



## Know Your Customers Guidance

### Best Practice for Ensuring the Legitimacy of the Transaction

- It is considered a general best practice that “*you know your customers*” before engaging with them in business involving strategic commodities.
- The best practices suggested below are intended to help industry ensure the legitimacy of the transaction.
  - To pay attention to the identity and the business nature of your customers. Whether the customer has little or no business background. Whether the name of your customer or its address is similar to one of the parties found on any countries’ list of persons/companies/countries/places subject to denial/restriction/sanction actions.
  - To find out more about the end-use of the commodities from your customer, the business nature of the end-user, dealer or buyer who wants to purchase the goods and assess whether the end-use or the end-user is justified.
  - To pay attention to the routing of the shipments and the parties involved and assess whether it would cause reasonable suspicion. Whether there are instructions to make direct shipments to freight forwarders, export companies or parties which have no apparent connection with the transaction.
  - To approach the Trade and Industry Department if you have any question about the legitimacy of the transaction.