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ANTI MONEY LAUNDERING SYSTEM AND IT CONSIDERATION

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ANTI-MONEY LAUNDERING SYSTEM AND IT CONSIDERATION

JORDAN ECONOMIC DEVELOPMENT PROGRAM (SABEQ)

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TASK NO: 1.4.2.1 WORKSHOP DELIVERY ON END-TO-END
PROCUREMENT CYCLE OF AML SOFTWARE
APPLICATIONS)

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Anti Money Laundering System and IT Consideration

Financial Integrity, Oversight and Broadened Capital Markets

Anti-money Laundering Systems and IT Considerations

Ken Pfeifer



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Types of AML Systems

Rules- Based Systems

Intelligent Systems

Record-Keeping & Reporting

Special Purpose Products



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Record-Keeping & Reporting

- Functions
 - Track Transactions
 - Report Information to Regulators
 - These are “after-the-fact” Systems



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Rule-based Systems

- Functions
 - Monitors transactions to identify and filter out potentially suspicious transaction that are outside the expected norm for the account or customer
 - Transactions are flagged and routed for manual review
 - Methods vary from tolerance or limit checking to more complex rules and risk assessment



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Intelligent Systems

- Systems use advanced technologies to examine the transaction in context rather than the transaction itself.
- Technologies used include:
 - Link analysis
 - Risk scoring
 - Neural networks
 - Complex algorithms
 - Nonlinear trends and relationships within transaction activity



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Special Purpose Products

- Functions
 - Customer identity verification
 - Transaction filtering
 - Amount
 - Frequency
 - Monitoring of transfers
 - Domestically
 - Internationally



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AML System Vendors by type of System

Rules- Based Systems

American Software
 Atchley Systems
 Logica
 Prime Associates

Intelligent Systems

ACI Worldwide
 Mantas
 NetEconomy
 Searchspace

Record-Keeping & Reporting

Atchley Systems
 Thomson Financial

Special Purpose Products

Filtering
 Funds transfer software
 Identify verification



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Differentiating Vendor's Offerings

- Companies viability and its ability to handle new business
- Knowledge of the business
 - Compliance
 - Risk management
 - Law
- Track record of AML product reliability, customer support and view of regulators
- Type of system, data being tracked and analyzed



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