



# **Recent Developments - Financial Crime Guide for Firms and JMLSG Guidance 2011 MLRO's and AML Professional Summit**

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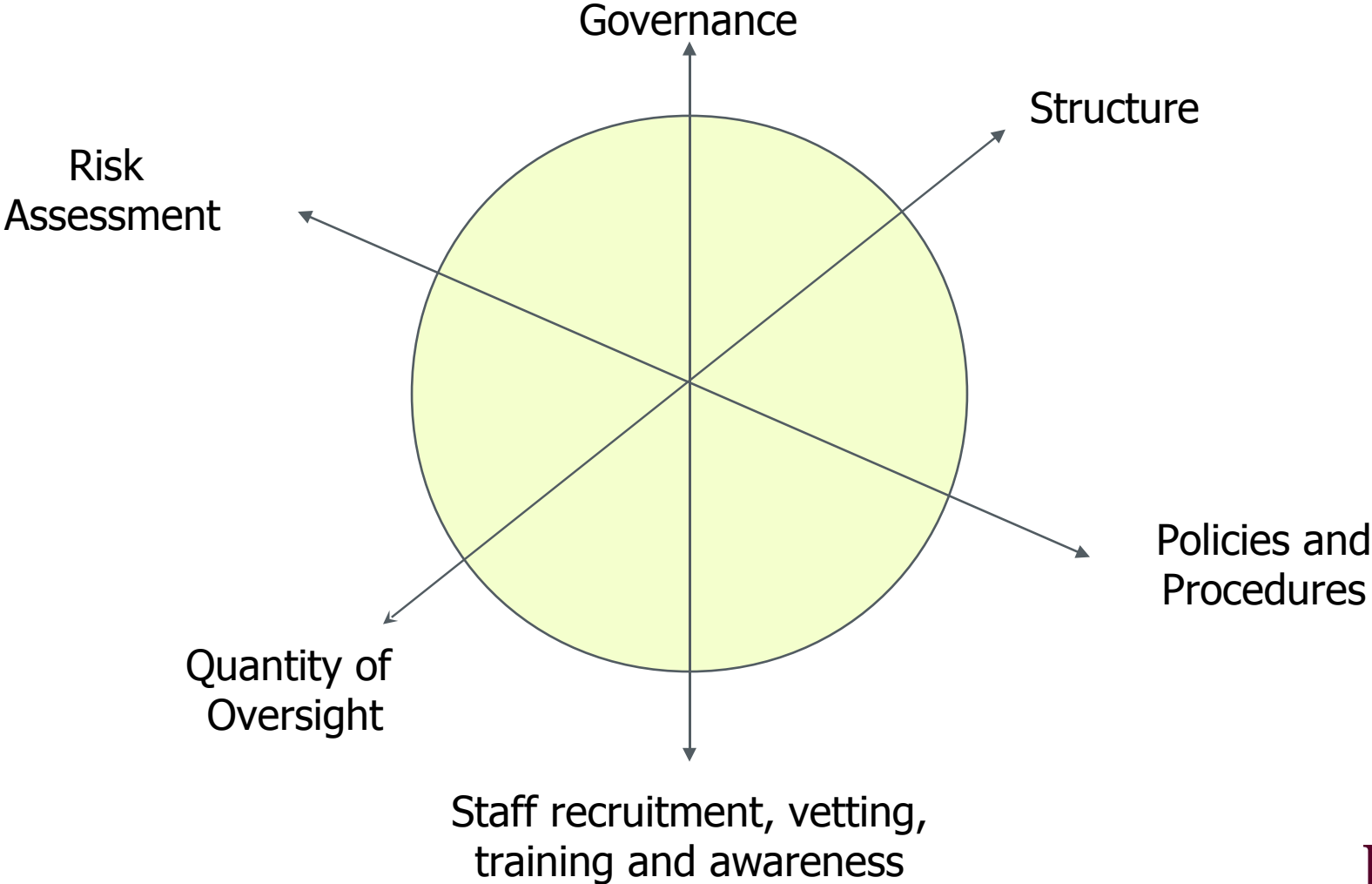
# Financial Crime: A guide for firms

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- Published - June 2011.
- Provides guidance on steps firms can take to reduce financial crime risk.
- 3 reasons to publish:
  - transparency
  - accessibility
  - reinforcement.
- Consultation period ended on 21 September 2011.
- Final version of text to be published in Q4.

