Welcome
New Threats on the Horizon

Federal Reserve Bank of Richmond
June 20, 2012

Dan Soto – CCO - Ally Financial
Agenda

• The landscape

• The new BSA officer

• What happens when it goes wrong?
Landscape

- FCPA
  - Walmart
  - NewsCorp
- FCIU
  - Ponzi Schemes
  - Mortgage Fraud
- FATF
  - Beneficial Ownership
  - Domestic PEPs
- TF
  - OFAC/Sanctions
Landscape

• Regulatory
  • CDD Rulemaking
  • Customer Risk Scoring
  • Securities Industry
  • FATCA
• Products
  • Mobile Banking
  • Stored Value Cards/ETC.
  • Remote Deposit Capture
Vast Mexico Bribery Case Hushed Up by Wal-Mart After Top-Level Struggle

Confronted with evidence of widespread corruption in Mexico, top Wal-Mart executives focused more on damage control than on rooting out wrongdoing, an examination by The New York Times found.
The New BSA Officer

- Excellent communication skills, both written and oral.
- Ability to influence and gain buy in for ideas within a decentralized organization.
- Ability to gain credibility and build trust with senior and executive management.
- Coordinate Board Members, Affiliate Bank Presidents, Affiliate Board Members, and staff.
- Excellent leadership skills.
- Excellent communication skills with an open and collaborative style.
- Experience coaching and developing the skills of colleagues in a constructive and non-threatening manner.
- Open-minded: Able to give and take input from various directions.
- 7-10 years of strategic leadership experience, overseeing a BSA/AML/CDFI function in a large ($30B+ Billion) bank environment.
- Credentials preferred including CAMELS, CFE, and CFP.
- Extensive knowledge of all applicable international, federal and state laws and regulations pertaining to BSA/AML/CDFI, and that are pertinent to a bank environment. Must be able to translate strategic and operational plans and then execute within that environment.
- Experience with and knowledge of consumer, commercial, wealth management, and international banking products, services, and systems.
- Experience and knowledge of consumer, commercial, wealth management and international banking (accounts and activities) and anti-money laundering (AML).
- Experience in managing teams and implementing technology and solutions.
- Experience in managing vendor relationships.
- Experience in managing, coordinating, and investigating cases.
- Experience in project management and managing vendor relationships.
- Willingness to travel to the corporation’s branch offices and branches outside of those markets.
- Minimum requirement: A four-year college degree in Criminal Justice, Accounting, Behavioral Analysis, Fraud Examination, Economics.

- Confident and a leader to model trust and credibility at all levels.
- Excellent interpersonal skills: creative, intuitive, and genuine.
- Professional, with the ability to lead and manage relationships and to work across business lines and disciplines effectively. A team player.
- Inquisitive and analytical, asking questions as if relating to investigative research and to detect money laundering activities.
- Quick decision making ability - must be able to make quick decisions and react extremely to high priority situations.
- A highly consultative style of personal interaction.
- Ability and willingness to analyze information, sound and insightful judgment and decisions.
- Assertive and high energy; self-motivated toward success with a strong work ethic.
- Takes ownership of actions and responsibilities. Ability to take a stand on difficult issues. Results driven.
- High degree of personal integrity and emotional intelligence.
When It All Goes Wrong

• Wachovia
• Citi
• HSBC
• ING
• Other
The penalties...

Zions Bancorp fined for lax wire transfer oversight

Mon Feb 14, 2011 9:12pm EST

* $8 mn civil fine, no admission of wrongdoing

* More than $12 bln suspicious activity at issue - US

Source: US Justice Department, 11 May, 2010

Former ABN Amro hit with $500 million penalty over cover payments

The former ABN AMRO Bank N.V., now named the Royal Bank of Scotland N.V., has agreed to forfeit $500 million to the United States in connection with a conspiracy to defraud the United States, to violate the International Emergency Economic Powers Act (IEEPA) and to violate the Trading with the Enemy Act (TWEA), as well as a violation of the Bank Secrecy Act (BSA), announced Assistant Attorney General Lanny A. Breuer of the Criminal Division and U.S. Attorney Ronald C. Machen Jr., for the District of Columbia.

Ocean Bank pays $11M fine

South Florida Business Journal by Brian Bandell
Date: Monday, August 22, 2011, 4:33pm EDT

Mark Freerks
Would Your Program Detect This?

**MT 100 Incoming SWIFT Message**

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**MT 100 Outgoing SWIFT**

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Would Your Program Detect This?