

Cash-out review

cash-out-review-v1 - v1.0

Effective: 2026-04-25

Owner: AML / Fraud investigations

Applies to: cash_out

Purpose

Cash-out events are the point where fraudulent funds leave the platform. This policy defines the layered controls that limit realization velocity without making low-value legitimate cash-outs annoying for users.

Tiered rules

- CASH_OUT under \$5,000 -- auto-approve unless another policy triggers (drainage, velocity).
- CASH_OUT \$5,000 and above -- hold for manual review. The reviewer should verify the originating account's recent activity for legitimate inflows that justify the cash-out volume.
- **CASH_OUT immediately following a TRANSFER from the same originating account within the same processing window (step)** -- deny. This is the classic "bust-out" two-step where a fraudster sweeps a victim account into an intermediary via TRANSFER and then immediately CASH_OUTs from the intermediary to ground.

Required action

When the bust-out two-step trips, decline with reason_code='bust_out_pattern'. Hold for manual review when the \$5,000 threshold trips. Auto-approve everything else absent a trigger from another AML policy.

Why this rule exists

Cash-out events are the point of fraud realization. Layered policies catching them at multiple thresholds plus the cross-step bust-out pattern keeps recall high without making low-value legitimate cash-outs annoying for users. The "same originating account, same step" condition is what defines the bust-out pattern in the academic PaySim literature and matches FinCEN's documented "layering" stage of money-laundering schemes.