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Of the Chairman of the Central Bank of the Republic of Armenia

Guidelines on the Criteria for Suspicious Transactions

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Introduction

These guidelines are presented on the basis of the Republic of Armenia "Law on Combating Money Laundering and Terrorist Financing" (hereinafter referred to as Law) and extended to the bodies submitting reports stipulated by Article 3 of the Law. The guidelines detail the grounds for suspicious transaction or business relations stipulated by the Law – by presenting the criteria characterizing those grounds and possible situations of their emergence.

Thus, under each ground they present the criteria, which explain the cases of possible suspicious transaction. To further facilitate the understanding of the criteria possible situations are described, which are individual examples of the criteria's emergence. One should emphasize that the aforementioned situations are not comprehensive and exhaustive description of individual criteria's emergence cases and in practice any other situation for suspicious transaction emergence may be possible.

The peculiarities of the suspicious transactions can be differentiated from the description of the criteria below. Thus, these criteria shall not be understood directly.

The likelihood of the transaction's suspiciousness further grows in cases, when in the same situation (transaction) there emerge combinations of the criteria mentioned in the annex.

Ground 1. The transaction (operation) can been deemed as suspicious, if the customer offers the report submitting body to conclude (confirm) or concludes (confirms) with the latter such a transaction (business relation), which although complies with the requirements of the laws and other legal acts; however, by the given transaction (business relation) it is not possible to find out the identity of the customer or to receive information stipulated by the law about the report submitting body for the conclusion or implementation of the given transaction (business relations)

Criteria	Possible situations
1. The customer avoids from submitting the documents (information) required for the identification	*1. The customer fails to submit his passport and without objective reasons demands to accept various documents (for example his certificate of birth) as a basis;* *2. The customer does not wish to submit any document, which contains a photo and can replace the passport*
2. The customer submits incomplete, unreliable or forged documents (information)	*1. The customer submits documents, the seals of which are obviously forged or the lines are not fluently drawn;* *2. You turn to the customer with the name mentioned in the document; however, his reaction is belated and non-correspondent to the name;* *3. The information submitted by the customer are contradictory;* *4. The customer completely changes the information submitted, when asked to specify a certain point*
3. Impossible to ascertain the authenticity of the customer's submitted documents	*1. The issuer of the documents is unknown;* *2. The documents are unusual because no such documents have been submitted in the past;* *3. In the past you've not served a citizen of the given country and his document does not have special protection consistent with the documents of such status*
4. The customer delays the submission of the documents without justified arguments	*It takes a month for the customer to submit a certificate from the workplace located in Yerevan, for which he does not give any explanation or gives illogical and various comments*
5. There is an old date on the document submitted by the customer; however, the document is obviously a new one or there is a new date; however, there should be an old date	*The customer submits a document issued in 1972, which is obviously a new one with the application of computer or submits an obviously new document, which by computer has been made old*
6. The customer refuses to submit the originals of the documents and submits only their copies	*1. The customer submits only the copies of the documents without identifying the location of the original or reasons for non-submission or presents illogical or various comments;* *2. The customer refuses to submit the originals of the documents even after a while*

