Suspicious Transaction Report (STR) Guide

What is an STR?

STRs are documents that reporting institutions are required to submit when having suspicion that a customer is involved in **money laundering (ML), terrorism financing (TF), proliferation financing (PF) or other serious crimes**



Why submit STRs?

STRs provide law enforcement agencies valuable information/ intelligence of potential crime activities

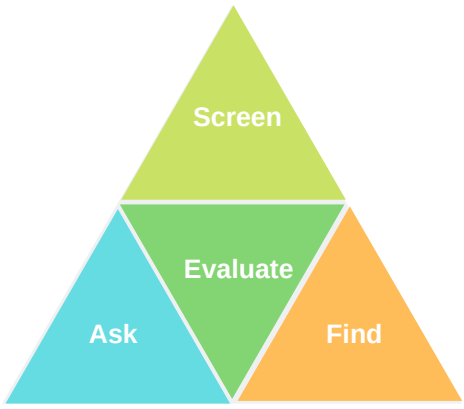
When to submit STRs?

Regardless of the amount being transacted, you are required to promptly submit an STR, whenever you suspect or have reasons to suspect that the transaction or an activity (including attempted transactions or activity):



- appears unusual
- has no clear economic purpose
- appears illegal
- involves proceeds from an unlawful activity or instrumentalities of an offence
- indicates that the customer is involved in ML/TF/PF

How do you recognise suspicious transactions?



1. **Screen** customer account.
2. **Ask** customer appropriate questions.
3. **Find** out customer's record/ review known information.
4. **Evaluate** information gathered and consider to submit an STR.

You are also required to establish **red flags** relevant to your business or service to facilitate the detection of suspicious transactions.
Examples of red flags are provided in the Policy Document.



DO

- Ensure that STRs are submitted within the next working day, from the date the Compliance Officer establishes the suspicion.
- Establish reporting mechanism for submission of STR.
- Establish policies on the duration for Compliance Officer to review internal STRs.
- Ensure that STR is treated with utmost confidentiality.

DON'T

- Disclose submission of STRs to anyone else, except under certain circumstances (refer to Section 14A of Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLA) and Paragraph 20 of the Policy Document).
- Tip off the person(s) being reported - do treat them as normal clients so they do not suspect that STRs have been filed on them.

How to submit STRs?

1. Fill up the STR form, which can be found at www.amlcft.bnm.gov.my
2. The Compliance Officer of the reporting institution to submit the STR via any of the following methods:

a) **Mail**: Director
Financial Intelligence and
Enforcement Department
Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
(To be opened by addressee
only)

b) **Email**: str@bnm.gov.my

c) **FINS platform** (where applicable):
https://fins.bnm.gov.my/

Note: Please refer to Section 14 of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLA) and Paragraph 19 of the Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing and Targeted Financial Sanctions for Designated Non-Financial Businesses and Professions (DNFBPs) and Non-Bank Financial Institutions (NBFIs) (AML/CFT/CPF and TFS for DNFBPs and NBFIs Policy Document)

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