

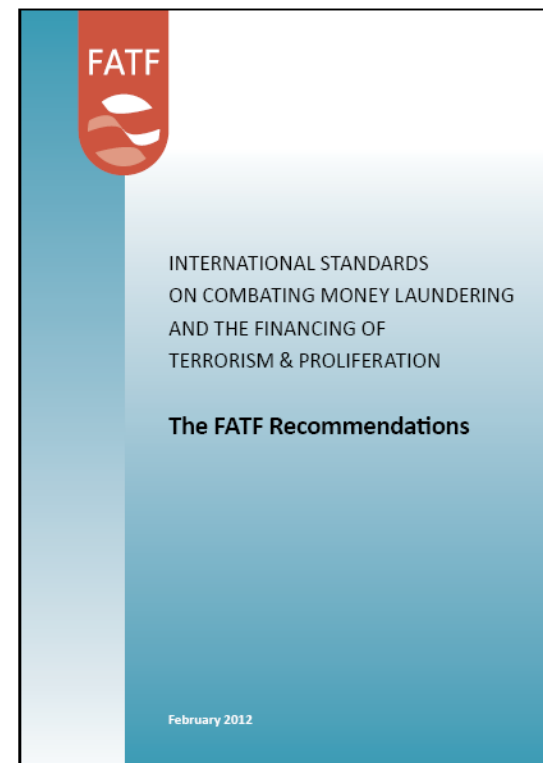
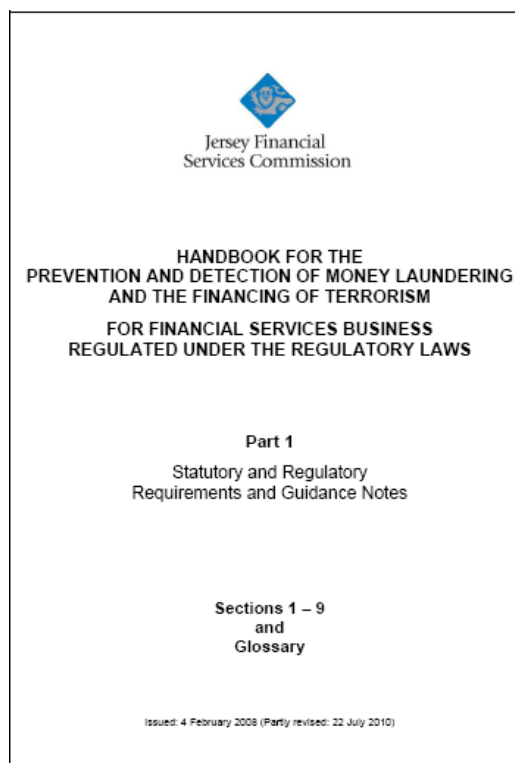
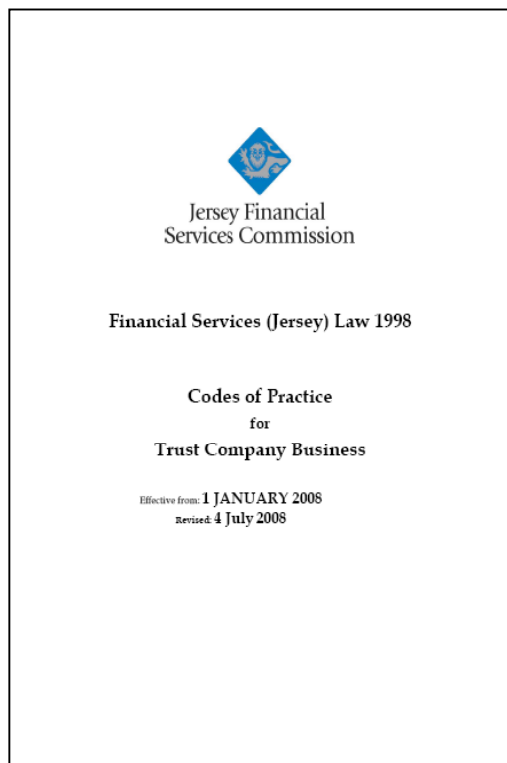
AML Corporate Governance

Are boards getting the right level of information?

Agenda

1. Setting the scene – what drives responsibilities?
2. Consequences when things go wrong
3. Board responsibilities
4. NED Survey - where do they get their comfort from?
5. What issues do we find in practice?
6. How could these issues be rectified/ prevented?

