

LIST OF INDICATORS FOR IDENTIFYING SUSPICIOUS TRANSACTIONS FOR LEASING COMPANIES

1. Several linked cash transactions in amounts less than EUR 15,000 which all together exceed this amount, if such transactions are not consistent with the client's usual business transactions (an example of a usual transaction conducted in several operations is the depositing of the daily receipts more than once a day).
2. Client submits an application for financial leasing which contains incomplete or incorrect data, with an obvious intention to conceal basic information with regard to his identity or business activity.
3. Owners and directors of legal entities, or a person for whose account the transaction is conducted never appear in person, not even to sign a contract on financial leasing, rather, have other people to do that for them, with special (ad hoc) empowerment, giving excuses which are not possible to verify (illness, unspecified other business, etc) or empower third parties so they themselves could avoid direct contact with leasing companies staff.
4. Application for financial leasing does not seem reasonable in terms of the intended use of the equipment or the client's business activity (for example, obvious inconsistency between size of investment and lessee's business activity, or inadequacy of the equipment in comparison to the business activity the lessee engages in, or intends to engage in).
5. Supplier of the lease object structures the delivery transaction to avoid the amount of money stipulated as the reporting threshold. In cases when supplier, in agreement with lessee, delivers the lease object through several leasing companies, it is necessary to mitigate the risk by verifying that the equipment has been delivered in total, or that it serves as supplement to the equipment previously imported, which is already in use by the client (for example, spare parts for current maintenance).
6. The equipment offered as a lease object is offered at the price significantly different from the actual market price.
7. Supplier of the lease object is neither a manufacturer nor is known to be a dealer of the equipment or goods which are a lease object.
8. Leasing operation is required for used equipment which has no relation to the main business activity performed by the supplier, or the supplier is not primarily involved in the sales of that kind of equipment (either used or new).
9. Leasing operations in which the third party provides a guarantee (warranty, mortgage, collateral, etc), without a clear connection between the lessee and the person providing guarantee, and without clear reasons for providing it.
10. Leasing operations in which there is a provision on buy-back of the lease object by the supplier, offered spontaneously by the supplier at non-market conditions, especially when the leasing company has not heard of the supplier before.

11. The lessee or the supplier is reluctant to provide the information on themselves, their business activities and business relations with other leasing companies, especially when withholding the information results in lack of access to more favourable conditions for making arrangements for leasing operations.
12. The client requires for no good reason to do business with leasing companies or their affiliates which are distant from the client's registered office.
13. The client makes frequent payments from an affiliate/account other than the one stipulated in the original contract, for no obvious reason.
14. The client applies for leasing based on the guarantee issued, or covered by a bank of dubious credit-worthiness, a bank from an off-shore country, a bank from a narcotic transit country or a bank from a country in which AML regulations are not applied. The list of such countries can be found on the website of the Administration for the Prevention of Money Laundering.
15. The client offers a down payment which is significantly larger than a usual sum in leasing market (There may be a suspicion that the client wants others to believe that the lease object has to be obtained through leasing operation, as the client lacks adequate funds to purchase it. By resorting to leasing operation the client places "dirty" money, pays an interest for an insignificant expense, transforming the "dirty" money into the lease objects).
16. The client makes payments in cash or cheques rather than conducting transactions through bank accounts.
17. The client repays debt under leasing contract, using funds transferred from abroad, that is, from accounts kept in banks situated in the countries that do not apply AML standards, or where there are in place strict rules on bank and professional secrecy. The list of such countries made on the basis of relevant international organizations and data available to the Administration is placed on the website of the Administration for the Prevention of Money Laundering.
18. The client deposits large amounts of money as a down payment for leasing, and than unexpectedly repays the remainder of debt before the deadline, especially if it happens soon after the contract is signed.
19. The client signs a lease contract accompanied by a person who obviously keeps an eye on the way he is behaving, or insists that the business be conducted quickly.
20. The client presents only the photocopies of identification documents, or the documents which were issued abroad, the authenticity of which is not possible to verify for objective reasons.
21. The client is unusually familiar with regulations related to the prevention of money laundering and suspicious transactions reporting, is very "talkative" about the topics concerning money laundering and terrorism financing, and is quick to confirm that the funds he owns are „clean" and not „laundered."