

Glossary and abbreviations

Glossary of terms

advance fee fraud	<p>A scam, also commonly referred to as ‘the Nigerian scam’, in which victims are approached, usually by email, and deceived into forwarding ‘advance fee’ payments, or divulging financial information such as bank account details.</p> <p>These scams attract their victims with promises of overseas lottery wins, unexpected inheritances or government windfalls.</p> <p>Refer to case study 29 for more information about advance fee frauds.</p>
beneficiary (or beneficiary customer)	<p>The person (or organisation) who is the ultimate recipient of funds being transferred.</p>
chip buy-in/chip cash-out	<p>chip buy-in – the process of converting cash into gaming chips to be used in casino gambling.</p> <p>chip cash-outs – the process of converting casino gaming chips back into cash.</p>
co-mingling	<p>The process of combining the profits of illicit activities with the profits of a legitimate business to disguise the illicit funds and make them appear legitimate.</p>
designated non-financial businesses and professions	<p>Designated non-financial businesses and professions include accountants, solicitors and real estate agents.</p>
e-currencies	<p>E-currencies (known as ‘e-money’, ‘digital currency’ or ‘digital metals’) are internet-based, electronic means of exchange which allow for transactions in other major currencies, the purchase of goods and services from vendors holding corresponding e-currency accounts, and the transfer of money.</p>
restraint (of funds etc.)	<p>A court order directing that the money, property, etc. suspected to be involved in a crime can only be disposed of or dealt with as directed by the court.</p>
shelf company	<p>A company or corporation that has been legally established but has not yet traded. The company’s name and documentation can be bought ‘off the shelf’.</p> <p>This allows those wishing to start a company to bypass the registration or incorporation process normally involved in establishing a new company, or to create an appearance of corporate longevity.</p>
structuring	<p>Also known as ‘smurfing’, this is a money laundering technique which involves the division of a large amount of cash into a number of smaller deposits to evade threshold reporting requirements.</p> <p>Structuring can also involve the layering of funds for international funds transfers in an effort to avoid the transfers attracting undue scrutiny.</p>
‘u-turn’ transaction	<p>An international transaction where money transferred out of a country is immediately followed by an incoming transfer back into the country, without any obvious business rationale or logical explanation.</p>

Abbreviations

ADIs – authorised deposit-taking institutions
AML/CTF Act – *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*
APG – Asia/Pacific Group on Money Laundering
ATM – automatic teller machine
AUD – Australian dollars
AUSTRAC – Australian Transaction Reports and Analysis Centre
CBM-PC report – cross-border movement of physical currency
EFT – electronic funds transfer
FATF – the Financial Action Task Force
FIU – financial intelligence unit
FTR Act – *Financial Transaction Reports Act 1988*
GST – Goods and Services Tax
IFTI – international funds transfer instruction
ML/TF – money laundering/terrorism financing
RSA – retirement savings accounts
SCTR – significant cash transaction report ¹
SWIFT – Society for Worldwide Interbank Financial Telecommunication
SMR – suspicious matter report
SUSTR – suspect transaction report ²
USD – United States dollars

Legislation

Anti-Money Laundering and Counter-Terrorism Financing Act 2006
Confiscation of Proceeds of Crimes Act 1989 (NSW)
Crimes (Currency) Act 1981
Crimes Act 1900 (NSW)
Crimes Act 1914
Criminal Code Act 1995
Financial Transaction Reports Act 1988
Proceeds of Crime Act 2002
Queensland Criminal Code Act 1899

1 significant cash transaction reports are submitted to AUSTRAC under the FTR Act for currency transactions involving AUD10,000 or more. As of 12 December 2008, the AML/CTF Act equivalent is the **threshold transaction report (TTR)**.

2 suspect transaction reports are submitted to AUSTRAC under the FTR Act when a cash dealer has reasonable grounds to suspect that a transaction may be relevant to investigation of an offence against an Australian law. As of 12 December 2008, the AML/CTF Act equivalent is the **suspicious matter report (SMR)**.