

## **Typologies of terrorist financing**

- The client makes cash withdrawals in small amounts or makes payments for travels, hotels, restaurants and others, through the use of prepaid, debit or credit cards, in different jurisdictions to the ones corresponding to the customer's profile.
- The client uses prepaid, debit or credit cards in high-risk jurisdictions (including areas of concern), specifically in countries (and adjacent countries) that are under conflict, that present political instability and/or that are known to sympathize with terrorist activities and organizations.
- The client mentions its intended travels, has registered frequent visits or has returned from a high-risk jurisdiction (including cities or areas of concern). Special concern is related to countries (and adjacent countries) under conflict, political instability or known to support terrorist activities and organizations.
- The client has made purchases related to travel (e.g. purchase of airline tickets, visa processing, passport, etc.) linked to high-risk jurisdictions (including cities or areas of concern), specifically in relation to countries (and adjacent countries) under political conflict or instability or known to be sympathetic to terrorist activities and organizations.
- There are indications that relate the client to individuals or entities identified by media and / or by law enforcement as linked to terrorism or their financing.
- Inconsistencies or red flags detected during the client identification and verification process (for example, previous country of residence, country of passport issuance, countries visited according to passport, and documents used to confirm the name, address and date of birth of the client).
- The client modifies in several occasion its name, address, telephone numbers or other additional identifiers without an adequate justification.
- Uneven description of the professional activity of the customer or the beneficial owner, usually declared as a student.

- Inclusion of the person or entity in the Consolidated List of Sanctions of the United Nations Security Council.
- The client donates to a cause (crowd funding initiatives, NPOs, charities, etc.) that is subject to negative information in public sources.
- NPOs that carry out financial operations without any logical economic objective or that do not relate to the declared activity of the organization and / or the other parties involved in the transaction.
- Multiple personal and business accounts or NPO accounts used to collect and transfer funds to a small number of foreign beneficiaries.
- Fund transfers ordered in small amounts in an apparent effort to avoid internal controls, such as generating monitoring alerts.
- Transfer counterparts have links with countries known to support terrorist activities and organizations.
- Multiple structured cash deposits in an account followed by a significant bank transfer that is sent to another country, especially if it is a conflict zone.
- Cash deposits performed in different bank branches within a short period of time.
- Preference for cash transactions.
- Use of remote services in areas of conflict (e.g. online banking).
- Carry out of small transfers that do not correspond to the client's profile, and that are performed through physical or online banking services.
- Bank accounts that are very active during a certain period of time and then suddenly become inactive or dormant.
- Clients that seem more concerned about the degree of immediacy of transactions than the costs that may arise from their execution.
- Conversion of funds or other financial assets in virtual currencies or any other product that favours anonymity or that is subject to a deficient or non-existent supervisory framework.
- Occasional cash withdrawals in foreign currency, without justification and not coherent with the client's profile.

The presence of some of the typologies described in this document may involve, but might not necessarily be linked to terrorist financing. Therefore, further analysis is needed in

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order to confirm the suspicions that have drawn the attention of the reported entity. As a result of this analysis, the entity must assess the need to present a Suspicious Activity Report to UIFAND.

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