Setting the scene – what drives responsibilities?



Consequences when things go wrong

26 March 2012

FSA issues £8.75m fine
For failing to take reasonable
care to establish and maintain
effective AML systems and
controls

15 May 2012

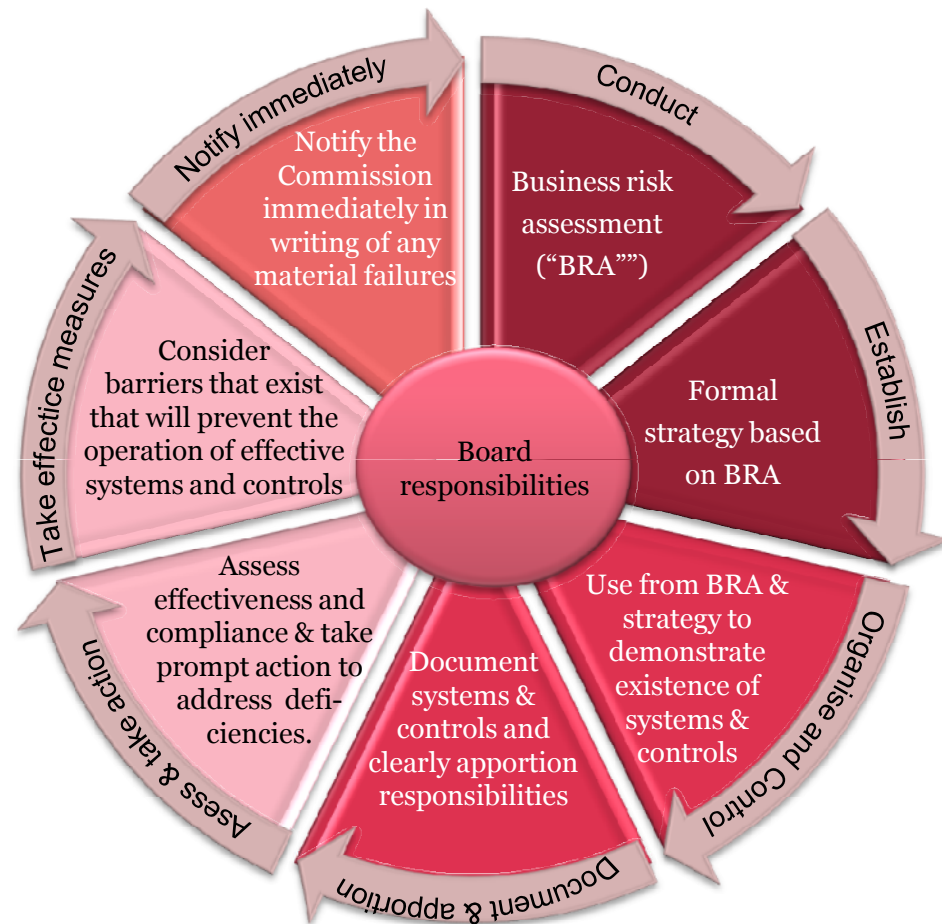
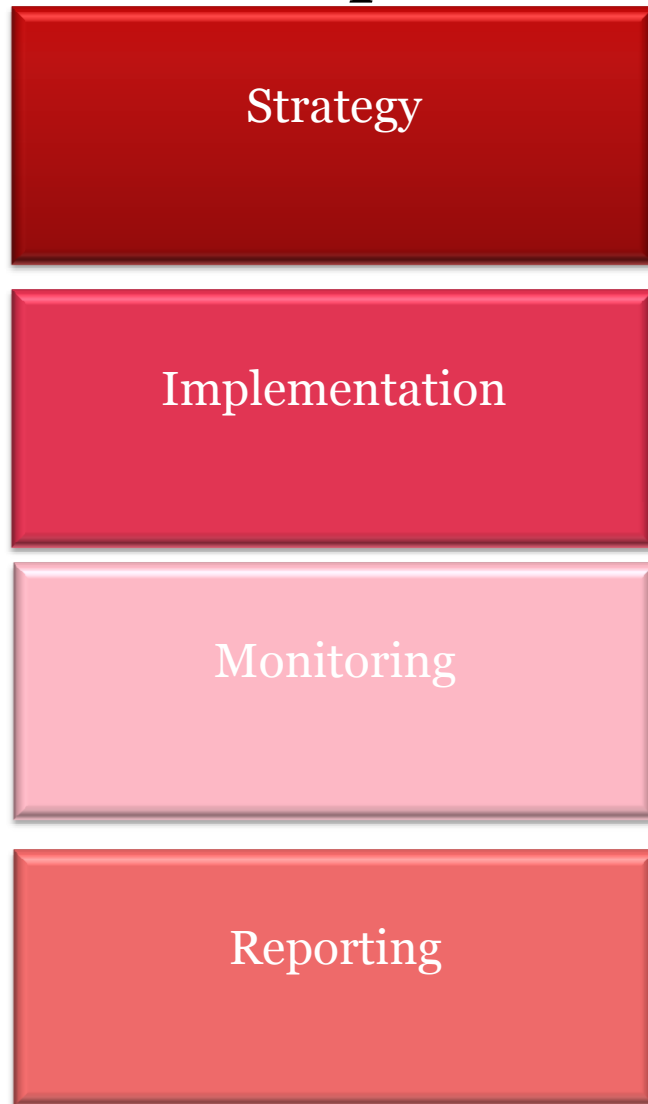
FSA fines bank £525,000
For anti-money laundering
control failings