7. It is impossible to communicate with the customer or other transaction participant by the address or communication means provided by the customer	*1. The fixed and (or) mobile phone numbers mentioned by the customer are permanently out of reach or don't respond;* *2. The phone number does not belong to the customer (if the customer submits the mentioned communication means as his/her personal);* *3. In the address mentioned by the customer the customer does not reside (if the customer submitted the mentioned address as his/her residence) or he/she is not registered in the mentioned address (if the customer submitted the mentioned address as his/her registration address)*
8. The customer asks to communicate with him/her by an address or communication means different from his/her residence or registration (in case of natural person), location of the legal person (in case of legal person) of communication means	*Instead of his office and mobile phone the customer demands to communicate with him/her only through the apartment of a certain Z, in case when you know that the customer has personal communication means*
10. The customer residing or staying in the Republic of Armenia obviously avoids to personally make oneself available during the transaction (in cases of the transactions, when the presence of the customer is mandatory) to the reporting person	*1. The customer insists that from his/her account money shall be encashed and provided with the third party without his/her presence – in case of lack of pertinent letter of attorney;* *2. The customer refuses to turn up even after a while*
11. The customer refuses to disclose the identity of the transaction's real beneficiary (beneficiaries)	*You try to learn who are the customer legal person's real beneficiaries; however, the customer, accepting the presence of the real beneficiary, refuses to disclose their identity or gives contradictory responses or documents, which all the same do not disclose the identity of real beneficiaries*
12. The customer is not aware about the persons or other necessary information in regard of the transaction	*1. The customer does not know the name of the means recipient;* *2. The customer has no idea about means in his/her deposit account, in particular what resources have been deposited to that account, in what frequency, time duration of the transaction;* *3. The customer has difficulties in describing the substance of the business and has no general understanding about it;* *4. The customer does not provide information about the person, on behalf of whom he/she performs;* *5. The customer does not know the name of the person transferring money to his bank account and amount of the money*
13. For transaction the customer uses a name (title) confusingly similar to another name – using, for example, different registration numbers of taxpayer	*1. This case is mainly about foreign names (Sajed-Saied, Kaled-Khaled, etc.)*

14. The transaction is done in a way that not even a single transaction participant or nature of activities can be identified or is not possible to get the information necessary for the bank or credit organization for the conclusion or execution of the transaction	*In the contract of the goods supply, which is a basis for the transfer, the data about the supplier are missing and the customer refuses to present them*
15. The customer is a shell company and does not want to provide information about the person, who posses ten and more percentage of the company shares with the right to vote or about the person, who with the personal participation or according to the contract concluded with a legal person reserves the right to predetermine its decisions or about the real beneficiaries	*The customer does not provide the documents about the company, which contain information about the shareholders' names or actual location of the company*
16. In the transactions, which are not interconnected, the customers that have no relations to each other have the same address and phone numbers and that address is the address of a certain legal person	
17. The money transfer is done from a foreign bank's anonymous or customer invented name accounts or payable to bearer payment instrument	*The money transfer is done from the bank located in "A" territory and as a bank account of the transfer initiator they mention "5894"*
18. The bank cannot receive enough information or the information is unavailable in order to directly identify the account holder or initiator of other banking transactions	*A money transfer has been received from "N" offshore territory and the bank fails to identify the full name of the transfer initiator* *The list of offshore countries (territories) is stipulated by the Decree N518N of the Board of the Central Bank of the Republic of Armenia "On approving the list of the offshore territories with the purpose of banking supervision" dated October 25, 2005*
19. The bank fails to identify the correspondent or savings account holder	

Ground 2. The transaction (operation) can be deemed suspicious, if the conditions of the transaction (business relations) contradict to the business profile of the customer; the conditions of similar transactions (business relations) usually concluded in the given area of entrepreneurship or business practice

Criteria	Possible situations
1. The customer establishes an unjustified high or low price (amounts) for the transaction	*1. In the contract presented as a ground for the transaction the price of shares' sale and purchase corresponds the nominal price of the shares; however, it is known that their market price is substantially higher than the nominal price, i.e. it is clear that the transaction is not for profit;* *2. In the document presented as a ground for the*

