



**SUPREME  
SECURITIES LTD**

**MTSS Operation  
Guidelines And Compliance  
Agent Training**

## **Introduction**

*Money Transfer Service Scheme is a quick and easy way of receiving money in India sent from abroad*

*Under MTSS (Money Transfer Service Scheme) :*

*Only Inward personal remittances are allowed*

*Receiver and Sender should be an individual. It should not be a company or charitable organization on the either side.*

*No transaction related to business , charity , donations is allowed under this scheme*

*Maximum amount allowed in one transaction is USD 2500 or its equivalent*

*Total 30 transactions can be received by an individual in a calendar year*

*Amount cannot be sent outside India under MTSS.*

*Amount up to Rs 50000/- can be paid in cash to the Indian National .Any amount exceeding this limit ( Even 50000.01 ) is to be paid by A/c payee cheque / DD /Direct credit into the customer's account.*

*In case of payment to Foreign tourist the whole amount can be paid in cash*

*Records to be kept for the period of 5 Years from the date of transaction done*

*Pan Id & Recent Photograph of the customer to be taken for each Mtss transactions along with other officially validated document i.e Passport , Voter Id , Driving Licence*

*Redact first 8 digits of Aadhar number completely in the Aadhar Id copy submitted by the customer.*

***Important NOTE : Id copy accepted should be self attested by the Customer***

## **KYC**

*KYC is the process of due diligence to be undertaken by financial institutions/ intermediaries to identify and locate an entity or individual to ensure that the financial transactions are not part of money laundering or terrorist financing. The process involves identification of the customer with reference to some valid photo identification document and address proof of the customer where he /she generally resides and is available in case of need. Receiver-sender relation and purpose of transfer to establish before paying out Mtss transaction.*

## **Identity Proof**

*Valid Passport*

*Voters Identity Card*

*Valid Driving License*

*Aadhar card*

*Government Employee card (Must be valid )*

*In case of Foreign National, Valid Passport with valid Indian visa. (Extra due diligence required), Airport Arrival stamp, and a declaration of permanent address to be taken.*

*Accept only original Id for verification and no photocopy should be accepted for conducting Money transfer transactions. Customer should be physically present while receiving the MTSS payment.*

## **Address Proof to be accepted**

*Telephone bill*

*Bank account statement*

*Electricity bill*

*Letter from any recognized Public Authority*

## **Id's Not to be Accepted**

*Any expired Id*

*Student Id*

*Retired Id card*

*Foreign driving license*

*International driving license*

*Green card*

*NRI card*

## Money Laundering

*Money laundering is the Process of taking the proceeds of Criminal activity and making them appear legal. It is the process of concealing the source of obtained money.*

*OR, it may be defined as Clearing of the dirty money obtained from legitimate or illegitimate activities, including drugs trafficking, terrorism, fraud and other criminal activities with the objective of hiding its original source.*

*Money laundering is a major threat to financial institutions and the economic stability of the entire Country*

*The objective of prescribing KYC/**AML**/CFT guidelines is to prevent the system of cross border inward money transfer into India from all over the world under the **MTSS** from being used, intentionally or unintentionally, by criminal elements for money laundering or terrorist financing activities.*

# **Money Laundering Process**

*Money laundering consists of three steps:*

## **PLACEMENT**

*Placement is the depositing of funds in the financial institutions or the physical immersion of criminally derived funds into the financial system.*

## **LAYERING**

*Layering involves carrying out complex financial transactions in order to camouflage the illegal source*

## **INTEGRATION**

*Integration is finally acquiring wealth, generated from the transactions of the illicit funds.*

## **Data Integrity**

*Correct customer details should be entered in the system*

*Id number should be entered in continuation without leaving any space between the letters*

*Customer Address , date of birth , Id numbers should be correct*

*Correct Mobile number should be entered in the system*

*All Cheque number and bank details should be mentioned on the MTSS forms & in system.*

