List of Reference Cases of Suspicious Transactions
(General Warning)

Listed below are examples of transaction to which financial institutions, etc., when fulfilling the obligation for reporting of suspicious transactions as specified by Article 54 of the Act on Punishment of Organized Crimes, Control of Crime Proceeds, etc., should pay special attention as a case that may constitute a suspicious transaction. Financial institutions shall take into account all specific information that it retains on the said transaction, including the customer attributes and circumstances at the time of the said transaction, and thereby judge whether or not respective specific transactions are suspicious transactions.

Therefore, it should be noted that although these example cases serve as a reference when financial institutions find or detect suspicious transactions in day-to-day transactions, all transactions which formalistically conform to any of these cases do not necessarily constitute a suspicious transaction and transactions which do not conform to these cases but are regarded as a suspicious transaction by financial institutions shall be subject to the requirement for the reporting of suspicious transactions.

(for depository financial institutions)

1. Cases notable in relation to the manner of cash usage
   1) Transactions involving the use of a large amount of cash (including foreign currencies. The same shall apply hereinafter.) or checks for payment/receipt (including sales/purchases of securities, remittances and exchanges. The same shall apply hereinafter.). Particular attention should be paid to transactions with excessively high value relative to the customer’s income, assets, etc. and transactions conducted in cash when the use of a remittance or a check seems to be reasonable.
   2) Transactions which are conducted frequently within a short period of time with a large amount of payment/receipt made in cash or by check.
   3) Transactions conducted with the use of a large amount of low-value bills (including foreign currencies) for payment or exchange
   4) Depositing of a large amount of cash in a night deposit box or a transaction involving a rapid increase in the amount of funds used

2. Cases notable in relation to the possibility of the actual account holder being concealed
   5) Payment/receipt using an account suspected of being opened under a fictitious name or a borrowed name
   6) Payment/receipt using an account whose nominee corporation is suspected of being a paper company
   7) Payment/receipt using an account held by a customer who requests the sending of a cash card to an address different from the registered one or a customer who declines receiving notices.
   8) Payment/receipt using an account held by a customer who was found to hold a number of accounts, including the case where the customer holds a number of accounts under different names with store names attached
   9) Payment/receipt using an account held by a customer who has no obvious reason for doing transactions at the relevant branch office
3. Cases notable in relation to the manner of account usage
10) A transaction involving an account through which payment/receipt is conducted in large amount or frequently within a short period of time after it is opened but which is closed later or through which no transaction is conducted later.
11) A transaction involving an account through which a large amount of payment/receipt is made frequently
12) Remittance of cash made immediately after the cash is withdrawn from the account (including the case where the transaction is recorded as a cash transaction for the purpose of paperwork). Particular attention should be paid to the case where the remittance is made under a name different from the nominee of the account from which the cash was withdrawn.
13) A transaction involving an account through which remittance is made to a number of persons frequently. Particular attention should be paid to the case where a large amount of payment is made into the relevant account immediately before remittance is made.
14) A transaction involving an account to which remittance is made by a number of persons frequently. Particular attention should be paid to the case where a large amount of money is remitted or withdrawn from the relevant account immediately after remittance is made thereto.
15) A transaction involving an account to which remittance is made anonymously or under a name suspected of being a fictitious one
16) A transaction involving an account through which there is no fund movement usually but through which a large amount of payment/receipt is made suddenly
17) Cases which are abnormal from the viewpoint of economic rationality, such as a case where the customer refuses to accept high-yielding products when he or she has a large amount deposited in the account.

4. Cases notable in relation to the manner of sales/purchases of bonds, etc.
18) A transaction in which a customer seeks to sell a large amount of bonds on condition of cash payment
19) Sales/purchases of bonds, etc. for which financial settlement is made with a check written by a third-party person or with a remittance made by a third-party person
20) A transaction involving a customer who requests delivery of securities without the use of the custody system for no rational reason when buying a large amount of bonds with cash or a check

5. Cases notable in relation to custody and safe deposit boxes
21) Cases involving the possibility of the actual customer conducting custody and trust transactions being concealed are similar to cases cited in “2. Cases involving the possibility of the real account holder being concealed” above.
22) Cases involving the possibility of the actual user of the safe deposit box being concealed are similar to cases cited in “2. Cases involving the possibility of the real account holder being concealed” above.
23) Frequent use of safe deposit boxes

6. Cases notable in relation to transactions with foreign parties
24) Transactions involving a customer who provides vague information or information suspected of being false when making remittance to foreign destinations. Particular attention should be paid to a customer who provides information concerning
the destination and purpose of remittance and the fund source thereof that is not deemed rational.