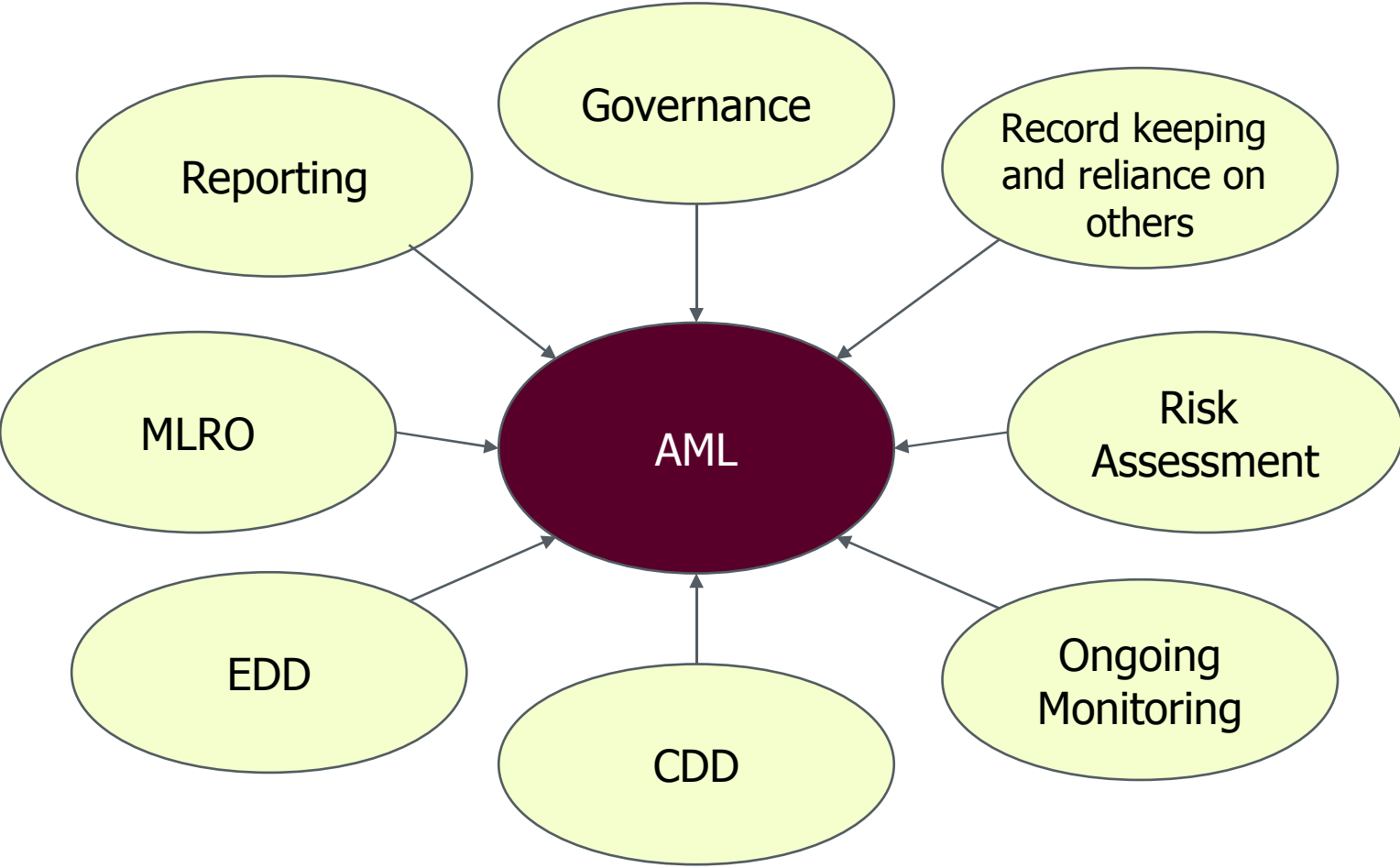
# CP11/12 Financial Crime Guide

**Financial Crime:** A guide for firms - Financial Crime Systems and Controls



# CP11/12 Financial Crime Guide (cont..)

**Financial Crime:** A guide for firms - Anti-Money Laundering (AML)



# CP11/12 Financial Crime Guide (cont..)

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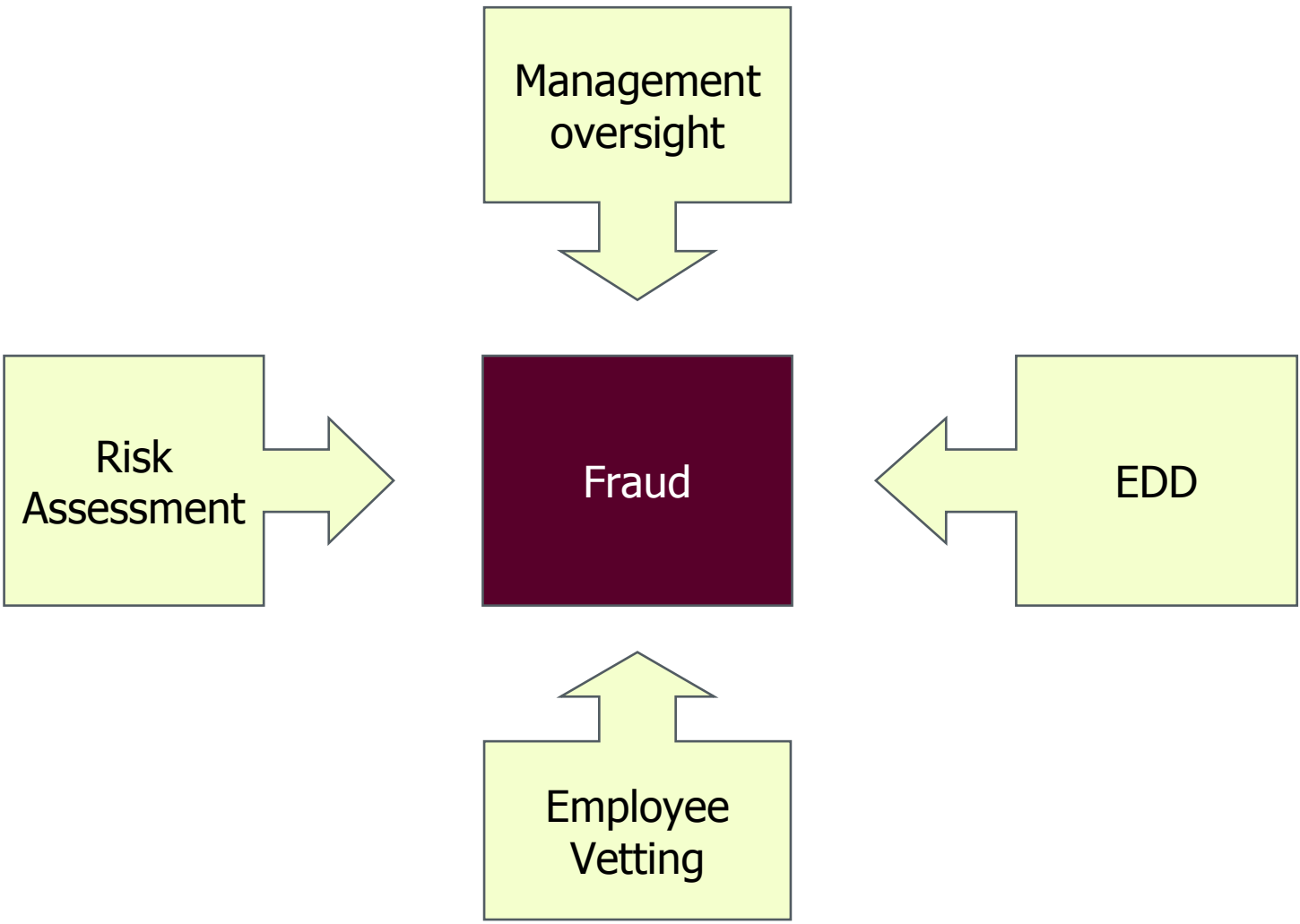
**Financial Crime:** A guide for firms - countering Terrorist Financing



# CP11/12 Financial Crime Guide (cont..)

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## Financial Crime: A guide for firms Fraud



# CP11/12 Financial Crime Guide (cont..)

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## **Financial Crime:** A guide for firms Data Security

