

MSB RISK ASSESSMENT : CUSTOMER

***** Confidential - Internal Bank Use Only *****

| Risk Factors | High Risk = 3* | Moderate Risk = 2* | Low Risk = 1* | Risk Rating |
|---|---|---|---|--------------------|
| 1. Time owned or managed the business | ≤ 1 year | >1 year and < 3 years | ≥ 3 years | |
| 2. Does the business operate as an agent of another entity? For example, do they sell money orders or prepaid cell phones or rent moving vans to customers through an arrangement or contract with a third party such as Western Union, T-Mobile or U-Haul? | No, not for <u>any</u> of the MSB services. | Yes, for <u>part</u> of the MSB services. | Yes, for <u>all</u> of the MSB services. | |
| 3. USA market area | Multi-state area | Statewide market | Local counties only | |
| 4. Customer demographics | International customers in or from high risk areas | International customers <u>not</u> in or from high risk areas | Primarily citizens of the USA | |
| 5. Number of owned MSB locations | >5 | 2 to 5 | 1 | |
| 6. Number of bank branches to be used | >3 | 2 or 3 | 1 | |
| 7. Number of Privately Owned ATMs installed at the business location(s)* | ≥ 2*** | 1*** | 0 | |
| 8. Number of agent or franchise locations operating under agreement with MSB customer | >3 | 1 to 3 | 0 | |
| 9. Number of domestic owned MSB offices or agent offices located in US HIDTAs or HIFCAs | >3 | 1 to 3 | 0 | |
| 10. Any of the business offices located internationally? | Yes | | No | |
| 11. Valid FinCEN registration that has not expired | Not registered and not in process | Registered or proven in process | No registration required | |
| 12. Valid State license(s) that has not expired | Not licensed and not in process | Has the two or more licenses required | Has only the one required license or no license as required | |
| 13. Number of MSB services provided | ≥ 4 types | 2 or 3 types | Only 1 type | |
| 14. Domestic currency deals or exchange transactions | Yes, with a daily limit in excess of \$3,000 | Yes, with a daily limit of \$3,000 or less | No | |
| 15. International currency exchange deals | Yes, with a daily limit in excess of \$3,000 | Yes, with a daily limit of \$3,000 or less | No | |
| 16. Types of checks cashed | Any check types, including international | Any check types, but <u>no</u> international | Limited to Fed, state or local government checks or in-state payroll checks | |
| 17. Issue, sell or redeem traveler's checks, money orders or other negotiable instruments? | Yes, with a daily limit in excess of \$3,000 | Yes, with a daily limit of \$3,000 or less | No | |
| 18. Issue, sell or redeem prepaid access? | Yes, with a daily limit in excess of \$3,000 | Yes, with a daily limit of \$3,000 or less | No, or <u>only</u> closed value cards. | |
| 19. Domestic money transmitter? | Yes, with a daily limit in excess of \$3,000 | Yes, with a daily limit of \$3,000 or less | No | |
| 20. International money transmitter? | Yes, with a daily limit in excess of \$3,000 | Yes, with a daily limit of \$3,000 or less | No | |
| 21. List the risk factor of each service used by the MSB customer in the space provided below. Total the service factors and note the sum in the far right column titled "Risk Rating". | Currency deposits or withdrawals = 1 Check deposits = 1 US currency exchanges = 2 International currency exchanges = 3 US wire transfers = 2 International wire transfers = 3 Receipt of ACH transactions = 1 Receipt of IAT ACH transactions = 5 Receipt of Remotely Created Checks (RCC) = 35** Origination of ACH transactions = 2 Internet banking services = 3 Privately Owned ATMs = 3 Remote deposit capture (RDC) services = 3 Frequent purchase of official checks, travelers checks or other negotiable instruments = 2 Other, please describe and rate 1, 2 or 3 appropriately: _____ | | | |
| RISK RATING TOTAL | | | | |
| Low Risk = 35 or less Moderate Risk = 36 to 55 High Risk = 56 or higher | | | | |

* Unless otherwise noted within the risk factor category.

** Alert BSA Officer due to automatic high risk rating. Do not open a new account and CLOSE the existing account.

*** If ATMs are installed at business locations, the Customer Due Diligence (CDD) for Privately Owned ATMs questionnaire must be completed.

Completed by _____ Date _____