Yes—many currency exchange operators are covered by the Bank Secrecy Act (BSA). If your business exchanges one currency for another above a specific threshold, federal rules may treat it as a money services business (MSB), even if you do not handle bank accounts or wire transfers.



That can mean registering with the Financial Crimes Enforcement Network (FinCEN), maintaining an anti-money laundering (AML) program, keeping certain records, and reporting suspicious or large cash transactions. The details depend on what your business actually does, how much it handles, and whether an exception applies.

There is another headline worth getting right: FinCEN whistleblower awards are real, but they are not a quick payday. And the claim that "AMLA 2022 created" the award structure is misleading. The relevant law was the Anti-Money Laundering Act of 2020, enacted in January 2021. Later legislation addressed gaps in how the program could be funded and operated. The distinction matters to businesses assessing compliance risk—and to people considering reporting misconduct.

When does a currency exchange become an MSB?

The BSA's MSB rules include a category called a "dealer in foreign exchange." In general, a business can fall into that category when it exchanges currency for currency and conducts more than $1,000 in such transactions for one person on any day, whether in one transaction or several related transactions.

That threshold is not a general license to ignore smaller transactions. It is part of the federal definition used to determine whether a business is an MSB under this category. A business may also qualify as an MSB for a different reason—for example, if it transmits money or sells certain payment instruments.

Here is the catch: the label on your storefront does not decide the issue. A business that calls itself a travel agency, check-cashing shop, or retail kiosk may still have MSB coverage if its activities meet the legal definition. Conversely, a business that occasionally exchanges a small amount of currency as an incidental service may not be treated the same way as a dedicated exchange operator. You need to assess what happens in practice, not just what your website says.

What does MSB coverage mean in practice?

MSB coverage does not mean every rule that applies to a bank automatically applies to you. It does mean your business may have its own set of BSA obligations. The core requirements commonly include:

- **FinCEN registration:** Many MSBs must register with FinCEN using the required form and renew their registration every two years. There are exceptions, so confirm whether one applies before relying on it.
- **A written AML program:** An MSB generally needs a program designed for the risks of its business, with internal controls, a designated compliance person, employee training, and independent review.
- **Recordkeeping:** The BSA imposes records requirements for certain transactions. The exact rules depend on the service, transaction type, and amount.
- **Suspicious Activity Reports (SARs):** MSBs generally must file a SAR when a transaction meets applicable thresholds and the business knows, suspects, or has reason to suspect that it involves unlawful activity or evasion of BSA rules.
- **Currency Transaction Reports (CTRs):** A business may need to report qualifying cash transactions over $10,000 in a business day. Rules for aggregating transactions and identifying the person involved matter.

These are federal requirements. They are not the whole compliance picture. State money-transmission or currency-exchange licensing laws may apply, and sanctions rules administered by the Office of Foreign Assets Control (OFAC) can apply separately. A company can meet one set of requirements and still have a problem under another.

AML obligations: the program has to fit the business

A written AML policy is not enough if it sits in a folder and does not guide staff. FinCEN expects an MSB's program to be reasonably designed for the risks it actually faces. A small exchange counter with walk-in cash customers has different risk patterns from a company serving business clients across multiple locations.

A practical program usually answers four questions:

1. **What are the risks?** Consider products, transaction sizes, customer types, locations, delivery channels, and how easily transactions can be split or conducted through multiple branches.
2. **What controls address those risks?** Set procedures for customer information, transaction monitoring, escalation, record retention, and required filings. Staff need to know when to stop and escalate a transaction rather than make a guess at the counter.
3. **Who owns compliance?** Name a responsible person with enough authority, time, and access to information to do the job. "Everyone is responsible" often means no one is.
4. **How do you test the program?** Train staff and arrange independent review. The review should identify whether controls work in practice, not simply confirm that a policy document exists.

For example, repeated exchanges just below an internal review threshold, inconsistent identification details, or a customer using several locations in a short period may warrant escalation. None of those facts proves a crime. They are signals to follow your procedures and decide whether reporting is required.