	transaction they have mentioned as a price for the consulting services, which is substantially different from the market price of similar services; *3. During a certain period of time one or several stock market participants price the share at an obviously high price;* *4. During a certain period of time one or several stock market participants price the shares an obviously low market price*
2. Frequently and unjustifiably the customer changes the authorized persons entitled to perform on his/her behalf	*Every time to encash money from the account of the customer there is a new person, in case of which the account can be used as a transit account. Whereas, the change of the authorized person is not explained by the absence of the previous one or other reasonable excuse and the new authorized persons have no connection with the organization (are not employees, etc.)*
3. The transaction is done with the involvement of foreign resident financial or non-financial organization, in case, when the given transaction could be done (is usually done) without the involvement of those organizations	*The banking transfer is done on the basis of a contract connected with the mining industry in the Republic of Armenia, which has been ratified by a Georgian notary public*
4. The customer does the transaction with the involvement of a range of financial and non-financial organizations, in case, when the given transaction could be done (is usually done) with the involvement of a small number of such organizations	*1. In the contract, which is the basis of the transaction, there's provision of similar banking transfers via different banks;* *2. It is obviously inappropriate to do the transaction by the scheme proposed by the customer – due to extra costs or longer period;* *3. The customer tries to insure the same insurance risks through several insurance mediators (does dual insurance)*
5. The customer does the transaction through the authorized bodies non-characteristic to such transactions or for benefit of the beneficiaries	*1. The property is insured, in case of the accident, upon the wish of the customer, the insurance compensation shall be received by a person, who has no relation to him/her or any title towards the property;* *2. The customer demands that his/her premium shall be executed in the name of the third party, who has no relation to him/her;* *3. The customer demands that his/her premium shall be transferred to the account of the third party, who has no relation to him/her*
6. The authorized body does various transactions for several interrelated customer	*The same commercial representative for the business partners in the same bank at the same time opens different accounts, which are used for transactions having the same economical/logical justification and objective*

7. The transaction is done by unjustifiably complicated schemes or the customer applies such means for the transaction security and unstoppable execution, which are usual uncharacteristic for such transactions	*1. To transfer money to a customer of another bank the customer identifies a foreign bank or state, through which the transaction shall take place, whereas putting an importance to the fact that the transaction must be necessarily done through the bank indentified by him/her*
8. The customer claims that the transaction shall be done in unjustifiably shorter period, than it is usually envisaged for similar transactions	*Without comments or justifications the customer performs obvious haste and asks to formalize the transaction in one hour, even if the actual amount is provided later and the cost of the transaction is higher, than stipulated*
9. The transaction is concluded in a form that is different from the form that is demanded and usually applied for such transactions	*By the office rent contract for monthly transfer of the rent they submit a contract copy not ratified by the notary public*
10. The customer makes cash payments for the fee envisaged by the transaction; however, the law and requirements usually put forward for such transactions demand that the payment of such transaction shall be executed cashless way	*Based on the contract concluded with non-resident the customer encashes to make a payment by external commercial transaction*
11. For similar transactions the customer makes the regular payments by large cash sums, which is insists he received by encashment from his (another) bank account	*The large cash amounts are presented in the form wrapped by another bank*
12. The customer does the same or different transactions by different currencies – without its commercial need	*1. Having studies the contract it becomes obvious that a part of the payment of the goods imported from Russia is done in Russian rubles and the other part in Canadian dollars, whereas such step does not chase currency risk management or other such objectives;* *2. As a result of currency exchange transactions after a short while the money is transferred to high risk territories*
13. The customer does the transaction in a payment form that is different from the form usually applied for such transactions	*1. The cash deposit necessary for the transfer of a large amount is done in small denominations;* *2. For his transactions the customer always pays in cash; however, in a specific case he submits a traveler's check of an unknown issuer* *3. For the proper transactions the customer always pays by payment orders; however, in a specific case he prefers another payment form*
14. Without justification the customer refuses the obviously gainful conditions for the transaction	*The customer gives the preference to the high interest rate and short repayment period credit, than the low interest rate and long repayment period credit, i.e. the customer puts an importance to the receipt of an acknowledgement of a the fact of transaction taking place, but not the gainfulness of the transaction*

