

AML/CFT – Taking Client Responsibility

Rules and regulations are translated by compliance departments into policies. Thereafter operational departments, commercial teams and client serving units translate that into operational procedures.

But how do client facing and operational staff implement that on a day-to-day basis?

The risk manifest itself mostly through the bank's interaction with its customers and to manage this exposure effectively most banks have adopted a '3 lines of defence' model. This means tasks and responsibilities are allocated to different organisational entities to create a checks-and-balances equilibrium.

However, the success of this model hinges on stakeholders having a thorough understanding of the division of roles, tasks and responsibilities, and as experience shows, this can be a challenge. The 'Taking Client Responsibility' training addresses this challenge effectively and provides management comfort that the firm's reputation risks are under control.

Course Overview



In The AML/CFT & Client Responsibility course has especially been designed by subject matter experts. In this highly interactive course, participants will learn about taking responsibility for their role in the '3 lines of defence' model.



Target Audience

The target audience includes Client Relationship Managers, Customer support staff, Compliance Officers, Senior management

Objectives

After completing the training a participant will be able to:

- ▶ Take responsibility for their role in the "3 Lines of Defence";
- ▶ Know when to consult with, and what to expect from colleagues in AML/CFT Compliance;
- ▶ Confidently discuss the bank's AML/CFT policy and related documentary requirements with the bank's clients;

- Address clients' AML queries in accordance with the bank's policy;
- Assess the client information received for completeness and correctness;
- Formulate a motivated client AML risk profile proposal;
- Confidently follow up with the bank's clients in case of remedial or additional information requirements;
- Actively monitor clients' financial behaviour, recognise AML red flags;
- know when and how to escalate incidents in accordance with the bank's procedures.

Course Outline:

Part 1: Setting the Stage:

- Brief reminder of AML/CFT
- Absolute and relative size of problem, Challenges for banks
- Implications for banks
- Operational measures and '3 lines of defence' structure
- Significance of the role of the business/client facing staff
- Implications of client relationship responsibility
- Client communication - "what's my story"?
- Ongoing monitoring - why, how?
- The bank's AML/CFT policy requirements - highlights only, e.g. who does what
- Q&A/discussion of current issues together with (Head of) Compliance

Part 2: Clarifying Business Responsibility: Information Gathering, Risk Assessment & Ongoing Client Monitoring

- Assessing completeness and quality of client information received
- Following up with customer regarding missing docs
- Assessing client risk profile + discussion of the bank's new client case study
- Implications of monitoring client behaviour through lifecycle
- Monitoring case study - preferably provided from the bank's database
- Identifying red flags and proposing possible risk mitigation measures
- Re-assessing risk profile
- Escalation to Compliance for advice, when, how and what to expect from Compliance (and what not!)
- Q&A/discussion of RM issues regarding their responsibilities

Part 3: Round up

- ▶ Summary, Q&A and conclusion
- ▶ Closing

Training Methodology

The combination of PowerPoint presentations and case studies will encourage participants to:

- ▶ Make accurate AML risk assessment decisions in accordance with existing procedures
- ▶ Understand when and how to escalate issues that they cannot resolve by themselves
- ▶ -e confidently responsive in addressing AML related client queries

Facilitators

i-KYC is a leading AML advisory and training firm whose partners and consultants are experienced all-round international bankers and business integrity experts. With its products and services i-KYC supports the full spectrum of the financial sector, from supervisory authorities to financial institutions and AML enforcement agencies such as Financial Intelligence Units.

Contact

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