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## Money Laundering Basics – Definitions & Key Concepts (Foundational)

This sheet provides short, practical definitions for core money laundering concepts. It is designed as a quick-reference tool for frontline and operations staff taking the Money Laundering Basics (Foundational) mini-course.

### Key Definitions

Term	Plain-language definition
Money laundering	The process of turning proceeds of crime into funds or assets that appear to come from legitimate sources so they can be used or invested without attracting attention.
Proceeds of crime	Any money or assets derived directly or indirectly from criminal activity such as fraud, corruption, tax evasion, drug trafficking, cybercrime, or organised crime.
Placement	The stage where criminal funds are first introduced into the financial system, often through cash deposits, purchase of instruments, or use of cash-intensive businesses.
Layering	The stage where funds are moved through multiple transactions or structures to create distance between the money and its criminal origin.
Integration	The stage where laundered funds re-enter the economy as apparently legitimate assets or income, such as property, investments, or business profits.
Typology	A typical pattern or method used by criminals to launder money or finance terrorism, often described in case studies or regulatory guidance.
Red flag	A sign or pattern that may indicate higher risk of money laundering or other financial crime and should prompt further review or escalation.

Use this sheet during induction, refresher training, or team briefings. Encourage staff to explain each term in their own words and to connect the concepts to the products and customers they see in their roles.

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