

Customer Risk Scoring (AML) compliance

FINMA's expectations, market practices, dynamic risk scoring

> Risk factors identification, risk scoring, risk categorization: compliant methods, market practices

> Updating/ refreshing the risk score: observed deficiencies, FINMA's expectations

> Connecting transaction monitoring and changes of circumstances to risk scoring

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8.40 Introduction by the Chairman of the Conference

- Customer Risk Scoring (CRS) at one point in time versus Customer Continuous Risk Scoring
- CRS a tool within the overall AML Framework: why do we establish a CRS?
- Selected observed deficiencies and best practices in Customer Risk Scoring

Olivier Maes

Compliant risk scoring methods

9.00 Identifying the risk factors from the KYC

- Risk classification of client is based on client segment and on the products and services provided to the client
- Client segment:
 - Which data points are risk factors which are useful for risk classification among all the data collected in the KYC?
 - How to use the data of the KYC to deduct the risk categorization of the client: domicile, nationality, country of residence, source of wealth, AUMs, education, activity, income...
- Products and services: relationship between products/services and risk score: examples

Daniel Poffet and Andrea Desiree Steffen

9.40 Customer Risk Scoring methods: market practices and tools

- From risk factors to risk scoring and risk categorization (high, medium, standard)
- Benchmarking: comparing the risk scoring methods
- Classification of standard risk clients in different sub categories in order to prioritise/optimize the periodic review: which elements of the KYC can be used to classify?

Olivier Maes

10.20 Coffee break

Dynamic risk scoring

10.40 Dynamic risk scoring; updating the risk, refreshing the risk

- Observed deficiencies
- FINMA's expectations
- How can real-time monitoring achieve dynamic risk scoring?
- What role does data integration play in keeping risk scoring models current?
- How are behavioral analysis and machine learning used for timely updates to risk scores?

- What benefits come from scenario-based testing for dynamic risk scoring models?
- How do automated risk mitigation strategies contribute to AML risk management?
- Why is regular calibration essential for dynamic risk scoring models?
- Why is maintaining documentation and an audit trail crucial for dynamic risk scoring compliance?

Jha Madhumita

11.20 Connecting Transaction Monitoring and Risk scoring

- How does integration connect transaction monitoring and risk scoring for comprehensive risk assessment?
- What is the role of correlated transactional patterns in identifying anomalies when connecting data with risk scoring results?
- How do threshold-based triggers dynamically adjust risk scores based on transactional thresholds?
- Why are adaptive machine learning models important for refining risk scores and adapting to emerging risks?
- How does the feedback loop between monitoring and scoring enhance overall risk assessment and detection capabilities?
- Why is real-time alerting in transaction monitoring critical for prompt investigation of flagged transactions?
- What benefits come from defining granular risk categories for transactions and assigning weights based on inherent risk?
- Why is transparent communication between transaction monitoring and risk scoring teams essential for effective collaboration and response to risks?

Jha Madhumita

12.00 Change of circumstances and impact on risk scoring

- What kind of change of circumstances can impact which risk?
- Who decides that there is a change in circumstances?
- Who decides that the change of circumstances has an impact?
- A change of circumstances does not automatically have an impact: examples of change in circumstances that do not have an impact on the risk scoring

Olivier Maes

12.40 End of the seminar

Customer Risk Scoring (AML) compliance

PRACTICAL INFORMATION

Venue
Zurich Sheraton Hotel
Pfingstweidstrasse 100, Zurich

Visio conference on Zoom
The Zoom link and the documentation will be sent to the participants on 19 March in the afternoon. Academy & Finance provides technical assistance during the conference.

How to register
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by e-mail: info@academyfinance.ch
by post: Academy & Finance SA
PO Box 6069, CH-1211 Geneva 6
www.academyfinance.ch

Fees
620 CHF (+ VAT 8.1%)
Additional registrations from the same company:
- 50%

Registration and payment
Payment is made by bank transfer or by credit card. Credit card payments will be debited immediately upon receipt of card details. In any case, we will send you an invoice by email.

Substitution & cancellation policy
Substitutions from the same company are accepted at any time. Cancellation requests must be received in writing, by fax or by post up to the following dates end of business :

- 13 March refund of 90%
- after 13 March no refund will be made for cancellation.

REGISTRATION FORM

I register for the seminar "Customer Risk Scoring (AML) compliance" on 20 March 2024.

I will attend in the conference room I will attend online on Zoom

FIRST PARTICIPANT

Full name.....
Position.....
E-mail.....

SECOND PARTICIPANT (-50%)

Full name.....
Position.....
E-mail.....

Company.....
Address.....
Postcode..... City.....
Tel Mobile.....

Person to which the invoice must be sent for payment:

Name..... Email.....
Bank transfer Mastercard VISA
Credit card No : ____/____/____/____ Expiry date : ____/____
Cardholder.....
Date Signature.....

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