Testimony of

James R. Richards

On Behalf of

BANK OF AMERICA

Before the

House Financial Services Subcommittee on Oversight and Investigations

On

Improving Financial Oversight: A Private Sector View of Anti-Money Laundering Efforts

May 18, 2004

Thank you, Madam Chairman and members of the Subcommittee for the opportunity to testify today on the private sector's views of the current anti-money laundering efforts and the oversight of those efforts.

My name is Jim Richards. I am a Senior Vice-President and the Global Anti-Money Laundering Operations Executive, Compliance Risk Management, for Bank of America. Prior to the merger of Bank of America and FleetBoston Financial, I was the Director of Fleet's Financial Intelligence Unit, or FIU. In both roles, I have or had responsibility for the bank's operational aspects of preventing, detecting, and reporting potential money laundering or terrorist financing.

I have been asked to testify today about whether and how the current regulatory regime under the Bank Secrecy Act and USA PATRIOT Act can be fine-tuned to better achieve institutional integrity and national security goals, and what recommendations I may have to make compliance with those laws more effective.

Let me first emphasize that my comments here today reflect the views and experiences of Bank of America and the anti-money laundering group that I have had the pleasure of being a part of over the last five years at the former FleetBoston Financial. For the most part, these views coincide with those of our private sector and public sector partners.

Also, in addressing these issues, the view, or perspective, I bring to this Subcommittee is that of someone who sees the Bank Secrecy Act and USA PATRIOT Act, regulations, and regulatory guidance first hand and in operation. My experience and perspective is that of someone operating a unit within a financial institution that is responsible for investigating and reporting suspicious activity to the Government, and how the changes since the tragic events of September 11th and the passage of the USA PATRIOT Act have impacted that function. In order to illustrate some of the hands-on functions, I will briefly describe some of the technology, tools, and techniques we have used in those efforts. I thank you for the opportunity to share these views and this testimony with the Committee.

From a purely operational point of view, or from the perspective of implementing the BSA and USA PATRIOT Act, money laundering is not terrorist financing and terrorist financing is not money laundering: they are two very different problems that need to be addressed very differently. That said, from our financial institution’s perspective, the issues of money laundering and terrorist financing both require that financial institutions creatively review and match internal and external data and information relating to transactions and relationships.

Finally, detecting terrorist financing or terrorist financing-related transactions is virtually impossible. We rely almost exclusively on the Government to provide us with information we then use to attempt to identify potential terrorist financing activity or individuals or entities involved in terrorist financing.

I. From a Financial Institution’s Perspective, There Are Fundamental Differences Between Money Laundering and Terrorism Financing

Although there are hundreds of different types of crimes, for the purposes of money laundering prevention in the financial services industry, there are only two types of crimes: crimes for profit, such as narcotics trafficking or securities fraud; and crimes of purpose, such as terrorism.

These two classifications of crimes are very different, and pose incredible differences in how they are detected and, hopefully prevented, in the financial services sector. Understanding these differences is the key to building an effective anti-money laundering (AML) and terrorist financing prevention (TFP), detection, mitigation, and remediation program that addresses all of the relevant compliance risks, regulatory risks, reputational risks, and legal risks.

Traditional crimes for profit have been the focus of our money laundering laws since the passage of the Bank Secrecy Act in 1970. The "profit" aspect of these crimes allowed legislators, regulators, law enforcement, and the private sectors to focus on transactions – high volume, large dollar, high velocity transactions detected internally, then reported to the Government either through a Currency Transaction Report, or CTR (for cash transactions greater than $10,000) or a Suspicious Activity Report, or SAR (for all transactions greater than $5,000 that fit the definition of "suspicious").

Beginning with the recordkeeping and cash reporting requirements of the Bank Secrecy Act in 1970, moving to the money laundering crimes of the Money Laundering Control Act of 1986, and to the suspicious transaction reporting requirements of the Money Laundering Suppression Act of 1992, the focus of financial institutions was inward or internal - on the transactions being conducted to, from, or through the institution. Monitoring systems were built for cash transactions and wires; surveillance tools were developed to allow institutions to look at what defined classes or groups of customers were doing; and many banks began to develop ad hoc or specialized databases and processes to allow for more proactive analysis, investigation, and reporting of suspicious activity.

Since the tragic events of September 11th, we have learned that terrorist financing is very different than traditional money laundering.[1] September 11th and the passage of the USA PATRIOT Act (the "Patriot Act") forty-five days later changed the focus from internally-sourced cases originating from reviews of high-velocity, high-dollar transactions to externally-sourced cases originating from requests from law enforcement through the provisions of OFAC, section 314(a) of the Patriot Act, or grand jury subpoenas. The

[1] I draw a distinction between the schemes used to fund a particular terrorist cell or terrorist operation, such as the funding of the various September 11th hijacker cells, from the greater financing of terrorist organizations, such as the use of narcotics trafficking and kidnapping to finance Colombia's FARC and ELN, or the abuse or misuse of charitable organizations. There is a distinction between the methods used to fund a particular cell or operation and those used to support the long-term financing of an organization.

Patriot Act also added, for the first time, a requirement that all financial institutions have a program to verify the identity of their new customers.[2]

So now financial institutions have two very different issues before them: how to identify and report suspicious activity sourced from internal monitoring and surveillance of transactions; and how to identify and report the existence of customer relationships sourced from external requests for information. Put another way, money laundering prevention is a transaction-focused, internally-sourced issue, where transactions lead to relational links; terrorist financing prevention is a relationship-focused, externally-sourced issue where relational links lead to transactions.

Exhibit A shows two "screen shots" – one of a typical pre-9/11 money laundering investigation, showing entities linked by clustered transactions; and one of a typical post-9/11 terrorist financing investigation, showing the often random and cluttered relational links between entities, addresses, corporate or business relationships, and other commonalities.

Three scenarios are also illustrative of the differences between internally-sourced transactional money laundering investigations and externally-sourced relational terrorist financing reviews:

> Scenario 1 - A branch manager notices that a customer has come in twice a day every Friday for three weeks, depositing between $6,000 and $8,000 in small denomination bills each time. These "structured" transactions make no sense for this particular customer.
>
> Scenario 2 - A transaction monitoring system looks at all customers that

[2] Section 326 of the Patriot Act requires all financial institutions to have reasonable, risk-based procedures for verifying the identity of any person seeking to open an account, to the extent reasonable and practicable. Obtaining basic identifying information on customers, being ably to verify that information, and being able to compare this information with the customer's actual activity is the heart and soul of any effective anti-money laundering program.

> open accounts without a Taxpayer Identification Number, with opening deposits of less than $1,000, with structured cash deposits and ATM withdrawals in high-risk countries. These customers may be involved in traditional money laundering.
>
> Scenario 3 - A customer opens up a checking account and obtains an ATM/debit card. He has a random but normal number of small cash and check deposits, and has a number of small ATM cash withdrawals. He purchases one money order for less than $1,000, which is eventually cashed in a known high-risk terrorism country.

The first two scenarios may be examples of money laundering. At the very least, they are easily detected by rudimentary "money laundering" transaction-focused monitoring and surveillance tools and techniques. The third scenario is absolutely benign and virtually impossible to detect as either money laundering (which it isn't) or terrorist financing … unless the government provides the institution with the name of the customer through the section 314(a) process. With the name and perhaps address and any other identifying information, financial institutions can then begin to form relational connections (common telephone numbers, common addresses, linked accounts, etc.): with those relationships come transactions with other customers or other entities. Ultimately, when put together, a potential pattern of possible terrorist financing may emerge.

In a traditional money laundering case, banks identify potentially unusual transactions through electronic or human means, then conduct a review of those transactions in attempt to answer the question "do these transactions have a business or apparent lawful purpose or are they the sort in which the particular customer would normally be expected to engage, and is there a reasonable explanation for these transactions after examining the available facts, including the background and possible purpose of them?"[3] If the answer to this (complicated and lengthy) question is "no", then the bank has an obligation to file

[3] Paraphrasing the language found in the SAR regulation at 31 CFR 103.18(a).

a Suspicious Activity Report (SAR). The financial services industry has spent the last thirty years developing programs, systems, databases, and training for this money laundering problem. The regulatory community has well-established examination guidelines that give the industry a road map on how to meet its obligations. Organizations such as the American Bankers Association offer guidance and assist the industry in developing "best practices". But what about the new obligations imposed by the Patriot Act? These new obligations have forced us to take a new look at relationships and transactions, internal and external data and information, and how we put these together.

II. The Data and Information Available to Financial Institutions

Just over five years ago I was asked to build a comprehensive anti-money laundering group and function at BankBoston.[4] At the time, BankBoston had a BSA compliance program, including the required recordkeeping and reporting functions. What we built was a group that complemented those existing resources, but was focused on proactive prevention, detection, and mitigation of all risks relating to money laundering: compliance, regulatory, reputational, operational, and legal risks. We began, literally, with 2 people and 2 laptops: by the end of 2003 we were 24 people running an in-house-built Money Laundering Deterrence database that cost something less than $250,000 for the computer hardware, and we were running what we then called our Financial Intelligence Unit, or FIU, for one of the ten largest banks in the country. Currently, as part of the new Bank of America, we are in the process of taking the best practices from both organizations and integrating them into a new, combined group within Compliance Risk Management reporting to the Bank's Chief Compliance Executive, Charles Bowman. Working very closely with me and also reporting to Mr. Bowman is Daniel D. Soto, one of the most respected professionals in this field. Where my focus is on AML operations, Dan is responsible for AML and OFAC policies and procedures as the Global AML and OFAC Program Executive. It is an excellent partnership.

[4] In October, 1999 BankBoston and Fleet Bank merged to form FleetBoston Financial. In April, 2004 FleetBoston Financial was purchased by Bank of America.

Whether preventing, detecting, or investigating the movement of funds generated by or used for traditional crimes or terrorism, a financial institution must focus on answering a central question:

> Do we know, suspect, or have reason to suspect that a transaction or series of transactions "has no business or apparent lawful purpose or is not the sort in which the particular customer would normally be expected to engage, and [we] know[] of no reasonable explanation after examining the available facts, including the background and possible purpose of the transaction"? *Quoting 31 CFR 103.18(a)*

Breaking down this requirement gives us the factors we need to consider and data or information we need to access. Essentially, we have Customers, with Products, doing Transactions, through Delivery Channels, at Locations, in Certain Amounts. These factors, when broken down into their most basic components and matched with what you know – both from internal "know your customer" or "enhanced due diligence" as well as external, publicly-available information – are the cornerstones of any effective program. Exhibit "B" shows these factors, with some detail, and they are explained in some detail below.

- Customers – prior to the passage of the Patriot Act, most banks had developed "Know Your Customer" programs. Section 326 of the Patriot Act and accompanying regulations have imposed a risk-based regime for verifying the identity of new customers and for existing customers opening up new accounts in certain circumstances. But for the purposes of building an effective AML (anti-money laundering) system, it can be argued that there are really only a few different types of customers: existing customers vs. new customers; customers with an identified relationship manager vs. customers without; and U.S. customers (or persons) vs. non-U.S. customers (or persons).[5] Also, whether a

[5] The difference between U.S. persons and non-U.S. persons is codified at 31 CFR 103.121(a)(3). The tools and information available to verify the identity of a U.S. Person are better than the tools and information available to identify non-U.S. persons seeking to open an account.

customer is a primary account signer, or the principal of a corporation, trust, or other legal entity may determine what information is available.

- Products – the principle transactional products in most banks are checking accounts (demand deposit accounts, or DDAs) and savings accounts.

- Transactions – all transactions that can be conducted at or through a financial institution are relevant for the purposes of detecting and/or preventing money laundering and terrorist financing. All transactions fall into one of three buckets - cash, electronic, or paper – and are either credits (incoming) or debits (outgoing). All transactions in whatever form and moving in whichever direction are eventually captured electronically in one or multiple bank systems. The key is to be able to find those electronic records and access them. Given the volumes of transactions in many large institutions, this can be a daunting if not close to impossible task. However, certain transactions are more likely to be used than others. These would include large cash and structured cash transactions, wire transfers, and large checks. Other potentially high-risk transactions include the purchase or redemption of bank checks or travelers checks and ACH transactions.

- Delivery Channels – Transactions are conducted at or through various delivery channels. Traditionally, the branch was the channel through which most retail transactions flowed. With the advent of electronic banking, many customers never transact at a branch, so the human contact is often minimal.[6] Transactions conducted through ATMs will have varying amounts of information, depending on whether they are solely cash transactions, or “mixed” cash and checks; whether they are in-branch ATMs, ATMs owned and serviced by the bank, or

[6] For many banks, their branches are still a principal source of potentially unusual or suspicious transactions. This first-level of defense – a person seeing something unusual and reporting it to a central AML group for further analysis and review – is a critical component of an effective AML monitoring and surveillance program.

ATMs serviced by third-party vendors. Other delivery channels include point-of-sale debit and credit locations, and, most recently, the Internet.[7]

- Locations – the key data or information characteristics of locations are whether the location is inside or outside the United States and whether the location of the transaction is different than the domicile of the customer.

- Amounts – the amounts of the different types of possible transactions is also a critical piece of data or information. Three different scenarios are possible: the transaction or series of transactions are under the recordkeeping thresholds (such as the $3,000 threshold for wire transfers or monetary instruments); whether the transaction or series of transactions are under the reporting thresholds (such as the $10,000 threshold for cash transactions); and whether the transaction or series of transactions are anomalous for the type of customer, product, account, transaction type, delivery channel, or location.

- External Factors – perhaps the most important information available is not internal customer or transaction information, but publicly-available, external information that is available to be used to determine, confirm, or suggest that the transaction or transactions in question make sense. Examples of the sources and uses of this external data are discussed below.

Once a financial institution has identified all of these sources or types of data and information, and found a way to access that data, they must be brought into a centralized data management tool so that the people or group responsible for the AML program can monitor transactions, conduct surveillance of high-risk customers, and perform ad hoc queries. Coupled with a robust case management system and an ability to capture potential new cases identified by bank associates in the branches and elsewhere, this group can then perform the analysis, investigations, reporting, trending, and remediation,

[7] Delivery channels are also critical at the account opening stage of the relationship: the mechanics of opening an account and obtaining and verifying any identification documents will vary depending on the

and help support the front-end and continuing enhanced due diligence needed to protect the institution from the myriad of risks posed by money laundering and terrorist financing.

III. Using Existing Desktop Technology to Prevent and Detect Potential Money Laundering or Terrorist Financing Activity

Since the tragic events of September 11th, dozens if not hundreds of companies have come forward with new money laundering or terrorist financing "solutions." Some of those tools[8] are excellent; others have little or no value. However, the financial services industry, like most people, tends to embrace new technology or tools without fully understanding the new technology and without having fully used or implemented the old or existing technology. Indeed, two of the finest anti-money laundering and terrorist financing prevention tools that are available today are already on most banks' shelves and on most bankers' desktops, and are customizable to any institution, of any size. If used creatively and well, these tools can form the cornerstones of most institutions' AML programs. These two common tools – basic database software such as Microsoft Excel™ and the Internet – can be the most effective tools available.

1. Basic Database Tools & Techniques – Really Using Microsoft Excel™

The Financial Intelligence Unit at the former FleetBoston Financial conceived, built, and operated a Money Laundering Deterrence (MLD) Database that monitored and could query transactions running through roughly 20 million accounts. Both the hardware and software were "off the shelf", and the only "customized" aspects were the reports, queries, and macros that were written by the FIU staff themselves. We looked at vendor "solutions", but kept going back to our own system as we found it was more effective,

account opening channel – whether in person, over the telephone, or through the Internet.