25) Frequent remittances to foreign destinations which are made within a short period of time and which total a large amount.

26) A large amount of remittance made to a foreign destination for a purpose not economically rational

27) Receipt of a large amount of remittance from overseas that is not economically rational

28) Frequent issuance or use of a large amount of travelers’ checks or remittance checks (including ones denominated in foreign currencies)

29) A transaction involving a letter of credit worth a large value. Particular attention should be paid to a transaction involving a customer who provides information concerning the exporting (producing) country, the import volume, the import price, etc. that is not deemed rational.

30) A transaction conducted by a customer based in a country or a territory not cooperative with anti-money laundering measures or by a customer based in a country or a territory producing and exporting illegal drugs. Particular attention should be paid to cases that involve countries and territories designated by the FSA for enhanced surveillance (The same shall apply to 31) and 32).).

31) A transaction conducted by a customer with a person (who may be a legal person) based in a country or a territory not cooperative with anti-money laundering measures or with a person based in a country or a territory producing and exporting illegal drugs

32) A transaction involving a customer introduced by a person based in a country or a territory not cooperative with anti-money laundering measures or by a person based in a country or a territory producing and exporting illegal drugs

7. Cases notable in relation to loans and repayment thereof

33) Unscheduled repayment of a loan that was in arrears

34) Application for a loan for which assets held by a third-party person other than the borrower are offered as collateral

8. Other cases

35) Cases where a civil servant or a company employee conducts a transaction with an excessively high value relative to his or her income

36) Casual customers who come to the branch office together but request processing of a large amount of cash transaction or foreign exchange transaction at different counters

37) A transaction involving a customer who refuses to provide explanations and submit documents when requested to do so for identification of the actual beneficiary due to doubt as to whether the customer is acting on his or her own behalf. The same shall apply to cases where a transaction is conducted by an agent and where there is suspicion that a person other than the customer is the beneficiary.

38) A transaction conducted by an employee of the financial institution or an associate thereof regarding which it is unclear who the beneficiary is.

39) A transaction regarding which an employee of the financial institution is suspected of committing crimes specified in Article 10 (concealment of criminal profit, etc) or Article 11 (receipt of criminal profit, etc.) of the Act on Punishment of Organized Crimes, Control of Crime Proceeds, etc.

40) Cases where a transaction involves payment made with the use of forged currencies
or securities and/or stolen currencies and securities and where the counterparty thereto is suspected of being aware of the fact that forged currencies or securities and/or stolen currencies or securities were used.

41) A transaction involving a customer who attaches unduly high importance to transaction confidentiality or a customer who has requested the financial institution not to report his or her transaction or who tries to prevent the financial institution from reporting it by using force or by paying bribes.

42) A transaction involving a member of an organized crime group or a person associated therewith.

43) A transaction whose circumstances are recognized by employees of the financial institution as unnatural in light of their knowledge and experiences and a transaction involving a customer whose attitude or behavior is recognized as unnatural in light thereof.

44) Transactions regarding which the Japan Financial Intelligence Center (*) and other external organizations have inquired or notified the financial institution due to the possibility of involving criminal profit.

(*) The Japan Financial Intelligence Center (JAFIC) is attached to the Organized Crime Control Department, Criminal Investigation Bureau of the National Police Agency.

(for insurance companies)

1. Cases notable in relation to the manner of cash usage

1) A transaction involving a contract customer pays a large amount of insurance premiums with cash (including foreign currencies. The same shall apply hereinafter.) or a check. Particular attention should be paid to cases where a customer pays an excessive amount of insurance premiums relative to his or her income, assets, etc.

2) A transaction involving a customer who requests a payment of a large amount of insurance benefits or insurance premium refunds in cash or check.

3) Cases where a customer makes insurance premium payments for two or more insurance contracts with a large amount paid in cash or check within a short period.

4) A payment of insurance premiums with the use of a large amount of low-value bills (including foreign currencies).

2. Cases notable in relation to the possibility of the real account holder being concealed

5) Signing of an insurance contract suspected of being concluded under a fictitious or borrowed name.

6) Signing of an insurance contract with a corporate customer suspected of being a paper company.

7) Signing of an insurance contract with a customer who requests the sending of the insurance policy and other certificates to an address different from the registered one.

8) Signing of an insurance contract with a customer found to have signed a number of insurance contracts.