15 May 2012

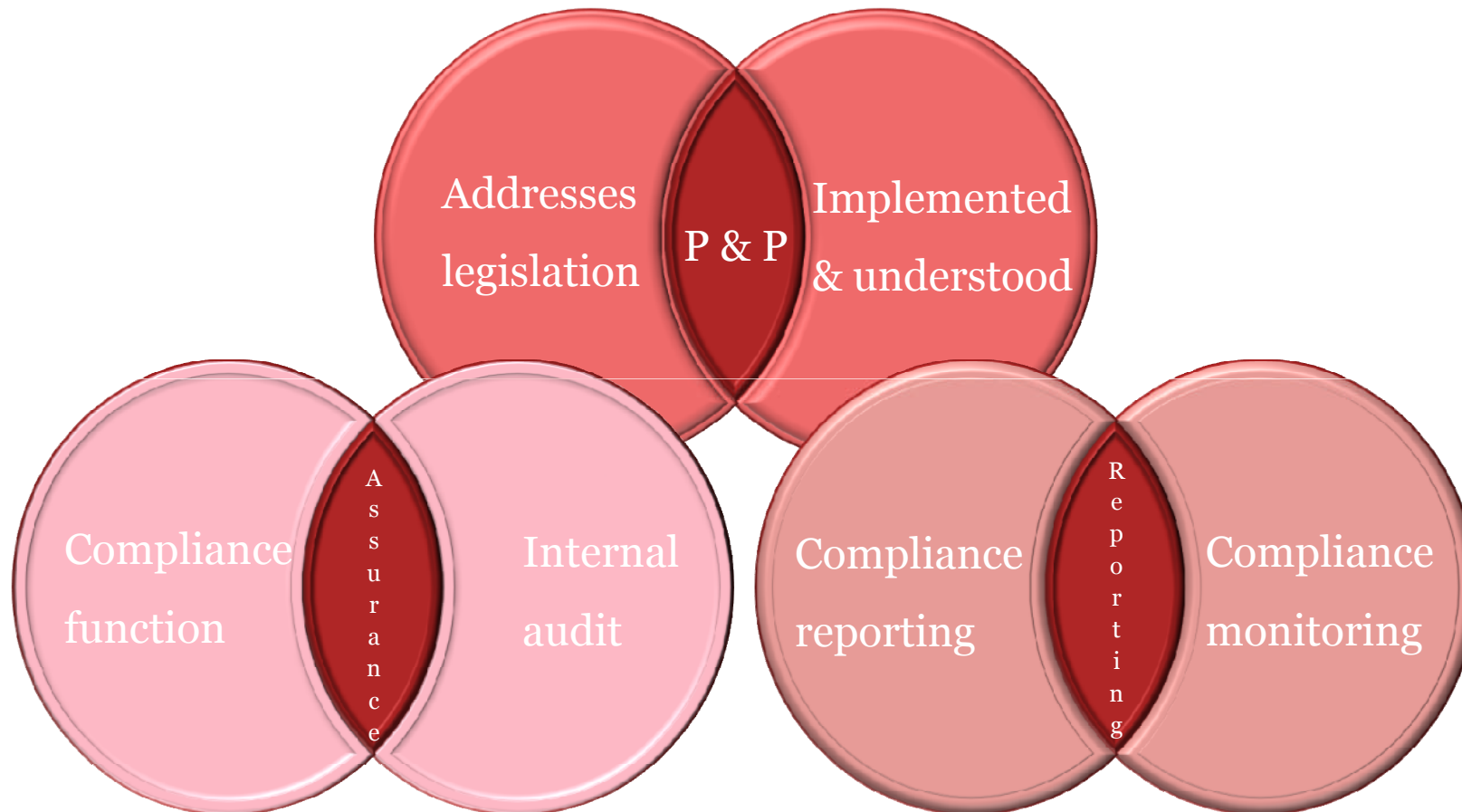
FSA fines MLRO £17,500
For anti-money laundering
control failings