[8] The terms "AML Solution" or "Due Diligence Solution" or "Patriot Act Solution" are invariably used by vendors. The term "solution" in the context of anti-money laundering and terrorist financing prevention is not only misplaced, but misleading: there are *tools* that, used creatively and well, allow financial institutions to better detect, investigate, and report activity and transactions that could be indicative of potential money laundering or terrorist financing. Unfortunately, there are no solutions.

flexible and user-friendly than anything else we saw. But one of the key aspects in developing and running our in-house system was the ability to utilize the tools and attributes inherent in the software. The best example of this is our use of two of the most useful, but least known, features of the most commonly used desktop database software, Microsoft Excel™. These two features, used separately or together, turn this basic program into the most effective AML and TFP tool available today:

(a) Filters

As seen in the five figures of Exhibit C, the "filter" function in Excel™ allows the user to drill down into a category or attribute of data. In the example shown, a database of 10,000 wire transfers is "filtered" so that the user only sees those transactions where the customer name contains the terms "import" and/or "export." Other "filters" could include a specified date range, a dollar threshold or exact dollar amount, or transactions within a specified date range between certain dollar collars (say, between $8,000 and $10,000) conducted only by customers with an address in Boston, Massachusetts where the beneficiary of an outgoing wire or originator of an incoming wire has an account with a US financial institution with an ABA routing number beginning with "1149."[9]

The filter function is particularly effective for parsing the data or information contained in or needed for Suspicious Activity Reports, such as customer and suspect attributes, branch of account and activity, type of activity, description of activity, and whether any law enforcement agency was contacted. With this data and information contained in a simple spreadsheet, the bank could perform sophisticated reporting, trending, and

[9] Identifying banks through their ABA routing numbers or, in the case of international banks, by their SWIFT bank identification codes, is often more effective than identifying them by name. ABA routing numbers are 9 digits: the first two digits represent their Federal Reserve District; the third and fourth digits represent the city or region within that District; the fifth through eighth digits represent the specific bank; and the ninth digit is an algorithmic key to prove the legitimacy of the number. In the illustration given, ABA routing numbers beginning with "1149" are banks in the 11th Federal Reserve District (Texas) generally along the Rio Grande River from El Paso to Brownsville. SWIFT bank identification codes have an eight-figure (alpha-numeric) root where the first four digits represent the bank, the fifth and sixth the two-digit country code, and the seventh and eighth the city or region within the country. CITIUS33, for example, would be Citibank in the United States, in New York.

"lessons learned" in order to focus training and reduce the incidence of laundering in the future. Using the filter function, the BSA Officer could look at SARs filed by state where the activity was described as structuring and the description of the activity included the term "money service business" or "wire transfer". Using simple graphing and mapping features found in Excel™ and companion programs such as MapPoint™, the BSA Officer could easily focus his efforts on particular branches.[10]

(b) Pivot Tables

Most average users of Excel™ have at least a passing understanding of the Filter function. Very few even know that the "Pivot Table" function exists. The Pivot Table function allows the user to summarize data and the relationships between the different types of data elements within a spreadsheet very quickly. It automates what most people now do manually.

For example, in the 10,000-wire table described above, a typical investigation may want to focus on one customer or contra party. More importantly for money laundering, however, is the need to identify patterns, trends, or anomalies within large amounts of data such as this. The ability to manipulate this data is critical.

The three Figures shown in Exhibit "D" give a very simple example of how to construct a Pivot Table. In this case, we are building a table that summarizes all of the transactions between our 125 customers and the various contra parties, by the total amount of the wires between any one customer and any one contra party. We could also look at the total number of transactions between them, the average dollar amount, the range of wires,

[10] This is an example of the concept that, from the perspective of a bank's risk officer, money laundering or terrorist financing is not a problem, but a symptom of an underlying operational or control problem. When looked at from this perspective, the risk officer is able to look at the filing of a SAR or the activity represented in the SAR as a symptom of an underlying problem with account opening procedures, document collection and verification procedures, branch AML training, or the monitoring or surveillance functions. Looking at money laundering or terrorist financing as a symptom rather than a problem can be an effective way to focus on and eliminate or mitigate the underlying causes.

or virtually any other characteristic of the transactional relationship between the two types of entities. A similar exercise could be done if the database included relational data, such as customers and addresses by city, state, or country. Adding some "high risk" transactions, such as "structured" cash transactions or foreign ATM transactions, would allow the user to construct a Pivot Table showing all customers, arranged by state, and the number or dollar amount of their high risk transactions.

2. The Internet – Perhaps The Finest EDD/AML/TFP Tool Available Today

Who are your customers? Who are they transacting with? Is your customer really affiliated with that company in Texas? Is your customer's business really located at that address? Does the telephone number Area Code match the address Zip Code? Is the transaction the sort in which the particular customer would normally be expected to engage?

The answer to these questions often can be found through publicly available, free, searchable databases, search engines and web directories contained on the Web and accessed through the Internet. Although many financial institutions pay vendors for "due diligence" or other services, and many of these data aggregator vendors offer outstanding value and service, many institutions should also take advantage of what is available on the or through the Internet. Over the last five years, the associates in the (former Financial Intelligence Unit of FleetBoston Financial and now) Global AML Operations unit of Bank of America have developed some creative and useful tools and techniques for accessing, exploring, utilizing, and harvesting information from the Internet. In the course of developing and sharing these tools and techniques, it has become apparent that although almost everyone uses these tools, they don't generally use them well, thoroughly, or creatively. Indeed, the biggest barrier to finding and using the vast amount of information available on or through the Internet is the lack of courage or initiative to "click something new every day." Most of the tools and techniques described herein were found by exploring the Web, or by clicking something new or different.

(a) The Surface Web

The search engines and web directories that 99% of people use can be found on what is known as the "surface web." These include such staples as Google™, AllTheWeb™, DogPile™, and Kartoo™. Very simply, surface web search engines have software programs that scour the Web, locating web pages and web page links and pulling those pages back to the search engine's database where they are stored and made accessible by keyword searches. Through Google™, for example a user can access over 3.5 billion web pages, hundreds of thousands of images, millions of old Newsgroup messages, and a 30-day archive of news stories from over 4,500 worldwide sources. A user can also translate a phrase or even translate an entire web site; or search for a key phrase in country-specific sites. Other surface web sites such as VisualRoute™ or BetterWhoIs™ allow the user to track down the physical location of a website's server or obtain the name of the person or entity that owns the domain name. Other specialized sites, such as www.findinformation,homestead.com put hundreds of free, publicly available databases and search tools into one site or location for ease of use.

(b) The Invisible Web

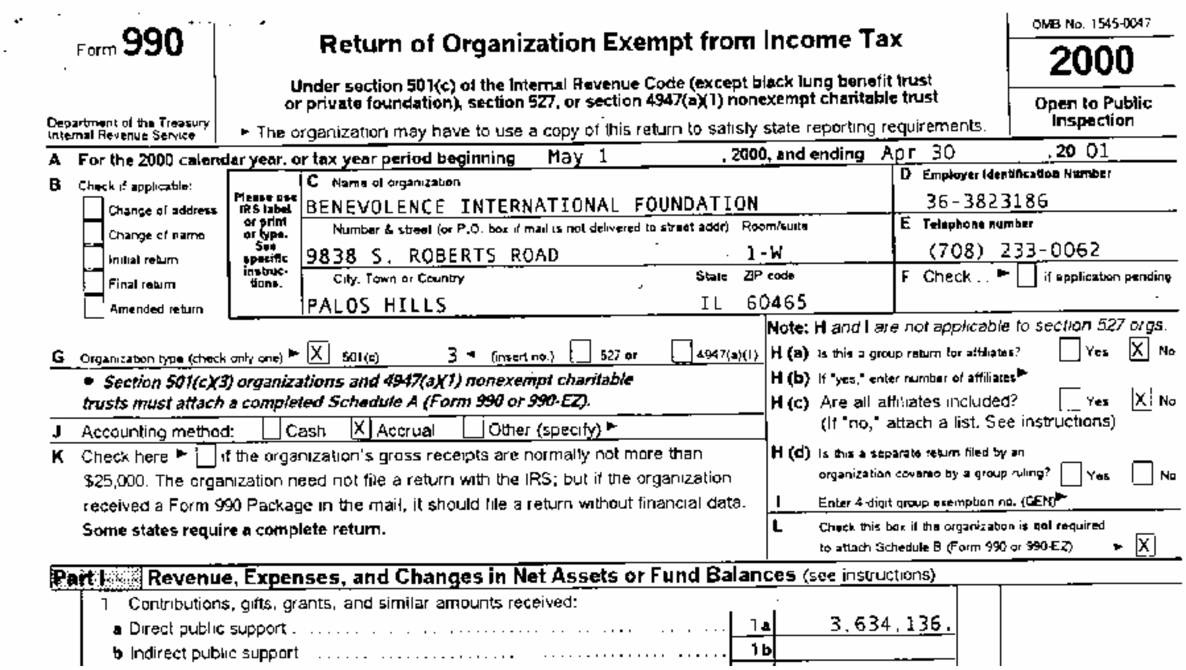
Surface web search engines give their users links to, perhaps, 5 to 10 billion documents that have been posted on the Web. But there are billions of documents and databases that, by their nature or because of the economics or other quirks of search engine technologies, either cannot be located or accessed through those search engines or are not located or accessed. These documents or databases that cannot or are not accessed through the surface web, can be accessed through what is known as the Deep Web or Invisible Web, and number in the hundreds of billions.[11] Public databases, such as state corporate records, may be found by a regular search engine query, but generally can be accessed only through the invisible Web.

[11] One of the best explanations of the invisible web is "The Invisible Web: Uncovering Information Sources Search Engines Can't See," Chris Sherman and Gary Price, Cyber Age Books, Medford, NJ 2003.

One of the best Invisible Web sites, and one of the best enhanced due diligence, anti-money laundering, or terrorist financing prevention tools available today is the databases found at www.searchsystems.net. SearchSystems™ has assembled approximately 19,000 free searchable public records databases from around the world. Focused primarily on Canada and the United States, this site gives the user a remarkable access to public records. Exhibit "E" is a screen shot of the Search Systems™ home page.

An example of a typical terrorist financing review may be that conducted by many banks on an entity known as Benevolence International Foundation, or BIF. BIF had its assets frozen by the US Government in December, 2001 under allegations that it had ties to or was involved in providing material support to a Foreign Terrorist Organization. In late January 2002 BIF filed suit against the US Government, denying ties to terrorism. An affidavit filed in support of that action was signed by a BIF principal, Enaam Arnout. Mr. Arnout eventually admitted in a plea agreement of moving money to Muslim fighters in Bosnia and Chechnya, and in February 2003 he pleaded guilty to one count of conspiracy.

When faced with these facts, many financial institutions reviewed their customer and transactional systems to determine if they had BIF as a customer. Who or what was BIF, and who was affiliated with BIF? One of the first places to go to answer those questions could be SearchSystems™ or another invisible web site such as www.guidestar.org, a database of millions of US-registered charitable organizations. GuideStar would have given you access to the following:



Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation), section 527, or section 4947(a)(1) nonexempt charitable trust

► The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2000

Open to Public Inspection

A For the 2000 calendar year, or tax year period beginning May 1, 2000, and ending Apr 30, 20 01

B Check if applicable:
□ Change of address
□ Change of name
□ Initial return
□ Final return
□ Amended return

Please use IRS label or print or type. See specific instructions.

C Name of organization
BENEVOLENCE INTERNATIONAL FOUNDATION

Number & street (or P.O. box if mail is not delivered to street addr) Room/suite
9838 S. ROBERTS ROAD 1-W

City, Town or Country State ZIP code
PALOS HILLS IL 60465

D Employer Identification Number
36-3823186

E Telephone number
(708) 233-0062

F Check . . ► □ if application pending

G Organization type (check only one) ► ☒ 501(c) 3 ◄ (insert no.) □ 527 or □ 4947(a)(1)

• *Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).*

J Accounting method: □ Cash ☒ Accrual □ Other (specify) ►

K Check here ► □ if the organization's gross receipts are normally not more than $25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

Note: *H and I are not applicable to section 527 orgs.*

H (a) Is this a group return for affiliates? □ Yes ☒ No

H (b) If "yes," enter number of affiliates ►

H (c) Are all affiliates included? □ Yes ☒ No
(If "no," attach a list. See instructions)

H (d) Is this a separate return filed by an organization covered by a group ruling? □ Yes □ No

I Enter 4-digit group exemption no. (GEN) ►

L Check this box if the organization is not required to attach Schedule B (Form 990 or 990-EZ) ► ☒

Part I **Revenue, Expenses, and Changes in Net Assets or Fund Balances** (see instructions)

1 Contributions, gifts, grants, and similar amounts received:

a Direct public support	1a	3,634,136.
b Indirect public support	1b	

(c) The Historical Web

Where the Surface Web and Invisible Web allow you to search for and obtain documents or gain access to databases that are currently available on the Web, the so-called "Historical Web" gives you access to much of what was once on the Web but is no longer there. A remarkable site is that of the Internet Archive, available at www.archive.org (see Exhibit "F"). This site, and its "Wayback Machine", gives access to much of what was on the Web, back to 1996. Very simply, the Internet Archive has taken electronic "snapshots" of virtually everything on the Web at various points of time, back to 1996, and stored it on their servers. Most important, these documents are available to everyone.

An interesting example of the investigative utility of the Internet Archive is the website www.azzam.com, "widely considered to be the premier English-language mouthpiece of Al-Qaida."[12] If one were to try to pull up this site today, it would be gone or unavailable,

[12] Testimony of Steven Emerson, Executive Director, The Investigative Project, before the House Committee on Financial Services, Subcommittee on Oversight and Investigations, "Terrorism Financing & U.S. Financial Institutions," March 11, 2003. Hearings on "Progress Since 9/11: The Effectiveness of U.S. Anti-Terrorist Financing Efforts"

having been “pulled” some time after September 11th. However, by simply typing in the URL, or web address, into the WayBack Machine, the investigator can gain access to virtually every rendition of the Azzam site, back to 1999, including almost every document posted on the site (almost 2,100 pages or documents).[13]

IV. Conclusion

The success of our anti-money laundering and terrorist financing prevention efforts is entirely dependent on cooperation between and coordination by all of the parties involved: the law enforcement and intelligence communities, the regulatory community, the private sector, our trade associations, and others. The collaborative efforts of all of these groups in the drafting of regulations implementing the USA PATRIOT Act, particularly for sections 314(a) and 326, has resulted in regulations that are reasonable, effective, and balance the needs of the law enforcement community with the obligations and realities facing the private sector.

From the perspective of an individual financial institution – indeed, the group within that institution that is responsible for operationalizing many of the obligations imposed by the Bank Secrecy Act and USA PATRIOT Act - the simple fact remains that in order to effectively meet these duties and obligations we will continue to depend on cooperation and assistance from our partners and colleagues in the public sector, including the regulatory agencies.

Operationalizing the provisions of the Bank Secrecy Act and USA PATRIOT Act has been and continues to be a complex endeavor. From the policies, procedures, and practices for know your customer or enhanced due diligence; to the systems and tools to monitor transactions and conduct surveillance of high-risk customers or classes of customers; to the ability to analyze, investigate, and report suspicious activity; and to trending, training and testing for and of those programs, the tasks of individual financial

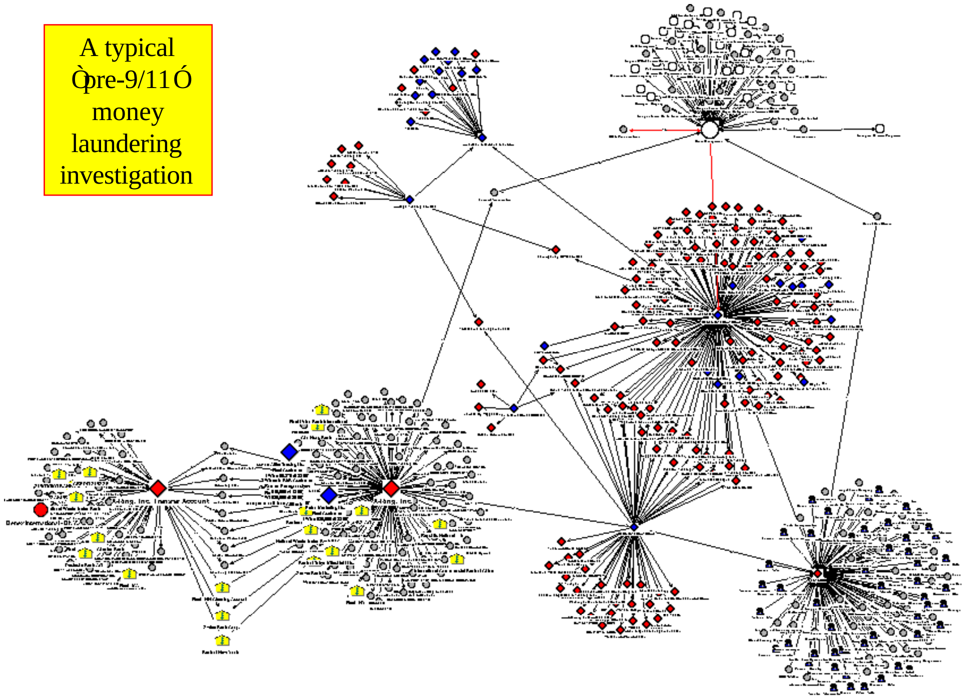
[13] The user will find that not all portions of web sites are included: those portions that are memory intensive, such as flash media or other animations, are generally not captured in the Archive.

institutions are daunting. As daunting is the task of the regulatory community to set standards for and examine those programs. Continued cooperation and dialogue between the regulatory community and the institutions it regulates is critical to understanding and controlling the unique risks posed by money laundering and terrorist financing.