*All details Receiver name ,Sender name , Reference Number ,Country , Amount , Purpose of remittance , Relation to sender should be clearly mentioned in the MTSS form & system.*

*Customer signature must be taken on the MTSS form .The signature should be matched with that on Id.(If customer signature is in id)*

## **Suspicious Transactions Indicators**

*Customer makes enquiry about the KYC requirement*

*Unrelated transactions (Receiver – Sender seem to be not related)*

*Customer is hurried and nervous*

*Customer's Id is not clear or tampered*

*Customer is accompanied by unrelated individuals*

*Customer makes inquiries or tries to convince staff to avoid reporting*

*Receiver is receiving money from different senders from different countries*

*Money is sent to different Receiver from a single sender*

*Receiver receiving multiple transaction just below Rs 50000/- to avoid any bank entry*

*Receiver presents different Id's to receive the payments*

*Money transfer from high risk countries*

*Customer taking instructions for conducting transaction.*

*Customer could not explain source of funds satisfactorily.*

*The amount or frequency of the transaction does not make sense for the particular customer*

## **Suspicious Transaction Report (STR) & Cash Transaction Report (CTR)**

*STR should be furnished within 7 days of arriving at a conclusion that any transaction, including an attempted transaction, whether cash or non-cash, or a series of transactions integrally connected are of suspicious nature. The Principal Officer should record his reasons for treating any transaction or a series of transactions as suspicious.*

*CTR is filed on monthly basis for those cases where a customer is found receiving Rs 10 lakhs or more in cash in a month .*

*Both the reports are to be submitted to FIU – IND ( Financial Intelligence Unit of India )*

## **Data Security & Integrity**

1. *Don't provide any information to the third party .*
2. *No customer information can be released without any written orders from Court or any Government Authority.*
3. *Both Physical and electronic data should be protected from any unauthorized access & use and should be kept at safe place.*
4. *Don't allow any outside person who is posing as a Overseas Principal Agent's representative to access your system and records without checking from Head Office*

## **Agent Fraud**

1. *Change the PIN every time an employee leaves*
2. *Change the Pin periodically*
3. *Do not put Pin or password in front of any customer*

## **Consumer Fraud**

### **1. Employment Fraud**

*Customers are tricked into believing that they have found their dream job working part time from home and are asked to send the processing fee through Money Transfer Service Scheme.*

### **2. Loans and Investment Scams**

*A Customer tries to get a loan or invest money to get the high returns is unaware that the Company they have contacted is Fraud .The customers are told to send the Money through Money Transfer Service Scheme to pay the processing fee .*

### **3. Person In need Scams**

*Persons are told to send money to any unknown persons who is posing itself as a distant relative or friend via Money Transfer Service Scheme.*

#### **4. Romance Scams**

*There are various forms of Romance Scams known as on-line dating, social networking and “Mail bride” services. All of these scams involve tricking the customer into providing funds to a Person the customer believes he/she has a relationship with.*

#### **5. Internet Purchase Scams**

*Customers believe they are purchasing an item from a company / seller on the Internet. The customer purchases an item on the Internet & is told to make a payment through Money Transfer Service . The fraud company receives the money but no items are received by the customer.*

#### **6. Lottery Scams**

*Customers receive E-Mails that they have won a lottery prize even though they did not Purchase a ticket for the lottery. Victims are notified by e-mail that their e-mail address was Selected as the winner of a lottery, In order to receive the winnings, the customer must send Money to pay fees for processing, insurance, customs, etc.*

## **Alerts**

*Don't do any unrelated transactions (No relation between Receiver-Sender ) or transactions related to business ,commercial use. MTSS transactions are only for Family maintenance*

*Always mention Contact No ,Receiver-Sender relation, Purpose of the transfer along with other required details in the forms. Clear copy of the Id should be taken and should be self attested by the customer.*

*Cross verify the Mobile number by ringing the customer number*

*In case of any suspicion , inform the Supreme Securities Ltd branch for further action .*

**THANK YOU**