

WL ATMs IN CONTEXT: DEBUNKING THE MYTH THAT ATMs PRESENT A MATERIAL RISK FOR ORGANIZED CRIME MONEY LAUNDERING

FOCUS OF COMMISSION	LEGITIMATE BUSINESS	FOUR (4) WAYS TO GET THE CASH INTO THE BANK	DEPOSIT WHERE?	CASH QUALITY AND DENOMINATIONS	REGULATED BY	AML PROCEDURES	CONCLUSION
<p>Organized crime / money laundering of proceeds of crime</p> <p>\$ from crime →</p>	<ul style="list-style-type: none"> ➤ Registered ➤ Maybe liquor license ➤ Maybe VLT license ➤ Tax numbers “Clean Business Owner” <p>• Willing collaborator OR</p> <ul style="list-style-type: none"> • Coerced/extorted to collaborate <p>Comingle with money from legitimate business</p>	<p>1) Deposit into bank Deposit taking ATM</p> <p>2) Deposit into bank Night depository</p> <p>3) Deposit into bank at bank teller</p> <p>4) Deposit into bank via white label ATM</p>	<p>Any bank account of the business. Cash may be spread to multiple.</p> <p>Any bank account of the business. Cash may be spread to multiple.</p> <p>Any bank account of the business. Cash may be spread to multiple.</p> <p>One single Canadian bank account. No splitting or allocation.</p>	<p>Any quality cash. any denomination</p> <p>Any quality cash. any denomination</p> <p>Any quality cash. any denomination</p> <p>“ATM Quality” cash only, flat, undamaged \$20* bills only</p> <p><i>*(estimate that ~99% of WL ATM bills dispensed are \$20s)</i></p>	<p>Bank Act/ Fintrac</p> <p>Bank Act/ Fintrac</p> <p>Bank Act/ Fintrac</p> <p>Interac AML Regulations</p>	<p>“Low risk” (eg: deposit < \$10K/day) – KYC documents to open bank account.</p> <p>“High risk” (eg: \$10K+ deposit or “suspicious”) – File source of funds declaration for Fintrac.</p> <p>“Low risk” (eg: deposit < \$10K/day) – KYC documents to open bank account.</p> <p>“High risk” (eg: \$10K+ deposit or “suspicious”) – File source of funds declaration for Fintrac.</p> <p>“Low risk” (eg: deposit < \$10K/day) – KYC documents to open bank account.</p> <p>“High risk” (eg: \$10K+ deposit or “suspicious”) – File source of funds declaration for Fintrac.</p> <p>ALL WL ATMS: All bank KYC (above) for the ATM bank settlement account and each of the following:</p> <ul style="list-style-type: none"> + ATM Cash Owner KYC documentation + Source of funds; declaration for each and every ATM + For “high risk” (e.g. deposits \$5K/day or multiples ATMs); clean criminal check. + Each and every ATM deposit tracked and recorded by 3rd party processor Interac member + All of above information is provided to a single source – Interac and audited annually + Secure police access to this information 	<p>WL ATMS ARE AN UNLIKELY CHANNEL FOR SIGNIFICANT MONEY LAUNDERING</p>