



## SOLUTION OVERVIEW

### CASEWARE™ MONITOR AML SOLUTION

#### **Anti-Money Laundering (AML) Compliance**

Compliance Programs and Intra-national Regulatory Requirements such as The Proceeds of Crime Act (POCA), The Bank Secrecy Act (BSA), Basel II, Sarbanes Oxley (SOX) and the USA Patriot Act dictate that financial institutions and their subsidiaries are required by law to integrate anti-money laundering measures into their operations.

The term 'money laundering' refers to all procedures, methods, and transactions designed to change the identity of illegally obtained money so that it appears to have originated from a legitimate source. It is recognized that cash lends anonymity and is therefore the normal medium of exchange for many forms of criminal activities, in particular, drug and arms trafficking as well as criminal activities involving fraud and corruption.

The extent and corresponding impact of these criminal activities globally have required countries to make concerted efforts to defend their institutions, financial systems, economies and citizens by criminalizing the proceeds of these illegal activities.

#### **AML Solution**

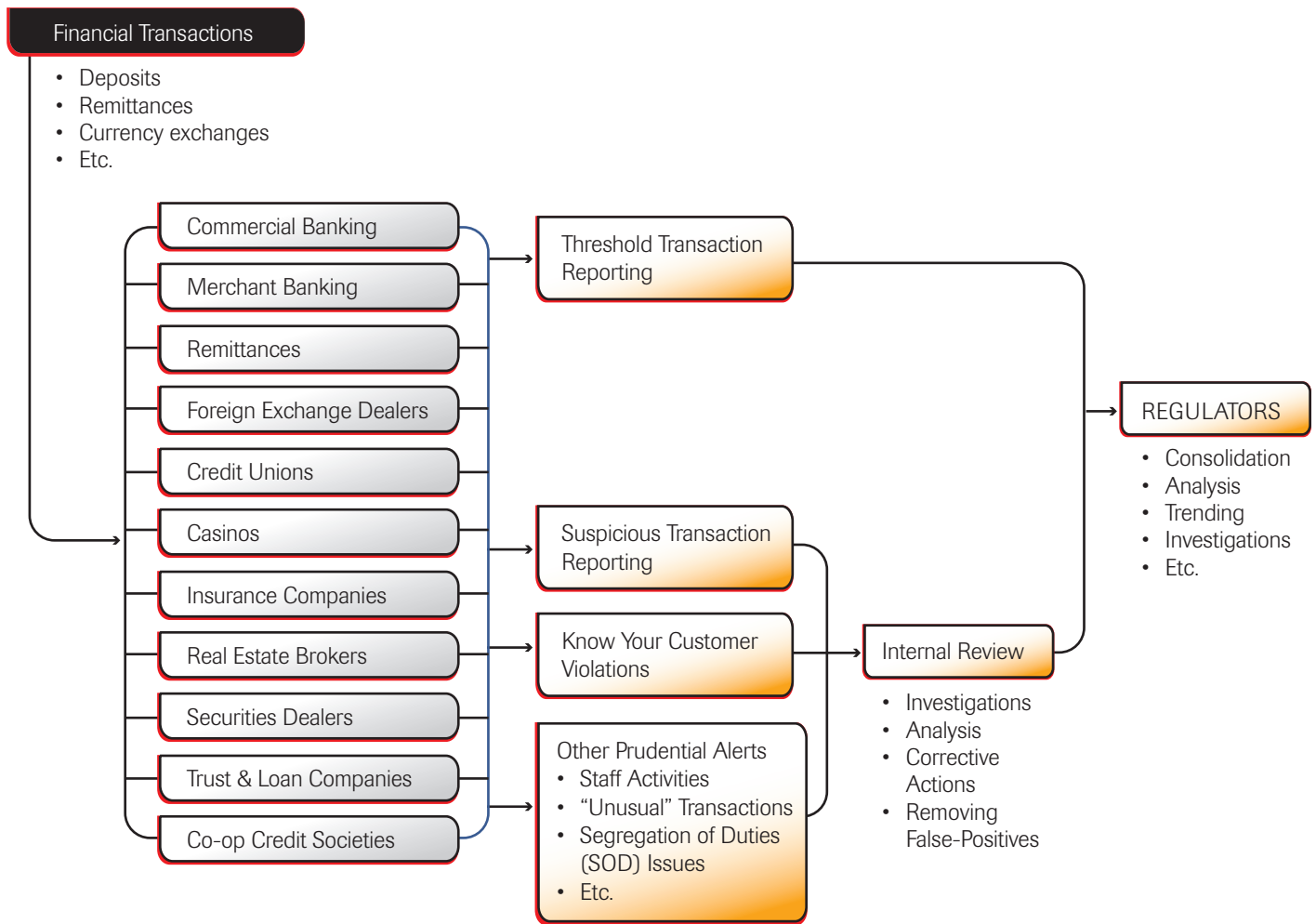
The focus of CaseWare™ Monitor AML is to assist institutions in meeting compliance requirements in an effective and efficient manner by automating regulatory reporting and monitoring financial transactions and customer information. Compliance requires much more than reporting; active monitoring of transactions and proper alerting mechanisms are critical.

