

## AML Risk Manager for Life Insurance

### Accurately Detect and Prevent Money Laundering



The insurance industry, including life insurance products, is increasingly susceptible to money laundering activities. Life insurers must be diligent in establishing an effective AML program or risk noncompliance with regulations and significant reputational harm. AML Risk Manager from Fiserv provides the comprehensive capabilities to detect, alert, manage and report money laundering threats, enabling analysts to focus on investigation.

The life insurance sector, like other financial services, is attractive to money launderers seeking to place funds into a financial product that will provide them with a reliable, clean return of funds invested. Under the U.S. Bank Secrecy Act (BSA), all life insurance companies that offer products with a cash value, investment or annuity must implement an AML program, train employees and report suspicious activity. To meet these requirements and mitigate these risks, compliance officers need to be armed with processes and technology suited to the specific needs and risks of life insurance firms. With its proven track record in the life insurance industry, AML Risk Manager can help quickly and cost effectively manage these challenges and meet regulatory compliance requirements.

#### Key Capabilities

##### Know Your Customer

AML Risk Manager offers user-friendly tools to manage KYC and enhanced due diligence, ensuring that client information is captured efficiently and accurately while adhering to regulatory requirements.

##### Monitoring and Alerts

AML Risk Manager provides innovative monitoring of transactions and events involving policies, parties and products based on known insurance money laundering scenarios, such as lump sum payments, early withdrawals, frequent address changes or high-risk payment methods.

When unusual activity is detected, alerts are delivered directly to your desktop and ranked by risk so that the most suspicious alerts can be investigated first. Alerts can easily be segmented based on your organizational structure, policies and processes. For example, Politically Exposed Persons (PEP) matches can be forwarded to one group, while suspicious activity alerts are forwarded to another.

The solution uses a unique combination of detection techniques including analytics, rules, behavioral profiling, peer group analysis and list matching designed specifically to identify insurance money laundering risks. This unique approach delivers highly accurate results, minimizing the numbers of false positives your compliance team receives.

Alert...	Priority...	Date	Party	Party Name	Description
913	High	23-Mar-2019	PARTY_4019	Bill Davis	Non Reportable Policy, Residence Address Change, Reportable Jurisdiction
912	High	23-Mar-2019	PARTY_4018	Charles Osteen	Value of Policy Significantly Changed from 415,100.57 to 6,687,505.10
911	Medium	22-Mar-2019	FPARTY1001	Zephyr/Kevin	Significant Indicia Change: Secondary Address - Country changed from Argentina to Panama
909	Medium	11-Feb-2019	PARTY_4021	BR Mutho Kumar	International PEP: B. R. MUTHU KUMAR (International PEP)
908	Medium	09-Feb-2019	PARTY_WLF-C10	AMID AL KUNI	External WLF Import: AMID HUSAIN AL KUNI (External WLF Import)
896	Medium	09-Feb-2019	PARTY_WLF-P148	+++MYONG GUK JON ???	UN Sanctions: JON MYONG GUK (UNSanctions)
884	Medium	09-Feb-2019	PARTY_WLF-C105	O C T A V I A GIRALDO SARREA	CheckOFAC: GIRALDO SARRIA, OCTAVIO (OFAC)

The monitoring technology for AML Risk Manager generates highly accurate alerts of detected suspicious behavior directly to your desktop.

AML Risk Manager also monitors non-financial events such as change of address, change of beneficiary and early redemption/cancellation, as well as monitoring activity around relevant dates such as the end of the free-look period, the planned maturity date and tax considerations. Intermediaries can also be monitored leveraging the solution's peer group analysis capability to detect any abnormal broker or agent behavior. Further, AML Risk Manager scores each policy at policy acceptance and on an ongoing basis, so that high-risk customers are monitored more closely.

### Watch List Filtering

The watch list filtering capabilities in AML Risk Manager provide innovative matching analytics and robust alert and case management features to help your organization reduce operational costs, mitigate compliance risks and achieve long-term regulatory, operational and IT objectives.

Watch list filtering screens client and vendor data against sanctions and PEP lists as well as custom lists and those provided by third-party data service providers. It also includes customer risk scoring. Watch list filtering capabilities can be applied to every process in an AML program, from customer due diligence and enhanced due diligence through periodic customer reviews and screening for wires and payments.

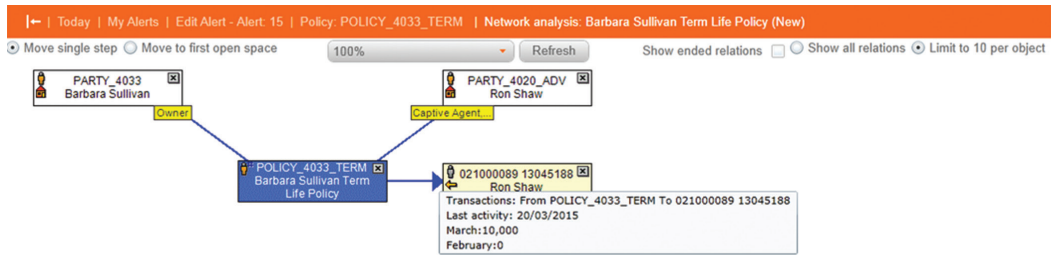
More importantly, it supports regulatory compliance with organizations such as the Office of Foreign Assets Control, the Office of the Superintendent of Financial Institutions and the United Nations.

