

Case 1 – Transaction Monitoring Investigation Summary

Alert Overview

Entity: WestHill Trading LLC (Monitored Account Holder)

Account Type: Business checking

Review Period: January 4, 2025 – February 4, 2025

Alert Type: Transaction velocity, structuring, pass-through activity, offshore exposure

Activity Summary:

During the review period, the account received multiple inbound wire transfers from counterparties located in **Cyprus, Armenia, Hong Kong, Turkey, and the UAE**, followed by outbound wires to **Panama, the British Virgin Islands, Seychelles, and the Cayman Islands**.

Risk Indicators Identified

- **Transaction Velocity:** Multiple transactions occurring within compressed timeframes inconsistent with expected account behavior
- **Structuring:** Repeated wires of similar amounts suggesting threshold avoidance
- **Pass-Through Activity:** Funds exiting the account shortly after inbound receipt with minimal retention
- **Offshore Layering:** Routing through offshore jurisdictions lacking clear business rationale
- **Jurisdictional Risk:** Transactions involving higher-risk corridors & offshore financial centers

Analyst Assessment

Inbound activity reflected early-stage or isolated risk indicators that did not demonstrate sufficient persistence to warrant escalation and was therefore marked for monitoring. However, several outbound transactions displayed multiple reinforcing risk indicators over a short time horizon, including rapid fund movement, offshore routing, and circular transaction behavior.

Disposition Summary

- **CLEAR:** Transactions with insufficient risk indicators or one-off anomalies
- **MONITOR:** Transactions showing emerging or developing patterns requiring ongoing observation
- **ESCALATE:** Transactions demonstrating converging risk indicators consistent with elevated financial crime risk

Escalated transactions were supported by documented indicators aligned with transaction behavior and jurisdictional exposure.

Conclusion:

Based on a holistic review of transaction behavior, counterparty risk, and fund flow patterns, the analyst applied risk-based judgment to differentiate between isolated activity and behavior warranting escalation. The investigation demonstrates appropriate use of monitoring controls, escalation thresholds, and documentation standards consistent with financial crime compliance expectations.