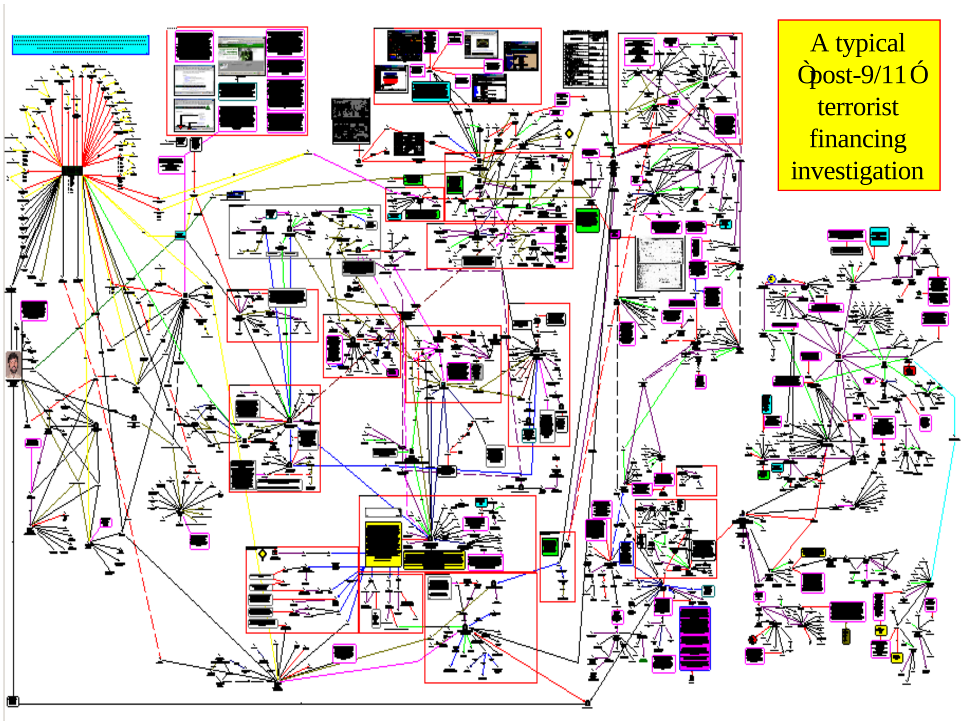
Thank you for this opportunity to testify on this very important topic. Bank of America remains committed to meeting its obligations of detecting, preventing, reporting, and mitigating the effects of money laundering and terrorist financing, and recognizes and applauds the efforts of its private sector colleagues and public sector partners in these efforts.

Exhibit “A”

Data Visualization of a Money Laundering Investigation and a Terrorist Financing Investigation



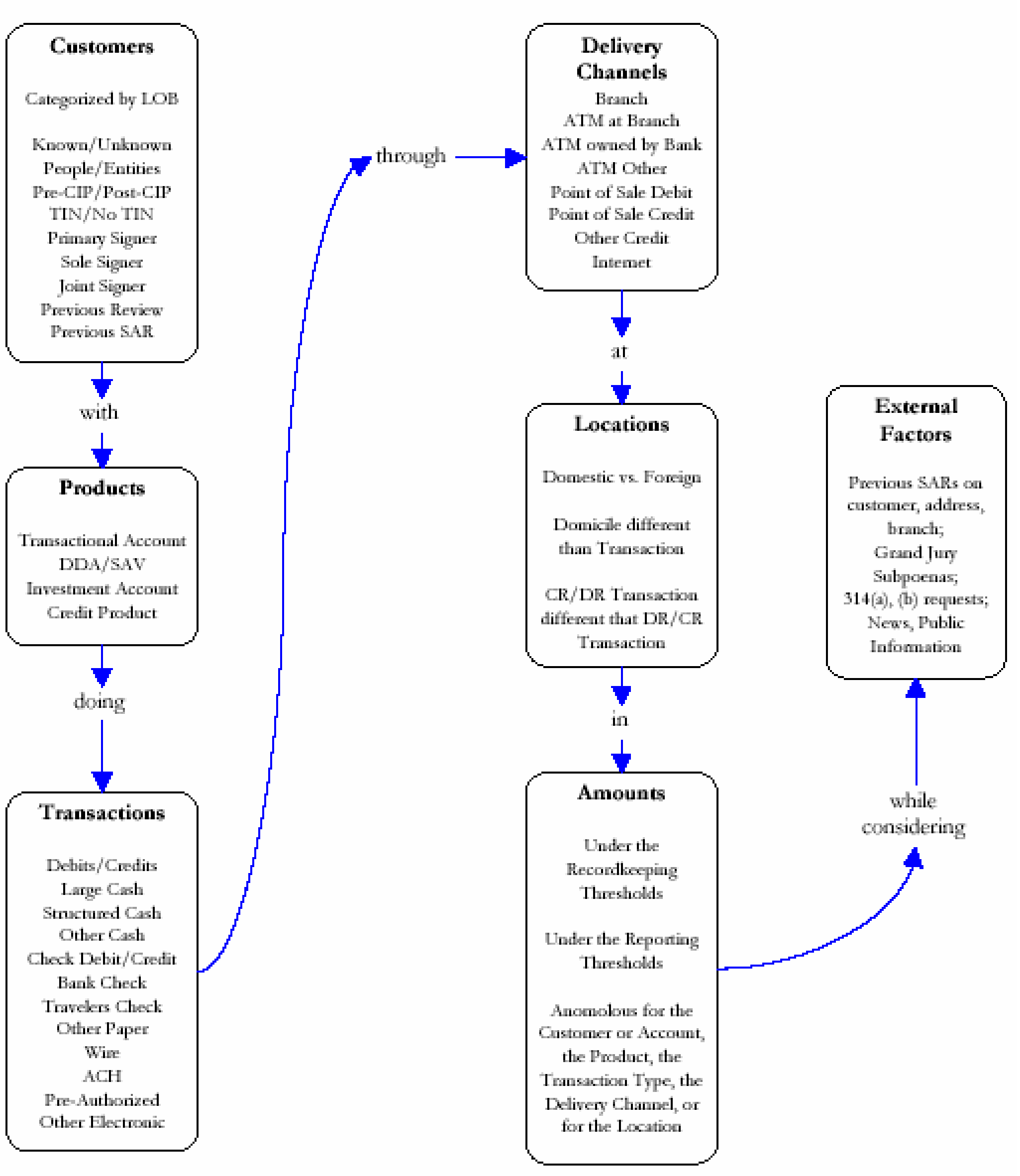
A typical
Òpre-9/11Ó
money
laundering
investigation



A typical
Òpost-9/11Ó
terrorist
financing
investigation

Exhibit "B"

Data and Information Building Blocks



Customers

Categorized by LOB

Known/Unknown
People/Entities
Pre-CIP/Post-CIP
TIN/No TIN
Primary Signer
Sole Signer
Joint Signer
Previous Review
Previous SAR

Products

Transactional Account
DDA/SAV
Investment Account
Credit Product

Transactions

Debits/Credits
Large Cash
Structured Cash
Other Cash
Check Debit/Credit
Bank Check
Travelers Check
Other Paper
Wire
ACH
Pre-Authorized
Other Electronic

Delivery Channels

Branch
ATM at Branch
ATM owned by Bank
ATM Other
Point of Sale Debit
Point of Sale Credit
Other Credit
Internet

Locations

Domestic vs. Foreign

Domicile different than Transaction

CR/DR Transaction different that DR/CR Transaction

Amounts

Under the Recordkeeping Thresholds

Under the Reporting Thresholds

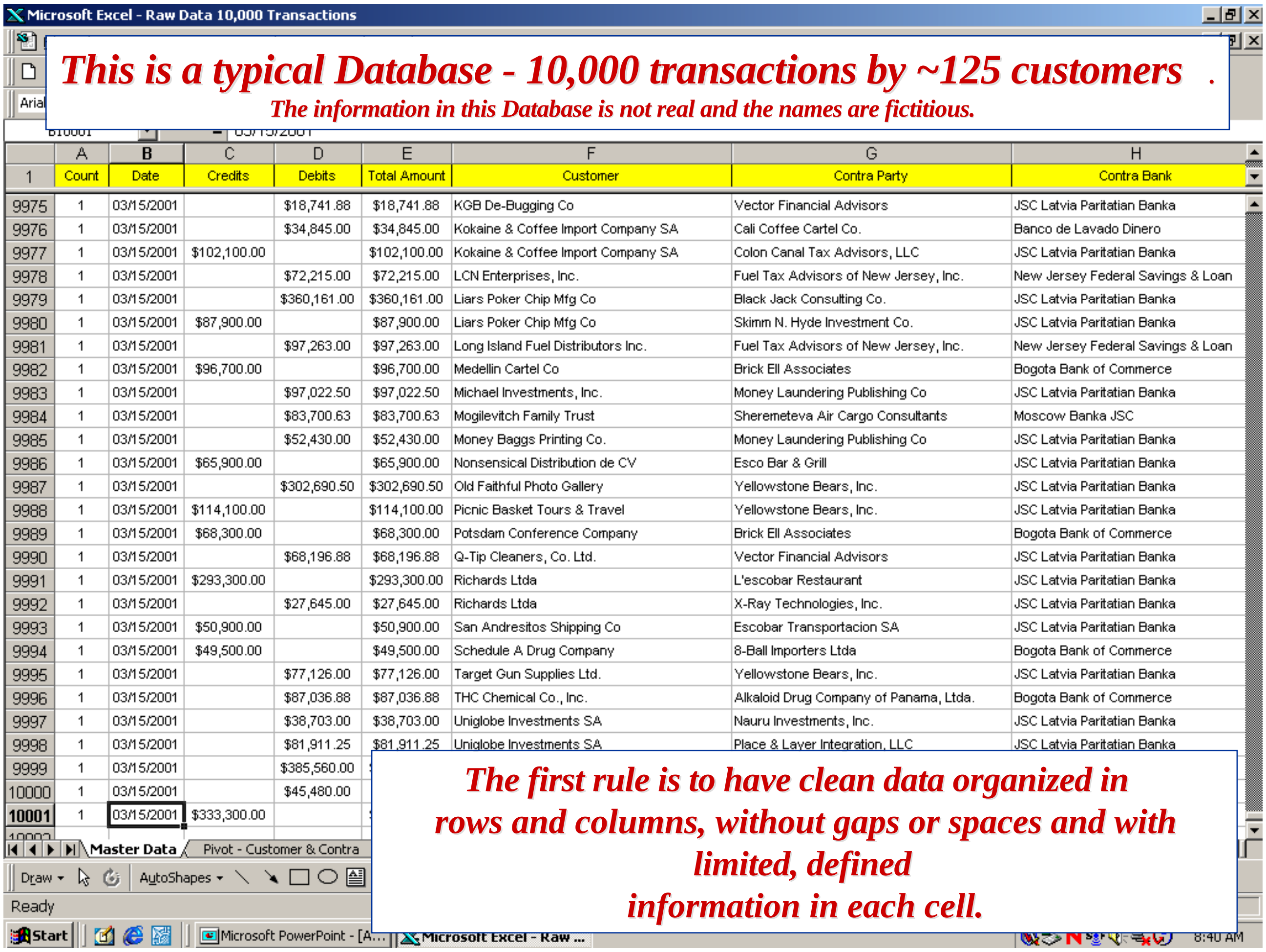
Anomolous for the Customer or Account, the Product, the Transaction Type, the Delivery Channel, or for the Location

External Factors

Previous SARs on customer, address, branch;
Grand Jury Subpoenas;
314(a), (b) requests;
News, Public Information

Exhibit "C"

The Use of The "Filter" Function in Microsoft Excel™ as an AML and TFP Tool



Microsoft Excel - Raw Data 10,000 Transactions
Master Data
Pivot - Customer & Contra
Draw
AutoShapes
Ready
Start
Microsoft PowerPoint - [A...
Microsoft Excel - Raw ...
8:40 AM

This is a typical Database - 10,000 transactions by ~125 customers

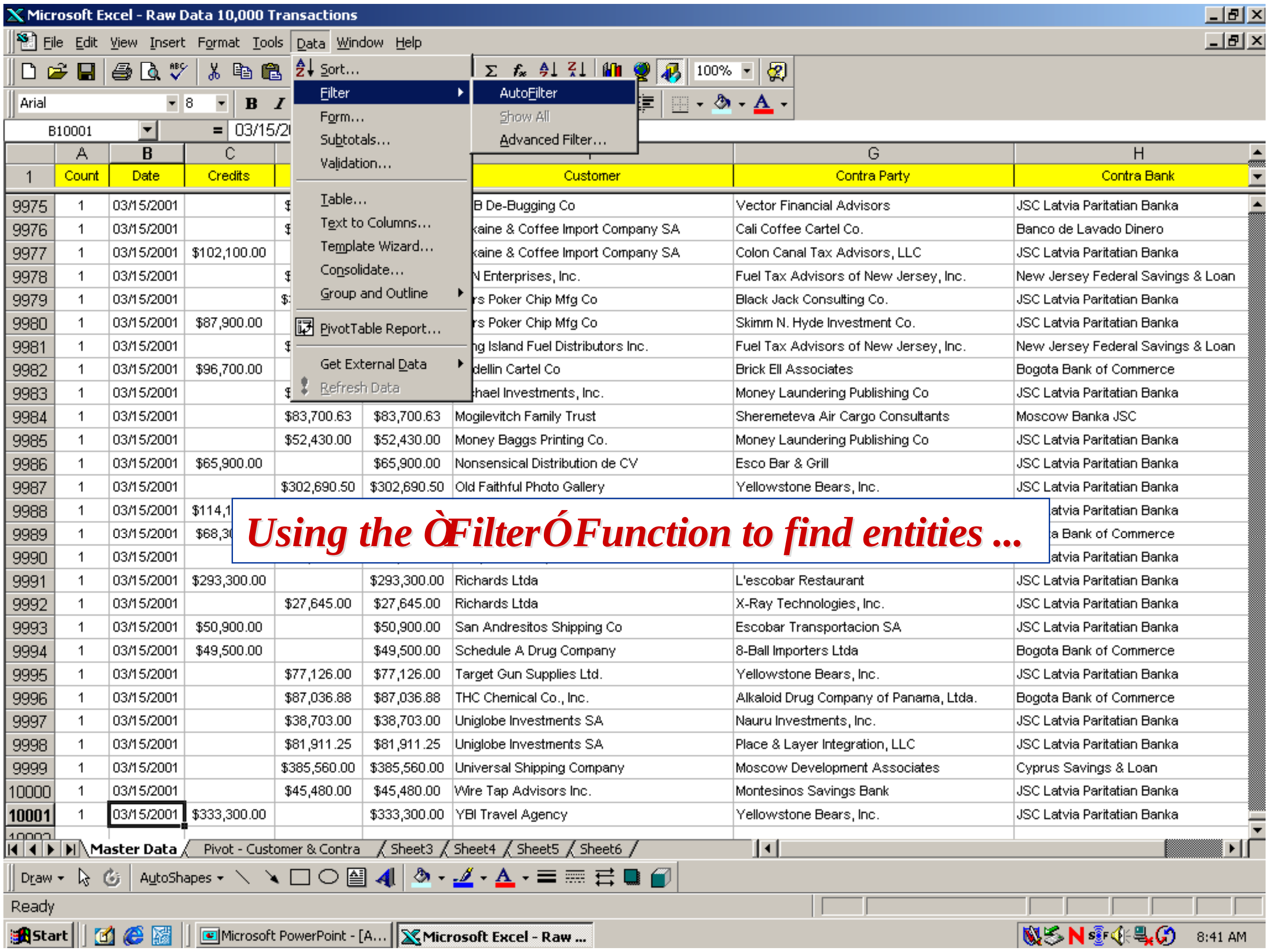
The information in this Database is not real and the names are fictitious.

