

Module 5

Recognition and reporting of suspicious transactions



Recognition and Reporting of suspicious transactions

Step 2 – Appropriate questioning of the customer

- Ù Where a transaction bears one or more suspicious activity indicators, question the customer on the reason for conducting the transaction and the identity of the source.
- Ù On occasions staff members of intermediaries have expressed reluctance to ask questions as they may offend the customer, they should ask questions which are apparently in furtherance of promoting the services of the firm or satisfying customer needs.
- Ù Persons engaged in legitimate business will have no objection to answering such questions.
- Ù If a customer is unwilling, or refuses, to answer questions or gives replies which staff members suspect are incorrect or untrue, it may be a further indication of suspicious activity.



