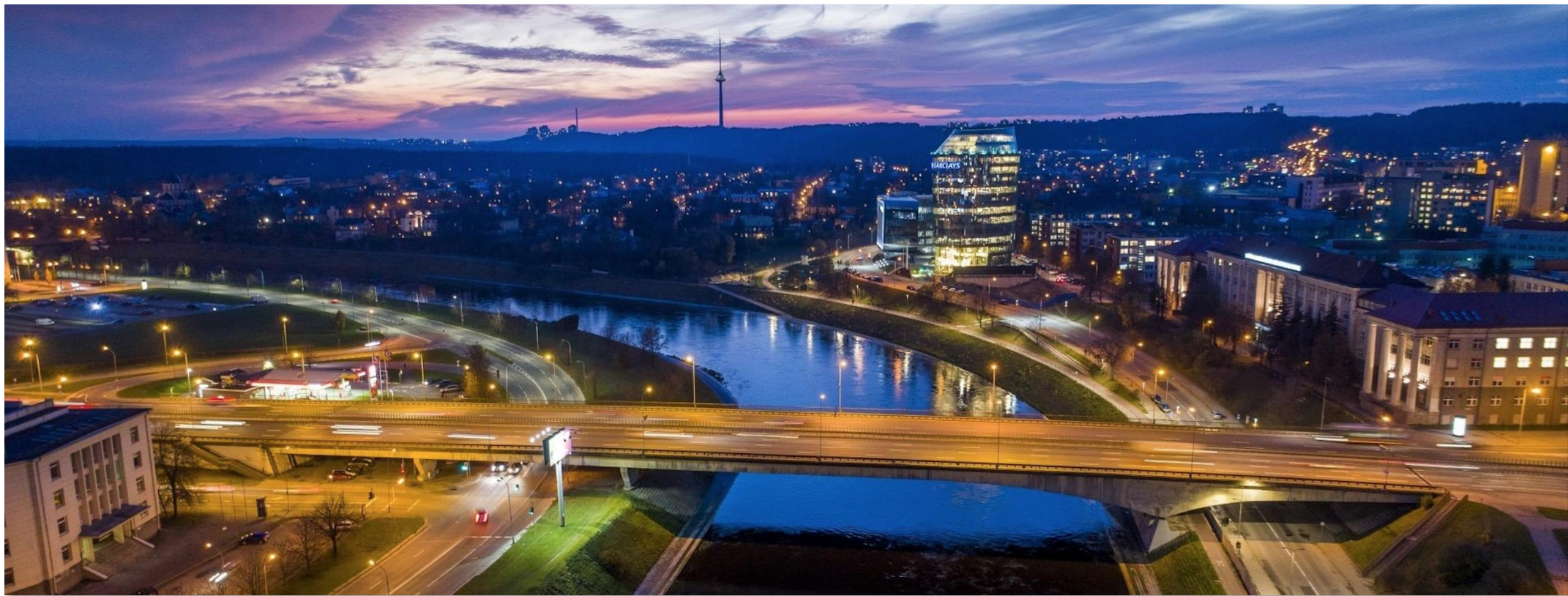


Disrupting the disruptors

FinTechs and financial crime



September 2020

Introductions



The latest scandal

How Maltese Online Gambling Became an ATM for the Italian Mafia

Swedbank chief accused of not telling truth on suspicious money

British company linked to Bitcoin exchange at centre of FBI money laundering claims

Criminals got a good service at Nordic banks

Swedbank and Danske Bank hunted for low-risk profits but fell foul of money launderers

JOHN GAPPER

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Money laundering

✓ Added

Austrian banks dragged into Russian money-laundering scandal

Kremlin critic alleges hundreds of millions of euros flowed through country's lenders

Stephen Morris in London MARCH 5, 2019



SEC joins list of authorities probing Danske money laundering

Swedbank appoints

David Crow in London

How the woes of Danske and Swedbank are rippling out

A seemingly small affair has turned into one of the biggest money laundering scandals ever