15. The customer is indifferent towards the substantial conditions of the transaction (any condition is acceptable)	*1. The customer accepts any interest rate for opening a credit line, i.e. the costs incurred or to be incurred are not of primary importance, but the receipt of the money at any cost* *2. The customer is not concerned with the cost or commissions of the transaction*
16. The customer performs strange actions in regard of depositing money or other property	*1. Many customers come together to their safety boxes of the bank bearing large bags, which can contain large cash amount;* *2. The customer rents numerous safety boxes in the bank to keep large amounts, payment means or high value means and at the same time is interested in currency exchange rate and deposit interest rates; however, mentions that those transaction will be done in the future*
17. For the safety and unstoppable execution of the transaction the customer does not want to apply kind of means, which are usually characteristic to such transactions	*1. According to the agreement between the customer and the bank or internal regulations of the bank the transactions from the account of the customer, exceeding a certain threshold, shall be done upon the approval of the bank internal control body; however, the customer insists that in case of his transactions these regulations shall not be applied;* *2. The customer asks the bank clerk serving him/her not to perform identification and not to submit to the Central Bank a report about the transaction subject to mandatory notification – reasoning that his/her transfer is a loan to his close friend*
18. The customer did the transaction by cheating, violence, under the influence of threat, upon malicious agreement between the parties	*A customer comes and mentions that the money recently transferred to him/her and encashed is of criminal origin and that he/she did that transaction under the violence or threat of other persons*
19. The customer lives a posh life, for which his/her income cannot be sufficient	*1. Through the bank the customer regularly finances the purchase of such goods and services (including through the credit cards, for which he/she afterwards pays in cash), which in no way correspond the incomes he/she declares* *2. The customer applies for such insurance service, which does not correspond his financial state or income planning needs*
20. It is not gainful and comfortable for the customer to use the services provided	*The customer is regularly using the services of a certain bank's branch, in case, when it is geographically far from his residence or office and is not of any business interest for him/her*
21. With strange frequency the customer uses his/her deposited money or other property	*The customer, who is a housewife, every day at the same time visits the bank to use her safety box*
22. The customer uses the property assigned to him/her for asset management in a strange manner	*The property assigned for asset management is used not for the purposes stipulated in the contract and the asset manager concludes transactions with obviously non-gainful conditions*
23. The customer performs numerous transactions; however, it is obvious that the latter	1. From his/her name the customer makes large money transfers and at the same time refuses to

cannot have these large amounts	disclose the real beneficiary; however, it becomes clear that the monthly income of that customer is substantially less that the amount of the aforementioned transactions 2. The customer regularly transfers large amount of money to his/her deposit account – in the amount exceeding the actual income
24. The customer does transactions with different natural and legal persons, which are not related at all	*The customer A regularly transfers money to a range of persons, including large entrepreneurs, unemployed and housewives*
25. There are transactions done, which are obviously non-characteristic to the nature of the given enterprise and those are concluded often involving large amounts	*1. The non-commercial or charitable organization does transactions, which have no logical reasoning and are not characteristic to the latter's statutory objectives* *2. The accounts of the non-commercial or charitable organizations or personal accounts are used for fund-raising, which afterwards transferred to a range of foreign nationals* *3. The non-commercial or charitable organizations, having received large amounts from their foreign offices, immediately encash them*
26. The credit collaterals are assets or capital means, the owner of which has no relation to the borrower	*The customer proposes to put as collateral for the credit the apartment belonging to a foreign national*
27. The customer makes frequent or large transactions; however, does not submit any evidence assuring the previous or present job	*The customer, who is unemployed for 10 years and is not engaged in entrepreneurial activities, receives and/or does large and/or frequent transfers – presenting the loan agreement as a ground*
28. There is inconsistency in the documents submitted for the transactions done by the customer	*A company that is a customer for the bank "A" has made a transfer, in the document confirming it the bank mentioned that the transfer is being done for the raw material necessary for the supplied beer. In the past in relation to another transaction done by the given company a copy of the latter's statute was submitted, which comes to show that the company deals with the office stationery*
29. By the bank account of the customer a transaction is done, the amount of which is essentially inconsistent with the amounts usually done by the given account	*1. The unemployed, student or low income person does a large amount transactions;* *2. An amount is deposited to the bank account of the customer, which substantially exceeds the amount usually transferred (deposited) to the given account;* *3. 10 million dram is transferred to the account of the customer, in case, when during last two years the average annual move of the customer was 300 thousand dram*
30. Unrelated authorized bodies are authorized to do transactions from the same bank account	*The account holder customer authorizes immediately 5 different representatives to do transactions from his/her account*
31. The customer deposits to his/her bank account small amounts with strange frequency or	*Within short period of time the customer receives from several accounts an amount not exceeding*

