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**DEPARTMENT AGAINST TRANSNATIONAL ORGANIZED CRIME (DTOC)
ORGANIZATION OF AMERICAN STATES (OAS)**

MONEY LAUNDERING: ILLEGAL MONEY COLLECTION TYPOLOGIES

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2023



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Country	Case	Summary	Predicate offense	Identified typologies
Chile	CONVICTING JUDGMENT No. 221 RUC 1810025042-6 / RIT 3750-2018 COURT: COPIAPÓ COURT OF GUARANTEES	The accused had a computer access code for the accounting system, through which she falsified remittances in order to misappropriate the funds available in the vault. The defendant acquires a property, for which she pays in cash in the name of a third party.	Mis-appropriation	Front man: Used to disguise the actual owner of a real estate property.
Chile	CONVICTING JUDGMENT No. 216 RUC 1801154645-1 / RIT 1868-2019 COURT: SANTIAGO SEVENTH COURT OF GUARANTEES	The tax fraud was carried out through third parties linked to different dummy corporations which were awarded public procurement contracts in return for economic benefits delivered to public officials.	Tax fraud/ Bribery	Front men: Used to receive funds from tax fraud and bribery and act as partners in front companies. Dummy corporations: Used to participate in public procurement processes and defraud the State under the cover of carrying out projects. They are also used to justify an increase in wealth. Receipts: The accused was hired to coordinate the work of public officials. In addition, he was in charge of receiving cash for bribery payments.
Chile	CONVICTING JUDGMENT No. 202 RUC 1800222928-1 / RIT 2066-2018 COURT: PUERTO VARAS COURT OF GUARANTEES	The defendants led a criminal association dedicated to the supply, collection, and irregular lending of money, in the form of offering and granting informal loans of money to individuals, which they then had to repay with interest. In cases of non-payment, the association used intimidation and other forms of violence to pressure the victims.	Unlawful association	Front men: Used in the purchase of vehicles registered in the name of third parties and for the use of their bank accounts. Smurfing: Used for sending remittances abroad in amounts below the reporting thresholds. Dummy corporations: Set up to commingle money of illicit origin with money obtained from formal activity; the funds were also used to purchase a vehicle.
Chile	CONVICTING JUDGMENT No. 195 RUC 1700623543-3 / RIT 10355-2017 COURT: SANTIAGO ELEVENTH COURT OF GUARANTEES	The defendants formed a criminal group dedicated, among other crimes, to swindling and fraud, counterfeiting, malicious use of private instruments, and computer espionage, and by means of various deceptions, stole funds from individuals by breaking passwords.	Fraud / Unlawful association	Front men: Used for registration of vehicles. Dummy corporations: Used to make the transactions carried out appear lawful. Dummy corporations: Used to disguise the true origin of the funds.



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Chile	CONVICTING JUDGMENT No. 178 RUC 1800696243-9 / RIT 7590 - 2018 COURT: IQUIQUE COURT OF GUARANTEES	Illegal lending (loansharking). The defendants formed a criminal group dedicated to offering informal loans provided without any requirements or checks, with the borrower committing to daily payments at an interest rate that varied between 20% and 30%. In the event of non-payment, the group used violence and threats to bring about compliance.	Unlawful association	Not identified. The money from the collections was sent to the organization in Colombia through international remittances.
Chile	CONVICTING JUDGMENT No. 163 RUC 1800926250-0 / RIT 12780 - 2018 COURT: PUENTE ALTO COURT OF GUARANTEES	The defendant worked as a judicial official and in the course of her duties devised a mechanism to defraud the State by concocting non-existent cases, to which she connected funds from other cases; she then transferred those funds to an accomplice pretending to be a party thereto, enabling them to pass unhindered through all the court's controls.	Defrauding the Treasury	Front men: Used to deposit the money and transfer it between bank accounts. Smurfing: Successive deposits and money transfers were made between bank accounts. Dummy corporation: Incorporated to make it appear that the proceeds of the fraud were lawful in origin. The defendant used it to declare herself as a dependent worker and pay contributions.
Chile	CONVICTING JUDGMENT No. 140 RUC 1800874868-K / RIT 16344-2018 ET AL COURT: SANTIAGO SEVENTH COURT OF GUARANTEES	The police officers, in concert with civilians, embezzled a significant amount of public funds. To do so, they broke into computerized accounting and payroll systems, falsified public and private instruments, transferred funds between different departments, and created false account statements in order to extract funds through bank accounts, transfers, and cashier's checks.	Embezzlement of public funds	Front men: Used to receive funds embezzled from institutional accounts. Smurfing: Used to transfer illicit funds from front men to the criminal organization by means of withdrawals and transfers. Dummy corporation: Used to make investments, simulate income, carry out financial transactions, and register ownership of vehicles acquired with illicit funds.
Chile	CONVICTING JUDGMENT No. 138 RUC 1600285189-3 / RIT 3329 - 20166	The defendants defrauded a group of people and appropriated the money they had invested in exchange for a guaranteed return.	Unlawful association/ fraud	Front man: Used to set up corporations. Dummy corporations: Used to attract investors, to simulate financial



