



Fraud Prevention AML Training Course

Outline

Session 1:

Introduction and the Process Approach[®]

- Introduction and objectives for the workshop
- What is AML and fraud in retail and commercial financial organisations
- Process typologies for banking and insurance
- Challenges and responses within each process area
- Opportunistic and organised crime
- Internal and external threats
- The Financial Crime Cube[®] of classification

Exercise: Delegates' issues

Session 2:

Risk management

- Basel II Operational Risk Management and Fraud
- What is the place of fraud in risk management practice
- Techniques for assessment – the threat assessment matrix
- Risk appetite – how much will you tolerate, what is the best balance between prevention and detection
- Regular risk reporting – constructing key risk indicators
- Risk controls
- Business continuity - Incident response and escalation - who should be told

Exercise: Risk Identification

Session 3 AML:

International and national definition and regulation

- Participants' key issues and experience
- AML defined in detail
- The Financial Action Task Force
- The EU Third Money Laundering Directive
- The Wolfsburg Principles
- The US regulatory approach

- The Money Laundering Officer
- The Money Laundering steps

Exercise: So what do you know about AML?

Session 4 AML: Your Customers

- Retail Customer identification and verification
- Know Your Customer
- Third EU directive KYC requirements
- The entry point
- Retail processing
- Impersonation
- Remote identification
- Corporate customers
- Politically Exposed Persons

Exercise: Who, what and when?

Session 5 AML: Process management

- Suspicious transactions
- Inconsistencies
- Monitoring and reporting
- Data mining and CRM
- Tipping off
- US AML practice: what is expected
- Software developments

Exercise: AML Issues in process

Session 6 Fraud : Entry

- Prevention verses cure
- Integration of fraud and credit checks
- Application fraud automated checking
- Know Your Customer too
- Identity and verification, biometrics
- First, second and third party fraud
- The key signs of fraud

Exercise: Fraud risk identification for application fraud

Session 7 Fraud : Account holding fraud – the response

- Organisational policy and strategy – the fraud prevention programme
- Creating the anti fraud culture, zero tolerance

- Sleeper fraud
- Claims issues
- ATM and card issues
- Transaction scoring
- Staff fraud – opportunities and motivations
- Fraud awareness training for all staff, examples of e-learning
- Exposure, hotlines and whistle blowing

Exercise: Fraud risk assessment for account holding

Session 8:

Investigations and motivation

- The legals – European and National law and regulation
- The mind of the fraudster – a typology of fraud actors and their informational traces
- The fraud triangle of motivation
- Organised criminals
- The stages of an investigation
- Investigation planning, information and evidence
- Dealing with employees, and the impact of recent legislation
- Exit management – write-off or response
- Civil and criminal cases

Exercise: So what do you know about AML and fraud?

Session 9:

The convergence of AML, Fraud and anti-bribery

- Information security
- Benford's law and integer distribution
- COSCO Control Model applied to fraud deterrence
- National Intelligence Model
- The major role of Audit
- Market fraud and abuse
- Bribery and corruption and regulation
- National fraud authorities
- Link Analysis against networks of organised crime
- A Comprehensive Fraud Process Architecture
- Guidelines and business case

Workshop: The AML and Fraud Clinic

By the end of the course, delegates will:

- Understand the fundamentals of a systematic approach to the management of AML and fraud in retail and commercial financial organisations.

- Take part in the identification, assessment, control and reporting of ML and fraud within the key stages of banking and insurance processes.
- Understand the context of regulatory powers and constraints in fraud and related areas, and the bodies that act in this field.
- Be exposed to the key aspects of an effective AML and counter fraud strategy for their organisation: culture, deterrence and prevention, detection, investigation, sanction and redress
- Become part of a contact group for information support and further related training opportunities