



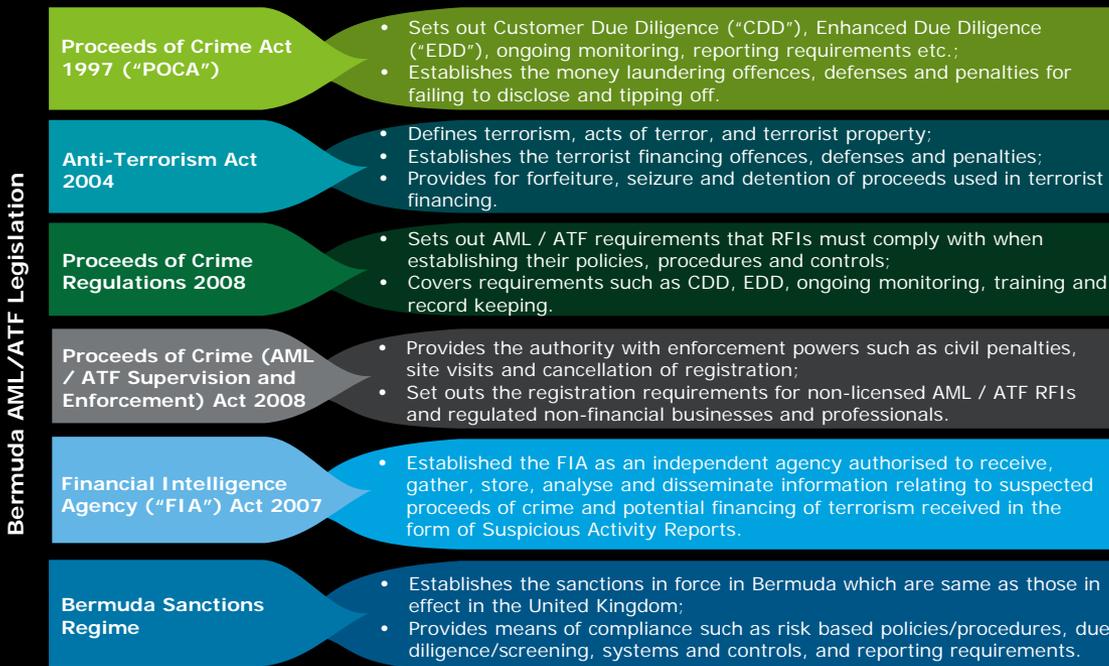
Financial Crime Compliance

Anti-Money Laundering and
Sanctions Consulting

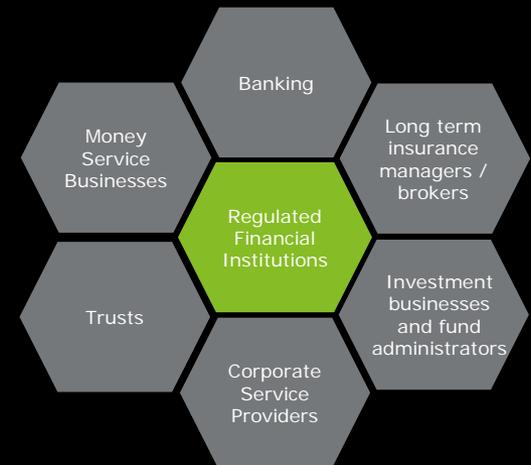
July 2018

Anti-Money Laundering and Sanctions Consulting

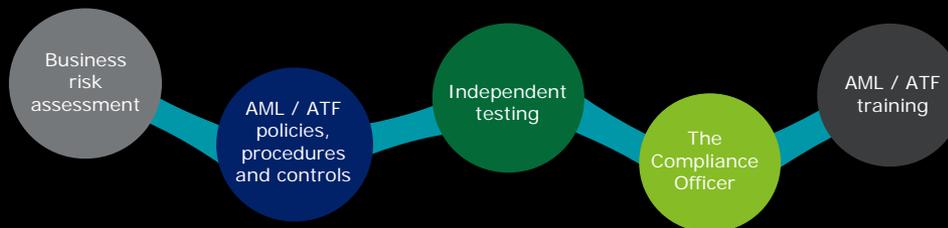
The need for effective Anti-Money Laundering (“AML”), Anti-Terrorist Financing (“ATF”) and sanctions compliance systems and controls has never been a hotter topic than it is today and should be at a forefront of any organisation’s agenda. Recent regulatory changes prevent any organisation from being immune to potential reputational and punitive risks should they fail to demonstrate a robust risk-based AML / ATF compliance program. With in-depth experience and a global network composed of industry specialists, we can assist organisations manage their risks related to money laundering and terrorist financing, and improve their ability to meet regulatory expectations.



