

**CERTIFIED
COMPLIANCE
MANGER**



Introduction

Chapter I: Customer Onboarding and KYC

- **Identification of Individual Accounts**
 - Personal Affirmation Document
 - Address
 - Work and Income Information
 - Purpose of Account Opening
 - Authorized Signatories
 - Queries
 - Requirements for Identification of Corporate Accounts

- **Charities and Non-Profit Organizations**
- **Embassies and Government Agency Accounts**
- **Accounts of Minors**
- **Accounts by Power of Attorney or Bank Authorizations**
- **Identify the Real Beneficiary of the Account**
- **KYC Customer Identification Form**
 - First: Customer Information

- Second: Address (Residence Indicator)
- Third: Work and Income Information
- Fourth: Account Management Information
- Fifth: Inquire About Politically Exposed Person PEP
- Sixth: Telephone Number
- Seventh: Inquiry about (FATCA)
- Eighth: Customer Signature

➤ **Quick Tips**

➤ **A Design for KYC form (individuals)**

➤ **Know your customer entity form (companies)**

- Identify Owners and Natural Shareholders
- Identify the Authorized Signatories of the Company

➤ **Information of (FATCA) in Know Your Customer Form**

➤ **KYC Form Design for Companies**

➤ **General Terms and Conditions**

➤ **European Data Protection Act (General Data Protection Regulation -
GDPR)**

➤ **Accept Instructions by Fax or Email**

➤ **Summary of Account Opening Requirements – Individuals**

➤ **Summary of Account Opening Requirements - Entities**

➤ **Summary of Account opening Requirements, non-profit organizations**

➤ **FATCA Procedures When Opening an Account**

- (W 9) form

- W8BEN Form
- W8BEN-E Form

- **Opening (Non-Face-to-Face) Account**
- **Incomplete Accounts**
- **Modify the Customer Data**
- **Customer Risk Rating**
 - First: Customer Type
 - Second: Geographical
 - Third: Products, Services, and Deliver- Channels

- **KYC Update**
- **Online KYC Update**
- **Opening Accounts for People with Disabilities (Heroes)**
- **General Rules and Guidelines**
- **Dormant Accounts**
- **Closure of Accounts**
- **Processes of Account Opening**
 - Account Opening Through Branches
 - Accounts Activation Through Central Management
 - Best Practices for Account Opening Mechanisms

- **Digital Identity and Electronic Know Your Customer (EKYC)**
 - Digital Identity Highlights
 - Digital Identity Means More Profits
 - Digital Identity Challenges
 - (FATF Recommendation 10) Highlights
 - A Proposed Mechanism for Implementing Digital Identity

Chapter II: Anti-Money Laundering and the Financing of Terrorism

- **The Concept of Money Laundering**
- **Elements of the Concept of Money Laundering**
- **Original Crime**
- **Financial or Physical Returns from the Original Crime**
- **Camouflage and Concealment**
- **Knowledge of the Sources of Funds**
 - The Stages of Money Laundering
 - The First Stage: Placement
 - The second stage: Layering
 - The third stage: Integration
- **Terrorist financing**
- **The Difference between Money Laundering and the Financing of Terrorism**

➤ **The Consequences of Money Laundering and Terrorism Financing**

Crimes

➤ **The Most Important Methods of Money Laundering and Financing of
Terrorism**

- Cash Deposits
- Suspicious Customer Behavior
- Bank Accounts
- Wire Transfers
- Safety Deposit Boxes
- Credit Facilities
- Trade Financing and Letter of Credit (Import and Export)
- Electronic Banking Services
- Customer behavior
- Foreign Letter of Guarantee
- Insurance Companies
- Fuel Stations, Restaurants and Business Activities with Intensive Cash
- Casinos
- Real Estate Trading
- Shell Companies
- Virtual Currencies

Chapter III: Advanced AML Investigations

- **Correspondent Banking**
- Payable Through Accounts – PTA
 - Nesting and Downstreaming

- **Internal Accounts**
- **Actions to Be Taken When Dealing with a Suspicious Customer or an Unusual Transaction**
- **Transactions Monitoring**
- **Alert-Investigations (Case Management)**
- **Confidentiality of Suspicious Activity Reports**
- **AML FinTech Highlights**
 - Where FinTech and RPA make more sense?
 - FinTech Benefits/impact
 - FinTech Challenges
- **AML Robotic Processes Automation (Case Management)**
 - Automated AML Investigation Robotic Processes (Case Management)
- **Summary of FATF Recommendations**
- **Factors of Successful Compliance and AML Program**
 - Independence and Appropriate Location within the Institution Structure
 - Qualified Team
 - Automatic Systems and Keeping Abreast of Technological Development
 - Mind and Way of Thinking for AML Manager
 - Policies and Procedures
 - Continuous Training and Keeping Abreast of Developments
 - Independent Audit
- **Money Laundering Risk Classification**

- First: Customer Type
- Second: Geographical Factor
- Third: Product and Service and Delivery Channels Factor

➤ **Customer's Risk Rating**

➤ **Types of Money Laundering Risk Classification**

- Prohibited
- High-Risk
- Medium-Risk
- Low-Risk:

