purchase, even if purchased at different times during the day. If the same consumer purchases \$3,000 or more in money orders, using cash, in the same day, the following consumer transaction information must be recorded on a Money Order Log **BEFORE** completing the transaction(s):
  - Name
  - Current residential address
  - Phone number
  - Type of ID provided, the ID number and the ID issuer
  - Social Security number (SSN) or Tax ID Number (TIN), if the customer is a citizen or authorized resident in the U.S.  
*A SSN or TIN is unnecessary if the customer lives and works outside of the U.S. and presents a passport or other applicable photo ID issued by a foreign government.*
  - Date of birth (DOB)
  - Specific occupation
  - Signature
4. Aggregated transaction activity should be reviewed to determine if SARs or CTRs were required to be E-Filed.



# Acknowledgement of Independent Review Completion

I certify an independent review of the compliance program belonging to the Business listed below has been completed.

**Business Name/Business DBA:**

Among other things, this review focused on the requirements of the USA PATRIOT Act and the Bank Secrecy Act.

The results of this review show that the Business' anti-money laundering compliance program is:

- Acceptable     Acceptable: Requires Enhancements Detailed Below     Unacceptable: Detailed Below

***Please describe, in the space below, the enhancements needed or reasons for an "unacceptable" rating:***



**Reviewer's Name:**

**Reviewer's Title:**

**Reviewer's Company:**   
(Optional)

**Date of Review:**

**Reviewer's Signature:**

# Additional Location Address (If Required)

**Business Name/Business DBA:**

**Business Street Address:**

**City:**  **State:**  **Zip:**

**Business Name/Business DBA:**

**Business Street Address:**

**City:**  **State:**  **Zip:**

**Business Name/Business DBA:**

**Business Street Address:**

**City:**  **State:**  **Zip:**

**Business Name/Business DBA:**

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**Business Name/Business DBA:**

**Business Street Address:**

**City:**  **State:**  **Zip:**

*If additional locations blanks are needed, please copy this page and add accordingly.*