	A	B	C	D	E	F	G	H
1	Count	Date	Credits	Debits	Total Amount	Customer	Contra Party	Contra Bank
9975	1	03/15/2001		$18,741.88	$18,741.88	KGB De-Bugging Co	Vector Financial Advisors	JSC Latvia Paritatian Banka
9976	1	03/15/2001		$34,845.00	$34,845.00	Kokaine & Coffee Import Company SA	Cali Coffee Cartel Co.	Banco de Lavado Dinero
9977	1	03/15/2001	$102,100.00		$102,100.00	Kokaine & Coffee Import Company SA	Colon Canal Tax Advisors, LLC	JSC Latvia Paritatian Banka
9978	1	03/15/2001		$72,215.00	$72,215.00	LCN Enterprises, Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
9979	1	03/15/2001		$360,161.00	$360,161.00	Liars Poker Chip Mfg Co	Black Jack Consulting Co.	JSC Latvia Paritatian Banka
9980	1	03/15/2001	$87,900.00		$87,900.00	Liars Poker Chip Mfg Co	Skimm N. Hyde Investment Co.	JSC Latvia Paritatian Banka
9981	1	03/15/2001		$97,263.00	$97,263.00	Long Island Fuel Distributors Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
9982	1	03/15/2001	$96,700.00		$96,700.00	Medellin Cartel Co	Brick Ell Associates	Bogota Bank of Commerce
9983	1	03/15/2001		$97,022.50	$97,022.50	Michael Investments, Inc.	Money Laundering Publishing Co	JSC Latvia Paritatian Banka
9984	1	03/15/2001		$83,700.63	$83,700.63	Mogilevitch Family Trust	Sheremeteva Air Cargo Consultants	Moscow Banka JSC
9985	1	03/15/2001		$52,430.00	$52,430.00	Money Baggs Printing Co.	Money Laundering Publishing Co	JSC Latvia Paritatian Banka
9986	1	03/15/2001	$65,900.00		$65,900.00	Nonsensical Distribution de CV	Esco Bar & Grill	JSC Latvia Paritatian Banka
9987	1	03/15/2001		$302,690.50	$302,690.50	Old Faithful Photo Gallery	Yellowstone Bears, Inc.	JSC Latvia Paritatian Banka
9988	1	03/15/2001	$114,100.00		$114,100.00	Picnic Basket Tours & Travel	Yellowstone Bears, Inc.	JSC Latvia Paritatian Banka
9989	1	03/15/2001	$68,300.00		$68,300.00	Potsdam Conference Company	Brick Ell Associates	Bogota Bank of Commerce
9990	1	03/15/2001		$68,196.88	$68,196.88	Q-Tip Cleaners, Co. Ltd.	Vector Financial Advisors	JSC Latvia Paritatian Banka
9991	1	03/15/2001	$293,300.00		$293,300.00	Richards Ltda	L'escobar Restaurant	JSC Latvia Paritatian Banka
9992	1	03/15/2001		$27,645.00	$27,645.00	Richards Ltda	X-Ray Technologies, Inc.	JSC Latvia Paritatian Banka
9993	1	03/15/2001	$50,900.00		$50,900.00	San Andresitos Shipping Co	Escobar Transportacion SA	JSC Latvia Paritatian Banka
9994	1	03/15/2001	$49,500.00		$49,500.00	Schedule A Drug Company	8-Ball Importers Ltda	Bogota Bank of Commerce
9995	1	03/15/2001		$77,126.00	$77,126.00	Target Gun Supplies Ltd.	Yellowstone Bears, Inc.	JSC Latvia Paritatian Banka
9996	1	03/15/2001		$87,036.88	$87,036.88	THC Chemical Co., Inc.	Alkaloid Drug Company of Panama, Ltda.	Bogota Bank of Commerce
9997	1	03/15/2001		$38,703.00	$38,703.00	Uniglobe Investments SA	Nauru Investments, Inc.	JSC Latvia Paritatian Banka
9998	1	03/15/2001		$81,911.25	$81,911.25	Uniglobe Investments SA	Place & Layer Integration, LLC	JSC Latvia Paritatian Banka
9999	1	03/15/2001		$385,560.00				
10000	1	03/15/2001		$45,480.00				
10001	1	03/15/2001	$333,300.00					

The first rule is to have clean data organized in rows and columns, without gaps or spaces and with limited, defined information in each cell.

Figure 1 – A "typical" transactional database showing 10,000 transactions. In this example, we created a database of fictitious wire transfers, showing the date, whether the wire was incoming or outgoing, the customer name, the "contra party" name (the originator of an outgoing wire or the beneficiary of an incoming wire), and the contra party's bank. This table shows 10,000 transactions conducted by approximately 125 fictitious customers to approximately 100 fictitious contra parties.

Exhibit "C" (continued …)

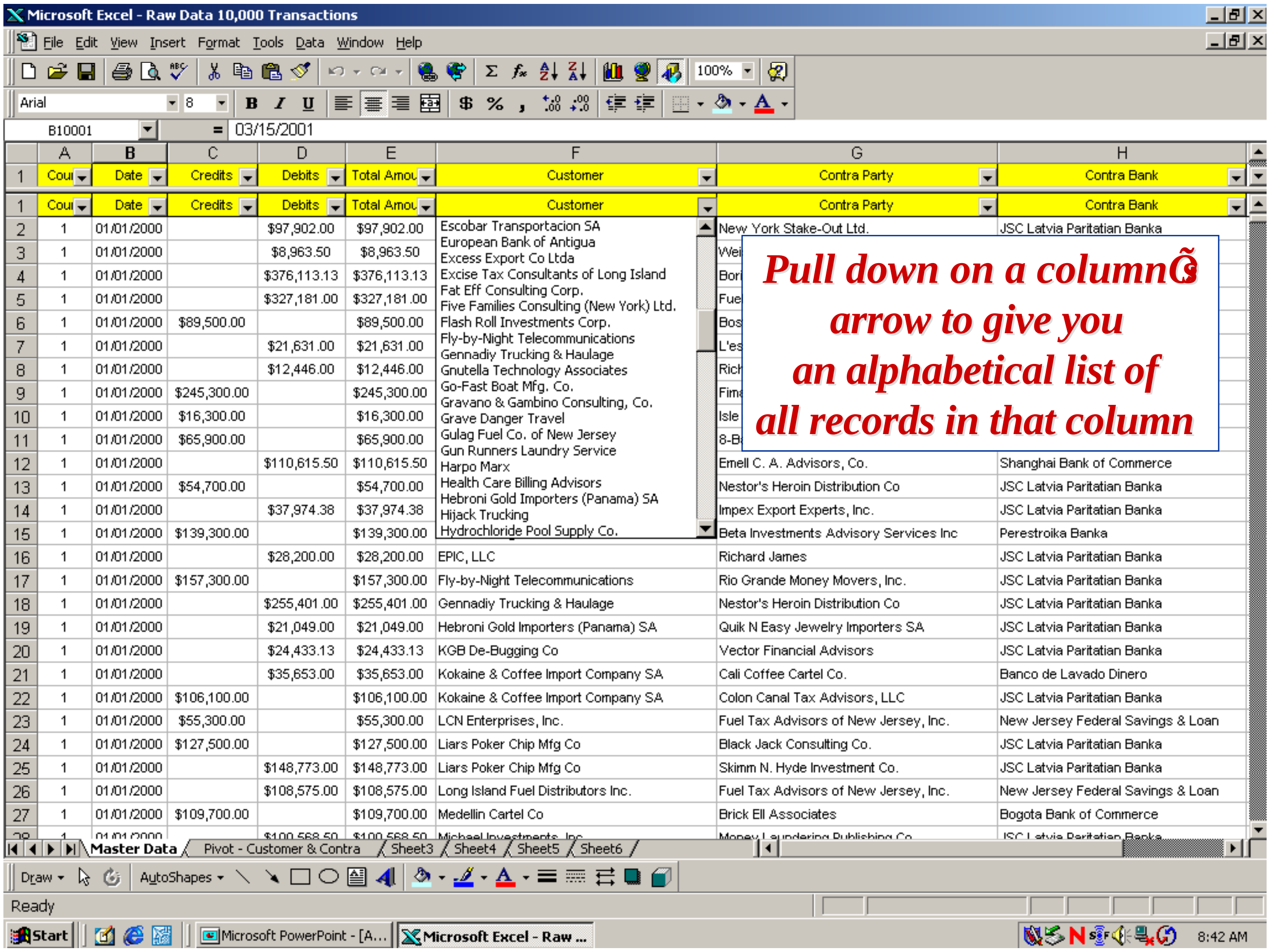


Using the ÒFilterÓFunction to find entities ...

	A	B	C				G	H
1	Count	Date	Credits			Customer	Contra Party	Contra Bank
9975	1	03/15/2001		$		B De-Bugging Co	Vector Financial Advisors	JSC Latvia Paritatian Banka
9976	1	03/15/2001		$		kaine & Coffee Import Company SA	Cali Coffee Cartel Co.	Banco de Lavado Dinero
9977	1	03/15/2001	$102,100.00			kaine & Coffee Import Company SA	Colon Canal Tax Advisors, LLC	JSC Latvia Paritatian Banka
9978	1	03/15/2001		$		N Enterprises, Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
9979	1	03/15/2001		$:		rs Poker Chip Mfg Co	Black Jack Consulting Co.	JSC Latvia Paritatian Banka
9980	1	03/15/2001	$87,900.00			rs Poker Chip Mfg Co	Skimm N. Hyde Investment Co.	JSC Latvia Paritatian Banka
9981	1	03/15/2001		$		ng Island Fuel Distributors Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
9982	1	03/15/2001	$96,700.00			dellin Cartel Co	Brick Ell Associates	Bogota Bank of Commerce
9983	1	03/15/2001		$		hael Investments, Inc.	Money Laundering Publishing Co	JSC Latvia Paritatian Banka
9984	1	03/15/2001		$83,700.63	$83,700.63	Mogilevitch Family Trust	Sheremeteva Air Cargo Consultants	Moscow Banka JSC
9985	1	03/15/2001		$52,430.00	$52,430.00	Money Baggs Printing Co.	Money Laundering Publishing Co	JSC Latvia Paritatian Banka
9986	1	03/15/2001	$65,900.00		$65,900.00	Nonsensical Distribution de CV	Esco Bar & Grill	JSC Latvia Paritatian Banka
9987	1	03/15/2001		$302,690.50	$302,690.50	Old Faithful Photo Gallery	Yellowstone Bears, Inc.	JSC Latvia Paritatian Banka
9988	1	03/15/2001	$114,1					atvia Paritatian Banka
9989	1	03/15/2001	$68,3					a Bank of Commerce
9990	1	03/15/2001						atvia Paritatian Banka
9991	1	03/15/2001	$293,300.00		$293,300.00	Richards Ltda	L'escobar Restaurant	JSC Latvia Paritatian Banka
9992	1	03/15/2001		$27,645.00	$27,645.00	Richards Ltda	X-Ray Technologies, Inc.	JSC Latvia Paritatian Banka
9993	1	03/15/2001	$50,900.00		$50,900.00	San Andresitos Shipping Co	Escobar Transportacion SA	JSC Latvia Paritatian Banka
9994	1	03/15/2001	$49,500.00		$49,500.00	Schedule A Drug Company	8-Ball Importers Ltda	Bogota Bank of Commerce
9995	1	03/15/2001		$77,126.00	$77,126.00	Target Gun Supplies Ltd.	Yellowstone Bears, Inc.	JSC Latvia Paritatian Banka
9996	1	03/15/2001		$87,036.88	$87,036.88	THC Chemical Co., Inc.	Alkaloid Drug Company of Panama, Ltda.	Bogota Bank of Commerce
9997	1	03/15/2001		$38,703.00	$38,703.00	Uniglobe Investments SA	Nauru Investments, Inc.	JSC Latvia Paritatian Banka
9998	1	03/15/2001		$81,911.25	$81,911.25	Uniglobe Investments SA	Place & Layer Integration, LLC	JSC Latvia Paritatian Banka
9999	1	03/15/2001		$385,560.00	$385,560.00	Universal Shipping Company	Moscow Development Associates	Cyprus Savings & Loan
10000	1	03/15/2001		$45,480.00	$45,480.00	Wire Tap Advisors Inc.	Montesinos Savings Bank	JSC Latvia Paritatian Banka
10001	1	03/15/2001	$333,300.00		$333,300.00	YBI Travel Agency	Yellowstone Bears, Inc.	JSC Latvia Paritatian Banka

Figure 2 – To turn on the "Filter" function, find and click on the "Data" menu to reveal a drop-down list of commands. Scroll down that list with your cursor to the "Filter" command. Sub-commands will appear on the right: slide the cursor over to "apply" and click. The drop-down menu will disappear, and small arrows or indicators will appear in the bottom-right hand corner of the column headings.

Exhibit “C” (continued …)



Microsoft Excel - Raw Data 10,000 Transactions
File Edit View Insert Format Tools Data Window Help
Arial
8
100%
B10001
Master Data
Pivot - Customer & Contra
Sheet3
Sheet4
Sheet5
Sheet6
Draw
AutoShapes
Ready
Start
Microsoft PowerPoint - [A...
Microsoft Excel - Raw ...
8:42 AM