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	COURT: VIÑA DEL MAR COURT OF GUARANTEES			operations, and make it difficult to detect concealment operations. Dummy corporation: Set up to make it difficult to detect concealment plays.
Chile	CONVICTING JUDGMENT No. 130 RUC 1800969184-3 / RIT 5383-2018 COURT: SANTIAGO THIRTEENTH COURT OF GUARANTEES	The group perpetrated scams via telephone calls purporting judicial attachment orders on different real estate properties in different districts in the eastern sector of the Metropolitan Region.	Fraud	Not identified.
Chile	CONVICTING JUDGMENT No. 116 RUC 1610008806-5 / RIT 2128-2016 COURT: CONCEPCIÓN COURT OF GUARANTEES	The defendant, through an investment company, swindled a group of people and appropriated the money they had invested in exchange for a guaranteed return. The ruse for attracting clients was based on the promised profits that would supposedly originate from financing projects for entrepreneurs without access to credit. In this way, they used a company as a front, which offered favorable conditions, immediate withdrawal of capital without risk, and limited quotas for investors.	Fraud	Front man: Used to set up corporations. Dummy corporation: Used to attract investors, to simulate financial operations, and make it difficult to detect concealment operations. Dummy corporation: Set up to make it difficult to detect concealment plays. Dummy corporation: Used to commingle money of illicit origin with the profits from the business.
Chile	CONVICTING JUDGMENT No. 114 RUC 1600828937-2 / RIT 13962-2016 COURT: SANTIAGO SECOND COURT OF GUARANTEES	The defendant, a lawyer, worked as a public official in a local police court. In return for performing his duties, he received money for favoring individuals in certain procedures, which constituted the crime of bribery.	Bribery	Not identified
Chile	CONVICTING JUDGMENT No. 110 RUC 1410025253-9 / RIT 8347-2014 COURT: SANTIAGO	The convicted individuals acted as front men for a senator of the Republic in order to launder assets derived from tax fraud. Payments received by professionals hired to provide non-existent services were made to the Senator both directly and indirectly. In the latter case, the	Defrauding the Treasury	Front man: Used to dissociate the money from its illicit origin.