Civil penalties – 3 April 12
JFSC published a consultation
paper proposing that a power
be introduced to allow to
impose civil penalties

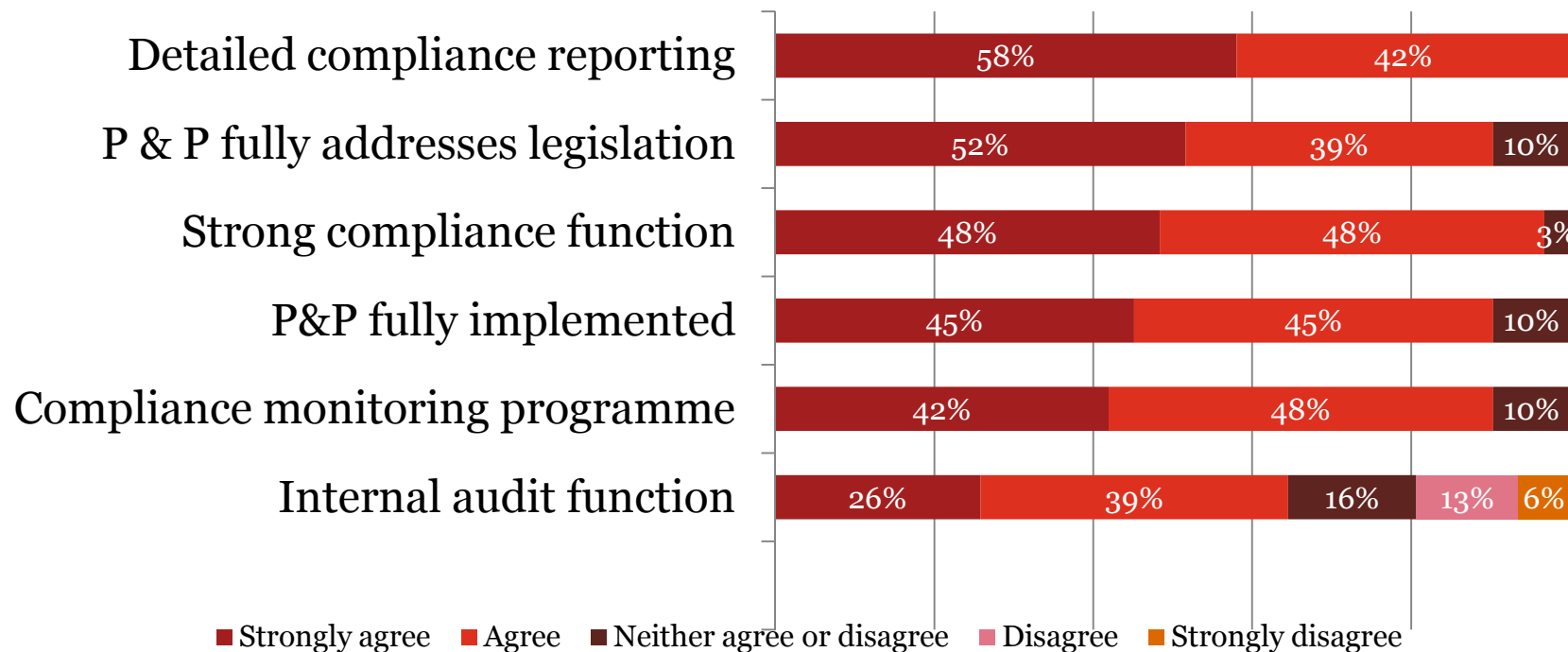
Board responsibilities – AML Handbook



Survey - Where do NEDs get their comfort over compliance with AML laws and regulations from?