The Bermuda AML / ATF legislation is transposed into AML / ATF Guidance Notes 2016 issued by the Bermuda Monetary Authority (“BMA”). The following Regulated Financial Institutions (“RFIs”) fall within scope of these guidance notes:



What are the key components of an AML / ATF framework?



What are the main obligations under the AML/ATF Guidance Notes 2016?

- Senior Management responsibilities and internal controls
- Risk-based approach
- Customer Due Diligence
- International sanctions
- Ongoing monitoring
- Wire transfers
- Suspicious Activity Reporting
- Employee training
- Record keeping
- Sanctions regime

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Service offerings

As Bermuda prepares for its Caribbean Financial Action Task Force mutual evaluation, organisations are facing significant challenges in meeting their AML / ATF obligations. With increased supervision and enforcement by the BMA, it is essential that organisations develop and implement an action plan to address the heightened scrutiny. To assist with this action plan, Deloitte provides the following services:

AML / ATF / Sanctions consulting services



AML program assessments

We assist clients in designing, assessing, and transforming their AML / ATF / Sanctions policies and procedures as per regulatory expectations. Our capabilities include assessing governance and oversight activities, evaluating policies and procedures, testing controls, and evaluating reporting and communication activities. Our focus is in the following sectors:

- Banking
- Insurance business / Insurance Managers
- Investment business
- Corporate Service Providers
- Trust business
- Money Service business
- Non-regulated entities such as reinsurance companies

AML training

We customise training for staff, senior management, and the Board, and help coordinate the goals of the financial institution with their overall training program. We review adequacy of the client's existing training manual to ensure it meets regulatory expectations and industry best practices.

Know Your Client ("KYC") remediation and assessments

We help organisations effectively manage risk and meet regulatory expectations by assisting with all the elements of their global KYC program. Services include:

- KYC remediation
- Provision of quality assurance on KYC remediation performed
- Review of remediation standards to uplift customer files to new regulatory requirements

Independent AML audit

Financial institutions are required by regulators to conduct independent testing of their AML / ATF compliance programs. These tests are also an opportunity to identify and correct deficiencies in existing programs and assist an organisation's management team in preparing for regulatory examinations. Services include AML audits under:

- Regulation 17A of the Proceeds of Crime Regulations 2008
- Section 1.75 of the Guidance Notes for AML / ATF Regulated Financial Institutions
- Regulators request or in response to a regulator enquiry.

Transaction reviews / lookbacks / investigations

Transaction monitoring is a key component to an institution's line of defense in mitigating transactional exposure risk. We have extensive experience in the areas of:

- Transaction analysis
- Suspicious transaction reviews
- Lookbacks
- Internal investigations

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Our success stories

Deloitte's anti-money laundering and sanctions consulting practice has helped resolve money laundering, terrorist financing, and other complex matters related to financial crime around the world. Our global network includes former bank regulators, federal law enforcement officials, compliance officers, and more. We understand the complexities our clients face and offer a breadth of services to help them respond.

Client Type – Banking institution

Scope:

- AML / ATF policy review across 3 jurisdictions (Bermuda, Cayman, Guernsey)
- Review of client information management portal and risk rating tool
- Sample testing of client's KYC files for CDD / EDD accuracy
- Testing of sanctions screening and transaction monitoring systems to comply with the ongoing monitoring requirements

Client Type – Investment fund management/Insurance Linked Strategies (ILS) company

Scope:

- AML / ATF policy and procedures review as per sector specific Guidance Notes issued by Bermuda Monetary Authority
- Sanctions policy review as per Bermuda Sanctions Regime
- Gap analysis of outsourced service provider agreement
- Remediation of the gaps in AML / ATF policy and procedures, and creation of AML / ATF reporting templates

Client Type – Banking institution

Scope:

