

SAR glossary codes for reporters

Money laundering through markets

Advisory note – May 2021

United Kingdom Financial Intelligence Unit (UKFIU)

In May 2021 the UKFIU introduced a new Suspicious Activity Reports (SARs) glossary code for money laundering through markets (MLTM). MLTM in its simplest terms is money laundering taking place within capital markets in which shares, derivatives, bonds and other instruments are bought and sold.

MLTM does not include market abuse such as insider trading market manipulation or benchmark manipulation, but does include laundering the proceeds of such crime.

MLTM activity has serious implications for the reputation of the UK as a global financial centre and, in addition, any firm found to be facilitating this type of money laundering could be liable to prosecution and/or damaging regulatory fines.

There is a collectively-held recognition across law enforcement, regulators and reporters that there are significant intelligence gaps relating to the scale of illicit finance generated in the UK and overseas but whose MLTM impacts the UK specifically.

Use the SAR glossary code **XXMLTMXX** where you suspect the activity is consistent with money laundering through markets.

TO NOTE: The SARs regime is not a route to report crime or matters relating to immediate risk to others; it is for reporting knowledge or suspicions of money laundering, or belief or suspicions relating to terrorist financing.

As such, in addition to a SAR, you may have to report the matter via other routes to ensure the right information gets to the right organisation.

Where you do report a crime alongside a SAR it is good practice to include the crime reference and the organisation details in the SAR. The UKFIU document *Suspicious Activity Report (SAR) Glossary Codes and Reporting Routes*, available on the NCA website, provides details of organisations to report to.