

Suspicious Activity Report (SAR) - Internal Memo

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Date: November 24, 2025

To: The Money Laundering Reporting Officer (MLRO)

From: Sameer Basha, Compliance Analyst

Subject: SAR Recommendation – High-Velocity Cash Deposits (Structuring)

Reference ID: SAR-INTERNAL-2025-089

1. Customer Details

- **Client Name:** [Generic Trading LLC]
- **Account Number:** AE23 0000 1234 5678 9012
- **Relationship Start Date:** Jan 10, 2024
- **Business Activity:** Import/Export of Electronics
- **Risk Rating:** Medium (at onboarding)

2. Trigger Event

This review was triggered by an alert from the Transaction Monitoring System (TMS) on **November 22, 2025**, flagging "Rapid Movement of Funds" and "Cash Deposits just below reporting threshold."

3. Incident Description & Analysis

Between November 15 and November 20, 2025, the client executed a series of transactions that appear inconsistent with their stated business profile (electronics trading).

Observed Activity:

1. **November 15:** Cash Deposit of AED 45,000 via ATM.
2. **November 16:** Cash Deposit of AED 48,000 via Branch Teller.
3. **November 17:** Cash Deposit of AED 42,000 via ATM.
4. **Total Cash Deposited:** AED 135,000 over 3 days.

Red Flags Identified:

- **Structuring / Smurfing:** The deposits were consistently kept just below the AED 50,000 threshold to potentially avoid standard regulatory reporting requirements.
- **Inconsistent with Business Profile:** The client previously stated that 90% of their revenue comes via wire transfers from corporate clients. Large cash influxes are unexplained.
- **Immediate Outflow:** On November 21, the total sum (AED 135,000) was wired to an unrelated entity in a high-risk jurisdiction (Real Estate Developer in [Country Name]) with the description "Consulting Fees."

4. Investigation Steps Taken (EDD)

Upon flagging the activity, the following Enhanced Due Diligence steps were taken:

- [x] **Source of Funds Request:** Client was contacted to provide invoices for the cash deposits.
- [x] **Client Response:** Client claimed the cash was from "local sales" but provided handwritten invoices that lacked VAT numbers and clear buyer details.
- [x] **UBO Review:** Re-screened the Ultimate Beneficial Owner. No negative news found, but UBO is a non-resident.

5. Conclusion & Recommendation

The pattern of deposits strongly suggests an attempt to integrate unaccounted cash into the banking system (Placement) and immediately layer it to a third party (Layering). The lack of verifiable invoices supports the suspicion of potential money laundering or trade-based money laundering (TBML).

Recommendation: I recommend **filing a Suspicious Transaction Report (STR)** with the UAE Financial Intelligence Unit (FIU) via the goAML portal immediately.

Proposed Actions:

1. Freeze account outbound transfers pending FIU instruction.
2. File STR on goAML.
3. Do not tip off the client (Tipping off is a criminal offense under UAE Federal Decree-Law No. 20 of 2018).

Signed: *Sameer Basha* Compliance Analyst