



NCA

National Crime Agency

Guidance on submitting better quality Suspicious Transaction Reports (STRs)

This is a United Kingdom Financial Intelligence Unit (UKFIU) product.

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Purpose

This document aims to provide guidance on how to submit better quality STRs.

If all of the following good guidance is followed, it will enable law enforcement to gain a fuller picture of:

- who is doing what
- who they are/were doing it with
- when they are/were doing it
- why they are/were doing it
- where they did it
- how they are doing it.

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Section 1: basic structure of a STR

There are a number of fields to be completed. Please follow the below process:

- As much information as possible should be completed in the data fields.
- STRs should contain all available Customer Due Diligence (CDD) information.
- Dates of birth are a vital field for identifying individuals correctly.
- In addition to the 'explanation, fully populate all of the other information fields.

Completing fields of information in a STR not only assists in ensuring that any research or development of STRs is accurate from the offset, but also ensures that further subject matching is accurate.

Missing or inaccurate information:

- limits analysis opportunities
- has a negative impact on identifying the subjects correctly
- reduces the overall effectiveness of the STR.

Be clear and concise

The explicit rationale behind the reason for suspicion and the context of why the STR is being submitted should be clearly communicated in the explanation.

- Structure your explanation in a logical format including all relevant information.
- Briefly summarise your suspicion.
- Provide a chronological sequence of events.
- Keep the content clear, concise and simple.
- Avoid acronyms and jargon – they may not be understood by the recipient and are open to misinterpretation.
- If describing a service provided or technical aspect of your work, please provide a brief synopsis in your STR to aid the reader.
- Do not write the STR in capital letters – this makes it very difficult to read.
- If including a large amount of information/text, break it up into more manageable – and readable – paragraphs.
- Very long STRs which are text heavy are difficult to read.
- Use punctuation.
- Separate bank account/transaction information

Reason for suspicion

The suspicion element is the rationale behind why a STR was submitted and therefore should be explicit in the explanation. Try to answer:

- **Who** is involved?
- **How** are they involved?
- **What** is the criminal/terrorist property?
- **What** is the value of the criminal/terrorist funds (estimated as necessary)?
- **Where** are the criminal/terrorist funds?
- **When** did the circumstances arise?
- **When** are the circumstances planned to happen?
- **How** did the circumstances arise?
- **Why** you are suspicious or have knowledge.

Completing all STR information fields

Alongside completing the explanation you should complete as fully as possible all the information known from your due diligence into the other STR fields.

The amount of information you have may depend on your relationship with the reported subject.

Individuals

Include the following identifying information:

- Full name/s
- Date of birth
- Nationality
- Address
- ID Number

If you have the following information include it in context with your suspicion:

- Identification document details (including relevant reference or document numbers) e.g. passport
- Car details (registration number)
- Telephone numbers (clearly marked home, business, mobile etc.)
- Full details of bank accounts or other financial details (including account numbers etc.)
- Occupation.

Providing details of the main subject's occupation assists with:

- judgments about the origin of funds
- whether the subject is using professional knowledge to facilitate money laundering

It is appreciated that you may not always have the full details concerning all of the entities involved, especially where you are reporting on subjects that are not your usual clients/customers/suppliers.

Businesses, trusts and other entities

The amount of information you have may depend on your relationship to the reported subject.

Include all identifying information such as:

- full legal name
- designation
- trading name
- trade registry number
- country of incorporation
- details of beneficial ownership.

If relevant to your suspicion also provide details of:

- the individuals/entities that are the directors (or equivalent)
- the individuals who own/control/exercise control over the management of the entity.

If relevant to your suspicion also provide details of all partners/principals who own/control/exercise control over the management of the entity.

Addresses

- The full address of the main subject should always be included where known.
- Clarify the status of the address i.e. current, previous, residential, business, trading, registered office etc.

Financial transactions

When the suspicion being reported relates to a financial transaction:

- include the relevant details of the beneficiary/remitter of the funds
 - include, if known, the destination/originating bank details e.g. sort code, correspondent bank details accurately record the date on which the transaction has occurred/will occur
 - clarify the type of transaction e.g.:
- online payment/receipt

- debit or credit card
 - ATM withdrawal
 - cheque
 - electronic transfer (BACS/CHAPS)
 - cash
-
- explain why any transactions included are considered to be suspicious
 - (if relevant to your business) include the subject's financial details (account numbers) and details of associates
 - summarise cash amounts at the end of the report.

If you are suspicious because the activity deviates from the normal activity for that customer/business sector, briefly explain how the activity differs.

If the beneficiary/remitter of the transaction is believed to be complicit in the suspicious activity then consider providing their details.

If the activity does not involve a financial transaction please explain the suspicious activity that has occurred/will occur.

Remember

- STRs should not be used as a communication channel e.g. as a means of obtaining advice. STRs are only for reporting suspicious activity. If you need general guidance about money laundering or STRs in particular, contact your designated MLCO or your regulatory body.
- Where information is known, every effort should be made to complete all relevant fields accurately.
- Ensuring the information you submit is accurate will assist with law enforcement using the STRs more efficiently – check spellings of names, make sure you have the correct postcode, account details etc.

Section 2: good practice tips

Always

- identify as clearly as possible the criminal / terrorist funds
- identify the reason(s) for suspecting the funds are criminal / terrorist
- identify the other party/parties involved in dealing with the criminal funds / terrorist, including their dates of birth and addresses where appropriate
- describe fully the reasons for suspicion in relation to money laundering. As a basic guide, wherever you can, try to answer the following six basic questions to make the STR as useful as possible: Who? What? Where? When? Why? How?

If your STR relates to the purchase/sale of a property include:

- the full address of the property
- the value of the property
- the date of activity
- how the activity will take place or has taken place
- the full identity, where known, of the other party/parties involved in dealing with the property, including, in particular, if they are providing professional services e.g. lawyer, real estate agent,.

If your STR relates to a business professional:

- describe the services being provided e.g. "the professional services being provided are..." (e.g. accountancy, audit, real estate sales, legal services etc.)
- include:
 - the date of activity
 - how the activity will take place or has taken place
 - full identity, where known, of the other party/parties involved in, including in particular, the type of professional services being provided e.g. lawyer, real estate, accountant.
- describe if suspicion relating to the services being provided appear to be wittingly or unwittingly facilitating the money laundering described