

Potential Indicators of Terrorist Activities Related to Financial Institutions

What Should I Consider Suspicious?

- A lack of evidence of legitimate business activity—or any business operation at all—undertaken by many of the parties to a transaction(s).
- Unusual financial nexuses and transactions occurring among certain business types (e.g., a food importer dealing with an auto parts exporter).
- Transactions that are not commensurate with the stated business type and/or that are unusual and unexpected in comparison with the volumes of similar businesses operating in the same locale.
- Unusually complex series of transactions indicative of layering activity involving multiple accounts, banks, parties, or jurisdictions.
- Unusual mixed deposits of money orders, third-party checks, and/or payroll checks into a business account.
- Transactions being conducted in bursts of activities within a short period, especially in previously dormant accounts.
- Unusually large number/volume of wire transfers and/or repetitive wire transfer patterns.
- Beneficiaries maintaining accounts at foreign banks that have been subjects of previously filed Suspicious Activity Reports.
- Bulk cash and monetary instrument transactions.
- Suspected shell entities.
- Transactions and/or volumes of aggregate activity inconsistent with the expected purpose of the account and levels and types of account activity conveyed when the account was opened.
- Parties and businesses that do not meet the standards of routinely initiated due diligence and anti-money laundering oversight programs (e.g., unregistered/unlicensed businesses).
- Transactions seemingly designed to or attempting to avoid reporting and recordkeeping requirements.
- Correspondent accounts being utilized as “pass-through” points by foreign jurisdictions with subsequent outgoing funds to another foreign jurisdiction.

What Should I Do?

Know your customers.

- Require identification.
- Talk to customers, ask questions, and listen to and observe their responses.
- Watch for people and actions that are out of place.
- Make note of suspicious statements, people, and/or transactions.

If something seems wrong, notify law enforcement authorities.

Do not jeopardize your safety or the safety of others.



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Terrorism may be national or international in scope, but terrorist incidents occur locally and are preceded by a number of pre-incident activities. Individuals in the community are key to identifying these pre-incident activities. By learning what to look for, **you** can aid law enforcement officials in protecting the homeland.

Your knowledge of the financial industry can be an invaluable resource to the law enforcement community. In this arena, **you** are best informed about what constitutes suspicious activity.

By being aware of what to look for and knowing how to report suspicious behavior, **you** can make a positive contribution in the fight against terrorism. **The partnership between the community and law enforcement** is essential to the success of anti-terrorism efforts.

It is important to remember that just because someone's speech, actions, beliefs, appearance, or way of life is different, it does not mean that he or she is suspicious. Instead, focus on behavior and activities that are unusual or out of place for the situation and that appear to be suspicious.

The activities outlined on this handout are by no means all-inclusive but have been compiled from a review of terrorist events over several years. Some of the activities, taken individually, could be innocent and must be examined by law enforcement professionals in a larger context to determine whether there is a basis to investigate.

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