➤ **Electronic AML Risk Rating**

➤ **Risk Assessment of Correspondent Banks**

➤ **AML Risk-Based Approach**

- First: Inherent-Risks Classifications
- Second: Set Weight for Each Inherent-Risk classifications
- Third: Identify the impact of non-compliance on each type of risk
- Fourth: The Weighting of Each Impact on the Inherent Risks
- Fifth: Identifying controls (Risk Mitigation)
- Sixth: Determining the Level of Compliance
- Seventh: Set Weight of Each Risk-Mitigation
- Eighth: Determining the Level of Compliance in Each Risk-Mitigation
- Ninth: Giving Weight to Each Compliance Level

- Summary of Inherent Risk Calculation, Risk Mitigation, and Residual Risk
- Determine the Date of the Next Examination

Chapter IV: International Sanctions and Embargoes

➤ Introduction

➤ Definition of Sanctions

➤ The Importance of Imposing Sanctions.

➤ Processes

- Account Opening
- Banking Authenticated Messages
- Other Products and Services
- Case Study and Other-Advices to the Specialist

➤ Dealing with High-Risk Countries

➤ Systems

- Computer Assisted Audit Techniques (CAATs)
- System Internal Lists
- General Sanctions Software Highlights
- Name screening algorithms and reducing the number of false hits

➤ **Reporting**

- Violation Report - Structure:
- Violation Report - Interpreting the Results:
- Interpreting Bank Authenticated Messages Report
- Conclusion

➤ **The Most Important International Sanctions**

➤ **United Nations**

➤ **United States Initiatives**

- US Patriot Act
- Office of Foreign Assets Control (OFAC)
- Office of Foreign Assets Control Sanctions Against Iran
- Office of Foreign Assets Control Against Syria
- OFAC Sanctions Against Sudan

➤ **EU Sanctions**

Chapter V: Regulatory Compliance Management

➤ **The Scope**

➤ **Compliance to Direct Regulatory Bodies Instructions**

➤ **Compliance with Internal Policies in the Institution**

➤ **Relationship of the Compliance Department with Other Departments**

Within the Institution

- Relationship of the Compliance Department with Internal Audit
- Relationship of the Compliance Department with the Legal Department
- Relationship of the Compliance Department with the Risk Department
- Relationship of the Compliance Department with the Anti-money Laundering Department
- Relationship of the Compliance Department with the Chief Executive Officer (CEO)
- The Relationship of the Compliance Department with the Board of Directors And its Committees

➤ Organizational Structure

- Compliance Policy
- The Scope and Purpose of the Policy
- Determining the Tasks of the Board of Directors
- Determining the tasks of the Compliance Committee
- Determining the Tasks and Qualifications of the Compliance Department
- Tasks of The Institution's Staff Regarding Compliance
- Communication with Regulatory Bodies

➤ Compliance Monitoring and Examination Process

- First: Monitoring Simple Requests
- Second: The Monitoring of Periodic Reporting to Regulators
- Third: Compliance Role in Work Procedures and provide advices

- Fourth: The Compliance Monitoring of Regulatory Requirement

- **Risk-Based Approach in Compliance Examination**
 - First: Inherent-Risks Classifications:
 - Second: Set Weight for Each Inherent-Risk classifications
 - Third: Identify the impact of non-compliance on each type of risk
 - Fourth: The Weighting of Each Impact on the Inherent Risks
 - Fifth: Identifying controls (Risk Mitigation)
 - Sixth: Determining the Level of Compliance
 - Seventh: Set Weight of Each Risk-Mitigation
 - Eighth: Determining the Level of Compliance in Each Risk-Mitigation
 - Ninth: Giving Weight to Each Compliance Level

- **Summary of Inherent Risk Calculation, Risk Mitigation, and Residual Risk**

- **Determine the Date of the Next Examination**

- **Issuing Regulatory Compliance Reports**

Chapter VI: Foreign Accounts Tax Compliance Act (FATCA) and Common Reporting Standards (CRS)

- **Definition of FATCA**

- **Types of FATCA Agreements**

- Type I: Foreign Financial Institution (FFI) Agreement
- Type II: Inter-Governmental Agreement IGA - Module 1
- Type III: Inter-Governmental Agreement Module 2

➤ **Risk of Non-Compliance with FATCA**

- Material Breach
- Event of Default
- Consequences of Non-Participation of Financial Institutions in FATCA

➤ **Definition of a US Person (subject to FATCA)**

- Individuals
- Companies

➤ **FATCA Responsible Officer**

➤ **Tax Evasion Practices**

➤ **How to Deal with the Pre-Existing Accounts (four projects)**

- First: Individual Accounts Indicators
- Second: Indicators of the Corporate Accounts
- Third: High-Value Accounts
- Fourth: Accounts of Financial Institutions

➤ **Documents Required for Accounts Subject to the Law**

- W-8BEN Form
- Form W9
- Form W8-BEN-E

- **Joint Accounts**
- **Minors Accounts**
- **Power of Attorney**
- **Employee's Accounts**
- **Recalcitrant Accounts**
- **Annual reporting**
 - The Date of Reporting
 - Date of Balance
 - Individual Accounts
 - Corporate Accounts
 - Pooled Reporting
 - Reporting of Closed Accounts
 - Reporting Mechanism

- **Common Reporting Standards (CRS)**

- **Bibliography**