

[Detained In Myanmar](#)[Energy & Environment](#)[Brexit](#)[North Korea](#)[Charged: The Future of Auto:](#)

U.S.

MAY 4, 2017 / 9:51 PM / A YEAR AGO

Former MoneyGram executive settles closely watched U.S. money laundering case

Reuters Staff



(Reuters) - A former executive of MoneyGram International Inc agreed to pay \$250,000 and to be barred from a similar job for three years in settling a case that has been closely watched by the Wall Street compliance community as a test of a U.S. government push to punish individuals for institutional failures.

The settlement with Thomas Haider, who was MoneyGram's chief compliance officer from 2003 to 2008, was announced on Thursday by the Financial Crimes Enforcement Network (FinCEN) and the U.S. Attorney's Office for the Southern District of New York.

It was one of the largest fines ever imposed by FinCEN on an individual, a FinCEN spokesman said. FinCEN is a unit of the U.S. Treasury which combats money laundering.

The settlement comes as China's Ant Financial seeks to acquire MoneyGram. Last month Ant raised its bid for the company by over a third, trumping a rival offer from U.S.-based Euronet Worldwide Inc to gain approval from MoneyGram's board, although regulatory hurdles remain.

The U.S. authorities had sued Haider in 2014, seeking a \$1 million civil penalty and to hold him personally responsible for failing to stop fraudulent transfers and other violations of the Bank Secrecy Act, a 1970 U.S. law that requires financial firms to try to prevent money laundering.

As part of the settlement Haider accepted responsibility for structuring an ineffective anti-money laundering program and for failing to close outlets for which there were signs they were involved in consumer fraud, the statement said.

Compliance officers at big banks and elsewhere have watched the Haider case closely, seeing it as an important step in a government push to impose personal liability on compliance professionals over corporate-wide shortfalls.

FinCEN described its pursuit of a case against Haider as sending a message to the industry.

“Holding him personally accountable strengthens the compliance profession by demonstrating that behavior like this is not tolerated within the ranks of compliance professionals,” acting FinCEN Director Jamal El-Hindi said in the statement.

In a statement Haider said that proposals made by MoneyGram’s fraud department to terminate and discipline agents at its outlets had been shot down by the sales division. He also said that MoneyGram’s anti-money laundering, or AML, programs were audited by state regulators more than three dozen times.

“The AML compliance program was deemed satisfactory by the regulators as well as the outside expert consultants,” he said.

Reporting by Nathan Layne in New York and Brett Wolf in St. Louis; Editing by Lisa Shumaker
Our Standards: [The Thomson Reuters Trust Principles.](#)

[Apps](#) [Newsletters](#) [Advertise with Us](#) [Advertising Guidelines](#) [Cookies](#) [Terms of Use](#) [Privacy](#)



All quotes delayed a minimum of 15 minutes. See [here](#) for a complete list of exchanges and delays.

© 2018 Reuters. All Rights Reserved.