### Risk Scoring

AML Risk Manager can create a risk rating for each policy and policy holder based on a risk profile using characteristics such as the customer's PEP status, country, product type and policy value. Each risk rating and profile is updated and monitored on an ongoing basis with any changes in the subject's characteristics or behavior. Risk rating customers and policies enables you to immediately respond to regulator requests to show your highest risk relationships. Also, risk scores inform detection scenarios, ensuring that you are investigating activities related to high-risk policies first.

### Investigation and Analysis

AML Risk Manager provides an easy-to-use investigation environment for advanced drill-down to all policy transactions, events and information, including activity with associated parties. Network or link analysis provides an innovative and highly effective way to help investigators visualize and investigate policy activity to uncover suspicious links and associations between parties, intermediaries and companies listed on each policy.



AML Risk Manager provides link analysis to identify suspicious networks between policy holders and potential agents. In this example, a party is both a captive agent on a policy as well a recipient of funds from that customer's other parties.

## Case Management

AML Risk Manager provides a fully integrated case management system to streamline compliance operations and to help investigators organize, prioritize and manage investigations – while creating a permanent audit trail for regulatory review, if needed. Within a case, all relevant information related to the case can be stored and easily updated as new information and evidence is uncovered.

## Reporting

Whether your life insurance firm is organized by country or product line, has a central compliance department or teams per business unit, our flexible system is easily configured to meet your specific requirements. AML Risk Manager supports a variety of country-specific compliance regulations and reporting requirements, and is able to manage multiple currencies and languages.

Reports are automatically generated based on defined suspicious activity criteria and can be configured based on the specific reporting requirements imposed by local authorities or regulatory bodies such as FinCEN and FINTRAC. AML Risk Manager includes a library of reporting templates, including SARs and threshold-based reports supporting both paper and electronic format, as required.

## Key Indicators

AML Risk Manager identifies key money laundering indicators, including:

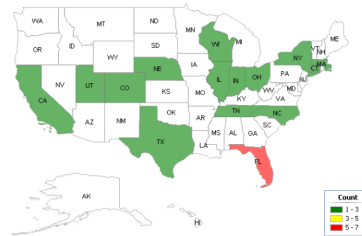
- Unusual number of policy owners per address or policies per customer
- Change of address, beneficiary or ownership, followed by a large payment
- Deposits higher than the face amount of the policy
- Change of bank account associated with a policy followed by a large withdrawal
- Early cancellation or surrender within a certain period and/or above a certain value
- Premiums paid with cash or other high-risk instruments
- International transfers by PEP
- Policies with high in-and-out activity within a certain period
- Investment exceeds normal value for income or occupation
- Frequent loan withdrawal with corresponding cash payment
- Regular premium payments followed by large lump-sum investment

# Customizable Dashboards

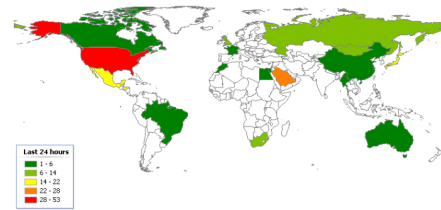


Current statuses per Feb 4, 2019 12:13:17 PM

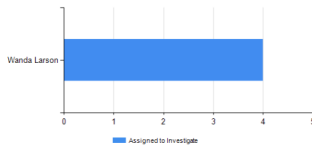
Alert Concentration by State



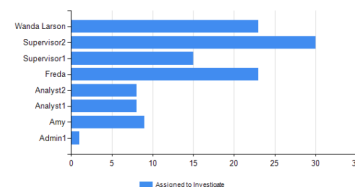
Transaction Geographic Distribution



Watchlist Alerts Per User



AML Alerts Per User



Fiserv is driving innovation in Payments, Processing Services, Risk & Compliance, Customer & Channel Management and Insights & Optimization. Our solutions help clients deliver financial services at the speed of life to enhance the way people live and work today. Visit [fiserv.com](http://fiserv.com) to learn more.

Start your morning by getting a quick and complete view of your AML operations program and have the insight you need right at your fingertips.

## Supporting AML Into the Future

More than 1,200 organizations across 70 countries worldwide use anti-money laundering and fraud detection software from Fiserv, including banks, credit unions, brokerages and insurance organizations. Fiserv provides the tools, solutions and expertise to support organizations' AML and fraud programs today and in the future.

AML Risk Manager is an industry-leading anti-money laundering solution that's comprehensive, efficient and adaptive to uncover even the most sophisticated crime schemes. Highly regarded by industry analysts, AML Risk Manager recently received 2018 IDC Leader Awards for Worldwide AML Solutions and Worldwide KYC Solutions and Celent awards for XCelent Service 2018, Transaction Monitoring and XCelent Service 2018, Watch List Filtering.

## Key Benefits

- Improve risk protection
- Streamline compliance operations
- Reduce operational costs
- Improve investigation efficiency
- Implement a risk-based approach to suspicious activity detection
- Meet regulatory requirements

## Connect With Us

For more information about AML Risk Manager, call 800-872-7882 or +44 (0) 845-013-1000 outside North America, email [getsolutions@fiserv.com](mailto:getsolutions@fiserv.com) or visit [www.fiserv.com](http://www.fiserv.com).



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