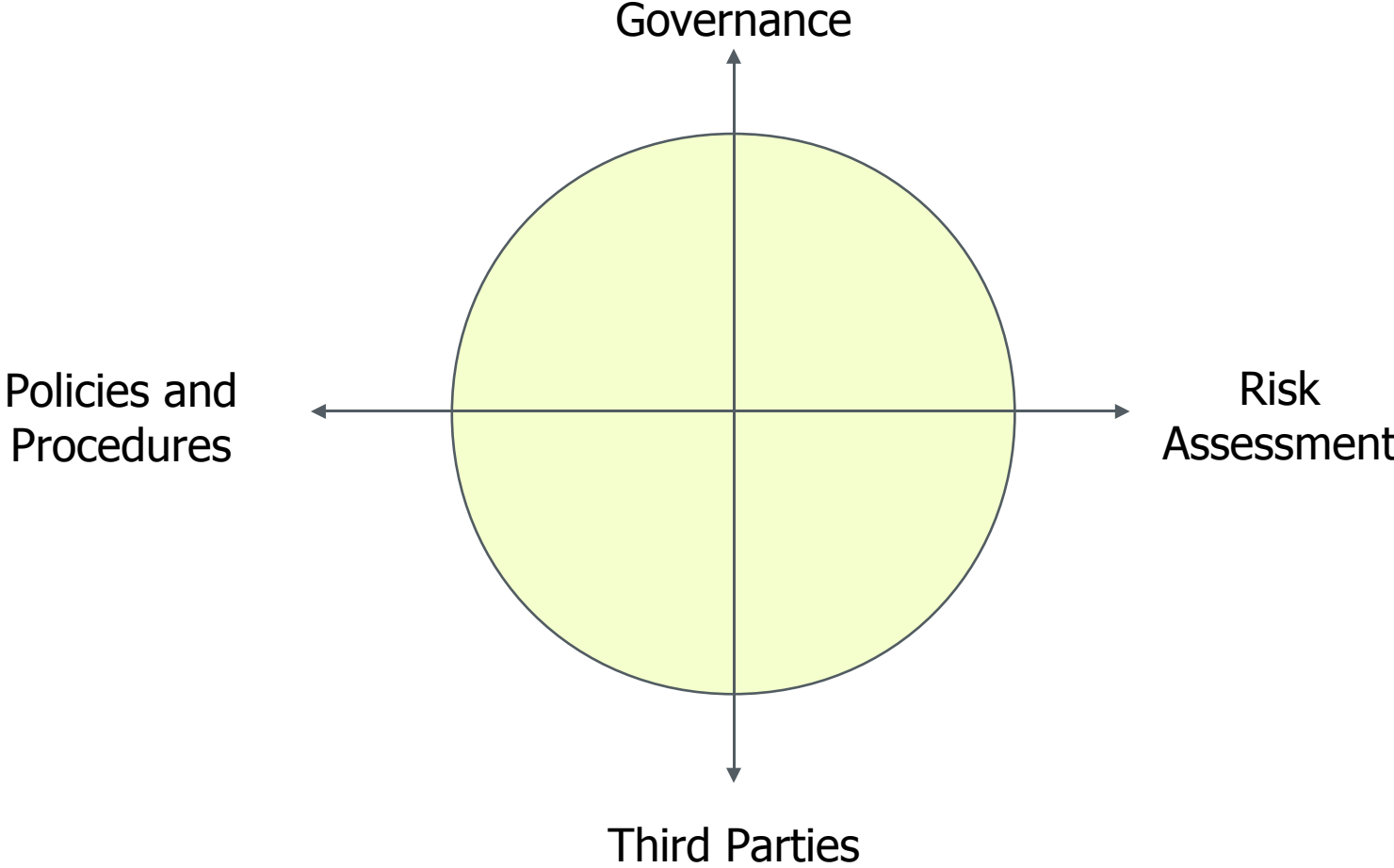
### Controls: Self Assessment Questions

- Is your firms customer data taken off-site?
- If so what levels of Security exist?
- How does the firm keep track of its digital assets?
- How does the firm dispose of documents?
- How are access to sensitive areas of business controlled?
- Are staff access rights reviewed? If so how often?
- Vetting of Staff?
- How are Staff made aware of data security risk?