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	FOURTH COURT OF GUARANTEES	defendants used triangulation to disguise the money's true origin.		
Chile	CONVICTING JUDGMENT No. 108 RUC 1500296327-K / RIT 392-2017 COURT: ARICA CRIMINAL TRIAL COURT	The defendant perpetrated a fraud involving the sale of a real estate property using falsified documents. The scam consisted of the sale of a property using falsified documentation. In this way, the defendant pretended to broker the transaction on behalf of the supposed owner, when the property actually belonged to another person.	Fraud	Front men: Used to dissociate the asset from its true owner.
Chile	CONVICTING JUDGMENT No. 98 RUC 1400637392-6 / RIT 6873-2014 COURT: SANTIAGO EIGHTH COURT OF GUARANTEES	The defendant was an auditor at a public agency. Taking advantage of his experience, expertise, and access to the computer system at the agency where he worked, he designed and used a mechanism for rectifying tax returns. The defendant used this ploy to lower the amount of tax owed by taxpayers in exchange for the payment of a commission of 50% of the value of the undue tax refunds.	Bribery/Tax offenses	Front man: Used to conceal the actual owner of the real estate or good acquired. Dummy corporation: Used to inject illicit funds to give them the appearance of legality and have them accepted into the financial system. Smurfing: Breaking up of funds to disguise the real volume of illicit resources. Dummy corporation: Used to transfer (in the case of the beauty salon) and receive funds in order to dissociate it from its illicit origin.
Chile	CONVICTING JUDGMENT No. 96 RUC 1200084351-0 / RIT 4799-2012 COURT: SANTIAGO EIGHTH COURT OF GUARANTEES	The defendant used his position at a public agency that grants accreditation to academic institutions to receive money in the form of bribes from different universities in exchange for his collaboration in institutional accreditation processes.	Bribery	Front man: Used to transfer money in the name of a third party. Dummy corporation: Used to disguise the illicit origin of the money obtained in accreditation processes.
Chile	CONVICTING JUDGMENT No. 95 RUC 1200690982-3 / RIT 10781-2012 COURT: SANTIAGO SEVENTH COURT OF GUARANTEES	The defendant worked as an official in banks where they managed and obtained loans for third parties based on false information; those third parties did not have access to the banking system because of high levels of indebtedness, a history of delinquency, or middle/low incomes. Subsequently, he issued	Fraudulently obtaining loans	Front man: Used to receive the illicitly obtained loans.



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		checks in the name of the clients, after deducting a commission.		
Chile	CONVICTING JUDGMENT No. 93 RUC 1300384594-4 / RIT 9458-2013 COURT: SANTIAGO NINTH COURT OF GUARANTEES	The defendant acted as a front man for a public official in the award of a tender organized by a public institution through its private corporation for the construction of synthetic turf sports fields. The inputs in this process proceeded from the crime of bribery.	Bribery	Front man: Used to transfer illicit funds, set up the dummy corporation, and purchase synthetic turf. Dummy corporation: Used to organize the tender and, in that way, to conceal or disguise the illicit origin of the funds.
Chile	CONVICTING JUDGMENT No. 92 RUC 1100591305-7/ 6930-2011 COURT: SANTIAGO SECOND COURT OF GUARANTEES	The defendants provided false information to the market, enabling them to deceive the supervisory authorities and the market in general by making them believe that the multi-store of which they were executives was operating successfully with positive commercial results, despite the defendants' full knowledge of the company's financial losses. This allowed them to pay themselves large bonuses that were deposited in their current accounts.	Reporting of false information/ Misuse of privileged information	Front men: Used to conceal the actual owner of the real estate and/or property acquired. Dummy corporations: Used to inject illicit funds to give them the appearance of legality and have them accepted into the financial system.
Chile	CONVICTING JUDGMENT No. 87 RUC 1500260473-3/ 3490-2015 COURT: SANTIAGO NINTH COURT OF GUARANTEES	The defendants, in direct knowledge of the illicit origin of the funds obtained by a high-ranking public official of the Republic of Honduras, knowingly participated directly in the concealment and disguise of the illicitly obtained funds by concluding several service contracts with technology companies, for which they accepted multiple bribes.	Embezzlement of public funds	Front man: Used to conceal the actual owner of the real estate acquired. Dummy corporation: Used to inject illicit funds to give them the appearance of legality and have them accepted into the financial system.
Chile	CONVICTING JUDGMENT No. 78 RUC 1200028032-K/RIT 5358-2012 COURT: RANCAGUA COURT OF GUARANTEES	The defendants, taking advantage of their positions as public officials at an auditing institution, colluded with third parties in a fraudulent tax refund ordered in a resolution signed by one of the defendants, which was paid into the bank accounts of the taxpayers, who paid the defendants a percentage of the defrauded amount.	Tax crimes and tax fraud	Front men: Used in the fictitious transfer of real estate. Dummy corporations: Injecting capital into companies in order to hide the origin of the funds.



