

AGENT ANTI-MONEY LAUNDERING COMPLIANCE PROGRAM FOR MONEY ORDER SALES


Revision as of January 10, 2024

Explanation/Training Video Link: www.northamericanmoneyorder.com/aml

This Program should be reviewed and updated on a periodic basis. NAMOC recommends that this review and update be performed on an annual basis. If you need additional copies of this program, you may copy this AGENT ANTI-MONEY LAUNDERING COMPLIANCE PROGRAM FOR MONEY ORDER SALES, or contact the NAMOC Compliance Department at 1-844-507-1476 or email at aml@northamericanmoneyorder.com.

PROGRAM INFORMATION AND INSTRUCTIONS

This document contains policies and procedures to help your business comply with federal and state specific Anti-Money Laundering (AML) regulations, guidelines and laws for money order sales. If you engage in any other Money Services Business (MSB) activity, such as check cashing, money transfers, or stored value sales, then you will need to adopt a similar program for those activities. In order for this document to be considered an adequate AML program, you must:

Information needs to be completed wherever you see the following symbol 

- Adoption of this document as your AML Program (Page 2)
- Policies and procedures on MSB Registration (Page 2)
- Designation and Duties of Compliance Officer (Page 3)
- Policies and procedures on employee training (Page 3)
- Policies and procedures on transaction monitoring (Page 4)
- Document transaction limits (Page 4)
- Policies and procedures on Record Keeping Requirements (Page 5)
- Policies and procedures on Law Enforcement Inquiries and Requests (Page 5)
- Policies on Independent Review (Page 5)

LEGAL DISCLAIMER

Although this document contains legal information, it is not intended to be, nor should it be considered legal advice. For legal advice, including the interpretation and application of any law, please consult an attorney.

CIVIL & CRIMINAL SANCTIONS

Any person who sells and/or offers money orders must be aware that he / she is responsible if the business and / or employee is willfully blind to suspicious activity or knew information that he / she “should have known” was suspicious. The penalties for violating federal and / or state specific AML regulations are severe, and under certain circumstances, could be assessed against a business and / or business’s employees.

Any employee that violates these policies and procedures, either unknowingly or intentionally may be subject to disciplinary action, including but not limited to, termination of employment, civil fines and criminal punishment.

**ADOPTION OF ANTI-MONEY LAUNDERING COMPLIANCE PROGRAM
FOR MONEY ORDER SALES**



Name of Business

to be known herein as the 'Business' hereby certifies and adopts the policies and procedures contained in this document, including the:

North American Money Order Company Anti-Money Laundering Compliance Guide, Revision as of January 10, 2024
as its Anti-Money Laundering (AML) Compliance Program For Money Order Sales.



Print Name



Title



Signature



Date

POLICY STATEMENT

The Business, its directors, its officers and its employees are dedicated to the fight against money laundering and are committed to preventing our products and services from being used for illegal purposes. The Business refuses to do business with anyone who knowingly engages in illegal activity. Therefore, this Anti-Money Laundering Program (AML Program) is being established to ensure that not only the letter of the various laws and regulations, both state and federal, relating to anti-money laundering including but not limited to the Bank Secrecy Act (BSA), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT) and the requirements of the Office of Foreign Assets Control (OFAC) , are observed; but also, that the spirit of those laws is observed as well. The Business's AML Program is designed to prevent, detect, and ultimately help prosecute money laundering and the financing of terrorism.

MSB REGISTRATION REQUIREMENTS

If the Business only sells North American Money Order Company, Inc. (NAMOC) money orders and does not conduct any other MSB activity, then the Business does not need to register as a MSB with the U.S. Department of the Treasury.

If the Business conducts MSB transactions on its own behalf (such as check cashing over \$1,000), then the Business must complete FinCEN Registration of Money Services Business within 180 days from the date the Business began conducting MSB transactions. Every two (2) years a re-registration is also required. Instructions on how to file the registration can be found at www.fincen.gov.

BUSINESS MSB REGISTRATION



Check which applies:

- The Business DOES NOT conduct money services business transactions on its own behalf and the Business does not conduct any other money services business transactions on behalf of another company. The Business is covered by the NAMOC MSB registration. The Business DOES NOT need to register independently as a MSB.
- The Business DOES NOT conduct money services business transactions on its own behalf. The Business does conduct other money services business transactions on behalf of another registered company (such as a wire transfer service). The Business is covered by the NAMOC MSB registration and is covered by the registration of the other registered company. The Business DOES NOT need to register independently as a MSB.
- The Business conducts money services business transactions on its own behalf. The Business MUST register as a MSB with the U.S. Department of the Treasury. The Business will maintain a copy of the registration with its AML Files. Re-registration as a MSB is required every two years.

THE COMPLIANCE OFFICER



Name of Person



Title

is hereby designated as the Anti-Money Laundering Compliance Officer.

