

**Updated List of Suspicious Activity Indicators
Commonly Associated with Money Laundering in Hong Kong**

1. Involvement of one or more of the following entities which are commonly involved in money laundering :-
 - (a) Shelf, or Shell Companies.
 - (b) Company registered in a known “Tax Haven” or “Off-shore Financial Center”.
 - (c) Company Formation Agent, or Secretarial Company, as the authorized signatory of the bank account.
 - (d) Remittance Agency or Money Changer.
 - (e) Casino.

2. Currencies, countries or nationals of countries commonly associated with international crime or identified as having serious deficiencies in their anti-money laundering regimes, e.g.
 - Thailand, Cambodia, Myanmar, Laos, Colombia relating to drug trafficking;
 - Nigeria relating to fraud and drug trafficking;
 - 19 NCCTs (Non-cooperative Countries and Territories) identified by FATF in September 2001 i.e. Cook Islands, Dominica, Egypt, Grenada, Guatemala, Hungary, Indonesia, Israel, Lebanon, Marshall Islands, Myanmar, Nauru, Nigeria, Niue, Philippines, Russia, St. Kitts and Nevis, St. Vincent and the Grenadines, and Ukraine.

3. Customer refuses, or is unwilling, to provide explanation of financial activity, or provides explanation assessed to be untrue.

4. Activity is incommensurate with that expected from the customer considering the information already known to you about the customer and the customer’s previous financial activity. (For personal accounts consider customer’s age, occupation, residential address, general appearance, type and level of previous financial activity. For company accounts consider type and level of activity).

5. A client who is introduced by an overseas agent, affiliate or other company both of which are based in a NCCT.

Note. Item 5 is not listed in the website of the Joint Financial Intelligence Unit. Insurance Institutions, however, should also pay attention to this indicator in identifying suspicious transactions.