= 03/15/2001

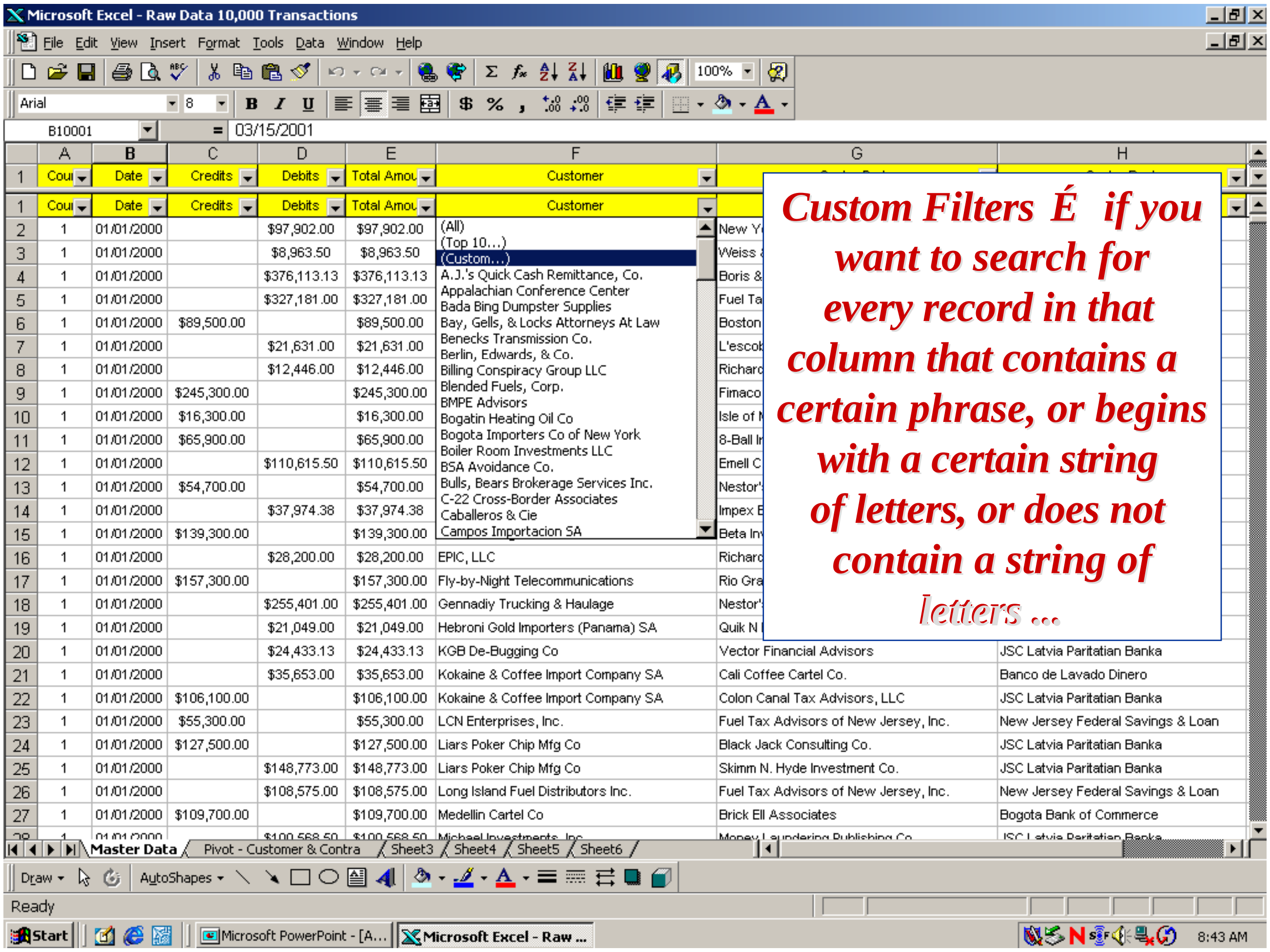
	A	B	C	D	E	F	G	H
1	Cou	Date	Credits	Debits	Total Amou	Customer	Contra Party	Contra Bank
1	Cou	Date	Credits	Debits	Total Amou	Customer	Contra Party	Contra Bank
2	1	01/01/2000		$97,902.00	$97,902.00		New York Stake-Out Ltd.	JSC Latvia Paritatian Banka
3	1	01/01/2000		$8,963.50	$8,963.50		Wei	
4	1	01/01/2000		$376,113.13	$376,113.13		Bori	
5	1	01/01/2000		$327,181.00	$327,181.00		Fue	
6	1	01/01/2000	$89,500.00		$89,500.00		Bos	
7	1	01/01/2000		$21,631.00	$21,631.00		L'es	
8	1	01/01/2000		$12,446.00	$12,446.00		Rich	
9	1	01/01/2000	$245,300.00		$245,300.00		Fim	
10	1	01/01/2000	$16,300.00		$16,300.00		Isle	
11	1	01/01/2000	$65,900.00		$65,900.00		8-B	
12	1	01/01/2000		$110,615.50	$110,615.50		Emell C. A. Advisors, Co.	Shanghai Bank of Commerce
13	1	01/01/2000	$54,700.00		$54,700.00		Nestor's Heroin Distribution Co	JSC Latvia Paritatian Banka
14	1	01/01/2000		$37,974.38	$37,974.38		Impex Export Experts, Inc.	JSC Latvia Paritatian Banka
15	1	01/01/2000	$139,300.00		$139,300.00		Beta Investments Advisory Services Inc	Perestroika Banka
16	1	01/01/2000		$28,200.00	$28,200.00	EPIC, LLC	Richard James	JSC Latvia Paritatian Banka
17	1	01/01/2000	$157,300.00		$157,300.00	Fly-by-Night Telecommunications	Rio Grande Money Movers, Inc.	JSC Latvia Paritatian Banka
18	1	01/01/2000		$255,401.00	$255,401.00	Gennadiy Trucking & Haulage	Nestor's Heroin Distribution Co	JSC Latvia Paritatian Banka
19	1	01/01/2000		$21,049.00	$21,049.00	Hebroni Gold Importers (Panama) SA	Quik N Easy Jewelry Importers SA	JSC Latvia Paritatian Banka
20	1	01/01/2000		$24,433.13	$24,433.13	KGB De-Bugging Co	Vector Financial Advisors	JSC Latvia Paritatian Banka
21	1	01/01/2000		$35,653.00	$35,653.00	Kokaine & Coffee Import Company SA	Cali Coffee Cartel Co.	Banco de Lavado Dinero
22	1	01/01/2000	$106,100.00		$106,100.00	Kokaine & Coffee Import Company SA	Colon Canal Tax Advisors, LLC	JSC Latvia Paritatian Banka
23	1	01/01/2000	$55,300.00		$55,300.00	LCN Enterprises, Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
24	1	01/01/2000	$127,500.00		$127,500.00	Liars Poker Chip Mfg Co	Black Jack Consulting Co.	JSC Latvia Paritatian Banka
25	1	01/01/2000		$148,773.00	$148,773.00	Liars Poker Chip Mfg Co	Skimm N. Hyde Investment Co.	JSC Latvia Paritatian Banka
26	1	01/01/2000		$108,575.00	$108,575.00	Long Island Fuel Distributors Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
27	1	01/01/2000	$109,700.00		$109,700.00	Medellin Cartel Co	Brick Ell Associates	Bogota Bank of Commerce
28	1	01/01/2000		$100,568.50	$100,568.50	Michael Investments, Inc	Money Laundering Publishing Co	JSC Latvia Paritatian Banka

Escobar Transportacion SA
European Bank of Antigua
Excess Export Co Ltda
Excise Tax Consultants of Long Island
Fat Eff Consulting Corp.
Five Families Consulting (New York) Ltd.
Flash Roll Investments Corp.
Fly-by-Night Telecommunications
Gennadiy Trucking & Haulage
Gnutella Technology Associates
Go-Fast Boat Mfg. Co.
Gravano & Gambino Consulting, Co.
Grave Danger Travel
Gulag Fuel Co. of New Jersey
Gun Runners Laundry Service
Harpo Marx
Health Care Billing Advisors
Hebroni Gold Importers (Panama) SA
Hijack Trucking
Hydrochloride Pool Supply Co.

Pull down on a columnĜs arrow to give you an alphabetical list of all records in that column

Figure 3 – Small drop-down arrows appear on the column headings. Clicking on any of those arrows allows you to pull down on that column, giving you a numerical or alphabetical list of all records in that column. In this case, we have pulled down the “customer” column, revealing a list of all customers that conducted wire transfers, arranged alphabetically. We could do the same for the Date column, Amount column, or any other column in the database.

Exhibit “C” (continued …)



Microsoft Excel - Raw Data 10,000 Transactions
File Edit View Insert Format Tools Data Window Help
Arial
8
100%
B10001
= 03/15/2001
Master Data
Pivot - Customer & Contra
Sheet3
Sheet4
Sheet5
Sheet6
Draw
AutoShapes
Ready
Start
Microsoft PowerPoint - [A...
Microsoft Excel - Raw ...
8:43 AM

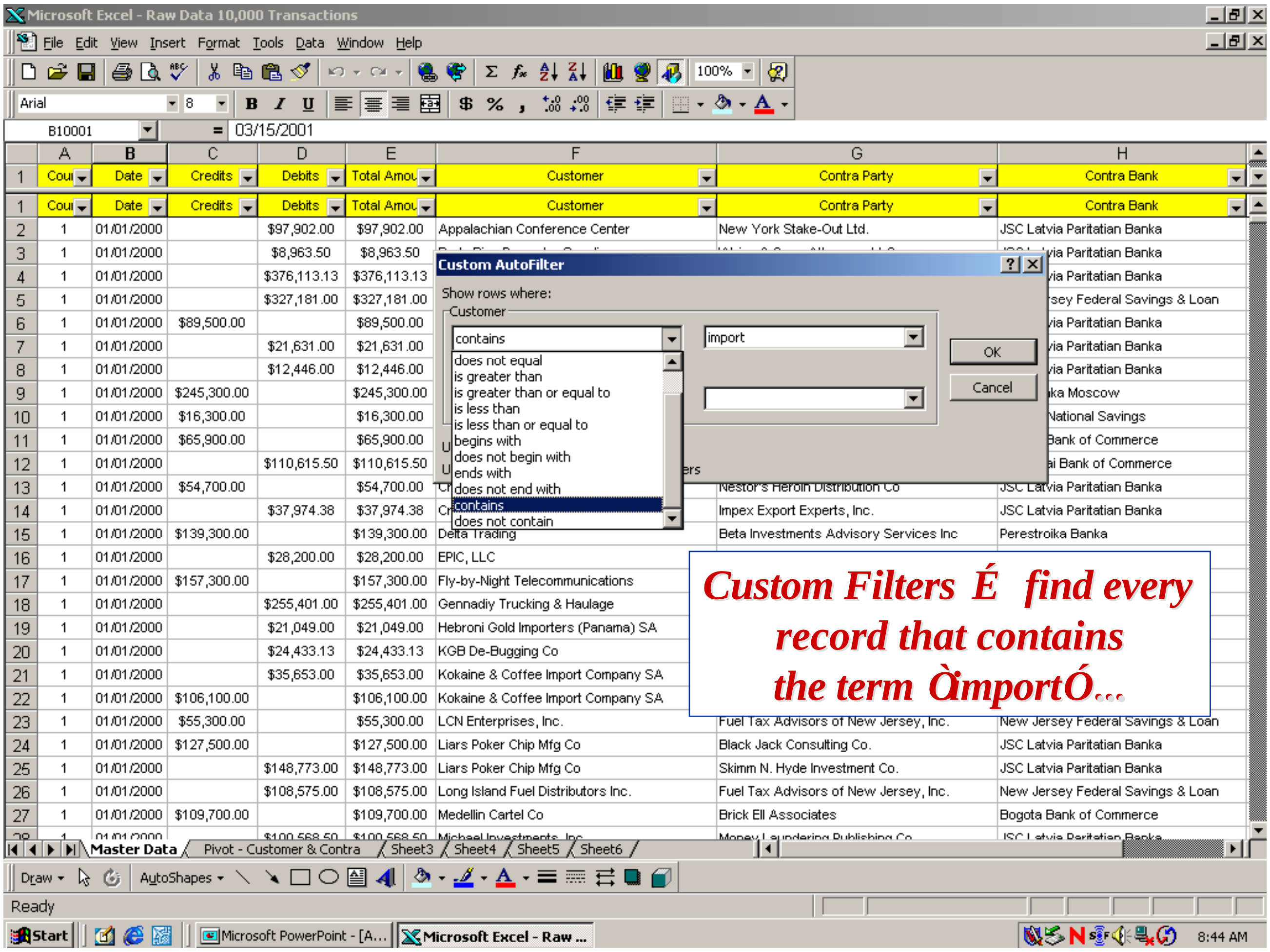
(All)
(Top 10...)
(Custom...)
A.J.'s Quick Cash Remittance, Co.
Appalachian Conference Center
Bada Bing Dumpster Supplies
Bay, Gells, & Locks Attorneys At Law
Benecks Transmission Co.
Berlin, Edwards, & Co.
Billing Conspiracy Group LLC
Blended Fuels, Corp.
BMPE Advisors
Bogatin Heating Oil Co
Bogota Importers Co of New York
Boiler Room Investments LLC
BSA Avoidance Co.
Bulls, Bears Brokerage Services Inc.
C-22 Cross-Border Associates
Caballeros & Cie
Campos Importacion SA

	A	B	C	D	E	F	G	H
1	Cou	Date	Credits	Debits	Total Amou	Customer		
2	1	01/01/2000		$97,902.00	$97,902.00		New Y	
3	1	01/01/2000		$8,963.50	$8,963.50		Weiss &	
4	1	01/01/2000		$376,113.13	$376,113.13		Boris &	
5	1	01/01/2000		$327,181.00	$327,181.00		Fuel Ta	
6	1	01/01/2000	$89,500.00		$89,500.00		Boston	
7	1	01/01/2000		$21,631.00	$21,631.00		L'escob	
8	1	01/01/2000		$12,446.00	$12,446.00		Richard	
9	1	01/01/2000	$245,300.00		$245,300.00		Fimaco	
10	1	01/01/2000	$16,300.00		$16,300.00		Isle of M	
11	1	01/01/2000	$65,900.00		$65,900.00		8-Ball In	
12	1	01/01/2000		$110,615.50	$110,615.50		Emell C	
13	1	01/01/2000	$54,700.00		$54,700.00		Nestor's	
14	1	01/01/2000		$37,974.38	$37,974.38		Impex B	
15	1	01/01/2000	$139,300.00		$139,300.00		Beta Inv	
16	1	01/01/2000		$28,200.00	$28,200.00	EPIC, LLC	Richard	
17	1	01/01/2000	$157,300.00		$157,300.00	Fly-by-Night Telecommunications	Rio Gra	
18	1	01/01/2000		$255,401.00	$255,401.00	Gennadiy Trucking & Haulage	Nestor's	
19	1	01/01/2000		$21,049.00	$21,049.00	Hebroni Gold Importers (Panama) SA	Quik N	
20	1	01/01/2000		$24,433.13	$24,433.13	KGB De-Bugging Co	Vector Financial Advisors	JSC Latvia Paritatian Banka
21	1	01/01/2000		$35,653.00	$35,653.00	Kokaine & Coffee Import Company SA	Cali Coffee Cartel Co.	Banco de Lavado Dinero
22	1	01/01/2000	$106,100.00		$106,100.00	Kokaine & Coffee Import Company SA	Colon Canal Tax Advisors, LLC	JSC Latvia Paritatian Banka
23	1	01/01/2000	$55,300.00		$55,300.00	LCN Enterprises, Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
24	1	01/01/2000	$127,500.00		$127,500.00	Liars Poker Chip Mfg Co	Black Jack Consulting Co.	JSC Latvia Paritatian Banka
25	1	01/01/2000		$148,773.00	$148,773.00	Liars Poker Chip Mfg Co	Skimm N. Hyde Investment Co.	JSC Latvia Paritatian Banka
26	1	01/01/2000		$108,575.00	$108,575.00	Long Island Fuel Distributors Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
27	1	01/01/2000	$109,700.00		$109,700.00	Medellin Cartel Co	Brick Ell Associates	Bogota Bank of Commerce

Custom Filters É if you want to search for every record in that column that contains a certain phrase, or begins with a certain string of letters, or does not contain a string of letters …

Figure 4 – At the top of the drop-down alpha/numeric list are three other choices: show All, show the Top 10, or “Custom”. The Custom feature is incredibly useful, allowing you to search every record in the column for a certain phrase or combination of phrases, a certain string of letters, a particular date range, or any other factor. It also allows you to exclude a phrase, number or date.

Exhibit "C" (continued …)



Microsoft Excel - Raw Data 10,000 Transactions

B10001 = 03/15/2001

	A	B	C	D	E	F	G	H
1	Cou	Date	Credits	Debits	Total Amou	Customer	Contra Party	Contra Bank
1	Cou	Date	Credits	Debits	Total Amou	Customer	Contra Party	Contra Bank
2	1	01/01/2000		$97,902.00	$97,902.00	Appalachian Conference Center	New York Stake-Out Ltd.	JSC Latvia Paritatian Banka
3	1	01/01/2000		$8,963.50	$8,963.50			via Paritatian Banka
4	1	01/01/2000		$376,113.13	$376,113.13			via Paritatian Banka
5	1	01/01/2000		$327,181.00	$327,181.00			rsey Federal Savings & Loan
6	1	01/01/2000	$89,500.00		$89,500.00			via Paritatian Banka
7	1	01/01/2000		$21,631.00	$21,631.00			via Paritatian Banka
8	1	01/01/2000		$12,446.00	$12,446.00			via Paritatian Banka
9	1	01/01/2000	$245,300.00		$245,300.00			ka Moscow
10	1	01/01/2000	$16,300.00		$16,300.00			National Savings
11	1	01/01/2000	$65,900.00		$65,900.00			Bank of Commerce
12	1	01/01/2000		$110,615.50	$110,615.50			ai Bank of Commerce
13	1	01/01/2000	$54,700.00		$54,700.00	Cr	Nestor's Heroin Distribution Co	JSC Latvia Paritatian Banka
14	1	01/01/2000		$37,974.38	$37,974.38	Cr	Impex Export Experts, Inc.	JSC Latvia Paritatian Banka
15	1	01/01/2000	$139,300.00		$139,300.00	Delta Trading	Beta Investments Advisory Services Inc	Perestroika Banka
16	1	01/01/2000		$28,200.00	$28,200.00	EPIC, LLC		
17	1	01/01/2000	$157,300.00		$157,300.00	Fly-by-Night Telecommunications		
18	1	01/01/2000		$255,401.00	$255,401.00	Gennadiy Trucking & Haulage		
19	1	01/01/2000		$21,049.00	$21,049.00	Hebroni Gold Importers (Panama) SA		
20	1	01/01/2000		$24,433.13	$24,433.13	KGB De-Bugging Co		
21	1	01/01/2000		$35,653.00	$35,653.00	Kokaine & Coffee Import Company SA		
22	1	01/01/2000	$106,100.00		$106,100.00	Kokaine & Coffee Import Company SA		
23	1	01/01/2000	$55,300.00		$55,300.00	LCN Enterprises, Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
24	1	01/01/2000	$127,500.00		$127,500.00	Liars Poker Chip Mfg Co	Black Jack Consulting Co.	JSC Latvia Paritatian Banka
25	1	01/01/2000		$148,773.00	$148,773.00	Liars Poker Chip Mfg Co	Skimm N. Hyde Investment Co.	JSC Latvia Paritatian Banka
26	1	01/01/2000		$108,575.00	$108,575.00	Long Island Fuel Distributors Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
27	1	01/01/2000	$109,700.00		$109,700.00	Medellin Cartel Co	Brick Ell Associates	Bogota Bank of Commerce
28	1	01/01/2000		$100,568.50	$100,568.50	Michael Investments, Inc	Money Laundering Publishing Co	JSC Latvia Paritatian Banka