with strange frequency small amounts are transferred to that account or the financial means are transferred or received to the same person/from the same person from different accounts/to different accounts	*overall 20 million Armenian dram*
32. From different branches of the bank at his account of the bank the customer deposits certain amounts during unreasonable period	*During one day the customer transfers the amounts from his/her different accounts to one account*
33. The customer makes transfers or deposits cash right after opening the account within short period of time and then unexpectedly closes the account or no transactions are done by that account	*Having opened an account in the bank, during 15 days the customer deposits 200 million dram with many deposits, after which comes to the bank and demands to encash all money at his/her account and close the account*
34. By the account with small moves they begin to make large transfers and withdrawals	*1. By the account of a civil servant, whose average monthly move is around 250 thousand dram, within short period of time they begin transactions exceeding 10 million drams;* *2. The regular transfers are made in large amounts;* *3. Large amounts are received in the dame of a foreign national customer without due reasoning*
35. The banks of high risk territories open accounts or other transactions are made with the high risk territories	*1. A certain Kenyan bank turns to a bank in Armenia to open a correspondent account;* *2. The transfer is made to such countries, where financial secrecy is strictly observed or there are high risks of corruption or terrorism, when there is no clear objective of doing business or other legitimate activity or that activity is not characteristic to the business image, business activity or background of the customer*
36. The amounts deposited to the account of a retail trade customer substantially differ from the amounts deposited by the ones who have similar activities in given territory	*The owner of a newspaper kiosk deposits 5 million dram to his account per week, whereas the owner of a similar kiosk on the next street deposits 300.000 dram to his account per week*
37. The customer offers to do the transaction at an exchange rate different from the stipulated currency exchange rate	*In case, when 545 dram is the exchange rate for $1, the customer offers to do the transaction at an exchange rate of 530 dram for $1*
38. The customer offers to do the transaction in large amounts in a currency, which is not usually circulated in the Republic of Armenia	*The customer offers to exchange 25 thousand Australian dollars into the dram of the Republic of Armenia, whereas the explicit wish of the customer is to exchange it in the banks through you*
39. The customer offers to exchange large amount in coins and bills in small denomination into bills of high denomination	*1. The customer offers to exchange 1 dollar bills for 5 thousand dollar;* *2. The customer regularly exchanges small bills into higher value bills;* *3. The customer buys chips in small bills and then demands to buy them back in higher value bills*
40. The customer regularly concludes transactions in loss for him/her	*1. In the stock market between the same parties there are regular transactions, which cause stable losses to them;* *2. The customer offers to have his life or property insurance by obviously non-gainful or incredible conditions*

41. The customer executes a range of transactions, which at first glance are not interrelated; however, are parts of the same logical (or illogical) chain	*1. The persons, having received money transfer, regularly send back the same amount money to the initiator of the transfer or address to other persons;* *2. The customer exchanges large amounts for chips (claims a receipt), makes unimportant stakes and the present chips again exchanges for money;* *3. Transfers are made from one bank to another, which after a while are transferred back to the same bank*

Ground 3. The transaction (operation) can been deemed as suspicious, if it becomes clear for the reporting entity that the proposed or concluded transaction explicitly does not have commercial or legitimate purpose

Criteria	Possible situations
1. The ID numbers of the customers coincide	*The legal person customers present the registration number of the same taxpayer or the same addresses*
2. The customer, other transaction participants are naturals persons that have offshore country nationality or address; organization having activity or registration in an offshore country	*An organization registered in Seashell Islands offers to insure its business risks in an insurance company registered in the Republic of Armenia*
3. In business relations or transaction there is a financial or non-financial institution registered or acting in an offshore country (territory) or a country having no legislation about fight against the legalization of crime proceeds and terrorism financing	*1. An insurance company registered in offshore territory offers an insurance company acting in the territory of the Republic of Armenia to reinsure all of its risks in regard of property insurance;* *2. The customer deposits and withdraws large amounts of money, for which there is not logical justification and no justifying document is submitted, in particular, when these documents involve high risk territories;* *3. Various sale and purchase contracts are concluded with different legal persons; however, all the partner legal persons are in high risk territories and the customer cannot respond the detailed questions about the transactions concluded;* *4. In the transactions concluded by the customer there are numerous beneficiaries, which are in high risk offshore zones*
4. The customer explicitly or by hints confesses that the subject matter amounts of the transaction have been obtained from criminal means and sources and are being invested in financing a crime.	*The customer tells the bank clerk that in case of delay of the money transfer the existing on his account financial means can be confiscated by the court decision or for the loss or delay of the money the customer will have problems threatening his physical security.*
5. When carrying out the transaction in the customer's presence, there happen to be psycho-neurological experiences concerning which he brings different false excuses.	*1. In obvious nervous condition the customer periodically changes his mind in transferring the money and tells the reason is his headache.* *2. The customer is confused and shows obvious indifference to the essential terms of the transaction (any term is acceptable).*

