NICE Actimize

Intelligent AML Model Governance

Enforcement Actions Issued to Community and Regional **Financial Institutions**



Compliance or operational failures due to lack of appropriate governance, oversight, risk management systems and controls have resulted in many recent EAs issued by OCC.



Community and regional financial institutions received a higher number of EAs than their larger counterparts.

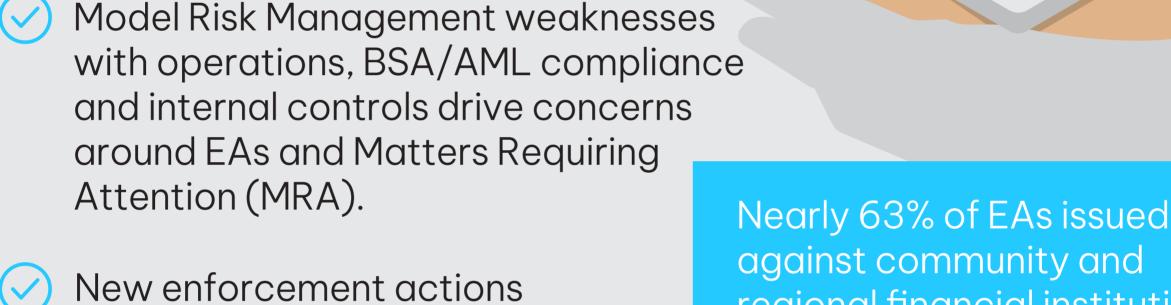


More than individual 5,500 institutions

with less than \$10 billion in assets have received an EA since 2000.1

A steep increase in the dollar amounts of Civil Money Penalties and restitutions in the post-2009 period suggests that the cost of doing business is rising.²

Top Reasons for Severe Enforcement Actions



include civil money penalty orders, cease and desist orders, corrective action directives and prohibition orders. Without adequate disclosure

> "black box" model cannot be justified to a regulator.

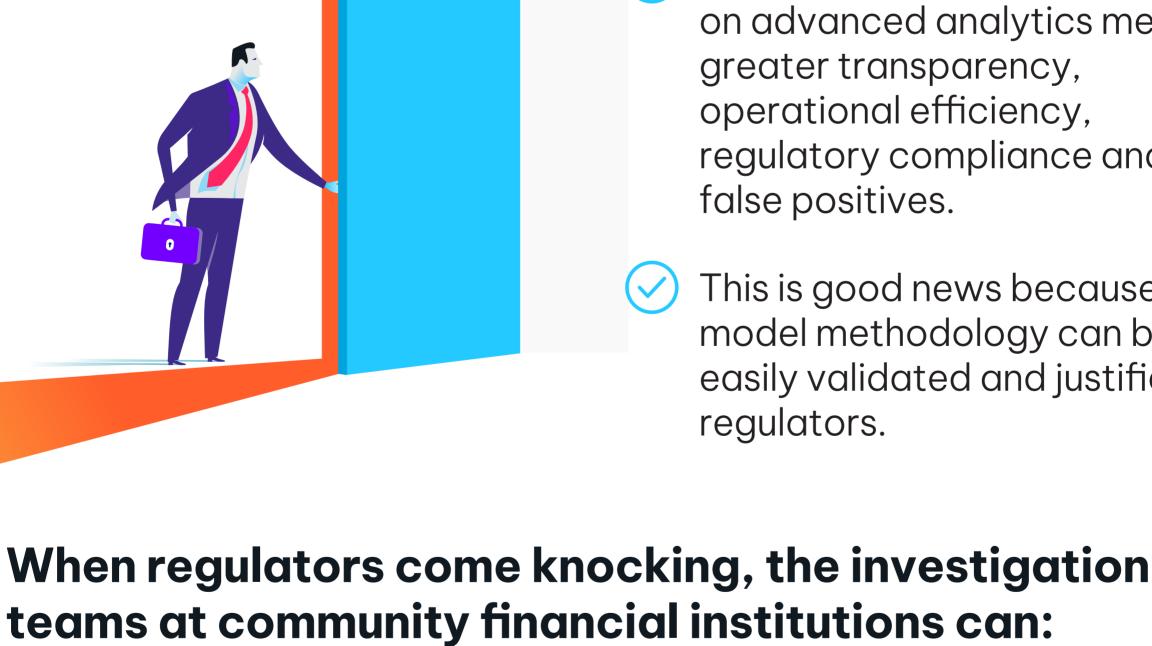
from the software vendor, a



against community and regional financial institutions stemmed from weakness in model soundness and deficiencies in their current AML/BSA models.2 An average penalty for lack

of appropriate model governance is around \$70 million.

Using Intelligent AML Models



greater transparency, operational efficiency, regulatory compliance and less false positives. This is good news because this model methodology can be

Intelligent AML models based

on advanced analytics mean

easily validated and justified to regulators.

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Spend more time showing how they catch bad

ALWAYS be ready

guys versus spending time defending the model

See how NICE Actimize can help community

and regional financial institutions address

model governance challenges.

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Schedule d Demo

1 Federal Issues Agency Rule-Making & Guidance Consumer Finance Courts State Issues Lending Privacy, Cyber Risk & Data Security Fintech Financial Crimes Securities OCC announces recent enforcement actions and terminations, BSA/AML deficiencies targeted. (2018, January 25). Retrieved March 1, 2018, from https://buckleysandler.com/blog/2018-01-25/occ-announces-recent-enforcement-actions-and-terminations-bsaaml-deficiencies-targeted 2 V. S., R. W., A. R., & V. K. (2015, December 9). Enforcement actions in the banking industry. Retrieved March 1, 2018, from

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https://www2.deloitte.com/insights/us/en/industry/banking-securities/bank-enforcement-actions-trends-in-banking-industry.html