Custom AutoFilter

Show rows where:

Customer

contains: import

- does not equal
- is greater than
- is greater than or equal to
- is less than
- is less than or equal to
- begins with
- does not begin with
- ends with
- does not end with
- contains
- does not contain

OK Cancel

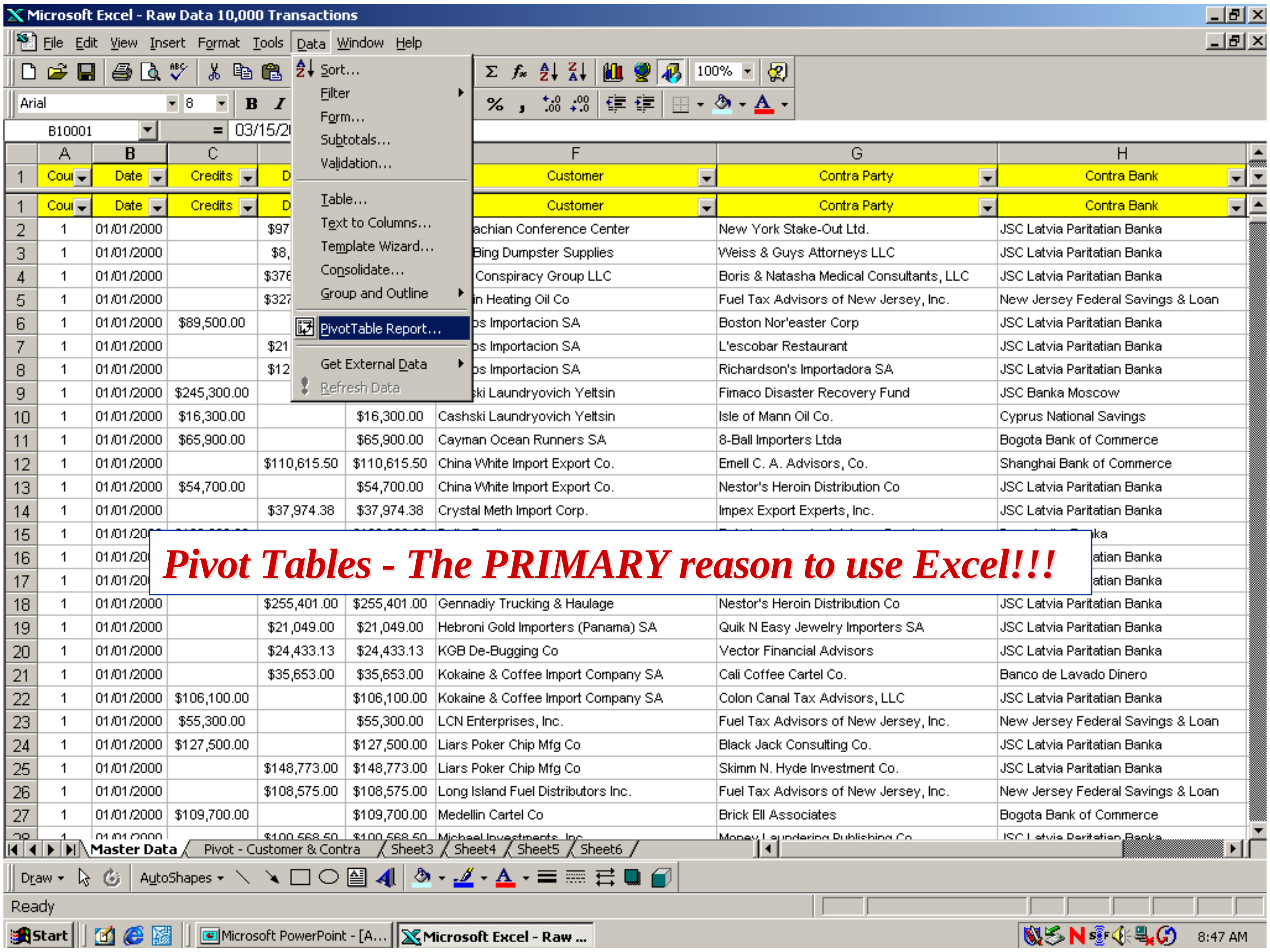
Custom Filters É find every record that contains the term ÒimportÓ…

File Edit View Insert Format Tools Data Window Help
Arial
8
100%
Master Data
Pivot - Customer & Contra
Sheet3
Sheet4
Sheet5
Sheet6
Draw
AutoShapes
Ready
Start
Microsoft PowerPoint - [A…
Microsoft Excel - Raw …
8:44 AM

Figure 5 – In this case, we have filtered our "customer" column so that we are going to see only those customers whose name contains the term import. Here, you have two choices: you can include those customers whose name contains "import" AND the term "export", or you could include those customers whose name contains the term "import" BUT NOT the term "export." The possibilities are endless.

Exhibit "D"

The Use of The "Pivot Table" Function in Microsoft Excel™ as an AML/TFP Tool

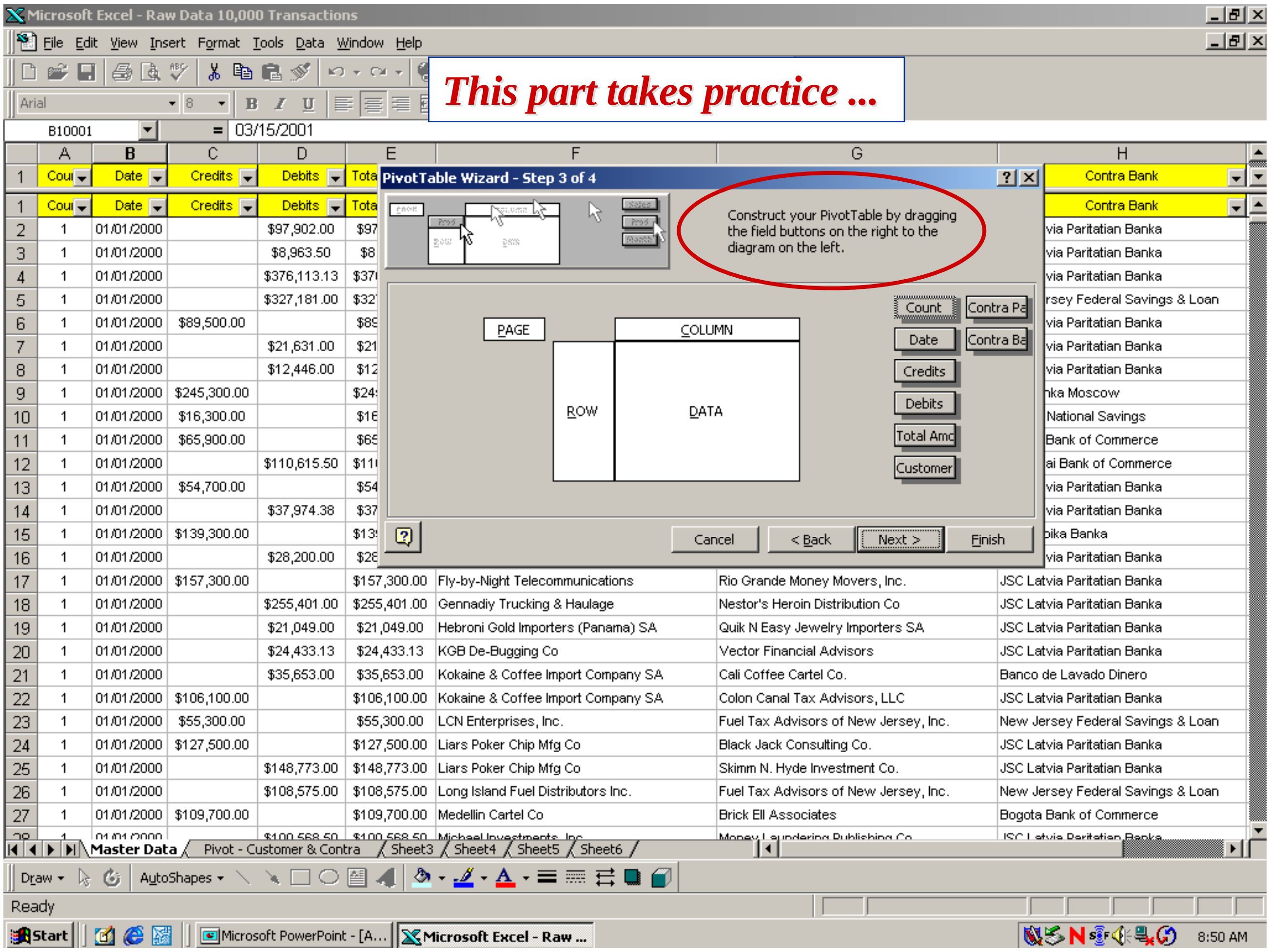


	A	B	C			F	G	H
1	Cou	Date	Credits	D		Customer	Contra Party	Contra Bank
1	Cou	Date	Credits	D		Customer	Contra Party	Contra Bank
2	1	01/01/2000		$97		achian Conference Center	New York Stake-Out Ltd.	JSC Latvia Paritatian Banka
3	1	01/01/2000		$8,		Bing Dumpster Supplies	Weiss & Guys Attorneys LLC	JSC Latvia Paritatian Banka
4	1	01/01/2000		$376		Conspiracy Group LLC	Boris & Natasha Medical Consultants, LLC	JSC Latvia Paritatian Banka
5	1	01/01/2000		$327		in Heating Oil Co	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
6	1	01/01/2000	$89,500.00			ps Importacion SA	Boston Nor'easter Corp	JSC Latvia Paritatian Banka
7	1	01/01/2000		$21		ps Importacion SA	L'escobar Restaurant	JSC Latvia Paritatian Banka
8	1	01/01/2000		$12		ps Importacion SA	Richardson's Importadora SA	JSC Latvia Paritatian Banka
9	1	01/01/2000	$245,300.00			ski Laundryovich Yeltsin	Fimaco Disaster Recovery Fund	JSC Banka Moscow
10	1	01/01/2000	$16,300.00		$16,300.00	Cashski Laundryovich Yeltsin	Isle of Mann Oil Co.	Cyprus National Savings
11	1	01/01/2000	$65,900.00		$65,900.00	Cayman Ocean Runners SA	8-Ball Importers Ltda	Bogota Bank of Commerce
12	1	01/01/2000		$110,615.50	$110,615.50	China White Import Export Co.	Emell C. A. Advisors, Co.	Shanghai Bank of Commerce
13	1	01/01/2000	$54,700.00		$54,700.00	China White Import Export Co.	Nestor's Heroin Distribution Co	JSC Latvia Paritatian Banka
14	1	01/01/2000		$37,974.38	$37,974.38	Crystal Meth Import Corp.	Impex Export Experts, Inc.	JSC Latvia Paritatian Banka
15	1	01/01/20						ka
16	1	01/01/20						atian Banka
17	1	01/01/20						atian Banka
18	1	01/01/2000		$255,401.00	$255,401.00	Gennadiy Trucking & Haulage	Nestor's Heroin Distribution Co	JSC Latvia Paritatian Banka
19	1	01/01/2000		$21,049.00	$21,049.00	Hebroni Gold Importers (Panama) SA	Quik N Easy Jewelry Importers SA	JSC Latvia Paritatian Banka
20	1	01/01/2000		$24,433.13	$24,433.13	KGB De-Bugging Co	Vector Financial Advisors	JSC Latvia Paritatian Banka
21	1	01/01/2000		$35,653.00	$35,653.00	Kokaine & Coffee Import Company SA	Cali Coffee Cartel Co.	Banco de Lavado Dinero
22	1	01/01/2000	$106,100.00		$106,100.00	Kokaine & Coffee Import Company SA	Colon Canal Tax Advisors, LLC	JSC Latvia Paritatian Banka
23	1	01/01/2000	$55,300.00		$55,300.00	LCN Enterprises, Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
24	1	01/01/2000	$127,500.00		$127,500.00	Liars Poker Chip Mfg Co	Black Jack Consulting Co.	JSC Latvia Paritatian Banka
25	1	01/01/2000		$148,773.00	$148,773.00	Liars Poker Chip Mfg Co	Skimm N. Hyde Investment Co.	JSC Latvia Paritatian Banka
26	1	01/01/2000		$108,575.00	$108,575.00	Long Island Fuel Distributors Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
27	1	01/01/2000	$109,700.00		$109,700.00	Medellin Cartel Co	Brick Ell Associates	Bogota Bank of Commerce
28	1	01/01/2000		$100,568.50	$100,568.50	Michael Investments, Inc	Money Laundering Publishing Co	JSC Latvia Paritatian Banka

Pivot Tables - The PRIMARY reason to use Excel!!!

Figure 6 – Like the "Filter" function, the "Pivot Table" function appears in the "Data" drop-down list located at the top of the control panel in Excel™. Clicking on the "Pivot Table" command opens up a "Wizard" that guides you through the steps needed to build the Pivot Table.

Exhibit "D" (continued …)


Microsoft Excel - Raw Data 10,000 Transactions
File Edit View Insert Format Tools Data Window Help
Arial
8
B10001
= 03/15/2001
PivotTable Wizard - Step 3 of 4
PAGE
COLUMN
ROW
DATA
Count
Contra Pa
Date
Contra Ba
Credits
Debits
Total Amc
Customer
Cancel
< Back
Next >
Finish
Master Data
Pivot - Customer & Contra
Sheet3
Sheet4
Sheet5
Sheet6
Draw
AutoShapes
Ready
Start
Microsoft PowerPoint - [A...
Microsoft Excel - Raw ...
8:50 AM

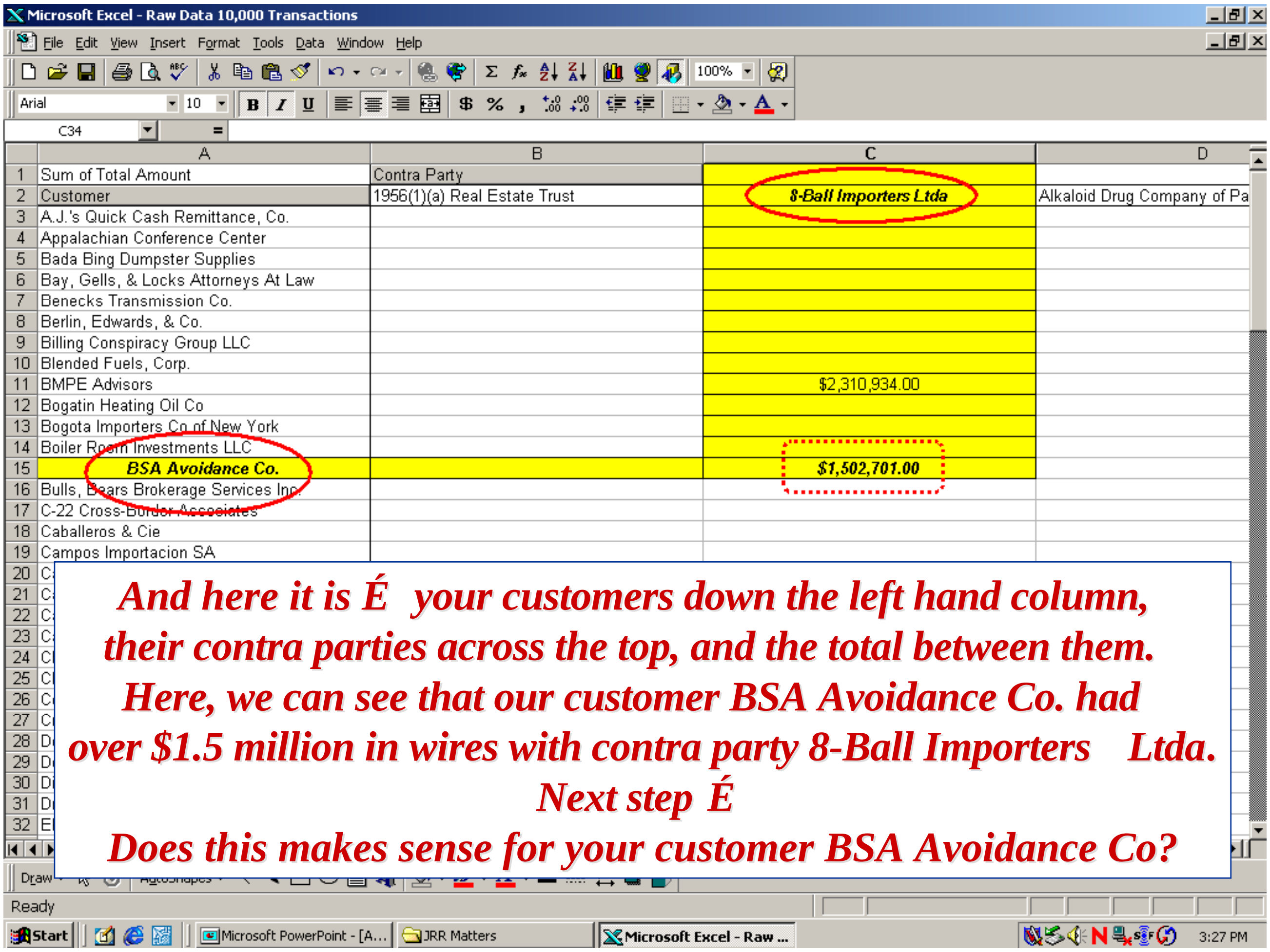
This part takes practice ...

