



## Helping you to meet your compliance requirements

Recent events and legislation have focussed attention on the need for organisations to be increasingly vigilant in trying to identify and report on suspicious customer behaviour. Monitoring and investigating customer activity is of paramount importance and the implementation of anti-money laundering detection systems is therefore recognised as being essential in order to meet statutory obligations and protect against penalties and reputational damage.

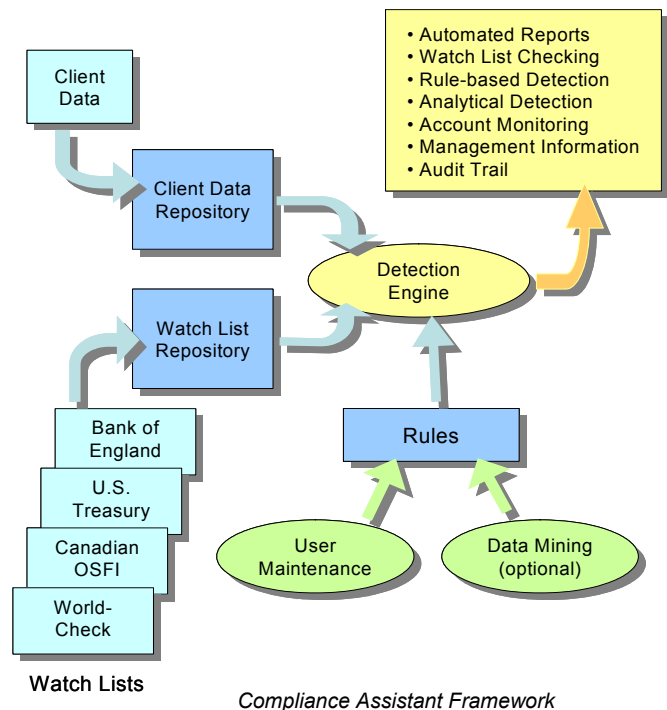
BISolutions are able to provide you with a software solution that will assist you and make the process easier. **Compliance Assistant** is a desktop application specifically built for small and medium sized financial institutions to help Money Laundering Reporting Officers (MLROs) and Compliance Officers (COs) detect potentially suspicious activity.

### Taking appropriate action

Understandably, one of the key issues facing MLROs and COs is the need to check through large volumes of data to identify transactions that require further investigation. *Compliance Assistant* helps speed up this process by providing:

- Automated inspection of transaction data
- Checking of individuals and organisations against watch lists
- Rule-based detection
- Complex analytical checks
- Search facilities online
- Management Reporting
- Audit Trails

The software is designed as an easy-to-use tool allowing the user to create and amend rules, run tasks, produce reports, monitor accounts, match against watch lists, generate management information and provide audit trails for compliance.



### Features

The *Compliance Assistant* software can be fully parameterised by each user and has some very powerful features including:

- **Rule-based Detection** — is applied to transaction or account data to report potentially suspicious behaviour. All the components of a rule may be configured, including the definition of the rule and the threshold limits that are set. Rules can also be classified as high or low risk.
- **Watch List Checking** — checks transaction or account data against one or more Watch Lists such as those provided by the Bank of England and the US Treasury or proprietary lists such as World-Check.
- **Reporting and Audit** — the system produces a range of default reports which can be enhanced to meet particular requirements. Reports may be produced in pdf, html, rtf and other formats.
- **Outlier Detection** — is used to identify suspicious or unusual behaviour within an account by examination of transaction details. Additionally, checking against moving averages, means and standard deviations within account groups can be configured.
- **Link Analysis** — detects unexpected patterns in variables which ought to be independent of one another and can help detect accounts being used in a collaborative way.

To discuss how we can help your organisation, please contact either Jas Rehill or Jehan de Silva at BISolutions.

## Architecture and Software Techniques

*Compliance Assistant* has been designed with the flexibility to access disparate data sources and provide scalability where necessary. The software has a number of in-built components that it uses, some of which are outlined below.

### Client Data Repository

The client repository consists of transaction data, account data and customer data. Import routines automatically extract data from these disparate data sources, transform the information into structured tables and then load the data into the repository. In addition, a number of summary tables are produced capturing information by time period, account type, transaction type etc. This re-structured information enables Rules and Models to be executed efficiently to provide valuable intelligence.

### Watch List Repository

Different Watch Lists can be imported into the software. These lists are then transformed and loaded into a repository. The repository will contain individual names, organisation names and related data such as published aliases and known associations. This data is used by *Compliance Assistant* in a variety of search and reporting features.

### Detection Engine

All processing is defined in Tasks. These are rule-based or model-based routines which examine transaction and account data and produce reports of potentially suspicious behaviour. Tasks may be activated or deactivated and the application can be set up to initiate and execute tasks on an ad-hoc or scheduled basis. The reports and information generated can be exported and published in any format required.

### Statistical Techniques and Data Mining

There are a number of in-built detection routines based on statistical models. At installation and system configuration, the models can be refined to meet the client's specific data and detection requirements. The detection mechanisms may also be enhanced by adding more complex models utilising logistic regression, clustering, decision trees or neural networks.

### Platforms

The application can be run on the MS Windows platform or can be implemented on server, UNIX or mainframe platforms. The front end would remain as a desktop application.

### Flexibility

*Compliance Assistant* can extract data from any data source or platform by means of SAS Access modules. Tasks can be added, Rules can be amended, additional reports can be provided and Data Mining routines can be enhanced. The underlying SAS architecture provides a rich toolset and allows the software to be highly scalable. SAS Software is recognised as a world leader in Analytical Intelligence. The application is designed to help both small and large corporations detect potentially suspicious activity.

### Security

The system administrator can configure role-based security to provide for different levels of access to the features within the software. Each individual user may also have security levels set to allow access rights to view and/or amend rules and reports.

### Cost Estimates - the typical cost for an organisation

	Days	Basic	Advanced
Define Requirements	1 — 2	£ 500	£ 1000
Configure	3 — 15	£ 1500	£ 7500
User Trial	1 — 5	£ 500	£ 2500
Implementation	1 — 3	£ 500	£ 1500
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		£ 3000	£ 12500
Software Licence (single user)*		£ 9000	£ 9000
Support (2 days consultancy)		£ 1000	£ 1000
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Total		£ 13000	£ 22500
*Licensing for additional users is as follows:			
	2 — 5 users	£ 6000 per user	
	6+ users	£ 3000 per user	

*Compliance Assistant* uses a modular approach which allows MLROs and COs to combine detection using data-mining techniques and statistical algorithms together with watch list checking and simple or advanced rules. The ease of implementation, reduced manual effort and improved management information provided by the software, allows MLROs and COs to concentrate their energies and experience on investigating suspicious behaviour, thereby helping to ensure that compliance requirements are being met.