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Chile	CONVICTING JUDGMENT No. 75 RUC 1100682803-7/ RIT 5241-2013 COURT: RANCAGUA COURT OF GUARANTEES	The defendant, in her capacity as administrative head of a correctional facility, systematically appropriated a fraction of the budgetary and extra-budgetary funds allocated to the facility.	Embezzlement of public funds	Smurfing: Breaking up of payments into smaller amounts, to avoid suspicion and controls.
Chile	CONVICTING JUDGMENT No. 74 RUC 1300643237-3/ RIT 6207 - 2013 COURT: SANTIAGO EIGHTH COURT OF GUARANTEES	The defendant, taking advantage of his public duties as coordinator of the National Civil Service Scholarship System in charge of student assistance, requested different representatives of transportation unions to pay him a percentage of their earned income for the award of a future tender contract with the Service. In return, the defendant undertook to provide a favorable opinion in order to facilitate the award of contracts under the bidding process.	Bribery / Tax fraud.	Front man: Used to conceal the actual owner of the automobile acquired. Dummy corporation: Used to inject illicit funds to give them the appearance of legality and have them accepted into the financial system. Dummy corporation: Incorporation of legal companies that do not physically exist and do not carry out their corporate purpose, which are used by launderers to legitimize illicit income.
Chile	CONVICTING JUDGMENT No. 72 RUC 1300556725-9/ RIT 5894 - 2013 COURT: SANTIAGO NINTH COURT OF GUARANTEES	The defendants led a criminal organization dedicated to fraudulently obtaining loans for people with limited financial capacity and/or excessive level of indebtedness, who, therefore, were not regarded as creditworthy in the formal banking system. In exchange, the organization collected a commission of between 5% and 12% of the credit granted, which served as the basis for the illicit enrichment and maintenance of the criminal organization over time.	Fraudulently obtaining loans	Front man: Used to hide the real owners of the acquired assets. Dummy corporation: Illicit funds were commingled with those from the company's line of business.
Chile	CONVICTING JUDGMENT No. 67 RUC 0700091359-0/ RIT 6059-2007 COURT: SANTIAGO EIGHTH COURT OF GUARANTEES	The defendants conspired to obtain undue benefits in the form of illegal commissions from the purchase/sale of military material in an institution of the Chilean Armed Forces and/or related companies.	Bribery / Negotiations incompatible with the exercise of public functions	Dummy corporation: SERLOG and Eurotechnology Limited used to pay kickbacks. Dummy corporation: Used to receive payments from the intermediary and as a source from which to distribute illicit profits.



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Chile	CONVICTING JUDGMENT No. 36 RUC 1100174530-3 / RIT 1751 - 2011 COURT: IQUIQUE COURT OF GUARANTEES	The convicted public officials defrauded the Treasury in a tender for the replacement of school furniture by improperly advancing payments and by authorizing works not agreed to in the contract, as well as providing goods in lesser quantities and of lower quality.	Defrauding the Treasury	Dummy corporation: Used to commingle profits from legal businesses with illicit funds and introduce them into the financial system. Front man: Used to register assets in the names of third parties and hide their legitimate owners.
Chile	CONVICTING JUDGMENT No. 22 RUC 0700364527-9 / RIT 9736 - 2007 COURT: RANCAGUA COURT OF GUARANTEES	The defendants, who were public officials, former public officials, and individuals, committed a series of corruption offenses by manipulating public bidding processes for the award of contracts that were not actually carried out, the delivery of different levels of royalties, inflating prices in certain contracts, and authorizing special works that were not consistent with reality, causing clear harm to the State.	Bribery / Tax fraud / Negotiations incompatible with the exercise of public functions	Dummy corporation: Used to inject illicit funds to give them the appearance of legality and have them accepted into the financial system.
Chile	CONVICTING JUDGMENT No. 6 RUC 0600867745-8 / RIT 6317-2007 COURT: SANTIAGO SEVENTH COURT OF GUARANTEES	The defendant, in her capacity as an official in an undersecretariat of the Ministry in charge of education policies, was responsible for the preparation of the bank reconciliation of the subsidy accounts of a regional secretariat in the same Ministry, hers being one of two signatures jointly issued checks against those accounts. Taking advantage of her position and functions, on different dates in 2006 she appropriated, issued, and ordered the fraudulent issuance of checks, falsely reporting in the State Financial Management Information System (SIGFE) that they were for the real persons, all of whom had already been paid in lower amounts. In addition, she also issued unfunded checks.	Embezzlement of public funds	Dummy corporation: Used to inject illicit funds to give them the appearance of legality and have them accepted into the financial system.
Peru	Case LA07: Collective funds	The criminal organization uses its members to sign contracts for the purchase or remodeling of an asset through a Collective Fund Management Company (EAFC). The organization's illicit money is used to make the payments; they also auctioned the contracts acquired.	Fraud	Dummy corporation: Used to give illicit funds the appearance of legality and have them accepted into the financial system.



