Examples of Suspicious Transactions

1. **Money Laundering Using Cash Transactions**
   a. Unusually large cash deposits made by an individual or company whose ostensible business activities would normally be generated by cheques and other instruments
   b. Substantial increases in cash deposits of any individual or business without apparent cause, especially if such deposits are subsequently transferred within a short period out of the account and/or to a destination not normally associated with the customer
   c. Customers who deposit cash by means of numerous credit slips so that the total of each deposit is unremarkable, but the total of all the credits is significant
   d. Company accounts whose transactions, both deposits and withdrawals, are denominated by cash rather than in the forms of debit and credit normally associated with commercial operations (e.g. cheques, Letters of Credit and Bills of Exchange)
   e. Customers who constantly pay-in or deposit cash to cover requests for bankers drafts, money transfers or other negotiable and readily marketable money instruments
   f. Customers who seek to exchange large quantities of low denomination notes for those of higher denomination
   g. Frequent exchange of cash into other currencies
   h. Branches that have a great deal of cash transactions than usual (Head Office statistics detect aberrations in cash transactions)
   i. Customers whose deposits contain counterfeit notes or forged instruments
   j. Customers transferring large sums of money to or from overseas locations with instructions for payment in cash
   k. Large cash deposits using night safe facilities, thereby avoiding direct contact with bank staff

2. **Money Laundering Using Bank Accounts**
   a. Customers who wish to maintain a number of trustee or clients’ accounts, which do not appear consistent with the type of business, including transactions which involve nominee names
   b. Customers who have numerous accounts and pay in amounts of cash to each of them in circumstances in which the total of credits would be a large amount
   c. An account that shows virtually no normal personal banking or business related activities, but is used to receive or disburse large sums which have no obvious purpose or relationship to the account holder and/or his business (e.g. a substantial increase in turnover on an account)
   d. Reluctance to provide normal information when opening an account, providing minimal or fictitious information or, when applying to open an account, providing information that is difficult or expensive for the banking institution to verify
   e. Matching of payments out with credits paid in by cash on the same or previous day
   f. Paying in large third party cheques endorsed in favour of the customer
   g. Large cash withdrawals from a previously dormant/inactive account, or from an account which has just received an unexpected large credit from abroad
   h. Customers who together, and simultaneously, use separate tellers to conduct large cash or foreign exchange transactions
   i. Greater use of safe deposit facilities, increased activity by individuals and the use of sealed packets deposited and withdrawn
   j. Companies’ representatives avoiding contact with the branch
   k. Substantial increases in deposits of cash or negotiable instruments by a professional firm or company, using client accounts or in-house company or trust accounts, especially if the deposits are promptly transferred between other client company and trust accounts
   l. Customers who decline to provide information that in normal circumstances would make the customer eligible for credit or for other banking services that would be regarded as valuable
   m. Insufficient use of normal banking facilities e.g. avoidance of high interest rate facilities for large balances
   n. Large number of individuals making payments into the same account without an adequate explanation
3. **Money Laundering Using Investment-Related Transactions**
   a. Purchasing of securities to be held by the banking institution in safe custody, where this does not appear appropriate given the customer’s apparent standing
   b. Back-to-back deposit/loan transactions with subsidiaries of, or affiliates of, overseas banking institutions in known drug trafficking areas
   c. Requests by customers for investment management services (either foreign currency or securities) where the source of the funds is unclear or not consistent with the customer’s apparent standing
   d. Larger or unusual settlements of securities in cash or bearer form.
   e. Buying and selling of a security with no discernible purpose or in circumstances which appear unusual
   f. A number of transactions by the same counterparty in small amounts of the same security, each purchased for cash and then sold in one transaction, the proceeds being credited to an account different from the original account
   g. Any transaction in which the counterparty to the transaction is unknown or where the nature, size or frequency appears unusual
   h. Investor introduced by an overseas bank, affiliate or other investors both of which are based in countries where production of drugs or drug trafficking may be prevalent

4. **Money Laundering by Off-Shore International Activity**
   a. Customer introduced by an overseas branch, affiliate or other bank based in countries where production of drugs or drug trafficking may be prevalent
   b. Use of Letters of Credit and other methods of trade finance to move money between countries where such trade is not consistent with the customer’s usual business
   c. Customers who make regular and large payments, including wire transactions, that cannot be clearly identified as bona fide transactions to, or receive regular and large payments from, countries which are commonly associated with the production, processing, marketing of drugs or terrorist organisations
   d. Building up of large balances, not consistent with the known turnover of the customer’s business, and subsequent transfer to account(s) held overseas
   e. Unexplained electronic fund transfers by customers on an in and out basis or without passing through an account
   f. Frequent requests for travellers cheques, foreign currency drafts or other negotiable instruments to be issued
   g. Frequent paying in of travellers cheques or foreign currency drafts particularly if originating from overseas

5. **Money Laundering Involving Financial Institution Employees and Agents**
   a. Changes in employee characteristics, e.g. lavish life styles or avoiding taking holidays
   b. Changes in employee or agent performance, e.g. the salesman selling products for cash has remarkable or unexpected increase in performance
   c. Any dealing with an agent where the identity of the ultimate beneficiary or counterparty is undisclosed, contrary to normal procedure for the type of business concerned

6. **Money Laundering by Secured and Unsecured Lending**
   a. Customers who repay problem loans unexpectedly
   b. Request to borrow against assets held by the banking institution or a third party, where the origin of the assets is not known or the assets are inconsistent with the customer’s standing
   c. Request by a customer for a banking institution to provide or arrange finance where the source of the customer’s financial contribution to a deal is unclear, particularly where property is involved