



Enterprise-Wide AML & Sanctions Risk Assessment Platform

An automated, transaction-based process with powerful analytics to strategically manage AML & Sanctions Compliance Risk and Business Decisions.

The Challenge

In order to protect their institutions and meet regulatory expectations banks and other financial entities conduct periodic enterprise-wide AML & Sanctions Program risk assessments. A strong risk assessment process is inherently complex and resource intensive.

Most institutions utilize a manual process providing a static view of an organization's risk profile at a point in time but lacking the flexibility to be easily updated to reflect a major event or change such as rapid growth in a new market; a merger or acquisition; a new product or service or a change in the regulatory environment that impacts the financial institution or corporate entity.

Additionally, due to its inherent complexity the risk assessment process ties up valuable compliance resources for extended periods of time, putting pressure on the department is day to day responsibilities.

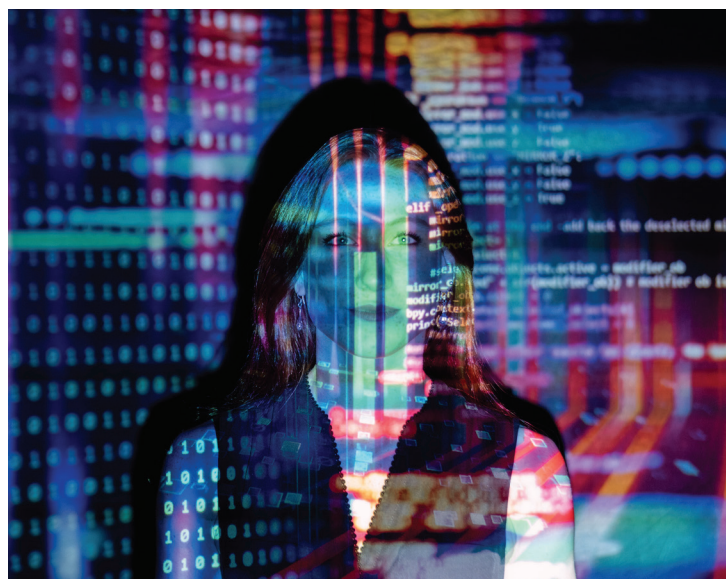
A strong and easy to communicate risk assessment process and methodology empowers the organization's leadership and is an imperative for successful regulatory and correspondent bank reviews.

The RiskRator® Solution

The RiskRator® Risk Assessment Platform is a breakthrough automated system that follows FFIEC examination guidance as well as Basel and FATF-GAFI international standards, and ISO and COSO standardization guidelines to dynamically assess and calculate the BSA/AML/OFAC or AML/CFT risk profile at the Enterprise and individual Bank level.

RiskRator® provides the following features versus a traditional risk assessment approach:

- **Automated Process - Reduces time & cost to complete your institution's Risk Assessment.**
- **Utilizes the Entire Base of Transactions**
Based on the entire in-flow & out-flow of an institution's transactions as the basis for the analysis.
- **Real-Time - Supports as needed updates to reflect business changes.**
- **Robust Quantitative & Qualitative Analysis - Reduces errors and operational risk.**
- **Formal and Uniform Methodology - For adequate risk oversight by management, supervisory authorities and correspondents.**
- **Contains a Powerful Analytics & Reporting System**



A Comprehensive 4 Phase Program

1 Entity Inputs

Set up the Entity's Profile

- Select your institution's Client base, Products, Services, Channels & Geographies

Upload Transactions

- Entire Base of In-Flows & Outflows
- Secure AWS file uploads

Input Controls & Mitigating Factors

- Measures strengths/weaknesses in an entity's Compliance Controls and the effectiveness of Mitigating Factors

2 Risk Assessment Results

Assessment of Inherent Risks

- Measures inherent risks based on specific risk events, probability, and potential impact on the organization.
- Impact Considers: Operational,

Reputational, and Legal risk. Enterprise-Wide Risk Profile

- Calculates risk assessment scores for overall risk and by category.
- Calculates Residual Risk at the entity or group level.