DUTIES OF COMPLIANCE OFFICER

The Compliance Officer, as well as senior management, responsibilities include:

- I. The development and revision, as necessary, of this AML Program for the Business including the following:
 - A. Establish and update policies and procedures for the completion, review, filing and retention of all reports required under the BSA and USA Patriot Act;
 - B. Establish and update policies and procedures for compliance matters, such as handling the reporting of suspicious transactions, responding to requests and inquires from government and law enforcement officials (including IRS examination notices) and conducting AML Program reviews;
 - C. Work with the Business' management to implement policies, procedures and internal controls to correct compliance deficiencies, enhance compliance performance, and respond to regulatory changes.
- II. The ongoing training and supervision of all employees involved in AML Program:
 - A. Manage and update the employee training program to ensure that employees receive, at a minimum, initial and ongoing training on AML issues;
 - B. Provide supplemental training as needed to address and correct any compliance deficiencies noted through monitoring and audit activities.
- III. The monitoring of employees on AML compliance issues:
 - A. Perform and/or supervise the daily, weekly and monthly transaction testing;
 - B. Investigate any unusual changes in transaction or consumer activity;
 - C. Review all currency and suspicious activity reports for accuracy and completeness before filing;
 - D. Monitor employee compliance with policies and procedures;
 - E. Identify the need for and implement corrective action;
 - F. Ensure that annual independent compliance program review is conducted and that any necessary corrective actions are taken.
- IV. Maintain records to show compliance:
 - A. Maintain compliance manuals and program materials;
 - B. Maintain documented records of employee and agent training;
 - C. Maintain monitoring records and reports;
 - D. Maintain any filings with governmental entities including CTRs, SARs, and registrations.
- V. Serve as primary contact and provide information as requested by law enforcement officials.

EMPLOYEE TRAINING TRAINING REQUIREMENTS

Training must be provided to all supervisory employees who are involved with MSB transactions and at a minimum must include:

1. Identifying suspicious activity and structured transactions;
2. Recordkeeping and reporting requirements;
3. Verifying customer identification;
4. Familiarity with AML forms.

Before conducting any MSB transactions, new supervisory employees are required to understand and comply with the contents of this AML Compliance Program and sign the Employee AML Training Documentation Log. Existing supervisory employees who conduct MSB transactions will receive periodic refresher AML training that will be documented by re-signing the Employee AML Training Documentation Log.

The *North American Money Order Company Anti-Money Laundering Compliance Guide* can be used to help train employees. Additional employee and Compliance Officer training are available from NAMOC Compliance Department or from www.fincen.gov.

SCHEDULING PERIODIC EMPLOYEE TRAINING

The Business Compliance Officer will schedule and ensure periodic employee AML training is conducted:

 Check which applies:

- Every month
- Semi-Annually (every 6 months)
- Annually (every 12 months)
- As necessary
- Other: _____

TRANSACTION MONITORING


The Compliance Officer must establish procedures to review and monitor high risk, out of the ordinary transactions involving money orders to identify transactions that may require special recordkeeping or reporting.

Transaction monitoring should include reviewing all MSB transactions to identify if the same or related customers conduct multiple transactions in a short period of time.

All transactions and customer activity that appears to be abnormal or suspicious must be reported.

TRANSACTION LIMITS FOR MONEY ORDERS

The Business will offer or sell a **single money order** to one person **in a single business day** to the maximum amount of:

 \$ _____

The Business will offer or sell **combined money order purchases** to one person **in a single business day** to the maximum amount of:

 \$ _____

Aggregated money order sales of \$3,000 or more to the same person, or related persons, in the same business day must be documented on the Money Order Transaction Log Sales Over \$3,000, regardless of Business limits.

Transactions that are structured at or below AML Compliance thresholds should be considered Suspicious Activity and should be filed on a FinCEN SAR.

The Business is solely responsible for ensuring money order limitations are enforced.

RECORDKEEPING AND REPORTING REQUIREMENTS

All recordkeeping and reporting procedures are designed to comply with Federal and state specific AML Regulations. See the *North American Money Order Company Anti-Money Laundering Compliance Guide, Revision as of January 10, 2024* for specific requirements. Complying with the AML Regulations requires the Business to:

1. Register as a MSB;
2. File suspicious activity reports;
3. Keep records of aggregated cash purchases of money orders (multiple purchases made in the same day) of \$3,000 to \$10,000;
4. File FinCEN Currency Transaction Report (CTR) for all currency transactions of more than \$10,000;
5. Obtain and retain other records as necessary;
6. Employee training documentation and logs;
7. Independent Reviews.

All recordkeeping and reporting documentation required by the Bank Secrecy Act (BSA) and state specific regulations will be maintained for a minimum of five (5) years and will be made readily available to the U.S. Treasury Department and / or representatives from other government officials upon legitimate request.

In accordance with the Privacy Act, the Business will protect customers' personal and private information. All documents that contain customers' private and personal information will be stored in a secure location. If the Business discards any MSB documents, the documents must be completely destroyed prior to disposal.


RESPONSE TO LAW ENFORCEMENT REQUESTS

Government regulators and law enforcement agencies may seek information and records from time to time. Any person associated with or connected to the Business who receives or is served with a summons, subpoena or court order related to business with NAMOC should immediately contact the NAMOC Compliance Department at 1-844-507-1476 for assistance.

The Business will assist these entities in their investigations, provided the requests are conducted in a lawful manner. This is necessary to ensure that the Business complies with customer privacy laws. Furthermore, government agents are not permitted to use their summons authority to go on unwarranted "fishing" expeditions in our records. Employees should not feel pressured by government agents to release consumer or company information without first receiving a proper summons, subpoena or court order.

INDEPENDENT REVIEW OF AML COMPLIANCE PROGRAM

The Business will conduct periodic independent reviews of its AML Compliance Program as 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 Business' Independent Review cannot be conducted by the Business' designated Compliance Officer or any person who reports to the Compliance Officer.

 The Business' Compliance Officer will schedule and ensure an Independent Review of the Businesses' AML Compliance Program:

- Semi-Annually (every 6 months)
- Annually (every 12 months)
- As necessary
- Other: _____