

Traditional AML: Rules-Based Detection

Threshold Rules

- * Cash > \$10,000
- * Wire > \$50,000
- * Multiple txns summing to threshold

Pattern Rules

- * Structuring (9,900 x 3)
- * Round amounts
- * Rapid movement

Watchlist Rules

- * OFAC sanctions
- * PEP screening
- * High-risk countries

Behavioral Rules

- * Deviation from profile
- * Dormant account activity
- * Unusual geography

Network Rules

- * Circular transactions
- * Shell company patterns
- * Layering detection

Limitation: Criminals adapt faster than rules can be updated (avg. 6-12 months to deploy new rule)