



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

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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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