6. When carrying out the transaction the customer is escorted by people having nothing to do with the transaction, or the third party supervises the customer's activities.	*1. The transaction is carried out by the customer's name, though his activities are carried out by the third party's instruction.* *2. The customer is half-informed as to what transaction he wants to carry out.* *3. When the customer wants to withdraw cash money from his account in the bank, suspicious- looking people stand near the customer, which somehow control his activities attempting to exclude unpredicted actions: that is there are suspicions that the customer carries out his actions by their instructions.*
7. The objective goal of carrying out the transaction in the Republic of Armenia is missing.	*To replenish to the authorized capital stock of a joint stock company registered in Greece the resident (citizen) customer from Greece deposits cash and transfers money to his account in one of the banks in the Republic of Armenia*
8. The customer, the authorized person, the beneficiary or other party of the transaction are (have been) suspected or have had previous convictions or economic crimes, the transactions carried out in their names have been previously quitted, for being suspected in financing terrorism and in circulating illegally obtained resources.	*1. You are somehow informed that the customer has previous convictions for economic crimes;* *2. The law enforcement agencies made inquiries about the accounts of the given person;* *3. You are informed that the transactions of the given customer are suspended by another person presenting reports*
9. The commercial or natural person customer or the authorized bodies regularly do transactions, which do not envisage any profit or which are obviously are pointless	*1. During two months the gold processing company transfers large amounts to the account of a certain bank to organize a dance group for charitable purposes or on the basis of free of charge assistance allocates resources to natural persons;* *2. The customer offers to insure kind of risks, which in practice are impossible;* *3. The customer purchases insurance policies in spite of the fact that he/she has life insurance, especially when he/she mentions persons not related to him/her for compensation;* *4. In a live game several persons are making regular stakes and lose for benefit of the third person;* *5. The customer makes exchanges with various currencies and is not concerned about commercial or financial losses due to exchange rate fluctuations*
10. Transactions are done, in case of which the same entity is alienated many times and purchased by the same customer, who is a party of the transaction	*After the sale the same real estate is procured by the former owner and in the future is sold again, whereas the chain of the transactions is performed within short period of time*
11. The customer disguises the fact of rejecting the execution of the given transaction by another reporting person or submits obvious or unreliable grounds for rejection	*1. After having opened an account the customer transfers his/her resources from another bank and demands to perform operations, for which he/she might have been rejected by the previous bank* *2. In response to your question why does the customer change his/her bank, he/she brings groundless reasons*
12. The average income or profit of the	*1. The customer's monthly salary is 100 thousand*

