



ACRONYMS

ACH- The **Automated Clearing House** is an electronic network for financial transactions in the United States. ACH processes large volumes of credit and debit transactions in batches. ACH credit transfers include direct deposit, payroll and vendor payments. ACH direct debit transfers include consumer payments on insurance premiums, mortgage loans, and other kinds of bills.

ACAMS- **Association of Certified Anti-Money Laundering Specialists** is the largest international membership organization dedicated to advancing the professional knowledge, skills and experience of those dedicated to the detection and prevention of money laundering around the world, and to promote the development and implementation of sound anti-money laundering policies and procedures

AML -**Anti-money laundering** refers to a set of procedures, laws or regulations designed to stop the practice of generating income through illegal actions.

Money laundering is the criminal practice of processing ill-gotten gains, or “dirty” money, through a series of transactions; in this way the funds are “cleaned” so that they appear to be proceeds from legal activities. Money laundering generally does not involve currency at every stage of the laundering process.

ATM- An **automated teller machine** is an electronic banking outlet, which allows customers to complete basic transactions without the aid of a branch representative or teller.

BHC- A **Bank Holding Company** is a company that owns and/or controls one or more U.S. banks or one that owns, or has controlling interest in, one or more banks. A bank holding company may also own another bank holding company, which in turn owns or controls a bank; the company at the top of the ownership chain is called the top holder. The Board of Governors is responsible for regulating and supervising bank holding companies, even if the bank owned by the holding company is under the primary supervision of a different federal agency (OCC or FDIC)

BOD- The **Board of Directors** is a body of elected or appointed members who jointly oversee the activities of a bank.

BSA- The **Bank Secrecy Act** requires financial institutions in the United States to assist U.S. government agencies to detect and prevent money laundering

CAMS- **Certified Anti Money Laundering Specialist** is a certification testing the knowledge of those entrusted with the detection and prevention of money laundering. CAMS has become the gold standard in AML certifications and is recognized by private institutions, governments and law enforcement.

CDD- **Customer Due Diligence** begins with verifying the customer’s identity and assessing the risks associated with that customer.

CFR- The **Code of Federal Regulations** is the codification of the general and permanent rules published in the Federal Register by the departments and agencies of the Federal Government. It is divided into 50 titles that represent broad areas subject to Federal regulation.



CIF- A **Customer Information File** is a file a bank keeps on each of its account holders and other clients. It contains information on account balances, outstanding loans, assets and so forth. It is updated frequently to ensure correct information.

CIP- The **Customer Information Program** rule implements section 326 of the USA PATRIOT Act and requires each bank to implement a written CIP that is appropriate for its size and type of business and that includes certain minimum requirements. The CIP is intended to enable the bank to form a reasonable belief that it knows the true identity of each customer. At a minimum, the bank must obtain the following identifying information from each customer before opening the account: Name, Date of birth for individuals, Physical Address, and Identification number.

CTR- **Currency Transaction Report** is a report that U.S. financial institutions are required to file with FinCEN for each deposit, withdrawal, exchange of currency, or other payment or transfer, by, through, or to the financial institution which involves a transaction in currency of more than \$10,000. [31 CFR 1010.311 — "Reports of Transactions in Currency"](#)

EDD- **Enhanced due diligence** for higher-risk customers is especially critical in understanding their anticipated transactions and implementing a suspicious activity monitoring system that reduces the bank's reputation, compliance, and transaction risks.

FATF – The **Financial Action Task Force** is an inter-governmental body that has developed a series of [Recommendations](#) that are recognised as the international standard for combating of money laundering and the financing of terrorism and proliferation of weapons of mass destruction

FDIC- The **Federal Deposit Insurance Corporation** is a United States government corporation providing deposit insurance to depositors in US banks. The FDIC was created by the 1933 Banking Act after the Great Depression to restore trust in the American banking system

FFIEC - **Federal Financial Institutions Examination Council** is a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions by the Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA), the Office of the Comptroller of the Currency (OCC), and the Consumer Financial Protection Bureau (CFPB), and to make recommendations to promote uniformity in the supervision of financial institutions. In 2006, the State Liaison Committee (SLC) was added to the Council as a voting member.

FinCEN - The **Financial Crimes Enforcement Network** is a bureau of the United States Department of the Treasury that collects and analyzes information about financial transactions in order to combat domestic and international money laundering, terrorist financing, and other financial crimes.

GRC – **Governance, Risk Management and Compliance**



[HIDTA](#) - The **High Intensity Drug Trafficking Area** program is a drug-prohibition enforcement program run by the United States Office of National Drug Control Policy. It was established in 1990 after the Anti-Drug Abuse Act of 1988 was passed.

[HIFCA](#) - **High Intensity Financial Crime Area**, these high risk areas were first announced in the 1999 National Money Laundering Strategy and were conceived in the Money Laundering and Financial Crimes Strategy Act of 1998 as a means of concentrating law enforcement efforts at the federal, state, and local levels in high intensity money laundering zones.

[INCSR](#) - The 2016 **International Narcotics Control Strategy Report** is an annual report by the Department of State to Congress prepared in accordance with the Foreign Assistance Act. It describes the efforts of key countries to attack all aspects of the international drug trade in Calendar Year 2015. Volume I covers drug and chemical control activities. Volume II covers money laundering and financial crimes

[LE](#) – **Law enforcement**

[LOB](#) – **Line of Business**

[KRI](#) – **Key Risk Indicator**

[KYC](#) – **Know your Customer**

[MIS](#) – **Management Information Systems**

[ML](#) – **Money Laundering**

[MSB](#) - A **money services business** is a legal term used by financial regulators to describe businesses that transmit or convert money. The definition was created to encompass more than just banks which normally provide these services to include non-bank financial institutions

[NAICS](#) - The **North American Industry Classification System** is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy

[NRA](#) - A **nonresident alien** is a classification assigned to a non-U.S. citizen, or foreign national, who doesn't pass the green card test or the substantial presence test.

[NSF](#) - **Non-sufficient funds** is the status of a checking account that does not have enough money to cover transactions. The acronym also describes the fee incurred from these checks, and colloquially, NSF checks are known as bounced checks or bad checks. If a bank receives a check written on an account with insufficient funds, the bank can refuse payment and charge the account holder an NSF fee.



[OFAC](#) - The **Office of Foreign Assets Control** is a financial intelligence and enforcement agency of the U.S. government charged with planning and execution of economic and trade sanctions in support of U.S. national security and foreign policy objectives.

[P&P](#) – **Policies and Procedures**

[PSP](#) - A **professional service provider** acts as an intermediary between its client and the bank. Professional service providers include lawyers, accountants, investment brokers, and other third parties that act as financial liaisons for their clients

[RA](#) - **Risk assessment** of the banks' exposure to money laundering, terrorist financing and OFAC.

[SAR](#) - A **Suspicious Activity Report** is a document that financial institutions must file with the Financial Crimes Enforcement Network following a suspected incident of money laundering or fraud

[SDN](#) - **Specially Designated Nationals** are individuals, groups, and entities, such as terrorists and narcotics traffickers designated under programs that are not country-specific.

[TF](#) – **Terrorist Financing**

[TIN](#) - A **Taxpayer Identification Number** is an identifying number used for tax purposes in the United States

[USA PATRIOT Act](#) - **Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act** of 2001 is a law intended to help government agencies detect and prevent possible acts of terrorism, or sponsorship of terrorist groups