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		Once a contract is awarded, either by lottery or auction, it is transferred to a person of the organization's choice.		
Peru	Case DP15: Criminal organization in charge of channeling BEC proceeds.	Legitimate foreign companies from different countries order international transfers supposedly in favor of other foreign companies with which they have commercial relations. However, the funds are diverted using a hacked e-mail account and routed to other accounts controlled by the criminal organization (this type of international fraud is known as business email compromise (BEC*)).	Fraud	* BEC stands for "business email compromise," an international scam carried out using corporate emails. It involves impersonating a financial executive of a company to gain access to their finances and transfer large sums of money to other bank accounts.
Peru	Case DP18: Use of false documents to pay credit.	The criminal organization, through an EIRL (individual limited liability company), created a significant financial profile for individuals and its members, using illicit money and false documents to acquire credit cards, which they used to buy automobiles.	Fraud	Dummy corporation: Used to inject illicit funds to give them the appearance of legality and have them accepted into the financial system.
Peru	Case DP19: Pyramid schemes	The company ABC has a portfolio of diamond mining and production projects in South Africa and need seed capital to start the projects. Through promoters and social networks, they offer investment packages to the public with values ranging from US\$500 to US\$10,000 for the advance purchase of diamonds. In 20 weeks, investors who put up US\$500 would expect to receive US\$1,000 in "fixed bonuses," amounting to a return of approximately 200% over that period, in addition to the diamond(s). Since the return is higher than that offered by any other investment instrument in the market, each investor buys more investment packages, depositing large amounts of money, obtained in many cases from the sale of assets, loans, etc.	Fraud	Dummy corporation: Used to inject illicit funds into the financial system. Dummy corporation: Incorporation of legal companies that do not physically exist and do not carry out their corporate purpose, which are used by launderers to legitimize illicit income.



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Peru	LA1: Fictitious loans	Members of criminal organizations request apply to an institution of the financial system for a loan for themselves or for a third party and, to that end, provide the institution with a preferred guarantee of suspected illicit origin. During the first few months the person makes the loan payments on time, but as time goes by they cease to do so, causing them to default and eventually stops making payments altogether. When this happens, the person invokes the guarantee to pay off the loan, and the origin of the funds is thus justified.		
Peru	LA10: Cross-border movement of funds and smurfing in border areas	The criminal organization recruits people without economic means to open accounts in different entities in the national financial system; one of the chief characteristics is that they are accompanied by third parties, who instruct them in the process of opening the accounts. Once the accounts are opened, multiple cash deposits are made in them in a structured manner, and the funds are later transferred or withdrawn abroad. After a certain amount of time or at the request of the financial entity, the account is closed, and the account holder disappears or cannot be located since they provided false information. The sole purpose of the organization is to move funds abroad in order to give the appearance of legitimacy to assets of illicit origin.		
Peru	LA15: Purchase of monetary instruments with illicit funds	Under this technique, criminal organizations switch illicit proceeds from one form to another, often in rapid succession through term deposits, cashier's checks, payer's checks, traveler's checks, bank drafts, etc. The launderer may, for example, purchase cashier's checks with bank drafts or exchange drafts for traveler's checks. Proceeds become more difficult to trace through these conversions. In		