customer are not consistent with the amount invested in or expected from the transaction	*dram; however, in one day 5 million dram is deposited to his account and the source of the amount is not presented;* *2. The customer launches business activity and invests large amount of money in a sector, where he/she is going to have losses*
13. The natures of the activities of the transactions parties are obviously inconsistent to each other	*In the customer file it is mentioned that the organization is engaged into the construction; however, the company transferring money to it is producing fruit juices*
14. The nature of activities of the transaction parties is obviously inconsistent with the object and objective of the given transaction	*A money transfer is made between two construction companies on the basis of foreign production vehicles import and sales*
15. In the transaction concluded by the customer (based on which the payment is made) some conditions usually characteristic to such transaction are missing	*It is proposed to make a money transfer based on a certain contract, which contains requirements about supply of different goods' lots in different periods; however, there is one general provision as contract cost and payment term: in this case it becomes impossible to identify the consistency between the transaction amount and transaction subject*
16. Payments are received or made without link to the legitimate contracts, clear grounds for the receipt of goods or services	*Legal person "A" has received transfer from non-resident legal person "B" and as a basis presents only the number of invoice*
17. Unusual money transfers are taking place between interrelated accounts or accounts belonging to the same person or interrelated persons	*During one week the customer transfers 10 million dram to 15 accounts belonging to him/her and his/her father*
18. The customer does large sum transactions, which are not consistent with his/her incomes	*1. From several banks the customer tries to get large scale credits by pledging real estate in different locations, in case, when his/her monthly income does not exceed 100.000;* *2. So far no such transactions were made in the customer's account;* *3. Large amounts are received at the customer's account, whose only source of income is the pension and the money is encashed the same day*
19. The means on the bank account of the customer are deposited and within obviously short period are transferred or withdrawn	*During the dame banking day the money is deposited at the customer's account and transferred or withdrawn*
20. Personally or through an authorized body the customer does illogical operations through different or same bank accounts	*1. The customer having an account in the bank demands to open three similar accounts in his/her name;* *2. The customer closes his/her old bank account (accounts) and at the same time opens new account (accounts)*
21. Through the bank account money is transferred between non-related persons	*1. The customer deposits and (or) transfers to the account of another person, who is not his/her partner or relative;* *2. Different persons, who are not interrelated or*

	business partners, make payments to one account without reasonable excuse; *3. The customer transfers large amounts from his account to an organization, with which he/she has no business relation and doe not submit any document reasoning the transaction*
22. The customer makes frequent deposits, which are presented as money received from the sale of assets; however, those assets are not specified	*The source of the customer's deposits is regularly shown as proceeds from the sales of real estate*
23. The customer chooses a strange way of receiving the money generated as a result of transaction	*1. The customer prefers to pay the premiums from abroad or receive the premiums abroad;* *2. The customer prefers to receive the premiums by transfer to the account of another person*

Ground 4. It becomes clear for the reporting entity that the value of the proposed or concluded transaction (transactions) does not exceed the threshold necessary for filing a report envisaged by points 1 and 2 of paragraph 1 of Article 5 of the law and the identification envisaged by Article 15 of the law solely for the reason to avoid customer identification or being reported by the reporting entity

Criteria	Possible situations
1. The customer is obviously concerned about the internal regulations to prevent legalizing the crime proceeds and terrorism financing and their possible application by the reporting body	*1. The customer makes inquiries from the bank clerk, whether his/her documents submitted for the credit can be deemed as suspicious or asks for consulting to avoid sending report in his/her name;* *2. Having learnt that the amount exceeds the money threshold envisaged by the law, the customer tries to minimize the transaction sum;* *3. The customer does not wish to continue or is concerned after having learnt that the transaction exceeds the money threshold envisaged by the law*
2. With the purpose of providing documents about the transaction execution or about the non-existent transaction the customer tries to materially motivate the staff member of the report providing body	*With the purpose not to provide report about money transfer exceeding 20 million dram the customer offers 500 thousand dram to the bank clerk or offers that amount in exchange of getting a certificate about in fact not executed money transfer*
3. The person does several transactions below a certain money threshold envisaged by the law	*1. The customer deposits in different bank accounts amounts below the threshold subject to reporting, which afterwards are transferred to the same beneficiary;* *2. During one hour from the same exchange office the customer exchanges the same currency several times;* *3. The amount deposited are divided into parts and deposited from different branches of the same bank or in the same branch the deposit is made by a group of interrelated persons doing*

	transactions at the same time

Ground 5. *For financial institutions*
A natural person affiliated with a legal person, transfers money to another legal person on his behalf obviously for the purpose of performance of contractual obligations between the two legal persons, or for the purpose of carring out other business activities between those legal persons**.**

1. The natural person uses his/her personal bank account to make payments for the liabilities of the legal person affiliated with him/her.	*The customer, who is a director of an enterprise, an employee or a person otherwise related to that enterprise, from his/her account or without opening an account, transfers money to an offshore company who provided goods to that legal person.*

Non official translation