

CBM

SMARAGD

FACTSHEET

making things run

SMARAGD CBM – CORRESPONDENT BANK MONITORING

DISCLOSURE OF CONSPICUOUS TRANSACTIONS OF CORRESPONDENT BANKS

SMARAGD CBM is a part of the SMARAGD Compliance Suite by targens in Stuttgart. With this software solution, banks minimize the risk of money laundering and illegal money transfers when payments pass through a variety of correspondent banks. Foreing payment transactions are especially vulnerable to money laundering and terrorism financing. SMARAGD CBM examines payments for anomalies by splitting up SWIFT messages, helps with the analysis and offers a flexible alert processing as well as an audit-proof documentation.

MOTIVATION

Financial institutes that act as a correspondent bank for foreign payment transactions in the global market run the risk of getting involved in cases of money laundering and terrorism financing. Thus, the payment flow has to be checked in order to minimize the dangers. SMARAGD CBM helps to do that.

GOAL

SMARAGD CBM examines all correspondent bank transactions of a company as well as all parties involved in it for unusual behavior. If there is a conspicuous alert, the system creates a hit and reports it to the compliance department via an alert.

SOLUTION

Every financial transaction has a corresponding SWIFT message that takes its course through the company. It is split up by the help of SMARAGD CBM. The data of all parties involved in the transaction are enriched by key risk indicators and kept inside the system. A fully developed monitoring as well as a daily evaluation with the help of a flexible ruleset are the basis of the assessment. Anomalies in payments can be recognized and displayed fast and easily. Here are some examples:

» Burst of Activity

This is a deviation in the transaction profile based on long-term data. If anomalies occur here, the software reports an alert for the correspondent bank.

» List Violation

Should the names and adress data of participants be on relevant lists (i.e. PEP or negative media lists), the system discovers this and reports it.

» High Risk Countries

If the transaction passes through one or more high risk countries, a hit is displayed.

In case SMARAGD CBM discovers anomalies and conspicuities, the system reports it to the compliance department via an alert for further processing. The alerts can be weighted and prioritized individually by the specialist department in charge. After a detailed analysis of the hit the necessary measures are triggered. The process is furthermore documented audit-proof.

AT ONE GLANCE – SMARAGD CBM

- » Detailed display of payment flows
- » Minimization of operational risks
- » Fulfillment of all national & international regulations

FLEXIBLE RULESET

Thanks to its flexible ruleset SMARAGD CBM offers the chance to adapt checking rules and indicators at any time, in order to react to new requirements quickly. An integrated testing and simulation system that operates with live data guarantees the efficient adaptation of the ruleset. Due to its high scalability SMARAGD CBM also guarantees a performant processing of SWIFT messages.

MONITORING OF SWIFT MESSAGES

SMARAGD CBM is able to monitor SWIFT FIN messages of the types MT103, MT202 and MT202COV because of its interface adapter. This happens during the daily evaluation run. In this process every participant of the SWIFT message is monitored in reference to the full payment chain and his data is enriched by key risk indicators.

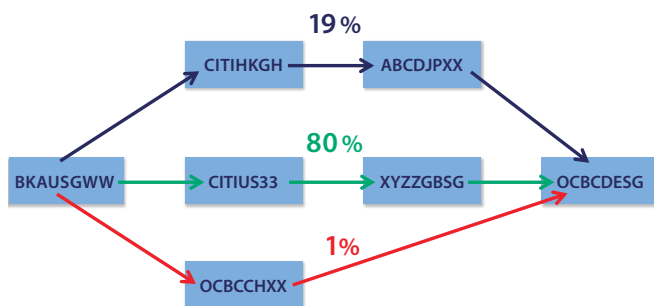


Figure: Detailed reports show the frequency in payment paths

WEITERE PRÜFMETHODEN

Zudem erstellt das System Transaktionsprofile für jede Korrespondenzbank, um Änderungen im Transaktionsaufkommen festzustellen. Um Geldwäsche und Terrorismusfinanzierung zu erkennen, werden Schlüsselwörter identifiziert. All dies wird unterstützt durch umfangreiche Reports bzgl. verarbeiteter Daten, Indiztreffer und bearbeiteter Fälle.

ALERT PROCESSING

If SMARAGD CBM discovers anomalies it fully displays all information to the specialist department. The alert processing is configurable and adaptable to the company workflow. Because of that a fast and simple processing is possible. Generally all processes are prioritized according to their scoring and shown on the screen. Statistics and extensive evaluation possibilities allow comfortable research of the process. All steps of it are documented in an audit-proof way.

IMPLEMENTATION

During the development of SMARAGD CBM the focus was on a simple and standardized procedure. Thus, a fast and uncomplicated implementation is ensured.

SUMMARY

SMARAGD CBM is a product to monitor conspicuous transaction activities in correspondent banks. Since it is easy to handle and integrates into the existing IT landscape easily a fast and risk-free implementation is ensured. The solution minimizes the risk for financial institutes to get involved into money laundering and illegal money transfers when acting as a correspondent bank. Furthermore, it provides banks with lots of control over their payment processes by examining money transfers and showing conspicuous alerts quick.

PRODUCT VIDEO SMARAGD CBM

In order to show you the way SMARAGD CBM works and its benefits more graphically, there is a product video. It is available on the platform YouTube or under this link:

www.youtube.com/watch?v=PxxaRvZdhDU

You can also scan the QR code. We would be happy if you like it!



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1,600 companies from all sectors in more than 50 countries rely on the compliance competence when it comes to counseling and implementation projects in conjunction with the market-

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