

MONEY LAUNDERING RED FLAGS **CURRENCY EXCHANGES AND OTHER CURRENCY TRANSACTIONS**

This document lists various transactions and activities that may indicate potential money laundering. While not all-inclusive, the list does reflect ways that launderers have been known to operate. Transactions or activities listed here may not necessarily be indicative of money laundering if they are consistent with a customer's legitimate business. Also, many of the "red flags" involve more than one type of transaction.

1. **Unusual exchange of denominations.** An individual or group seeks the exchange of small denomination bills (five, ten and twenty dollar bills) for large denomination bills (hundred dollar bills), without any apparent legitimate business reason.
2. **Check cashing companies.** Large increases in the number and/or amount of cash transactions for check cashing companies.
3. **Unusual exchange by a check cashing service.** No exchange or cash-back for checks deposited by an individual who owns a check cashing service can indicate another source of cash.
4. **Suspicious movement of funds.** Suspicious movement of funds out of one bank, into another bank, and back into the first bank can be indicative of money laundering.