Current Bank Secrecy Act (BSA) and Anti-Money Laundering (AML) Environment

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BSA Coalition Anti-Money Laundering Conference
BSA/AML Environment Agenda

• Today’s Environment
• Government Expectations
• Emerging Risks
• Industry Reaction
What We See Today

• **Financial Downturn of Industry:**
  – Leverage of Resources
    • Financial Crimes
    • Credit Risk/Country Risk
  – New Risk Analysis
    • Who To Bank
    • Where To Bank

• **Consolidation of Industry:**
  – Financial Intermediaries

• **Cross Border Activities:**
  – International Money Movements
Hot Topics

Regulatory:
- Unlawful Internet Gambling
- Suspicious Activity Report (SAR) Sharing
- Non-Bank BSA Programs

Potential Problem Areas:
- Fraud
  - Ponzi Schemes
  - Mortgage Fraud
- Terrorist Financing

Products/Services:
- International Wires/ACH Transactions
- Mobile Delivery
- Stored Value Cards
- Bulk Cash
Government Expectations From an Industry Viewpoint

• Regulatory Expectations
  – Customer Knowledge
  – Transaction Filtering and Monitoring
  – SAR Activity Reviews

• Other Expectations
  – Enforcement Actions
  – Congressional Reports
  – Government Accountability Office (GAO) Reviews
  – International Directives
Industry Reactions

- **BSA Program Redesign**
  - Deeper Dive Into Risk-Based Analysis
  - Emphasis on Metrics

- **Transaction Monitoring/Filtering**
  - Better Use of Interdiction Software
  - Continued Enhancements to Existing Monitoring Systems

- **Reporting**
  - Connecting the Dots
  - Escalation and Governance
Thank You!

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