Construct your PivotTable by dragging the field buttons on the right to the diagram on the left.

	A	B	C	D	E	F	G	H
1	Cou	Date	Credits	Debits	Tota			Contra Bank
1	Cou	Date	Credits	Debits	Tota			Contra Bank
2	1	01/01/2000		$97,902.00	$97			via Paritatian Banka
3	1	01/01/2000		$8,963.50	$8			via Paritatian Banka
4	1	01/01/2000		$376,113.13	$37			via Paritatian Banka
5	1	01/01/2000		$327,181.00	$32			rsey Federal Savings & Loan
6	1	01/01/2000	$89,500.00		$89			via Paritatian Banka
7	1	01/01/2000		$21,631.00	$21			via Paritatian Banka
8	1	01/01/2000		$12,446.00	$12			via Paritatian Banka
9	1	01/01/2000	$245,300.00		$24			nka Moscow
10	1	01/01/2000	$16,300.00		$16			National Savings
11	1	01/01/2000	$65,900.00		$65			Bank of Commerce
12	1	01/01/2000		$110,615.50	$11			ai Bank of Commerce
13	1	01/01/2000	$54,700.00		$54			via Paritatian Banka
14	1	01/01/2000		$37,974.38	$37			via Paritatian Banka
15	1	01/01/2000	$139,300.00		$13			pika Banka
16	1	01/01/2000		$28,200.00	$28			via Paritatian Banka
17	1	01/01/2000	$157,300.00		$157,300.00	Fly-by-Night Telecommunications	Rio Grande Money Movers, Inc.	JSC Latvia Paritatian Banka
18	1	01/01/2000		$255,401.00	$255,401.00	Gennadiy Trucking & Haulage	Nestor's Heroin Distribution Co	JSC Latvia Paritatian Banka
19	1	01/01/2000		$21,049.00	$21,049.00	Hebroni Gold Importers (Panama) SA	Quik N Easy Jewelry Importers SA	JSC Latvia Paritatian Banka
20	1	01/01/2000		$24,433.13	$24,433.13	KGB De-Bugging Co	Vector Financial Advisors	JSC Latvia Paritatian Banka
21	1	01/01/2000		$35,653.00	$35,653.00	Kokaine & Coffee Import Company SA	Cali Coffee Cartel Co.	Banco de Lavado Dinero
22	1	01/01/2000	$106,100.00		$106,100.00	Kokaine & Coffee Import Company SA	Colon Canal Tax Advisors, LLC	JSC Latvia Paritatian Banka
23	1	01/01/2000	$55,300.00		$55,300.00	LCN Enterprises, Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
24	1	01/01/2000	$127,500.00		$127,500.00	Liars Poker Chip Mfg Co	Black Jack Consulting Co.	JSC Latvia Paritatian Banka
25	1	01/01/2000		$148,773.00	$148,773.00	Liars Poker Chip Mfg Co	Skimm N. Hyde Investment Co.	JSC Latvia Paritatian Banka
26	1	01/01/2000		$108,575.00	$108,575.00	Long Island Fuel Distributors Inc.	Fuel Tax Advisors of New Jersey, Inc.	New Jersey Federal Savings & Loan
27	1	01/01/2000	$109,700.00		$109,700.00	Medellin Cartel Co	Brick Ell Associates	Bogota Bank of Commerce
28	1	01/01/2000		$100,568.50	$100,568.50	Michael Investments, Inc	Money Laundering Publishing Co	JSC Latvia Paritatian Banka

Figure 7 – The "Wizard" walks you through the steps needed to build the Pivot Table. This takes some practice, as you need to learn the best ways to build your table, dragging column headings represented by the buttons on the right of the drop down menu into the table located on the left.

Exhibit "D" (continued …)



Microsoft Excel - Raw Data 10,000 Transactions
File Edit View Insert Format Tools Data Window Help
Arial
10
100%
C34
=
Draw
AutoShapes
Ready
Start
Microsoft PowerPoint - [A...
JRR Matters
Microsoft Excel - Raw ...
3:27 PM

	A	B	C	D
1	Sum of Total Amount	Contra Party		
2	Customer	1956(1)(a) Real Estate Trust	***8-Ball Importers Ltda***	Alkaloid Drug Company of Pa
3	A.J.'s Quick Cash Remittance, Co.			
4	Appalachian Conference Center			
5	Bada Bing Dumpster Supplies			
6	Bay, Gells, & Locks Attorneys At Law			
7	Benecks Transmission Co.			
8	Berlin, Edwards, & Co.			
9	Billing Conspiracy Group LLC			
10	Blended Fuels, Corp.			
11	BMPE Advisors		$2,310,934.00	
12	Bogatin Heating Oil Co			
13	Bogota Importers Co of New York			
14	Boiler Room Investments LLC			
15	***BSA Avoidance Co.***		***$1,502,701.00***	
16	Bulls, Bears Brokerage Services Inc			
17	C-22 Cross-Border Associates			
18	Caballeros & Cie			
19	Campos Importacion SA			
20	C			
21	C			
22	C			
23	C			
24	C			
25	C			
26	C			
27	C			
28	D			
29	D			
30	D			
31	D			
32	E			

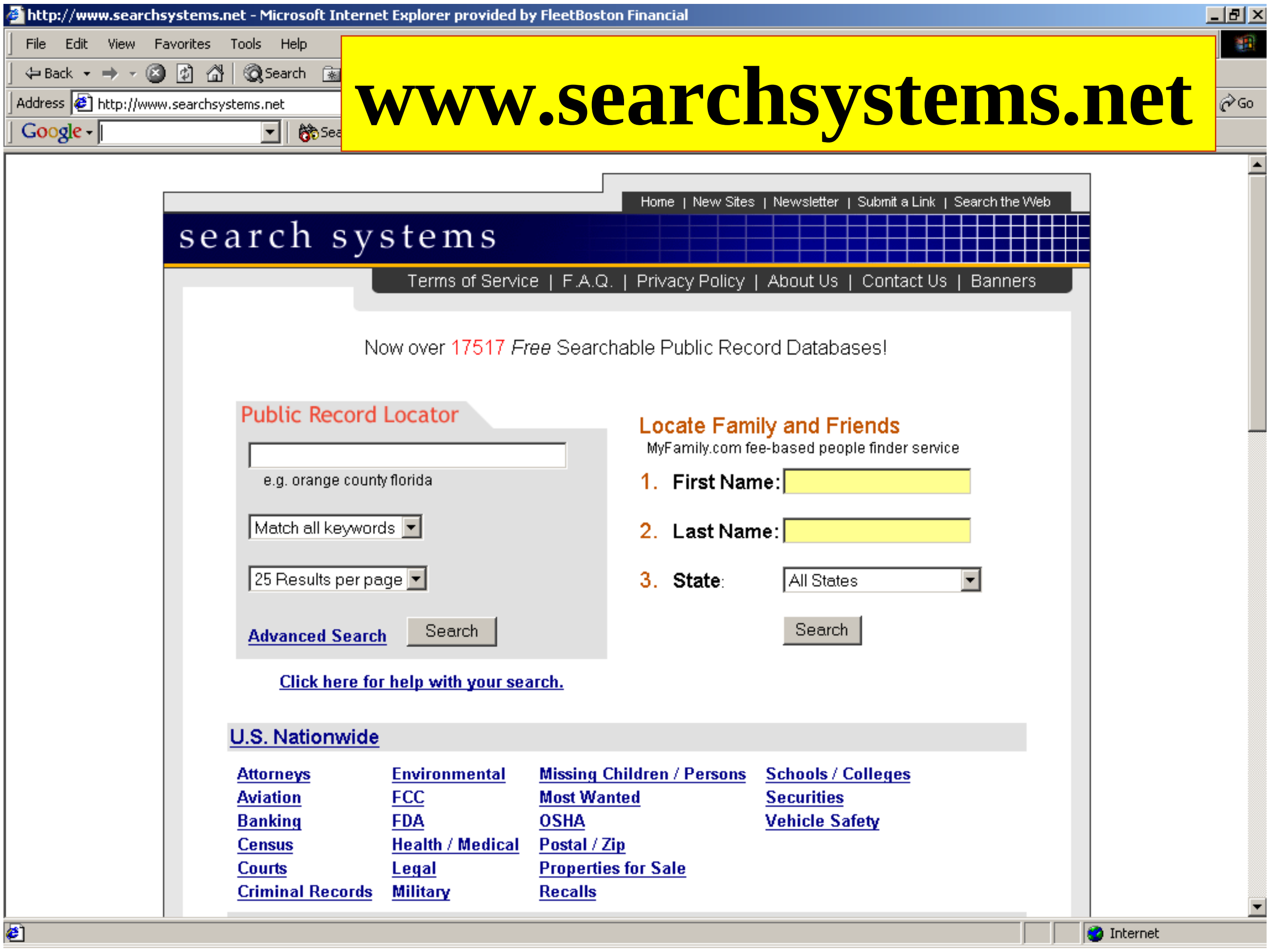
And here it is É your customers down the left hand column, their contra parties across the top, and the total between them. Here, we can see that our customer BSA Avoidance Co. had over $1.5 million in wires with contra party 8-Ball Importers Ltda. Next step É

Does this makes sense for your customer BSA Avoidance Co?

Figure 8 – In this case, we built a Pivot Table from our wire transfer database showing all customers down the "Y" or left hand column, all contra parties across the top (originators of incoming wires or beneficiaries of outgoing wires), and the sum of the wires between any customer and any contra party (in this case, rather than the sum of the wires, you could choose the average wire, largest wire, number of wires, or even the standard deviation between the wire amounts).

Exhibit "E"

The Invisible Web – www.searchsystems.net



http://www.searchsystems.net - Microsoft Internet Explorer provided by FleetBoston Financial
File Edit View Favorites Tools Help
Back Search
Address http://www.searchsystems.net
Go
Google
www.searchsystems.net
Home | New Sites | Newsletter | Submit a Link | Search the Web
search systems
Terms of Service | F.A.Q. | Privacy Policy | About Us | Contact Us | Banners
Internet

Now over 17517 *Free* Searchable Public Record Databases!

Public Record Locator

e.g. orange county florida

Match all keywords

25 Results per page

Advanced Search | Search

Click here for help with your search.

Locate Family and Friends

MyFamily.com fee-based people finder service

1. First Name:
2. Last Name:
3. State: All States

Search

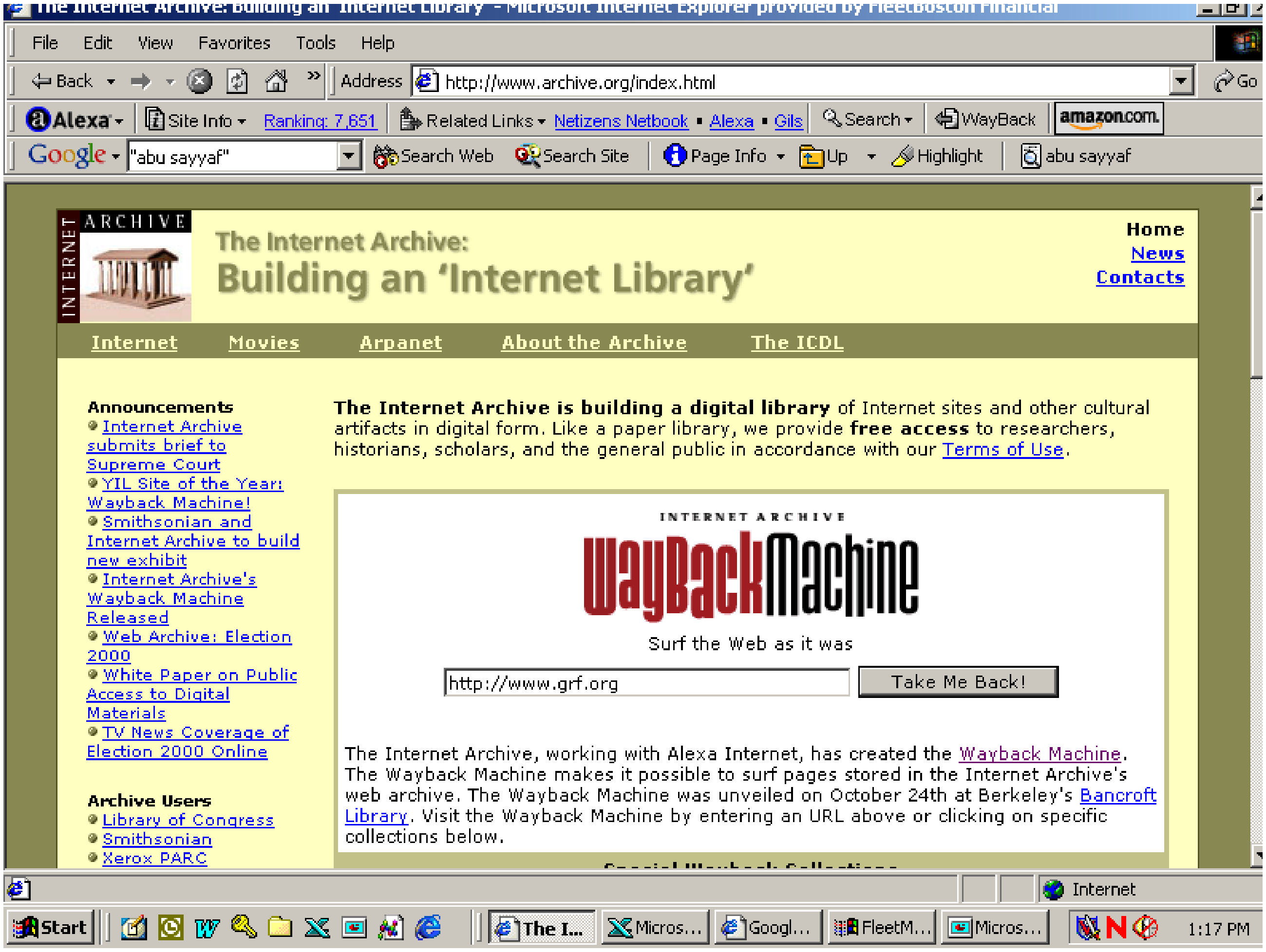
U.S. Nationwide

Attorneys	Environmental	Missing Children / Persons	Schools / Colleges
Aviation	FCC	Most Wanted	Securities
Banking	FDA	OSHA	Vehicle Safety
Census	Health / Medical	Postal / Zip	
Courts	Legal	Properties for Sale	
Criminal Records	Military	Recalls	

Figure 9 – www.searchsystems.net gives the user free access to thousands of publicly available databases. In the United States, the majority of these are state-by-state.

Exhibit “F”

The Internet Archive’s Site at www.archive.org and the “WayBack Machine”



The Internet Archive:
Building an ‘Internet Library’

Home
News
Contacts

Internet | Movies | Arpanet | About the Archive | The ICDL

Announcements

- Internet Archive submits brief to Supreme Court
- YIL Site of the Year: Wayback Machine!
- Smithsonian and Internet Archive to build new exhibit
- Internet Archive's Wayback Machine Released
- Web Archive: Election 2000
- White Paper on Public Access to Digital Materials
- TV News Coverage of Election 2000 Online

Archive Users

- Library of Congress
- Smithsonian
- Xerox PARC

The Internet Archive is building a digital library of Internet sites and other cultural artifacts in digital form. Like a paper library, we provide **free access** to researchers, historians, scholars, and the general public in accordance with our Terms of Use.