Registration is not the same as compliance

FinCEN registration does not mean FinCEN has approved your business, certified your AML controls, or given you a legal safe harbor. It is a filing requirement, not a seal of quality. Operators should also avoid assuming that registration alone satisfies state licensing requirements.

For an operator, the first useful check is an activity map: list every service you offer, who performs it, where transactions occur, and what happens to the funds. Then compare that map with the MSB definitions and the rules for each service. If the business has changed—perhaps by adding remittances, online orders, or a new location—revisit the analysis. A compliance conclusion from launch may no longer fit the business today.

FinCEN whistleblower awards: real, but not fast

The BSA whistleblower provisions can reward eligible people who provide original information that leads to successful enforcement action. The potential award is generally between 10% and 30% of monetary sanctions collected in a qualifying action, subject to the law's requirements and agency decisions. The percentage is discretionary, not guaranteed.

That means "10% to 30%" is not a promised share of every penalty, much less a guaranteed payment for submitting a tip. Eligibility, the usefulness and originality of the information, the role of the whistleblower, and the result of the enforcement action can all matter. The program is designed around information that helps authorities uncover and prove violations—not simply a complaint that something feels wrong.

It can also take a long time. Agencies may need to assess the tip, investigate, bring an action, resolve any appeals, and collect sanctions before an award can be determined. A tip may lead to no public action, or the case may tycoonstory take years. Whistleblowers should not plan household finances around a possible award.

A date correction on AMLA and funding

AMLA was enacted in 2021 as part of the National Defense Authorization Act for Fiscal Year 2021; it was not created by a 2022 law. AMLA established the statutory framework for awards, including the 10%–30% range for qualifying information leading to certain successful actions involving more than $1 million in monetary sanctions.

But the original framework had a significant practical funding problem. Later legislation addressed the program's award-funding structure. So it is more accurate to say that AMLA created the award authority and subsequent legislation helped make the program workable—not that "AMLA 2022" created a fully funded program in one step. The current statutory text and applicable agency guidance should be checked when evaluating a specific tip or potential award.

What should a currency exchange operator do now?

Start with concrete questions, not a generic instruction to "get advice." Ask your compliance lead or counsel:



- Do our actual services meet the federal definition of a dealer in foreign exchange or another MSB category?
- Does the $1,000-per-person-per-day threshold apply to our exchange activity, and how do we identify related transactions?
- Are we required to register with FinCEN, and is our registration current?
- Which SAR, CTR, recordkeeping, and AML program requirements apply to each service we offer?
- Do state licensing or OFAC requirements apply to our locations, customers, or transactions?
- Do our monitoring and escalation procedures work across branches, online channels, and agents?

If an employee is considering reporting suspected misconduct, the practical questions are different: What information is first-hand? What documents can be lawfully preserved? Has the concern already been reported internally or to an agency? Does the person understand confidentiality and retaliation risks? Those are specific issues to discuss with a whistleblower attorney familiar with the BSA program—not just a vague "talk to a professional."

Using online sources carefully

Tycoonstory.com and Facebook can help operators find business discussions, news, and peer experiences. They are not substitutes for the BSA regulations, FinCEN guidance, or state licensing rules. A social post may be useful as a lead, but check the underlying source before changing a compliance process or deciding that a business is exempt.

Question Practical starting point Are currency exchange businesses covered? Often, if activity meets the federal MSB definition, including the foreign-exchange threshold. Does coverage mean bank rules apply? No. MSBs have their own BSA requirements, which can include registration, an AML program, records, and reports. Are whistleblower awards guaranteed? No. Awards are discretionary, depend on statutory criteria and impact, and may take years. Did AMLA 2022 create the program? No. AMLA was enacted in 2021; later legislation addressed funding and implementation issues.

The bottom line

Currency exchange operators can fall squarely within MSB coverage. The key is what the business does, how transactions are conducted, and whether the relevant thresholds and definitions are met. If covered, the business

needs AML obligations built into day-to-day operations—not just a registration form and a policy manual.

FinCEN whistleblower awards are also real, but they are contingent and slow. The 10%–30% range is a possible statutory award, not a guaranteed payout. Get the dates and funding history right, verify claims against primary sources, and build compliance around the transactions your business actually handles.