# CP11/12 Financial Crime Guide (cont..)

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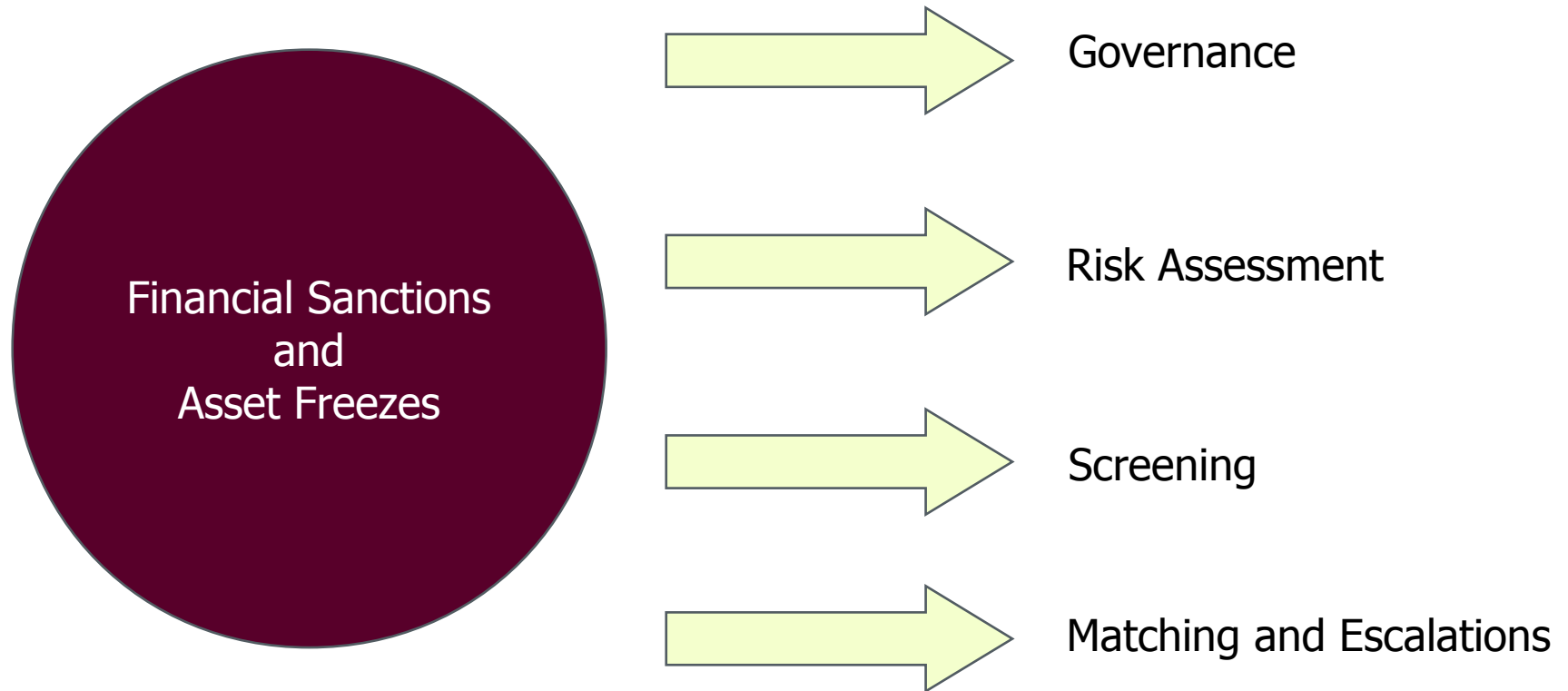
**Financial Crime:** A guide for firms Bribery and Corruption



# CP11/12 Financial Crime Guide (cont..)

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**Financial Crime:** A guide for firms Financial Sanctions and Asset Freezes



# CP11/12 Financial Crime Guide (cont..)

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## **Financial Crime:** A guide for firms - countering weapons Proliferation financing

- Does your firm finance trade with countries of concerns – eg Iran?
- If so, has EDD been carried out on counterparties and goods?
- Where doubt remains, is evidence sought from experts that the trade is legitimate?
- What other business takes place with these jurisdictions and what measures are in place to contain the risk of transactions being related to proliferation?

# Joint Money Laundering Steering Group Guidance Notes

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- Revised text published in September 2011
- Member Trade Associations invited to submit comments
- Member Trade Associations - happy with the present Guidance save for a small number of minor amendments
- Comments to be received on the draft Guidance by 17 October 2011

## Status of Part III

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- Draft - May 2010
- With the exception of Sections 1 and 5 - no ministerial approval
- RBS fine - £5.6m August 2010
  - RBSG failed to consider what policies and procedures required to comply with UK financial sanctions regime
  - Regulation 20
  - JMLSG and Regulation 42(3)

## Status of Part III (2)

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- Position of Treasury
  - Sanctions regime is separate from AML/terrorist finance regime
  - Regulation 45 relates to maintenance of appropriate policies for compliance rather than sanctions offences

Questions?

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**ANY QUESTIONS?**

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## 2011 MLRO's and AML Professional Summit

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*This document provides a general summary only and is not intended to be comprehensive. Specific legal advice should always be sought in relation to the particular facts of a given situation.*