9) Signing of an insurance contract with a customer applying to conclude a contract involving the payment of a large amount of insurance premiums. Particular attention should be paid to cases where the payment of insurance premiums is made annually or in a lump sum.
10) Signing of an insurance contract with a customer who has no obvious reason for applying for insurance at the relevant branch office.

3. **Cases notable in relation to the circumstances after the contract signing**
11) A transaction that is abnormal from the viewpoint of economic rationality. Examples include cases where contracts are cancelled excessively early.
12) A transaction involving a customer who suddenly changes the method of paying insurance premiums from small-value monthly payments to annual payments or a lump-sum payment
13) A transaction involving a customer who suddenly switches to a high-value contract requiring payments of a large amount of premiums

4. **Cases notable in relation to sales/purchases of bonds, etc.**
14) A transaction in which a customer seek to sell a large amount of bonds on condition of cash payment
15) Sales/purchases of bonds, etc. for which financial settlement is conducted with a check written by a third-party person or with a remittance made by a third-party person

5. **Cases notable in relation to transactions with foreign parties**
16) Signing of a contract with a customer who requests to receive insurance benefits in a country or a territory not cooperative with anti-money laundering measures or a country or a territory producing and exporting illegal drugs or with a customer who requests to receive insurance premium refunds therein. Particular attention should be paid to cases involving countries and territories designated by the FSA for enhanced surveillance (The same shall apply to 17) and 18).)
17) Signing of a contract with a customer based in a country or a territory not cooperative with anti-money laundering measures or with a customer based in a country or a territory producing and exporting illegal drugs
18) Signing of a contract with a customer introduced by a person based in a country or a territory not cooperative with anti-money laundering measures or by a person based in a country or a territory producing and exporting illegal drugs

6. **Cases involving loans**
19) Unscheduled repayment of a loan that was in arrears
20) Application for a loan for which assets held by a third-party person other than the borrower are offered as collateral

7. **Cases concerning other transactions**
21) Cases where a civil servant or a company employee pays excessively high insurance premiums relative to his or her income
22) Signing of an insurance contract with a company or an organization under which excessively high insurance premiums are paid, which are cancelled prematurely or concerning which it is difficult to confirm whether the individual persons insured have an intention to be insured
23) A transaction involving a customer who refuses to provide explanations and submit documents when requested to do so for identification of the actual beneficiary due to doubt as to whether the customer is acting on his/her own behalf. The same shall apply to cases where a transaction is conducted by an agent and where there is suspicion that a person other than the customer is the beneficiary.
24) A transaction conducted by an employee of the insurance company or an associate thereof concerning which it is unclear who the beneficiary is.
25) A transaction regarding which an employee of the insurance company is suspected of committing crime specified in Article 10 (concealment of criminal profit, etc) or Article 11 (receipt of criminal profit, etc.) of the Act on Punishment of Organized Crimes, Control of Crime Proceeds, etc.
26) Cases where a transaction involves a payment made with the use of forged currencies or securities and/or stolen currencies and securities and where the counterparty thereto is suspected of being aware of the fact that forged currencies or securities and/or stolen currencies or securities were used.
27) A transaction involving a customer who attaches unduly high importance to transaction confidentiality or a customer who requests the financial institution not to report his or her transaction or tries to prevent the financial institution from reporting it by using force or by paying bribes.
28) A transaction involving a member of an organized crime group and to persons associated therewith
29) A transaction whose circumstances are recognized by employees of the insurance company as unnatural in light of their knowledge and experiences and a transaction involving a customer whose attitude or behavior is recognized as unnatural in light thereof.
30) Transactions regarding which the Japan Financial Intelligence Center (*) and other external organizations have inquired or notified the insurance company due to the possibility of involving criminal profit

(*) The Japan Financial Intelligence Center (JAFIC) is attached to the Organized Crime Control Department, Criminal Investigation Bureau of the National Police Agency.

(for securities companies, etc.)

1. Cases notable in relation to the manner of cash usage
1) Investment made in stocks, bonds, investment trusts, etc. with the use of a large amount of cash (including foreign currencies. The same shall apply hereinafter.) or checks. Particular attention should be paid to a transaction with an excessively high value relative to the customer’s income, assets, etc.
2) Investments in stocks, bonds, investment trusts, etc. which are made frequently within a short period of time with a large amount of transactions conducted in cash or checks
3) Investment made in stocks, bonds, investment trusts, etc. with the use of a large amount of low-value bills (including foreign currencies)

