



2019 BSA/AML/OFAC Training Series

IIB this year will again sponsor a training program on the U.S. anti-money laundering and sanctions program issues that are most relevant to international banks. The program is **open to member banks only** and consists of seven separate training sessions scheduled throughout the year at the New York offices of Arnold & Porter (250 West 55th Street). The first session is on April 25th at 9:00 a.m. Each session will focus on a topic targeted at various aspects of banks' operations (customer relationship personnel, BSA officers, legal, compliance, audit, and operations staff). We are delighted to be working again with Michael Mancusi and Kevin Toomey of Arnold & Porter in producing this program.

The registration fee for each session is \$395 per person (\$345 per person for 3 or more registrations for each session). As an alternative, you may reserve a place at each of the training sessions, which may be attended by whomever at your bank you choose (the same person need not attend all sessions) for an all-in registration fee of \$1,800 per person (\$1,500 per person for 3 or more such registrations from the same institution).

Date	Topic(s)
Apr. 25	AML and OFAC Sanctions Programs Basics
May 23	Identification and Management of Money Laundering and Terrorist Financing Risk
Jun. 19	Customer Due Diligence: Account Opening, Private Banking, and Politically Exposed Persons
Sep. 19	Correspondent Banking Issues
Oct. 24	Suspicious Activity Monitoring and Information Sharing
Nov. 14	Functions and Responsibilities of the BSA Officer; AML Training Programs
Dec. 12	Independent Testing and the Role and Function of Internal Audit; Examination and Enforcement Overview



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I. AML and OFAC Sanctions Programs Basics – April 25, 9:00 a.m. – 12:00 p.m.

The *AML Program Basics* segment will address the following topics: history of the Bank Secrecy Act; regulatory structure; money laundering basics, methodologies, and trends; AML risk assessments; AML programs; customer due diligence; account monitoring; suspicious activity identification and reporting; regulatory reporting requirements; and independent testing.

The *OFAC Sanctions Program Basics* segment will address the following topics: history and purpose of the economic sanctions programs; overview of current sanctions programs; Specially Designated Nationals and blocked persons; OFAC risk assessments; OFAC compliance programs; transaction monitoring and interdiction software; blocking vs. rejecting transactions; reporting obligations; independent testing; licensing; and OFAC enforcement guidelines.

Suggested audience: Junior/newly hired legal, compliance, audit, and back office staff

II. Identification and Management of Money Laundering and Terrorist Financing Risk – May 23, 9:00 a.m. – 12:00 p.m.

The session will address the following topics: elements of an effective AML risk management program; risks associated with the customer base; risks associated with the products and services offered to customers; identification of transaction-based risk; designations of primary money laundering concern; on-going evaluation of AML risk management program; and the role of regulatory guidance.

Suggested audience: Executives and legal, compliance, audit, customer representative, and operations staff

III. Customer Due Diligence: Account Opening, Private Banking, and Politically Exposed Persons – June 19, 9:00 a.m. – 12:00 p.m.

The session will address the following topics: minimum customer due diligence requirements; special due diligence requirements; enhanced due diligence requirements; stratification of customer base; high risk indicators; due diligence requirements for customers of affiliates and



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non-U.S. branches; politically exposed persons/senior foreign political figures; and FinCEN's Customer Due Diligence Rule.

Suggested audience: Executives and legal, compliance, audit, customer representative, and operations staff

IV. Correspondent Banking Issues – September 19, 9:00 a.m. – 12:00 p.m.

The session will address the following topics: minimum due diligence requirements; enhanced due diligence requirements; foreign bank certification; senior foreign political figures; relationship with Head Office and non-U.S. offices; pouch activities; payable through and concentration accounts; wire transfer and ACH activities; U.S. dollar clearing activities; trade finance activities; and transaction monitoring.

Suggested audience: Legal, compliance, audit, customer representative, and operations staff

V. Suspicious Activity Monitoring and Information Sharing – October 24, 9:00 a.m. – 12:00 p.m.

The *Suspicious Activity Monitoring* segment will address the following topics: suspicious activity reporting requirements; suspicious activity and red flags manual monitoring vs. automated monitoring; investigation procedures; escalation procedures; documentation of monitoring and filing decisions; drafting SAR narratives; sharing SARs within the organization; the New York Department of Financial Services new Part 504; and various case studies.

The *Information Sharing* segment will address the following topics: scope of information subject to sharing; responding to government requests; sharing among financial institutions; sharing within a banking organization; and use of information for monitoring purposes.

The session will conclude with a case study of how an SAR leads to law enforcement investigations, indictments, and criminal convictions for money laundering and terrorist financing.

Suggested audience: Legal, compliance, audit, and operations staff



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VI. Functions and Responsibilities of the BSA Officer; AML Training Programs – November 14, 9:00 a.m. – 12:00 p.m.

The *Functions and Responsibilities of the BSA Officer* segment will address the following topics: primary duties; AML risk management; management and board reporting; evaluation of staffing (levels and requisite expertise); relationship between compliance and internal audit; regulatory reporting requirements; and training.

The *AML Training Programs* segment will address the following topics: types of training; assessing training needs; integration of monitoring data and trends; sources of training; and developing function-specific training.

Suggested audience: BSA officers and legal, compliance, and audit staff

VII. Independent Testing and the Role and Function of Internal Audit; Examination and Enforcement Overview – December 12, 9:00 a.m. – 12:00 p.m.

The *Independent Testing and the Role and Function of Internal Audit* segment will address the following topics: AML Audit Requirements (frequency and scope); Regulatory Expectations; Audit Independence; Competence of Audit Staff; Use of Third Party or Head Office Auditors; and Management Response and Remediation.

The *Examination and Enforcement Overview* segment will address the following topics: developing an examination strategy; first day letters; assembling a response to the first day letter; preparation and presentation of materials; establishment of examination protocols; addressing issues during the examination; post-examination issues; and potential enforcement actions; enforcement powers of various regulators; role of FinCEN; law enforcement referral; potential consequences of regulatory or criminal actions; and trends and lessons learned.

Suggested audience: Executives and legal, compliance, and audit staff