

## **Notice to Customers of FirstPlace Deposit Capture**

*Please exercise care and caution and be familiar with the sources of checks you are depositing, to help identify and combat money laundering.*

### **Money Laundering**

Money laundering is the funneling of cash or other funds generated from illegal activities through legitimate businesses to conceal their initial source. It is a global activity conducted by international financial crime and - like the illegal activities that give it sustenance - seldom respects local, national, or international jurisdiction. Current estimates of the global annual gross money laundering product range from \$900 billion to \$2.25 trillion.

Money laundering exposes businesses and employees to criminals and criminal activity, which can result in a poor, tarnished public image, costly litigation, severe criminal and civil penalties, and complete business failure. The direct cost of penalties and specific transaction losses is fairly easy to eliminate. However, damage to reputation, goodwill and careers is not. One of a CEO's worst nightmares is to pick up a major newspaper in the morning and see a scandalous headline alleging links to international financial crime.

### **What is the connection with society at large?**

Money laundering is a threat to the good functioning of a financial system. Various money laundering techniques can be used by individuals, groups, officials, and corporations. The practice of money laundering is illegal and can result in large penalties, fines, or imprisonment for the person or people involved.

The possible social and political costs of money laundering, if left unchecked or dealt with ineffectively, are serious. Organized crime can infiltrate financial institutions and acquire control of large sectors of the economy.

The economic and political influence of criminal organizations can weaken the social fabric and collective ethical standards. Most fundamentally, money laundering is inextricably linked to the underlying criminal activity that generated it. Laundering enables criminal activity to continue.

### **How does combating money laundering help fight crime?**

Crime has a destructive and devastating effect on the communities in which we operate. The economy is affected when large amounts of money are tied up in the laundering process.

Safeguarding the global financial system is critically important for the economic and national security of the jurisdictions in which we operate.

In law enforcement investigations into organized criminal activity, it is often the connections made through financial transaction records that allow hidden assets to be located and that establish the identity of the criminals and the criminal organization responsible.

When criminal funds are derived from robbery, extortion, embezzlement or fraud, a money laundering investigation is frequently the only way to locate the stolen funds and restore them to the victims. Most importantly, however, targeting the money laundering aspect of criminal activity and depriving the criminal of ill-gotten gains disrupts the scheme and without a usable profit, the criminal activity will not continue.