3 Powerful Analytics & Reporting

- **Allows analysis of all transaction activity:** drill down by customer, branch, geography, product, service - identify potential areas of concern & opportunity.
- **Create dynamic visualizations & internal reports** for Management, Directors, Auditors, Regulators & Correspondent Bank reviews.
- **Outperforms Manual Approaches:** RiskRator® performs over 57 million calculations per Million transactions.

4 Validation & Final Risk Assessment Report

- **Validation of Inputs** – includes an on-site or remote visit to review all Client provided inputs and corroborate that the information submitted reflects the current status of the Client's internal controls as it has been entered into the RiskRator® platform.
- **Report of Risk Assessment**, documents the process for each of the tasks executed to reach the assessment's results, the assessment methodology, and the calculations to reach the residual risk of each of the risk categories by risk event, and the final risk profile of the organization.

Enterprise-Wide Risk Profile

Dynamic Assessment Following FFIEC Guidelines

Following FFIEC examination guidance as well as international standards set by Basel and FATF-GAFI and standardization guidelines issued by ISO and COSO, RiskRator® dynamically assesses and calculates the BSA/AML/OFAC or AML/CFT risk profile at the enterprise-wide and individual institution's level.

Provides Strategic Insights into an Entity's Risk Profile

The assessment process allows you to drill down into the details of each risk rating to understand what is driving both the inherent risk score and your overall Risk Profile, helping you to see:

- Areas of strength
- Areas of weakness
- The impact of stronger/weaker controls on your risk score
- The potential impact of dropping or adding a product, geographic area, or client class
- The impact of a potential merger or acquisition
- How your enterprise-wide risk profile is changing over time and much more

Assess Risk Overall and by Category

The process combines quantitative and qualitative analysis to generate risk assessment scores for overall risk and by category and calculates Residual Risk at the entity and/or group level.

Multivariate Methodology Calculates Residual Risk

RiskRator® contains a wide selection of robust risk mitigation controls, based on regulatory requirements and expectations, to calculate residual risk.

As each control is selected, the tool calculates residual risk taking into consideration each risk factor's inherent risk, which is calculated on quantity of risk, the impact of the potential of each risk event materializing, and quality and effectiveness of the risk mitigation controls.

Consolidated AML/BSA Risk Rating



Powerful Analytics & Reporting Tool

Dashboards to Mine Insights from your Data

RiskRator® contains a default set of dashboards built from the underlying data provided. The RiskRator® filtering tools help in mining the organization's data to understand patterns of activity such as the geographical distribution of clients' payments activity. The organization can further analyze this data by level of risk or whether a client is a PEP or other special category thereby quickly identifying normal patterns or areas of potential concern.

Identify Risk at its Source

The strength of RiskRator® analytics lies in its ability to help you identify risks across many areas of your business. This includes your institution's "first line of defense" where compliance officers can monitor for vulnerabilities at the branch network and relationship manager levels. This helps identify, in a continuous basis, potential problem areas and pinpoints instances where further training or additional remediation measures are in order.

Visualizations for Management, Directors, Auditors, Regulator & Correspondent Banks

RiskRator® provides point-and-click functionality that allows you to quickly move through the institutional story and demonstrate that you have complete oversight and visibility into your compliance operation. Easily arrange your dashboards into creative and informative storyboards providing full transparency of the institution's position vis-à-vis third-party expectations and industry best practices.

Analyze Risk Over Time

While your risk assessment provides a view of your AML/CFT Compliance related risks for a specific period of time, the reality is that your enterprise risk is constantly changing in line with changes to your client base, product utilization rates, geographic distribution of payments, and adjustments to client risk profiles. In recognition of this reality RiskRator® provides you with the tools to analyze your "risk over time" by identifying behavioral patterns and increases/decreases in risk related activity.

Seamless Drill Downs into areas of concern or interest

With a few simple clicks you can instantly view product utilization across segments, risk classes, and customer geographies. Stepped drill downs are available allowing you to parse your data into more specific categories even right down to the specific account level. You can also download all reports into excel or CSV.

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