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		<p>addition, those proceeds become less bulky, making them less likely to be detected if transported to or from the country. After a short time, the launderer converts these monetary instruments into cash so that the authorities cannot follow the money trail.</p>		
Peru	LA18: Insertion of illicit funds into financial products in complicity with a financial officer	<p>Members of criminal organizations contact financial officers, who, in order to reach their goal of placing products in the system, are lax in evaluating the client or are complicit with the client, turning the launderer into their star client.</p> <p>The criminal takes advantage of this situation and inserts the funds from illicit activity into various products offered by the financial officer. In this way, the criminal uses financial products to their advantage in the following manner:</p> <p>(1) They obtain significant loans from the financial system, which are paid off in advance with illicit funds.</p> <p>(2) They use the illicit funds to invest in mutual funds or term deposits. They then close those products and open new ones over the course of several months. Finally, when more than a year has passed, they withdraw the funds in cash or transfer it to their account in the financial system, before eventually transferring it abroad.</p>		
Peru	LA25: Cross-border transportation of funds - Simulated currency arbitrage in cash	<p>Organized groups send individuals transporting euros to our country, with which they purchase U.S. dollars at Peruvian currency exchanges. They then return to their country of origin, having obtained a profit via "currency arbitrage."</p> <p>Those euros accumulated by Peruvian currency exchanges are transported to another country by groups of Peruvians, with the intention of acquiring U.S. dollars with them, in order to obtain a profit through "currency arbitrage."</p>		



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		<p>In all cases, the amounts of cash transported by air are below the maximum threshold allowed in our country (equivalent to US\$30,000) to avoid violating the rules on cross-border transportation of cash. The airfare and lodging expenses covered by the profits obtained.</p> <p>At the end of the circuit, one currency will have been exchanged for another, both in our country and in a third country, thus completing the "currency arbitrage"; the origin funds (euros) and destination funds (dollars) are amounts accumulated in areas under the sway of mafia-like drug trafficking organization and armed groups linked to them.</p> <p>Arbitrage occurs when an asset is traded at different prices across different markets, allowing a profit to be obtained; however, what occurs in this typology is a simulated "currency arbitrage," since the favorable exchange rate, both in Peru and in country "M," is obtained in collusion with the exchange houses, which are part of the mafias, regardless of whether at some point the market generates real arbitrage. Today's foreign exchange markets are electronically connected, which means that the time available for foreign exchange arbitrage is very limited, especially if you have to travel from one country to another for foreign exchange operations.</p> <p>It is important to point out that the exchange rates used are illustrative in order to enable the "currency arbitrage" to be appreciated more clearly; what is clear is that the euros come from country C and end up in country M, with exchange operations being carried out both in Peru and in country M.</p> <p>A quite reasonable explanation is the following: criminal organizations in country C seek to divest themselves</p>		



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		<p>of euros obtained from the sale of drugs in Europe, in order to obtain dollars, a more commonly used currency that is also highly sought after on the black market in a neighboring country. At the same time, criminal organizations in country M have an excess of dollars because they sell drugs in that currency, mostly with a neighboring country; in country M, exchange houses are authorized to make international transfers, so sending euros to Europe is not a problem.</p>		
Peru	LA41: Use of points of sale (POS) to deliver illicit funds in cash	<p>The criminal has businesses that provide illicit funds in exchange for simulated purchases at the commercial establishment or through “immediate loans” made using a credit card at a POS.</p> <p>The commercial establishment posts advertisements on web pages announcing that it can provide cash in exchange for a commission of around 10%.</p> <p>The criminal delivers the money in cash and a few days later receives the amount of the supposed sale from the card processing companies.</p>		
Peru	LA: Proceeds from extortion linked to money lending	<p>Between 2008 and 2018, four individuals with family ties (by consanguinity and affinity), who claimed to be entrepreneurs linked to a taxicab and vehicle maintenance service, despite not registering any commercial activities to justify their assets, acquired assets in the form of personal property (cars and motorcycles) and real estate, as well as incorporating companies. During that period, they were reported for various crimes, the most important of which was their involvement in the crime of extortion in connection with money lending.</p>		