2. Cases notable in relation to the possibility of the real account holder being concealed
4) Sales/purchases of stocks and bonds and investment in investment trusts, etc. conducted with the use of an account suspected of being opened under a fictitious or borrowed name
5) Sales/purchases of stocks and bonds and investment in investment trusts, etc. conducted with the use of an account whose nominee corporation is suspected of being a paper company
6) Sales/purchases of stocks and bonds and investment in investment trusts, etc. conducted with the use of an account held by a customer who requests the sending of
documents such as trading reports to an address different from the registered one.
7) Sales/purchases of stocks and bonds and investment in investment trusts, etc.
conducted with the use of an account held by a customer who was found to hold a
number of accounts.
8) Sales/purchases of stocks and bonds and investment in investment trusts, etc.
conducted with the use of an account held by a customer who has no obvious reason for
doing transactions at the relevant branch office

3. Cases notable in relation to the manner of investment
9) A transaction involving an account through which no transaction is conducted
usually but through which a large amount of investment is made suddenly
10) A transaction in which a customer seeks to sell a large amount of stocks on
condition of cash payment
11) A transaction involving such a large amount of bearer securities or stocks registered
under the names of persons other than the customer as to create doubt as to whether
they are really held by the customer
12) A transaction in which a customer frequently seeks to sell stocks, etc. within a short
period of time on condition of cash payment
13) A transaction for which financial settlement is conducted with a check written by a
third-party person or with a remittance made by a third-party person
14) A transaction involving a customer who seeks to designate a bank account opened
under the name of a third-party person as the payment destination

4. Cases involving custody
15) Cases where attention should be paid to the circumstances at the time of the signing
of contracts are similar cases cited in “2. Cases involving the possibility of the real
account holder being concealed” above.
16) A transaction involving a customer who requests delivery of securities without the
use of the custody system for no rational reason when buying a large amount of stocks
or bonds.

5. Cases notable in relation to transactions with foreign parties
17) A transaction conducted by a customer based in a country or a territory not
cooperative with anti-money laundering measures or by a customer based in a country
or a territory producing and exporting illegal drugs. Particular attention should be paid
to cases that involve countries and territories designated by the FSA for enhanced
surveillance (The same shall apply to 18) and 19)).
18) A transaction involving a customer who seeks to designate a bank account based in
a country or a territory not cooperative with anti-money laundering measures or a bank
account based in a country or a territory producing and exporting illegal drugs as the
payment destination
19) A transaction involving a customer introduced by a person based in a country or a
territory not cooperative with anti-money laundering measures or by a person based in a
country or a territory producing and exporting illegal drugs

6. Cases concerning other transactions
20) Cases where a civil servant or a company employee conducts a transaction with an
excessively high value relative to his or her income
21) A transaction involving a customer who refuses to provide explanations and submit
documents when requested to so for identification of the actual beneficiary due to doubt
as to whether the customer is acting on his/her own behalf. The same shall apply to
cases where a transaction is conducted by an agent and where there is suspicion that a
person other than the customer is the beneficiary.
22) A transaction conducted by an employee of the securities company or an associate
thereof regarding which it is unclear who the beneficiary is
23) A transaction regarding which an employee of the insurance company is suspected
of committing crimes specified in Article 10 (concealment of criminal profit, etc) of
Article 11 (receipt of criminal profit, etc.) of the Act on Punishment of Organized
Crimes, Control of Crime Proceeds, etc.
24) Cases where a transaction involves a payment made with the use of forged
currencies or securities and/or stolen currencies and securities and where the
counterparty thereto is suspected of being aware of the fact that forged currencies or
securities and/or stolen currencies or securities were used.
25) A transaction involving a customer who attaches unduly high importance to
transaction confidentiality or a customer who has requested the financial institution not
to report his or her transaction or tried to prevent the financial institution from reporting
it by using force or by paying bribes.
26) A transaction involving a member of an organized crime group or a person
associated therewith
27) A transaction whose circumstances are recognized by employees of the financial
institution as unnatural in light of their knowledge and experiences and a transaction
involving a customer whose attitude or behavior is recognized as unnatural in light
thereof.
28) Transactions regarding which the Japan Financial Intelligence Center (*) and other
external organizations have inquired or notified the securities company due to the
possibility of involving criminal profit
(*) The Japan Financial Intelligence Center (JAFIC) is attached to the Organized
Crime Control Department, Criminal Investigation Bureau of the National Police
Agency

Reference cases concerning depository financial institutions shall generally apply to
securities finance companies, moneylenders, mortgage securities companies,
commodities investment sales companies, small-lot bond dealers, real estate specific
joint enterprises, financial futures business operators, short-term financing companies,
bill brokers and mortgage financing companies.