



FINANCIAL MONITORING UNIT (FMU)
GOVERNMENT OF PAKISTAN
2ND FLOOR, SBP MAIN BUILDING, I.I. CHUNDRIGAR ROAD, KARACHI 4400

FMU-Circular No. 05 of 2020

July 23, 2020

DNFBPs (Jewelers and Precious Metals / Stones Dealers)

Dear Sirs/Madams,

Red Flags Indicators for Jewelers and Precious Metals / Stones Dealers

In terms of Section 7 (1) of Anti-Money Laundering Act, 2010, the reporting entities are required to promptly report Suspicious Transactions Reports (STRs) to Financial Monitoring Unit for potential Money Laundering (ML) / Terrorism Financing (TF) related activities. The reporting entities also includes Designated non-Financial Business Professions (**Jewelers and Precious Metals / Stones Dealers**) as per Section 2 (u) read with Section 2 (m) of AML Act 2010.

2. In order to identify a suspicion that could be indicative of Money Laundering (ML) or Terrorism Financing (TF), FMU has prepared the red flags indicators that are specially intended as an aid for Jewelers and Precious Metals / Stones Dealers, which are attached as [“Red Flags Indicators for Jewelers and Precious Metals / Stones Dealers”](#).

3. These 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 ML / TF activity. However, a combination of these red flags, in addition to analysis of overall financial activity and client profile may indicate a potential ML / TF activity.

Encl: [Red Flags Indicators for Jewelers and Precious Metals / Stones Dealers](#)

Yours truly,

Sd/-
(Sumera Baloch)
Additional Director

Distributed to:

The Chairman, Federal Board of Revenue (FBR)