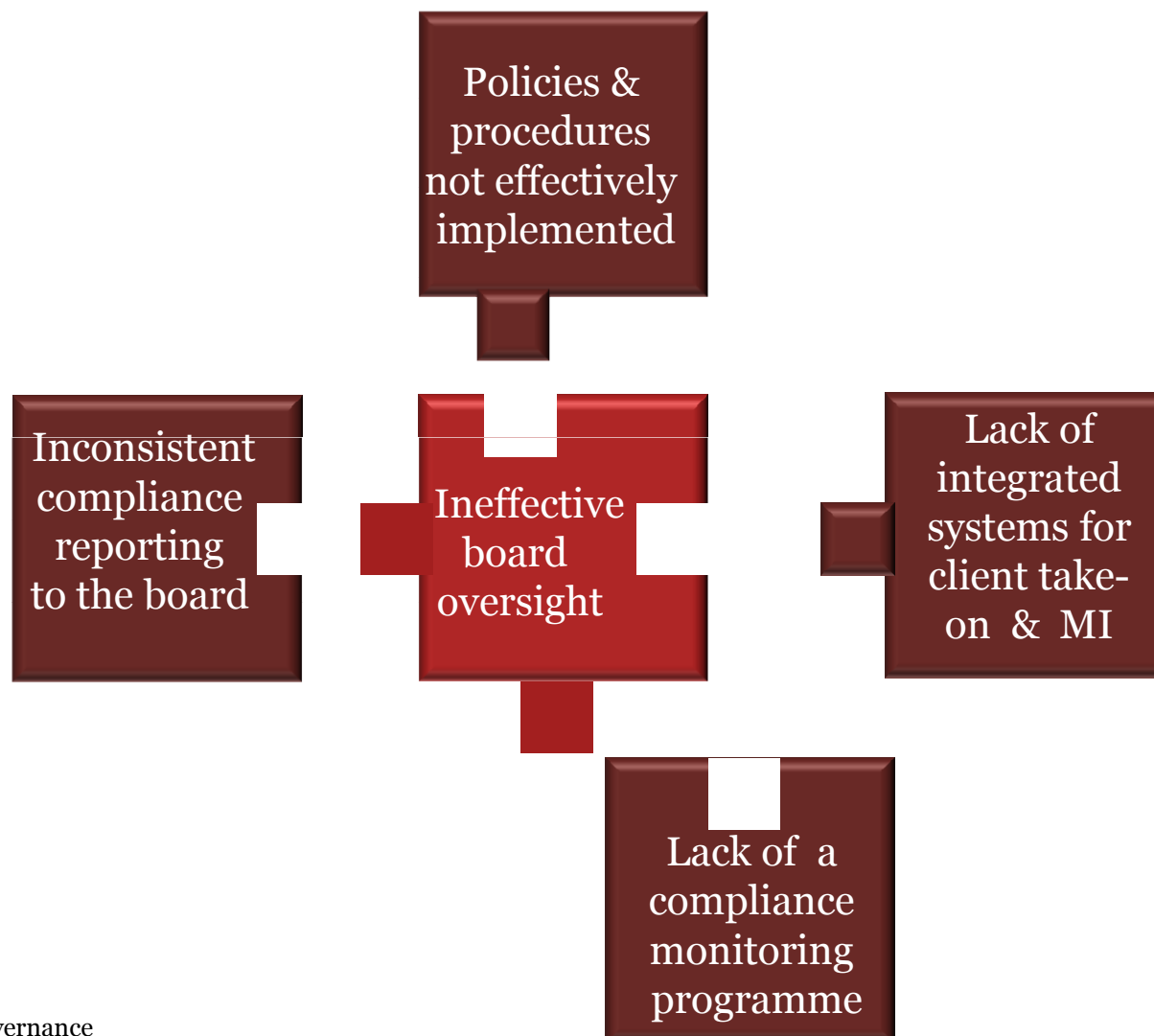


Where do NEDs get their comfort over compliance with AML laws and regulations from?

