

# MONEY LAUNDERING 101

## HOW IT WORKS

### INFORMAL VALUE TRANSFER SYSTEM (IVTS):

Informal Value Transfer Systems are global networks for financial transactions which involve transferring the value of currency without necessarily physically relocating it. IVTS operations are mostly used for legitimate funds transfers and are found in most countries. IVTS operations are known by a variety of names such as Hawala (Middle East, Afghanistan, Indian Sub-Continent), Hundi (India) and Fei ch'ien (China). Organised crime groups can exploit IVTS to transfer funds in or out of a country with little or no detection by law enforcement.

