



# Typologies

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## Contents

Introduction .....	3
Money Laundering .....	3
Typology 7 .....	3
E-Gaming .....	4
Typology 8 .....	4
Disclaimer .....	4

## Introduction

*"A typology is the study or systematic classification of types that have several characteristics or traits in common"* – Egmont Strategic Analysis Training 2017.

The project undertaken by the Isle of Man Financial Intelligence Unit (FIU) to provide typologies to industry is part of the commitment made to fulfil international obligations under Financial Action Task Force (FATF) Recommendation 29 to identify money laundering and terrorist financing related threats and vulnerabilities and as part of its general powers to provide or assist with the provision of awareness training in relation to financial crime.

The following typologies are based on information received and analysed by the FIU and follow on from previously issued typologies to assist in highlighting what the FIU is seeing in terms of the information it is receiving relating to suspicions of financial crime.

To some, these typologies won't be new, however it is envisaged that they will provide a more focused Isle of Man link to assist those operating within our jurisdiction and will ultimately add value to the information submitted to the FIU.

## Money Laundering

### Typology 7

A large amount of Manx currency is re-patriated each year from the British Isles, however it is accepted that travelling with Manx currency beyond our shores is difficult as there is no guarantee a UK based or International institution will accept the funds.

The FIU has been made aware of individuals paying suspected criminal property into local bank accounts, with the sole aim of withdrawing the funds almost immediately at cash machines located within the Isle of Man Seaport or Airport – these cash machines are advertised and well known to be stocked with UK Sterling currency.

Following the immediate withdrawal of cash, the individuals travel, and use the cash in the UK or further convert it. In isolation such a transaction would not be unusual (preparation for holidays etc.), however if a pattern forms with other warning indicators, it suggests this is a method to launder funds with a view to removing criminal property from the Isle of Man.

Using a cash machine and automatic deposit units in branches prevents the human interaction to question such deposits / withdrawals until after the transactions have taken place.

### Warning Indicators

- Number of tickets purchased to travel is inconsistent with subjects source of wealth;
- Large number of transactions specifically utilising sterling dispensing cash machines;
- Sterling cash withdrawals immediately following cash deposits (many institutions will provide sterling cash on request).

## E-Gaming

### Typology 8

According to the UK Card Association 'UK Card Payment Summary 2017'<sup>1</sup> there are 32 million adults who hold a credit card, between these there are 59 million credit cards. This equates to almost 2 credit cards per person who holds credit cards.

Open source data widely puts the average American adult as holding between 3 and 4 credit cards.

E-Gaming companies are seeing individuals who are using various payment gateways to register multiple 'valid' cards with some reports totalling over 20 cards linked to one individual account. This is well above the consideration of 'normal' credit card ownership.

The E-Gaming account could be used to collect funds from various illegal sources, or to launder criminal property from multiple stolen identities or cards.

#### *Warning Indicators*

- Unusual numbers of cards or payment types being used against one account;
- Accounts being accessed from different geo-locations for different payment types;
- Chargebacks against multiple cards.

If the individuals prove they are the owners of the stated cards through normal compliance procedures, further consideration should be given to responsible gaming / gambling. More information is available here - [IOM Government - Problem Gambling](#)

### Disclaimer

Whilst every effort has been made to ensure the accuracy of the information within this document, it is provided on the basis that neither the FIU nor its staff, either individually or collectively, accept any responsibility for any direct or indirect loss, damage, cost or expense of any kind arising from or in connection with the use by any person of any information contained within this document. Any use of the information contained within this document signifies agreement by the user to these conditions.

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<sup>1</sup> [http://www.theukcardsassociation.org.uk/wm\\_documents/UK%20Card%20Payments%202017%20-%20Summary%20FINAL.pdf](http://www.theukcardsassociation.org.uk/wm_documents/UK%20Card%20Payments%202017%20-%20Summary%20FINAL.pdf)