



LARGE CASH DEPOSITS

INTRODUCTION

The Large Cash Deposits rule specifically targets cash deposits and aggregate cash deposit activity for a specific customer and creates a case when the aggregate amount of cash deposits exceeds \$27,000 (10% tolerance with max. total CTR amount of \$30,000) over a one month period. Individual transactions must be at least \$9,000. This rule is designed to be complementary to the *Suspicious Cash Transactions* rule because it identifies accounts where there has been a pattern of cash deposit activity throughout a one month period.

Only three alerts have been generated since January 1, 2011.

ANALYTICAL PROCESS

A review of all cash deposits from January 1, 2011 to December 31, 2011 was conducted. Over the course of a year, a total of 244 cash deposits received. Only 2 deposits were for amounts greater than \$10,000, and 17 of the 244 cash deposits were for amounts between \$7,000 and \$10,000.

It appears that the same customers tend to have recurring cash activity since the larger cash deposits (\$7,000 or more) are only linked to 5 customers.

RECOMMENDATION

Recommend adjusting alert parameters by lowering the individual transaction amount from \$9,000 to \$7,000 and increasing the maximum aggregate amount from \$30,000 to \$150,000. As previously noted, a quarterly cash transaction review is conducted every quarter to evaluate Branch cash reports along with Prime's cash transaction history including large cash deposits.
