

HOW TO FOLLOW THE MONEY OF A US-BASED COMMERCIAL-FRONT BROTHEL

Scenario #9001



Sunset Spa's details have been found in several commercial sex advertising sites, even though their registered activity is "Beauty salon"

▶ Red Flag: Business-related Details in Adult Ads



When looking closer to their transactions, we can see that there are regular payments to such sites

▶ Red Flag: Frequent Payments to Commercial Sex Advertising (CSA) Sites



Further investigation shows that, even though their transaction flows include many incoming payments, a majority of those are done after business hours and mostly by male clientele

▶ Red Flag: Beauty-related Business with Predominantly Male Clientele; Receiving Customer Payments Outside Business Hours

And moreover, they have almost no payroll expenditure which is unusual for their revenue profile

▶ Red Flag: None or Very Low Payroll Expenditure

Each of these indicators alone may not be a concern, but together... you start to see the red flags. Now, bring in your reference data to build your case!

Financial institutions
must take action **NOW.**

WHY?

**Regulation. FinCEN
National Priorities, 6AML, FATF Recommendations**

10 million increase in human trafficking in the last five years

**Simply, because it's
the only right thing to do**

**Financial institutions have
the data. They can stop the
flow of illicit transactions**

\$150+ billion profits are generated by human trafficking crimes in a year

**Human Trafficking is
a significant money
laundering predicate offence**

Less than 1% of illicit gains from these crimes is ever recovered

WANT TO KNOW MORE?

WE'LL WALK YOU
THROUGH THE

RedFlag 
Accelerator
by RedCompass Labs

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