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Colombia	Case 1. Widespread, habitual collection of money (of licit and illicit origin) without authorization from the competent authority	This typology is related to recently created companies (chains or pyramids), which take in funds from the general public through misleading advertising without authorization from any supervisory body. The companies receive cash deposits in the company's accounts and those of third parties. The main feature of these companies is that they offer high cash yields in a very short term, higher than those offered by properly authorized and supervised financial intermediaries. A fundamental part of the business is the economic incentives for the initial investors for linking new people who contribute cash within the irregular fund collection system (bonus).	Fraud	Front man: Used to set up corporations. Dummy corporation: Used to commingle profits from legal businesses with illicit funds and introduce them into the financial system. Dummy corporation: Set up to make it difficult to detect concealment ploys.
Colombia	Case 2. Collective investment funds (CIFs): Cash resources in a fake real-estate trust	The criminal organization sets up a trust within a legally constituted CIF. The same criminal organization then establishes a construction company to sell off-plan real-estate projects (apartments, houses, offices, commercial premises, etc.) to a large number of people, and to collect the sale proceeds, establishes payments through a CIF. Subsequently, the trustor, upon being questioned about the origin of the various contributions made to the CIF, requests the cancellation of this product and the redemption of the contributions received, thus ensuring that the illicit funds are laundered through the CIF. In turn, the construction company became insolvent, and the same criminal organization set up new companies under a different corporate name, using the same economic activity.	Fraud	Front man: Used to set up corporations. Dummy corporation: Used to commingle profits from legal businesses with illicit funds and introduce them into the financial system. Dummy corporation: Set up to make it difficult to detect concealment ploys.
Colombia	Case 3. Financial pyramid schemes	This modality works in the same way, with the scheme's leader at the top of the pyramid persuading people ("savers") to invest in exchange for a high return; they then persuade others to join the scheme so that it scales quickly. The success of this	Fraud	Front man: Used to set up corporations. Dummy corporation: Used to commingle profits from legal businesses with illicit funds and introduce them into the financial system.



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		<p>“business” depends on new people (so-called “investors”) joining the pyramid and putting in money. Initially, the business may appear to be profitable, since the first “savers” are paid relatively assiduously, making them the best advertisement in persuading others to join; however, the person at the top who initially takes in the funds knows full well that they will not be able to meet the high-interest returns offered and that at some point the scheme will collapse.</p>		<p>Dummy corporation: Set up to make it difficult to detect concealment ploys.</p>
Colombia	Case 4. Financing of illegal armed groups through games not requiring authorization	<p>In Department X, the fire department periodically holds raffles to raise funds for its work. However, illegal groups operating in the area use the fire department to operate illicit raffles to finance their illegal activities. The population of Department X, unaware of this situation, buys raffle tickets, believing that they are supporting fundraising efforts for the fire department. However, they are being made victims by illicit organizations collecting large amounts of money.</p>	<p>Financing of terrorism and administration of funds related to terrorist activities.</p>	<p>Not identified</p>
Dominican Republic	Case 1. Case of Jairo Gonzalez (Harvest Trading & Capital)	<p>The defendant used social networks to promote his company and attract funds in dollars, promising clients high profits and assuring them that in case of the company’s dissolution, he would return 100% of their investment.</p>	<p>Criminal association, breach of trust, aggravated fraud.</p>	<p>Not identified</p>
Dominican Republic	Case 2. Case of Wilkin García Peguero (Mantequilla)	<p>The defendant, through his company, Inversiones WorldWide SRL, took in funds from individuals, promising them 100% profits in a short period of time, as little as one week in some instances. Initially, he met the payments. He managed to defraud at least 37 people using this scheme.</p>	<p>Aggravated fraud.</p>	<p>Dummy corporation: Used to inject illicit funds to give them the appearance of legality and have them accepted into the financial system.</p>
Dominican Republic	Case 3. Case of Telexfree	<p>The Telexfree company began operations in 2014, recruiting thousands of “promoters” of the voice over internet service, promising high profits. People would</p>	<p>Criminal conspiracy, aggravated fraud.</p>	<p>Dummy corporation: Used to inject illicit funds to give them the appearance of legality and have them</p>



