AML red flags checklist for FX/CFD brokers

Each item is a reason to look, not a finding. The grey line under each flag names the MT5 or back-office data that confirms or clears it.

Wash trades between linked accounts

- [ ] Opposite trades in the same symbol and size between two accounts, opened and closed within seconds of each other.
  MT5 deals: login, symbol, volume, open and close time. Link the accounts through KYC (passport, address, phone), device and IP from logins, and funding account.
- [ ] One account steadily loses what the other gains.
  Net P&L per account pair over the period, and its direction.
- [ ] The linked accounts sit under the same introducing broker or on different spread groups.
  MT5 group, agent account, commission settings.

IB rebate abuse

- [ ] Volume from one introducer's clients rises sharply while their net exposure stays near zero.
  Rebate ledger against net open position by IB.
- [ ] The IB's clients trade against each other, or open and close at once, generating commission and little else.
  Share of matched volume per IB; average holding time.
- [ ] The IB, its clients or their funding sources share identity or payment details.
  KYC and payment data for the IB and its sub-accounts.

Third-party funding

- [ ] Deposit from a card, bank account or wallet not in the client's name.
  Payer name against account holder; PSP payer reference.
- [ ] Several unrelated clients funded from the same source.
  Funding account or card fingerprint across clients.
- [ ] Withdrawal requested to an account other than the one that funded.
  Withdrawal destination against funding source.

Pass-through: deposit and withdraw with little trading

- [ ] Funds withdrawn soon after deposit, with traded volume far below what the deposit would support.
  Deposits, withdrawals and traded notional per client per period.
- [ ] Withdrawal to a different institution, a different country or a self-custody wallet.
  Withdrawal method and destination.
- [ ] The cycle repeats.
  Number of deposit and withdrawal cycles over 30 and 90 days.

Bonus abuse

- [ ] Several accounts claim the same welcome or deposit bonus from shared devices, IPs or payment details.
  Bonus ledger joined to logins and funding.
- [ ] Opposite positions across linked accounts during the bonus period to lock in bonus-funded profit.
  Offsetting positions across linked logins while a bonus is active.
- [ ] Withdrawal as soon as the bonus volume requirement is met.
  Date the requirement was met against the withdrawal date.

Latency arbitrage

- [ ] Very short holding times with a win rate far above the rest of the book.
  Holding-time distribution and win rate per login.
- [ ] Trades cluster on price spikes or stale quotes, often placed by an expert advisor.
  Deal time against the price feed; EA flag on MT5 deals.
- [ ] Profits withdrawn quickly, sometimes to third parties.
  Withdrawal timing and destination.

Dormant account reactivation

- [ ] An account idle for months logs in from a new device or country.
  Last activity date; login IP, country and device.
- [ ] Bank details or e-mail changed shortly before a withdrawal.
  Change log for payment and contact details.
- [ ] Full-balance withdrawal within hours of reactivation.
  Time between login, change and withdrawal request.

Structuring

- [ ] Repeated deposits just below the amount that triggers enhanced checks.
  Deposit amounts against the firm's EDD or source-of-funds thresholds.
- [ ] Deposits split across cards, wallets or days that together exceed it.
  Aggregated deposits per client over a rolling window.
- [ ] Followed by one large withdrawal, often by a different method.
  Withdrawal method against deposit methods.