- Acquisition due diligence, risk assessments of customers with respect to an acquirer's AML Compliance Program
- Assessing complex trust structures and reviewing the risk rating as per acquirer's risk rating methodology
- Independent audit as a response to a regulatory enquiry and inspection
- Regulation 17A audits

Client Type – Non-Regulated entity (reinsurance company)

Scope:

- AML / ATF policy and procedures review as per local AML / ATF obligations
- Sanctions policy review as per Bermuda Sanctions Regime
- Review of Anti-Bribery and Anti-corruption policies

Client Type – Global investment firm

Scope:

- Transaction monitoring and due diligence of high net-worth customer accounts and transactions involving high risk countries
- Real time analysis of transactions including look back analysis
- Review of client's customers including approval or rejection of a new client, basic and EDD of high risk customers, screening and monitoring of clients for Politically Exposed Persons, and adverse media

Anti-Money Laundering and Sanctions Consulting

Our team

A specialised team focusing on provision of AML / ATF advisory services has been formed to quickly respond to growing client needs. Our team consists of local and international talent with globally recognised qualifications such as CAMS and AML certifications provided by the International Compliance Association (“ICA”).



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Rachelle leads the Financial Advisory group in Deloitte’s Bermuda and British Virgin Islands (“BVI”) offices. With over 15 years of experience, she has overseen a wide range of advisory engagements for Bermuda and Caribbean entities. Rachelle provides advice internally within Deloitte Bermuda and BVI and externally to clients to ensure that they comply with Anti-Money Laundering / Anti-Terrorist Financing legislation, including reviews of policies and procedures against regulatory requirements, reviews of customer accounts to test the accuracy of due diligence procedures undertaken, and testing a sample of transaction monitoring and sanctions screening rules. She was part of a Working Group of the Institute of Chartered Accountants of Bermuda, updating Bermuda’s National Risk Assessment on Money Laundering for the National Anti-Money Laundering Committee.



Sunny Agarwal

Manager

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Sunny has over 7 years of post-qualification experience in the financial services industry. He specialises in AML / ATF, Anti-Bribery and Anti-Corruption consulting, and forensic investigations. He is a Chartered Accountant, a certified CAMS professional, and a Certified Fraud Examiner, and has assisted and led a wide range of AML engagements including transaction lookback analysis, KYC remediation, AML program assessments, AML training manual adequacy, and fraud risk assessments. He is an active member of a dedicated team for a Deloitte internal global AML newsletter, providing periodic updates of industry news, regulatory guidance, enforcement actions and legislative changes, relating to AML and economic and trade sanctions.



Michael Wynne

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Michael has over 2 years of AML compliance experience, 3 years risk advisory experience, and 7 years’ active service with the British Royal Marines. He is a professional member of the International Compliance Association (“MICA”), holds the ICA Diploma in AML and is currently studying the ICA Diploma in Governance, Risk and Compliance. Michael specialises in AML program assessment, regulatory compliance consulting, AML auditing and gap analysis. Prior to joining Deloitte Michael worked for a London based financial technology (FinTech) company and a Bermuda-based regulatory compliance firm.

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Brittany has over 3 years of compliance experience and has recently joined Deloitte's Bermuda office as an Associate in the Financial Advisory group. Prior to joining the Deloitte team, Brittany worked within a Financial Crime Compliance specialised assurance team, focusing on second line of defence testing. Within this role she was responsible for providing ongoing monitoring, independent and comprehensive testing and assuring compliance with internal and external policies and procedures in line with Bermuda laws and regulations. Brittany holds a Bachelors in Computer Criminology, ICA Certificate, and is currently enrolled in a Masters Risk Management and Insurance programme at Florida State University.

Taylor has over 2 years of audit and compliance experience in the financial services industry. She has gathered experience in areas of Compliance with a special focus on Anti-Money Laundering and Anti-Terrorist Financing reviews. She has most recently assisted with an AML Compliance Assessment project for one of the Regulated Financial Institutions on the island. Responsibilities included performing level 1 and level 2 reviews on KYC profiles of high- and medium-risk clients as per Bermuda Monetary Authority guidelines; and obtaining a sound understanding of complicated trust and fund structures, drilling down to the ultimate beneficial ownership as required under the AML / ATF Guidance Notes.



Global Strength. Local Delivery.

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