INTERNET ARCHIVE
WaybackMachine

Surf the Web as it was

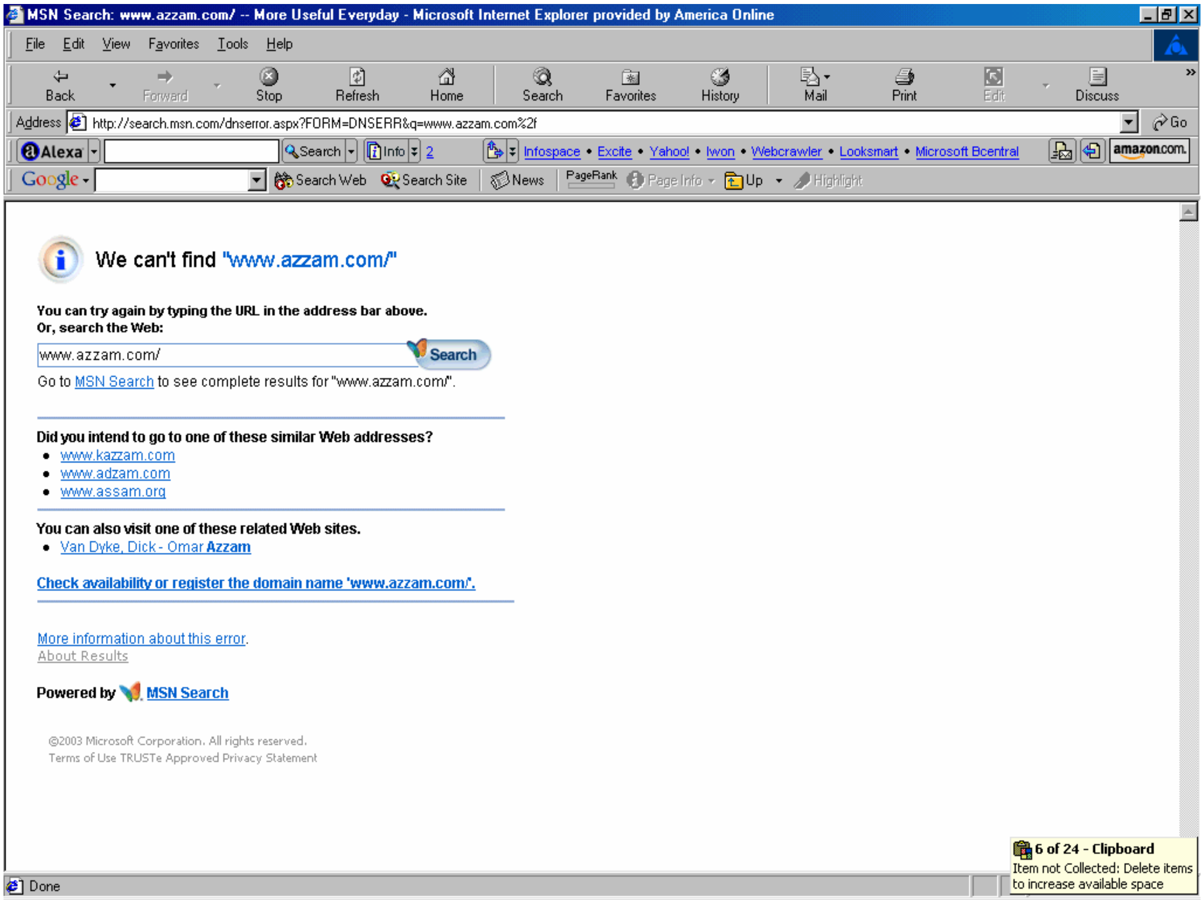
http://www.grf.org | Take Me Back!

The Internet Archive, working with Alexa Internet, has created the Wayback Machine. The Wayback Machine makes it possible to surf pages stored in the Internet Archive's web archive. The Wayback Machine was unveiled on October 24th at Berkeley's Bancroft Library. Visit the Wayback Machine by entering an URL above or clicking on specific collections below.

Special Wayback Collections

Figure 10

Exhibit "F" (continued …)


MSN Search: www.azzam.com/ -- More Useful Everyday - Microsoft Internet Explorer provided by America Online
File Edit View Favorites Tools Help
Back Forward Stop Refresh Home Search Favorites History Mail Print Edit Discuss
Address
Go
Alexa Search Info 2
Infospace • Excite • Yahoo! • Iwon • Webcrawler • Looksmart • Microsoft Bcentral
amazon.com.
Google Search Web Search Site News PageRank Page Info Up Highlight
Search
Done

http://search.msn.com/dnserror.aspx?FORM=DNSERR&q=www.azzam.com%2f

We can't find "www.azzam.com/"

You can try again by typing the URL in the address bar above.
Or, search the Web:

www.azzam.com/

Go to MSN Search to see complete results for "www.azzam.com/".

Did you intend to go to one of these similar Web addresses?

- www.kazzam.com
- www.adzam.com
- www.assam.org

You can also visit one of these related Web sites.

- Van Dyke, Dick - Omar **Azzam**

Check availability or register the domain name 'www.azzam.com/'.

More information about this error.
About Results

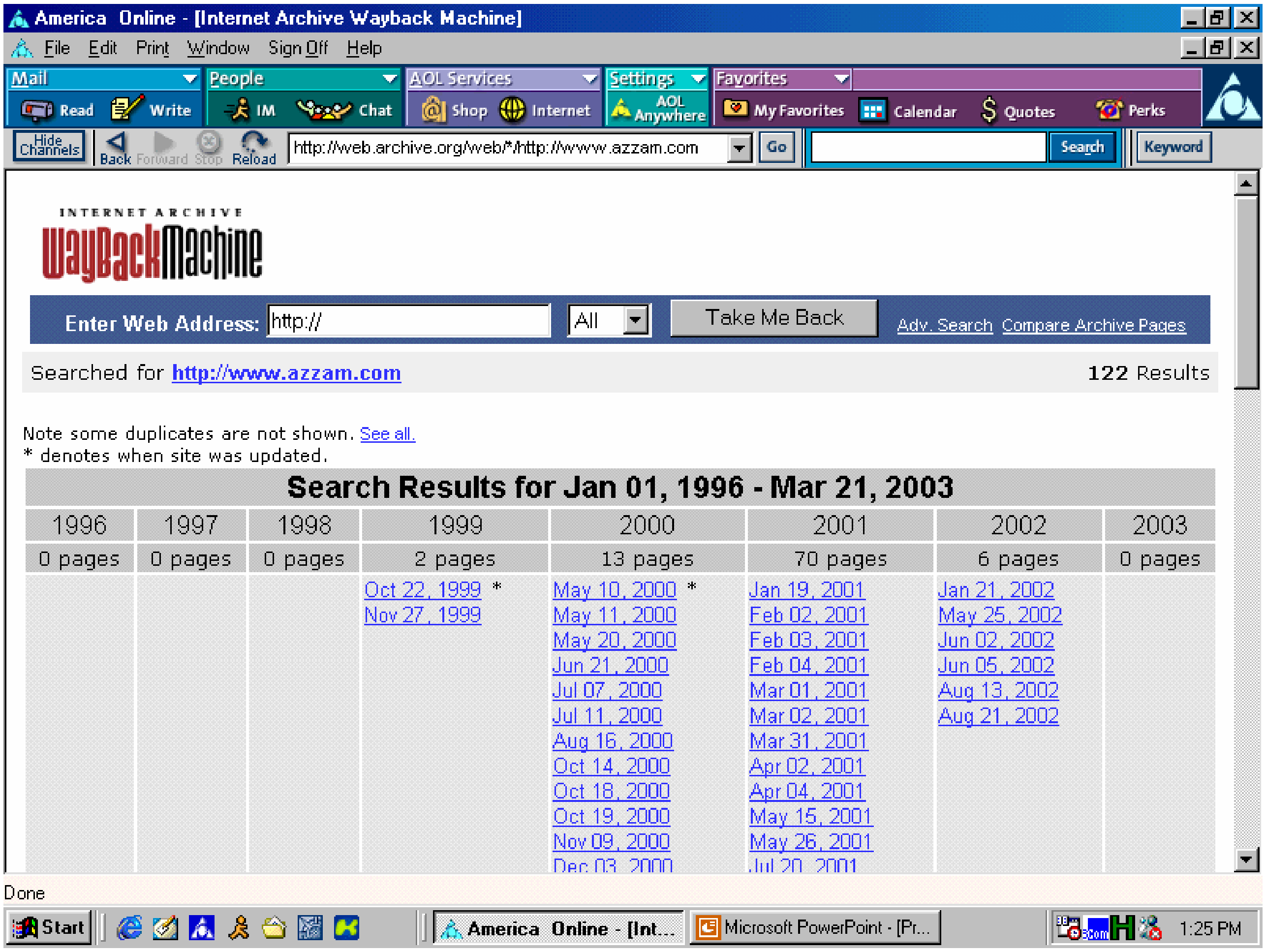
Powered by MSN Search

©2003 Microsoft Corporation. All rights reserved.
Terms of Use TRUSTe Approved Privacy Statement

6 of 24 - Clipboard
Item not Collected: Delete items to increase available space

Figure 11 – The site www.azzam.com is no longer available on the Web.

Exhibit "F" (continued …)


America Online - [Internet Archive Wayback Machine]
File Edit Print Window Sign Off Help
Mail People AOL Services Settings Favorites
Read Write IM Chat Shop Internet AOL Anywhere My Favorites Calendar Quotes Perks
Hide Channels Back Forward Stop Reload
http://web.archive.org/web/*/http://www.azzam.com
Go Search Keyword
INTERNET ARCHIVE WayBackMachine
Enter Web Address: http:// All Take Me Back Adv. Search Compare Archive Pages
Done
Start America Online - [Int... Microsoft PowerPoint - [Pr... 1:25 PM

Searched for http://www.azzam.com 122 Results

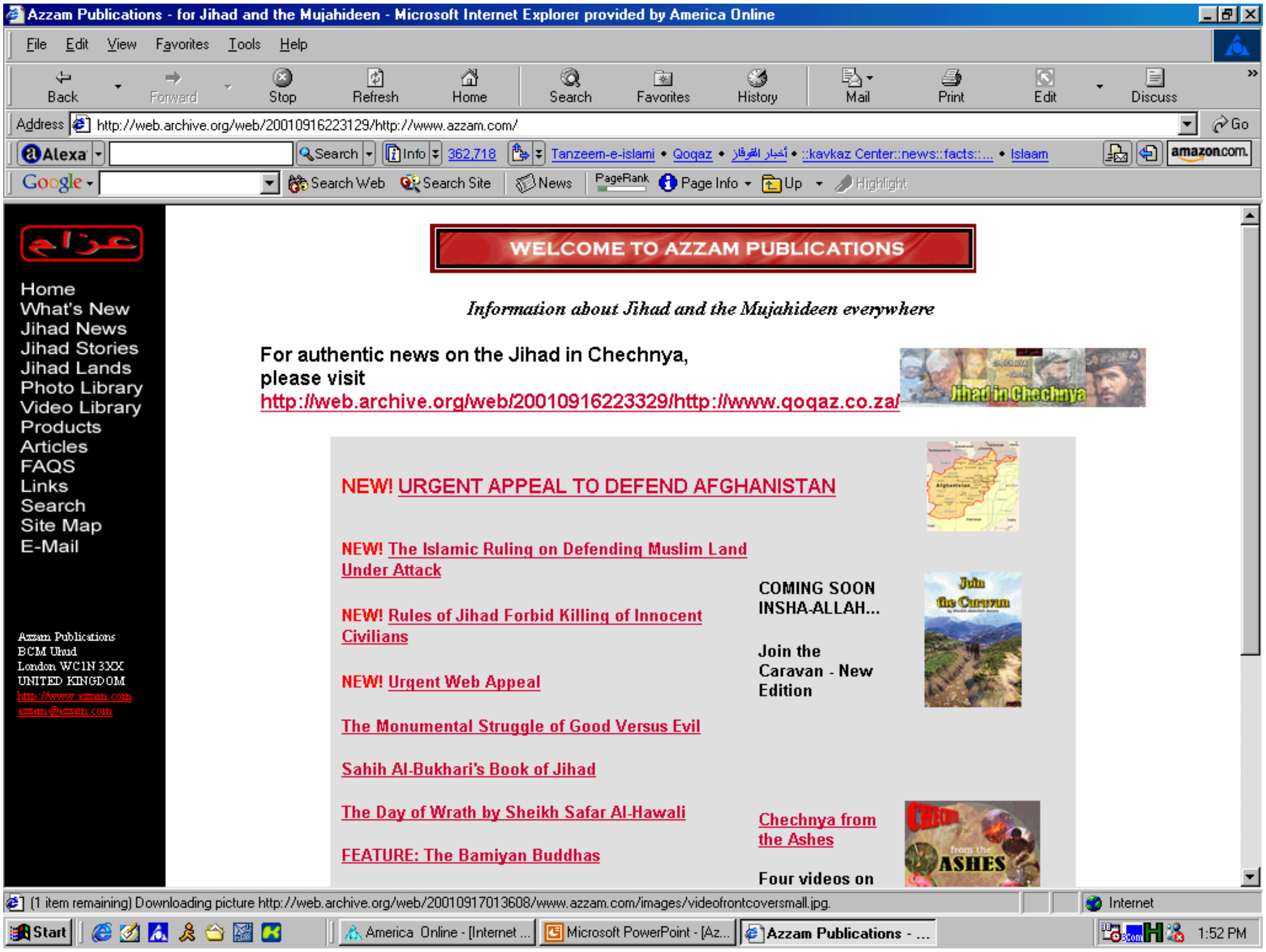
Note some duplicates are not shown. See all.
* denotes when site was updated.

Search Results for Jan 01, 1996 - Mar 21, 2003

1996	1997	1998	1999	2000	2001	2002	2003
0 pages	0 pages	0 pages	2 pages	13 pages	70 pages	6 pages	0 pages
			Oct 22, 1999 *	May 10, 2000 *	Jan 19, 2001	Jan 21, 2002	
			Nov 27, 1999	May 11, 2000	Feb 02, 2001	May 25, 2002	
				May 20, 2000	Feb 03, 2001	Jun 02, 2002	
				Jun 21, 2000	Feb 04, 2001	Jun 05, 2002	
				Jul 07, 2000	Mar 01, 2001	Aug 13, 2002	
				Jul 11, 2000	Mar 02, 2001	Aug 21, 2002	
				Aug 16, 2000	Mar 31, 2001		
				Oct 14, 2000	Apr 02, 2001		
				Oct 18, 2000	Apr 04, 2001		
				Oct 19, 2000	May 15, 2001		
				Nov 09, 2000	May 26, 2001		
				Dec 03, 2000	Jul 20, 2001		

Figure 12 – Entering the URL www.azzam.com into the WayBack Machine lists 91 web pages that Azzam has had back to October 22, 1999. Clicking on one of them will pull back the archived version of that site. Entering the URL followed by "gibberish" will return all pages and documents attached to those 91 web pages. In the case of Azzam, there are almost 2,100 such pages.

Exhibit "F" (continued …)



Azzam Publications - for Jihad and the Mujahideen - Microsoft Internet Explorer provided by America Online

Address http://web.archive.org/web/20010916223129/http://www.azzam.com/

Home
What's New
Jihad News
Jihad Stories
Jihad Lands
Photo Library
Video Library
Products
Articles
FAQS
Links
Search
Site Map
E-Mail

Azzam Publications
BCM Uhud
London WC1N 3XX
UNITED KINGDOM
http://www.azzam.com
azzam@azzam.com

WELCOME TO AZZAM PUBLICATIONS

Information about Jihad and the Mujahideen everywhere

For authentic news on the Jihad in Chechnya,
please visit
http://web.archive.org/web/20010916223329/http://www.qoqaz.co.za/

NEW! URGENT APPEAL TO DEFEND AFGHANISTAN

NEW! The Islamic Ruling on Defending Muslim Land Under Attack

NEW! Rules of Jihad Forbid Killing of Innocent Civilians

NEW! Urgent Web Appeal

The Monumental Struggle of Good Versus Evil

Sahih Al-Bukhari's Book of Jihad

The Day of Wrath by Sheikh Safar Al-Hawali

FEATURE: The Bamiyan Buddhas

COMING SOON INSHA-ALLAH...

Join the Caravan - New Edition

Chechnya from the Ashes

Four videos on

(1 item remaining) Downloading picture http://web.archive.org/web/20010917013608/www.azzam.com/images/videofrontcoversmall.jpg.

Figure 13 – This is a screenshot of the URL for www.azzam.com from the WayBack Machine's archive dated September 16, 2001. Notice the "New!" section titled "Urgent Appeal to Defend Afghanistan".