



**February 2020**

**Red Flag Indicators for REs for identifying transactions related to Human**

**Trafficking/Smuggling in Persons:**

Following are a few red flag indicators which may help the Reporting Entities (REs) in detection of transactions relating to proceeds generated through Human Trafficking/Smuggling. The below mentioned red flags may appear suspicious on their own; however, it may be considered that a single red flag would not be a clear indicator of potential human trafficking activity. A combination of these red flags, in addition to analysis of the customer's expected financial activity, profile and current transactional pattern may indicate a potential human trafficking operation.

**Red Flag Indicators**

- Newly opened customer account seems to be controlled by a third party, including forms completed in different handwriting and/or the customer is not sure about the address provided in the form.
- Customer makes deposits/withdrawals or otherwise generally operates an account accompanied or on instructions by a third party.
- High and/or frequent expenditure at airports, ports, other transport hubs or overseas, inconsistent with customer's personal use or stated business activity.
- Payments to logistics, airlines, car rental or travel agents inconsistent with customer's personal use or stated business activity.
- Payment of credit facilities or credit card charges not aligned with the customer's source of income.
- Frequent outbound wire transfers, with no apparent business or lawful purpose, directed to countries with a higher risk for human trafficking or to countries inconsistent with the customer's expected activity.
- Cross-border transfers of funds to the same individual, financial institution or to an overseas location that are inconsistent with customers' personal profile or stated business activity.
- Cash deposits occurring in cities/states where the customer does not reside or conducts business.
- Inability to contact customer at their reported phone number, or the phone number changes very frequently.
- Media or other reliable sources such as FIA Red Book of Most Wanted Human Traffickers, suggest that a customer may be linked to criminal activity or linked with human trafficking/Smuggling which could generate proceeds of crime.