

Suspicious Activity Reports Aid Conviction of Drug Dealers

In 2003, two defendants plead guilty to multiple drug-related and money laundering charges. A third subject pled guilty to an additional charge of Dealing in Unlawful Proceeds.

Narcotics agents with a State Attorney General's Office initiated the investigation as an interdiction case. The agents stopped one subject at a bus station in a city, en route between two other large, metropolitan cities. This subject told agents he was to meet two men in a vehicle parked near the bus station that same day to sell the drug Ecstasy for approximately \$100,000. State agents and city police narcotics detectives set up surveillance and observed two men sitting in a vehicle parked at the location described by the first subject. These men were detained, a search warrant was obtained, and a large sum of cash was found in the vehicle. The men told agents they were going to use the money to buy the Ecstasy pills. Those men were arrested and charged.

The agents used FinCEN's Gateway Program to conduct a review of the Currency and Banking Retrieval System database for Bank Secrecy Act reports relating to the three subjects. The search located six Currency Transaction Reports and one Suspicious Activity Report. The case agent said the Suspicious Activity Report information, coupled with statements at the time of arrests, ultimately led to the money laundering convictions, as well as identified bank accounts. The agent executed a search warrant at one financial institution and obtained bank documents that enabled him to construct a net worth analysis. The second count of money laundering was based on information from files at an automobile dealership where another search warrant was executed. That file contained an Internal Revenue Service Form 8300 (Report of Cash Payments over \$10,000 Received in a Trade or Business) showing one of the subjects paid cash for the vehicle he used to pick up the Ecstasy pills.

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