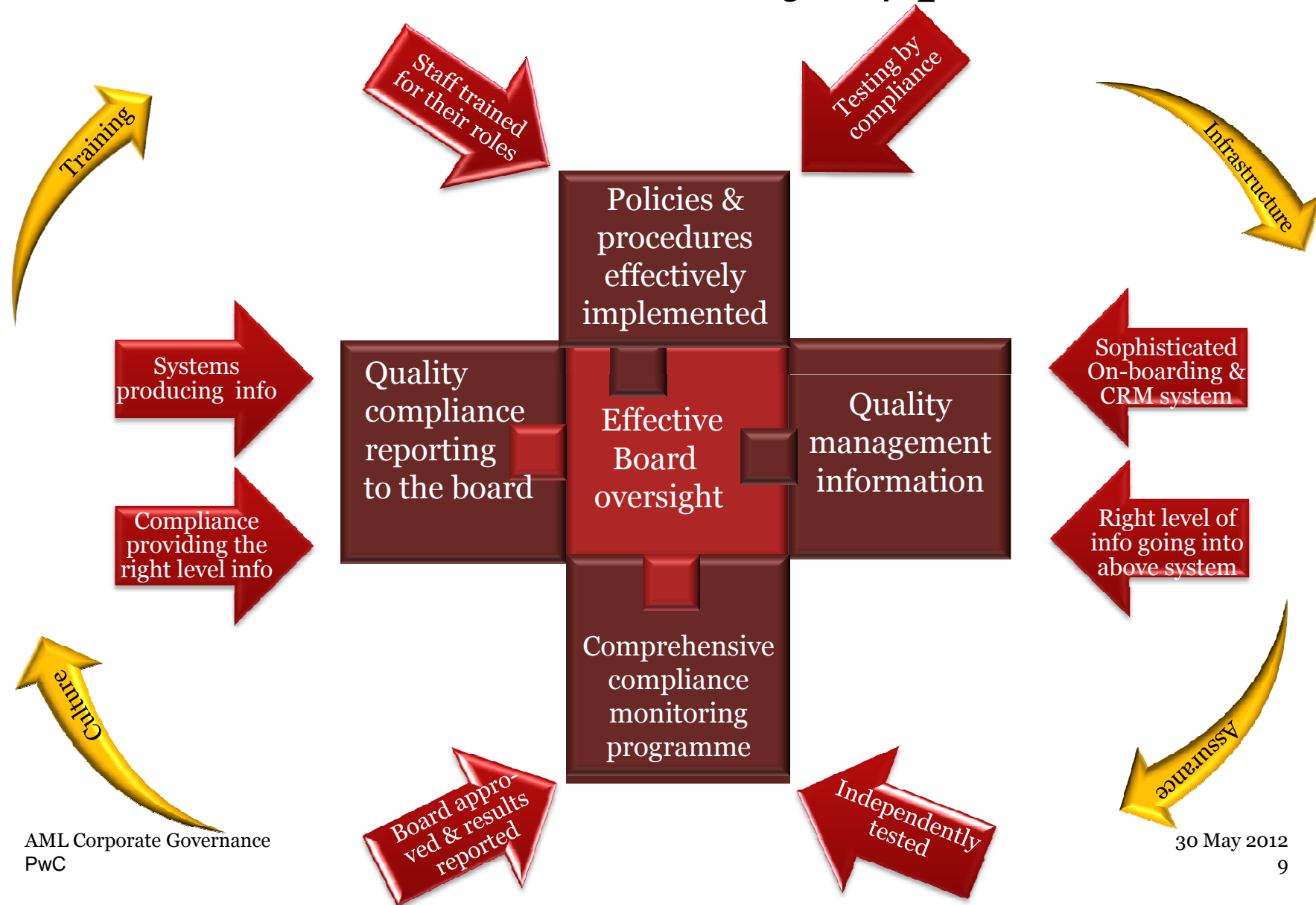


Source: Survey of over 30 NEDs in the Channel Islands

What issues do we find in practice?



How could these issues be rectified/ prevented?



A few questions for boards?

- How long does my average AML take-on procedure take?
- Is this client going to be profitable once I factor in the compliance cost?
- Do I know where AML really sits on my staff's priority list?
- Do I know if I've got staff in need of additional AML training?
- Do we use our AML framework to restrict our BD strategy to targets we know we can actually take on?

Contact



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