

The Industry Challenge: Reducing AML Risk With Data Quality

Recently, Federal law enforcement organizations have received hundreds of Terrorism/Terrorist Financing and Money Laundering cases. These leads are a result of cooperation between financial institutions and the Financial Crimes Enforcement Network (FinCEN) in compliance with the USA Patriot Act Section 314b—legislation that requires financial institutions to share information in order to identify and report suspicious activities that may involve money laundering or terrorist activity.

The identification and reporting of suspicious activity is taking center stage in the financial community as few events can be as damaging to a bank's reputation, or the country's security as allowing money laundering in support of organized crime, terrorism or narcotics traffickers.

This success story details the valuable partnership between DataMentors and a large financial institution in an effort to implement solutions and processes to comply with the Patriot Act regulations regarding wire transfer fraud.

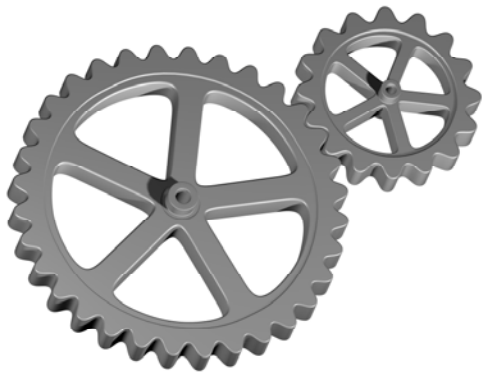
Did You Know...

DataMentors converts wire transfers into a format easily read by leading Anti Money Laundering application providers.

The Operational Imperative

Due to the free form nature of wire transfers, accurate tracking of fraudulent wire activity is a challenging task. Transaction structuring – the methodology by which money launderers use multiple institutions in the transfer of funds – was a primary concern, therefore identification and standardization of originating banks, destination banks and clearing houses both domestic and international was of critical importance to the project.

The task: Create a solution to capture incoming wire feeds, standardize the data, assemble the data in a format acceptable to internal systems and output the file to the bank's existing Anti Money Laundering (AML) application for analysis. DataMentors was up to the challenge.



DataMentors AML Success

“The strengths of DataMentors’ applications include their ease of installation, flexible scripting, excellent support and price point. I was also pleased with the level of executive attention we received.”

- - Project Manager

For more information contact a DataMentors sales associate at 877-888-DATA (3282) or visit us at: www.datamentors.com

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The Solution

To address the problem, the organization selected DataMentors, already well known in the financial industry for their expertise in data quality and relationship matching, to complement the Bank’s existing AML application’s capabilities. Since there are no standards for data placement in wire feeds, the ability to identify and parse out bank name and country is key. DataMentors was able to analyze the unformatted wire feed, assign standard bank names and ISO country codes, and feed the output to the AML application for processing.

Example: DataFuse identifies variations of the same bank names in preparation for wire pattern recognition (notice the inconsistent listings below). DataFuse is able to identify all of the following as belonging to the same organization.

BARCKLAYS BANK OF KENYA LIMITED
BARCLALYS BANK PLC
BARCLAY BANK
BARCLAY BANK GIBRALTAR
BARCLAY BANK NORTHHAMPTON
BARCLAY BANK OF KENYA
BARCLAYS BANK TAVISTOCK BRANCH
BARCLAY BANK OF ZAMBIA
BARCLAY BANK OF ZAMBIA LIMITED
BARCLAY BANK PLC
BARCLAY BANK PLC UK

DataMentors believes a company’s strongest asset is their business information. With software solutions that focus on data quality – the foundation of business information systems – DataMentors delivers a platform of clean and accurate information. Companies easily use the clean data to maximize their CRM and other data management investments and achieve a clear and profitable picture of their business and their customer.

DataFuse categorizes financial institutions to properly segregate credit unions, national banks, international banks, bank & trusts, etc. It also applies standard ISO country codes to determine the initiation point of wire traffic.

The Benefits

- 1) **Investment protection** through interoperability with existing AML applications.
- 2) **Enhanced accuracy** of AML activity through standardized bank names and country codes.
- 3) **Proven methodology** that is easily ported for use in other industries to address AML concerns.

“DataMentors saved us thousands of dollars through the creation of this specialized data standardizing application. This was a complicated project, one too expensive and time-consuming to develop internally. It would have taken years of work to perform this multi-dimensional profiling of banks and countries. The results were exactly what we had hoped to receive.” - - Senior Technician