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		deposit an amount into an investment account and receive a return of more than 250%, sometimes within as little as a week. The scam accumulated more than 730 million euros. There were victims worldwide; 145,000 in the Dominican Republic alone.		accepted into the financial system.
Mexico	Case 1	The criminal organization used deception and hacking to divert transfers made by companies and take possession of the funds. Subsequently, Nigerian citizens contacted their operators in Mexico who, in turn, hired individuals or recently created companies that opened accounts and received deposits from the fraud, and then made multiple withdrawals and transfers through banking applications to various accounts, a type of international fraud which amounted the modality known as business email compromise (BEC*).	Fraud	* BEC stands for “business email compromise,” an international scam carried out using corporate emails. It involves impersonating a financial executive of a company to gain access to their finances and transfer large sums of money to other bank accounts.
Argentina	Case 1	Money (pesos and dollars) was raised using coercive coaching activities in exchange for promises of exorbitant profits. Another way of collecting funds was the creation of a cryptocurrency issued by the organization, which was supposedly backed by gold to be mined from its own mines. That cryptocurrency was exchanged for pesos and/or dollars with the promise that it would increase in value. The mines did not exist and when that became known, the value of the cryptocurrency evaporated.	Unauthorized financial intermediation and fraud	Dummy corporation managed by the members of the criminal organization, to which the funds obtained from fraud were funneled, as well as being used in the purchase of personal property and real estate.
Guatemala	(Not a case per se) Ponzi scheme	A Ponzi scheme is a type of fraud in which financial investments are made with the guarantee of high returns and low risk, in which the first investors, those who organize the scheme, make a profit, while later investors are the victims of the scam. The Ponzi scheme (named after Carlo Ponzi [1882–1949], who operated such a fraud in the 1920s)	Fraud	Dummy corporation managed by the members of the criminal organization, to which the funds obtained from fraud were funneled.



Country	Case	Summary	Predicate offense	Identified typologies
		is also known as a Ponzi pyramid scheme, Ponzi chain, or Ponzi game.		
Bolivia	Video-game trading (high volume of transactions apparently related to the purchase of tokens for online video games)	Purchase of tokens and credit for online video games in which there is a high volume of transactions, but the origin of the funds is unknown and inconsistent with the socioeconomic profile of the operators. Deposit operations by different, apparently unrelated individuals that generate a large amount of virtual assets.	Undetermined	Use of front men
Panama	Operation involving the receipt in Panama of funds from Ponzi schemes carried out in other jurisdictions.	Two typologies occur involving virtual currencies abroad, with the receipt in Panama of funds possibly linked to Ponzi schemes carried out in different jurisdictions (countries) by individuals involved in the scams.	Fraud	Use of dummy corporations, virtual currency, and front men.
Costa Rica	Case 1 Cyber attack	Alerts were received from two counterparties located in Europe and Asia. The investigation discovered that these groups were soliciting cryptocurrency funds over the Internet as part of an extortion payment. The wallets used to receive the funds were traced back to a virtual asset service provider (VASP) ostensibly based in Costa Rica. It was not possible to obtain the information of the virtual asset account holder on the identified exchange.	Extortion	Use of front companies. In this case, VASPs, whose existence is limited to the duration of the extortion operation.
Costa Rica	Case 2 Typology: Criminal organization engaged in cryptocurrency scams and asset acquisition using dummy corporations.	Individuals and legal entities (both national and foreign) maintain business relations with persons registered in lists of financial entities as recipients and issuers of funds of a dubious nature. They maintain a corporate relationship with other people engaged in informal lending and receive international transfers in their accounts where they change virtual assets into fiat currency. Subsequently, those individuals and legal entities acquire high-value assets, using different front companies in which they commingle funds of dubious origin without any	Fraud	Use of dummy corporations and front men.



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Country	Case	Summary	Predicate offense	Identified typologies
		justification for their income and high socioeconomic status.		
Costa Rica	Case 3 Payment of kidnapping ransom with cryptocurrency	Kidnap for ransom of a foreign businessman, with the ransom demanded in Bitcoin to be deposited at different addresses. The criminal organization is identified and, despite payment of the ransom, the victim is killed. According to information provided by the Judicial Investigation Agency's Special Cybercrime Section, 2023 saw an 80% increase in the number of cases involving cryptocurrency used in fraud, money laundering, kidnapping for ransom, murder, extortion, management fraud, and hacking.	Kidnapping for ransom.	