Baltic and Nordic regulators call for EU 'dirty money' authority

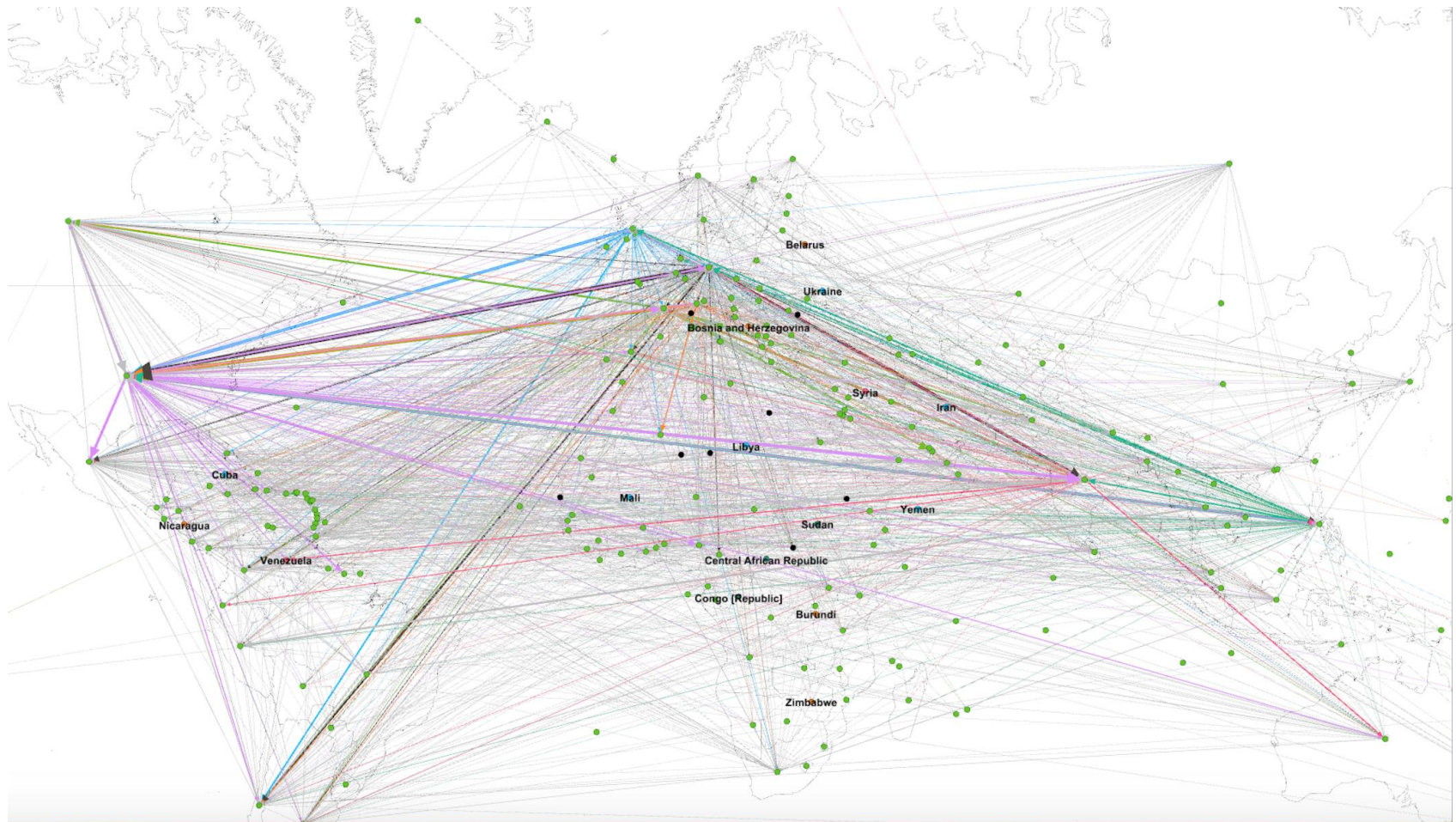
scandal exposes gaps in cross-border

Vatican officials arrest London property broker for extortion and money laundering

Who? Us? Really?



This network



We have a choice



Due diligence... and it does not only mean to obtain a copy of a passport

Transaction monitoring... Calibration, and quality of scenarios matters, not just having the best system that money can buy



Skills and knowledge... Hidden networks and red flags are only visible to the trained eye.

A framework

Commitment and accountability

Business risk taxonomy and assessment

A description and assessment of the money laundering and terrorist financing risks faced by the firm.

Policies

Documents setting the firm's stance on the risks identified.

Processes and controls

Processes designed to comply with the firm's policies and controls to test and oversee their correct implementation.

Procedures

Business line or desk specific documentation detailing the step-by-step protocols required to perform processes and controls.

Management information

Meaningful, actionable and timely information to enable management to proactively manage risks.

Governance

Structures and documented responsibilities for the oversight of the risks identified.

Culture and training

And it must not be bad news...

- **You are not alone!** If it is a burden for smaller, more modern organisations, it is an even bigger one for larger, more complex, 'older' firms.
- **Think of it since inception.** Factor it in – both from a cost and a process point of view.
- **Beware of the 'scammers'.** Embrace true compliance and the spirit of regulation.
- **Adopt a risk-based approach.**
- **Turn it into an opportunity.** You can reduce the inconvenience of the process for your clients, reduce costs, add brand value, minimise the risk of fines (and protect the ecosystem from the damage that financial crime does to society).

EXPERTS WITH IMPACT™