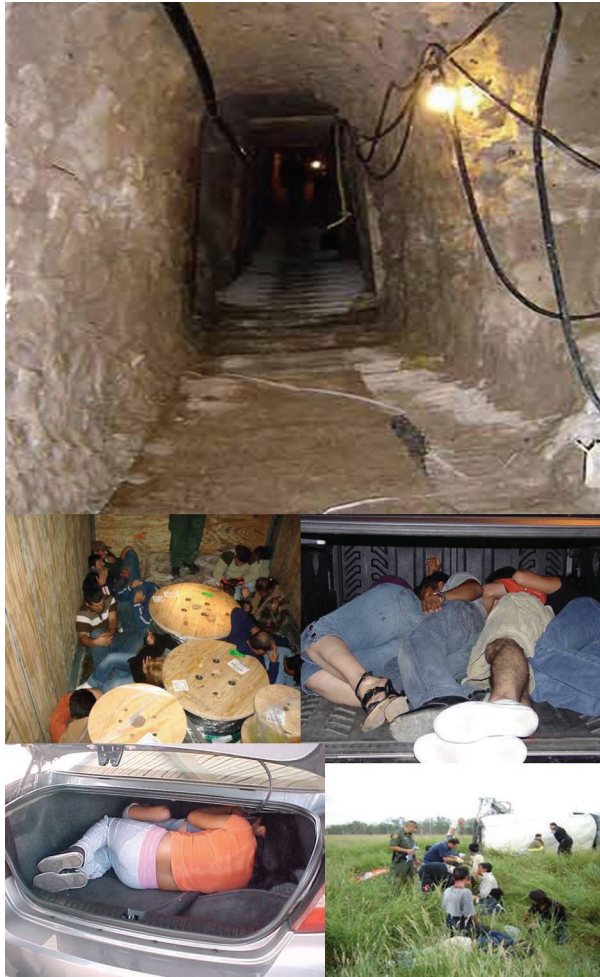


How You Can Help

Protecting America is more than just a responsibility for government agencies; it's a shared mission for all Americans. The importance of private sector partnership in this shared mission cannot be overstated. There are several ways individuals and businesses can help:

- **Partner:** Become a private sector partner with HSI by contacting your local HSI Special Agent in Charge office and arranging a Cornerstone presentation for your business or organization;
- **Report:** Report suspicious financial, commercial or trade activity by contacting your local HSI Special Agent in Charge office, or by calling 1-866-DHS-2-ICE; and
- **Subscribe:** Sign up for HSI's quarterly newsletter, The Cornerstone Report, for new developments in financial and trade fraud crimes.

U.S. Immigration and Customs Enforcement (ICE) Homeland Security Investigations (HSI) is the largest investigative agency in the Department of Homeland Security. HSI's mission is to conduct criminal investigations utilizing our investigative authority to protect the United States against terrorist and other criminal organizations who threaten our safety and national security; to combat transnational criminal enterprises who seek to exploit America's legitimate trade, travel, and financial systems; and to uphold and enforce America's customs and immigration laws at and beyond our nation's borders. To learn more about Cornerstone and how you can contribute to the shared mission of Homeland Security, visit www.ice.gov. The Cornerstone Report can be viewed at <http://www.ice.gov/cornerstone>.



Report Suspicious Activity:

1-866-DHS-2-ICE (1-866-347-2423)

www.ice.gov



ICE

10/2010



Homeland Security Investigations

Project STAMP: Smuggler and Trafficker Assets, Monies and Proceeds

An Enforcement Initiative Aimed at
Targeting the Illicit Proceeds Earned
by Human Smuggling and Human
Trafficking (HS/HT) Organizations



U.S. Immigration
and Customs
Enforcement

Overview

In an effort to ensure HSI utilizes the full capacity of the authorities granted as a result of the creation of the Department of Homeland Security (DHS), HSI launched **Project STAMP (Smuggler and Trafficker Assets, Monies and Proceeds)** to:

- (1) attack organizations involved in HS/HT from an aggressive anti-money laundering stance. Following the money trail will assist HSI in the identification of key members of criminal organizations involved in HS/HT activity, as well as the identification of assets, monies, and proceeds derived from or used in support of their criminal activity; and
- (2) the seizure of these assets is crucial to shutting down entrenched criminal activity.

HSI has already identified a multitude of methods to hide, move, and store illicit proceeds associated with illegal activity, including financial institutions, money services businesses and bulk cash smuggling. Seizing the funds that motivate and amplify the problems associated with these organizations is a high priority for HSI and DHS.

Legislative Authorities

Penalties for violating the money laundering statutes (Title 18, U.S.C. §§ 1956, 1957) are significant and include fines of up to \$500,000 and/or imprisonment up to 20 years. Furthermore, any property, real or personal (or traceable to such property), involved in a transaction or attempted transaction is subject to forfeiture.

Federal laws related to smuggling, peonage, slavery, and trafficking in persons, among others, are specified unlawful activities for the purposes of Title 18, U.S.C. §§ 1956, 1957. These enhanced penalties can be an important determining factor for an Assistant U.S. Attorney when deciding whether or not to federally prosecute HS/HT violators.



Partnerships with the Financial Sector

The Bank Secrecy Act (BSA) requires financial institutions in the United States to assist U.S. government agencies to detect and prevent money laundering. BSA reports filed by financial institutions provide powerful tools that the U.S. government can use to identify, disrupt and dismantle criminal enterprises that seek to exploit potential vulnerabilities in the financial sector.

HSI continues to explore ways in which the government and the private sector can form partnerships to better identify and attack the flow of illicit proceeds generated by these crimes. HSI's efforts related to Project STAMP are in accordance with the guiding principle within DHS's Strategic Plan of building trust through collaboration and partnerships.

As part of **Project STAMP**, HSI aims to continuously identify and disseminate typologies/red flag indicators related to money laundering by HS/HT organizations. The goal is to map out how these organizations use the financial sector both domestically and abroad to collect payment for illegal services rendered and share these methods with the financial community to shut down identified vulnerabilities.

A preliminary review of both active and closed HS/HT investigations has identified the fol-



lowing red flag indicators of suspicious financial transactions associated with HS/HT organizations:

- Numerous BSA filings by multiple financial institutions.
- Large cash deposits inconsistent with business type.
- Large payments to foreign companies that are inconsistent with the amount of product received from these companies.
- Unusual withdrawal, deposit or wire activity inconsistent with normal business practices, or dramatic and unexplained change in account activity.
- Sudden change in customer's normal business practices, i.e., dramatic increase in deposits, withdrawals or wealth.
- Structuring financial transactions at money service businesses (MSBs) (multiple financial transactions structured under the \$3,000 MSB's reporting limit on the same day).
- Numerous incoming wire transfers or personal checks deposited into business accounts with no apparent legitimate purpose.

HSI is proactively conducting a strategic review of historical cases to identify money laundering trends and patterns specifically associated with HS/HT organizations. Law enforcement sensitive information documented as a result of HSI investigations is extremely valuable and these trends and red flag indicators identified through the review will be shared with the financial sector. This will ultimately assist financial institutions in developing the typologies necessary to proactively target and report on HS/HT organizations attempting to launder their illicit proceeds.

The success of **Project STAMP** is integral to our mission of protecting the homeland by shutting down criminal organizations that seek to profit from human smuggling or trafficking schemes. **Project STAMP** will impact criminal organizations as a whole by targeting the methods by which these organizations move and launder money to support their illegal activity.