The ability to assign responsibility for anomalies detected and maintain accurate records of all actions taken is key in allowing institutions to take all reasonable steps and exercise the necessary due diligence to avoid committing an offence.

As depicted in Figure 1, CaseWare™ Monitor AML provides the following to ensure an efficient and sustainable compliance process:

- Comprehensive transaction monitoring.
- Examination of customer data to ensure KYC compliance.
- Workflow management to facilitate analysis and investigations.
- Distribution of compliance work throughout the organization.
- Automated reporting directly to existing regulators.
- Management of compliance across entities.
- Ability to create and modify existing reports.
- Facility to maintain evidence of due diligence.
- Independence from core systems.

**Figure 1 – CaseWare™ Monitor AML Process Flow**



## More Than Reporting

While reporting is a key component of the solution, the ability to efficiently manage compliance exceptions is essential in creating a sustainable compliance process. To that end, CaseWare™ Monitor AML allows financial institutions to:

1. Distribute exceptions to the relevant person(s) for review.
2. Evidence the work done.
3. Manage false-positives.

## SAMPLE OF REPORTS

### Transaction Monitoring

Customer exceeding a defined number of deposits over a specified period.

Customer making more than a defined number of deposits across locations.

Customer exceeding a defined number of withdrawals over a specified period.

Customer making more than the defined number of withdrawals across locations.

Identify all accounts closed with balances and any subsequent activity on the account.

Identify all cash withdrawals exceeding a defined tolerance.

Identify all cash deposits made at the ATM that exceed a defined threshold.

## Know Your Customer Requirements

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Identify all customers without address data.

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Identify customers with PO Box addresses only.

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Identify potentially duplicated customers.

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Identify duplicated customers with multiple or invalid identification records.

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Identify active accounts with expired identifications.

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## Watchlist Searches

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Office of Foreign Assets Control (OFAC)

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Politically Exposed Persons (PEP)

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Internal or Custom Lists

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## Remittances

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Identify remittances to and from blacklisted countries.

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Identify instances of remittances to multiple recipients from an individual exceeding a defined threshold.

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Identify instances of remittances from multiple senders to an individual exceeding a defined threshold.

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Identify recipients consistently receiving money that is just below the threshold.

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## Modifications to Customer Records

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Identify all customers with change of name and/or address.

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Identify all accounts for which signing instructions have been amended.

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## Fund Transfers

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Daily report on all outgoing wire transfers and the destination.

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Daily report on all incoming wires and the sources.

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Transfers from specific sources (reference established lists).

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Provide details of the source of funds information provided by customers.

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## Staff Monitoring

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Report all staff accumulated deposits exceeding a predefined threshold within a period.

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Reports all staff withdrawals exceeding a predefined threshold within a period.

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Identify check deposits to a staff account exceeding a tolerance.

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Identify transfer of funds from one staff account to another.

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Identify all staff deposits, withdrawals, encashment of checks or fund transfers just within a predefined threshold.

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## BENEFITS

### BUSINESS CHALLENGE

### CASEWARE™ MONITOR SOLUTION

#### STAKEHOLDERS' REQUIREMENTS

Escalating risk and compliance requirements

- Provide enterprise wide definition and monitoring of controls and assurances that they are effectively implemented across all business processes

#### AUTOMATION

Automating control breach detection and remediation

- Detects breaches at the data source
- Distributes results across the enterprise by customer-defined rules via dashboards, e-mail, SMS
- Provides workflow for remediation including automatic detection of resolution of errors
- Allows the user to define controls in multiple business processes with a consolidated view
- Increases efficiency by making analytics repeatable with the ability to adjust tolerances
- Business rules and parameters are customizable and new logic can be built by the organization
- Monitoring can also be applied to business metrics
- Issues are identified as soon as they occur

#### INTEGRATION

Seamlessly integrate into existing solutions

- No changes required to underlying systems being monitored
- Non-intrusive access to data and cannot amend source data
- User and group security with LDAP support
- Strong encryption

#### PROCESS OPTIMIZATION

Makes the process more efficient and less costly

- Issues detected on a more timely basis
- Lower recovery costs
- Greater level of automation
- Compliance and other reporting automatically generated
- Knowledge and expertise captured in the control systems and made repeatable



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