

Report methodology

The information contained in this report has been generated from the following research material:

- sanitised cases from AUSTRAC's partner agencies
- existing AUSTRAC strategic and typology research, including previous AUSTRAC typologies and case studies reports
- publicly available information.

This report identifies some key methods that have been used in Australia to conceal the origins of illicit funds or, in the case of terrorism financing, conceal the purpose for which those funds were intended. These methods are illustrated with case studies and diagrams.

Please note that the case studies presented in this report are limited to those cases that have been approved for external use.

Each case study within this report is accompanied by a summary table highlighting the common elements involved in the money laundering or terrorism financing process. These are:

- **Offence** – the crime or civil proceeding involved (not the actual charges).
- **Customer** – the type of customer/s involved in perpetrating the offence (this can be an individual, business or foreign entity).
- **Industry** – the industry through which transactions were conducted – in some cases multiple industries were involved.
- **Report type** – if relevant, the types of reports submitted by reporting entities (either under the FTR Act or AML/CTF Act) that contributed information to the investigation or operation.
- **Channel** – the means by which the offenders completed or attempted to complete transactions (predominantly in person, via electronic means or through an intermediary/third person).
- **Jurisdiction** – the location (domestic or international) in which the transactions were facilitated.
- **Designated service** – the category of 'designated service', or other financial product, used in the offence. AUSTRAC groups the designated services listed in section 6 of the AML/CTF Act into categories containing similar activities (as per the 'Designated services category' table which follows). The case studies within this report have been arranged according to the primary designated service used within each case.
- **Indicators** – the 'red flag' activities which could indicate the possibility of money laundering or terrorism financing. An extensive list of the indicators used in this report can be found in Appendix A on page 60.

Designated services category	AML/CTF Act section 6 – item number/s
<i>Financial services (Table 1)</i>	
Account and deposit-taking services	Items 1–5
AFSL holder arranging a designated service	Item 54
Cash carrying/payroll services	Items 51–53
Chequebook access facilities	Items 14–16
Currency exchange services	Item 50
Custodial/depository services	Items 46–47
Debit card access facilities	Items 18–20A
Debt instruments	Items 8–9, 17, 34, 36
Electronic funds transfers (EFT)	Items 29–30
Leasing/hire purchase services	Items 10–13
Life insurance services	Items 37–39
Loan services	Items 6–7, 48–49
Money/postal orders	Items 27–28
Pensions/annuity services	Items 40–41
Remittance services (money transfers)	Items 31–32
Retirement savings accounts (RSAs)	Items 44–45
Securities market/investment services	Items 33, 35
Stored value cards	Items 21–24
Superannuation and approved deposit funds	Items 42–43
Travellers cheque exchange services	Items 25–26
<i>Bullion dealing</i>	Table 2, Items 1–2
<i>Gambling services</i>	Table 3, Items 1–14