

Why is customer screening necessary?

The consequences of failure to comply with customer screening include enforcement action, often large fines and reputational damage.

The ultimate aim of customer screening is to find out whether your customers are or could be linked to money laundering, bribery and corruption, terrorist financing, or another form of financial crime, and, if they are, **to protect your business by taking evasive action** (by declining to do business) or appropriate follow up action (through enhanced due diligence (EDD) or a suspicious activity report (SAR)).

In order to accomplish this, **organisations are required to perform a customer screening** to check whether entities and related parties appear on any sanction, terrorist financing or PEPs (Politically Exposed Person) watchlist. In addition to reviewing watchlists, a search should be performed if the mentioned entities or related parties appear in any AML related news published in the media or on any internal list.

Save time by outsourcing and focus on your core business



Best practices

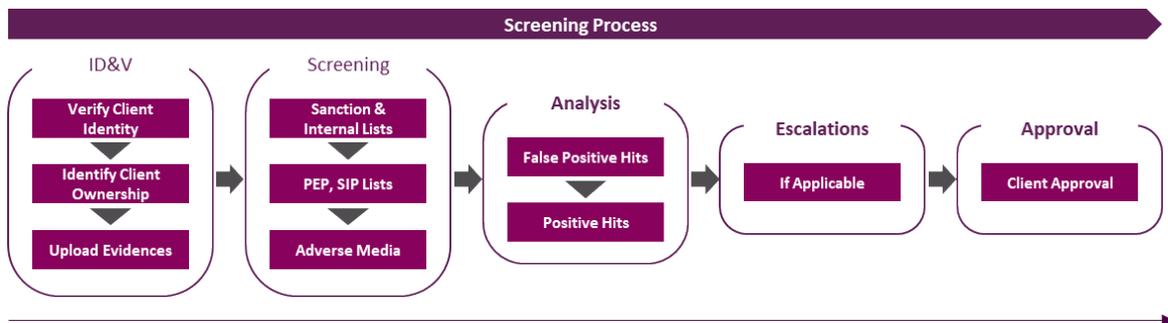
- Integrate with high quality and wide range of trusted data sources
- Perform a risk-based approach
- Rely on best-in-class technology platforms and experience professionals
- Conduct ongoing monitoring

What is the process of screening?

Organisations need to perform a detailed politically exposed person (PEP), adverse media and sanction lists screening when onboarding new customers, as well as during the ongoing review of clients, to ensure that the organisation's reputation is protected.

Process:

- ID&V: Verify the client identity and the related parties
- Screening against PEP, Sanction and internal lists, adverse media
- Analyse the results of the screening to discard false positive hits and focus on the positive hits
- Escalations to the client when there is a positive hit
- Client approves the results



If you would like assistance on any of the issues covered in, or raised by this paper, please contact us.

Sionic – experts in client lifecycle management

We are agile, independent and hold a straightforward philosophy that outstanding people produce outstanding work. Sionic has excellent CLM process expertise, combined with compliance knowledge and a deep understanding of the key technology and data providers.

Our due diligence teams are ACAMS accredited and have a minimum of 4 years' experience. The Sionic Partners are ex-practitioners and have managed CLM and broader operations functions within Tier 1 and 2 banks. www.sionic.com



Meet our experts



Pino Vallejo, Managing Partner

I am a hands-on operations executive. I have a proven track record in delivering automation across organisations, while maintaining full control and security over processes and alignment with Federal Reserve, SEC and FINRA regulations.

I specialise in bilateral and syndicated loans, global trade finance, corporate finance, structured finance, and global treasury supporting foreign exchange, derivatives, futures, US and international equities, US and international fixed income, mortgage backed securities, repo trading, money markets, and electronic cash management. I am [ACAMS](#) certified in both KYC and CDD, with expertise in [Fenergo](#), [Pega](#), [iMeta](#) as well as a range of in-house solutions.

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Jenny Tatum, Partner

In the industry I am recognised as a credible and inspiring leader of operations and COO teams with more than 20 years of experience across several financial institutions. During the last 6 years I have focused on financial crime in particular [client lifecycle management](#), leading run the bank, remediation and transformational change programs to meet regulatory requirements and protect the bank and their clients from financial crime.

I bring a strong execution mindset underpinned by core values that support and energise teams to perform at their best. Creative thinking, problem solving, tenacity and quality results are my key competencies delivered through a strong team approach and a collaborative management style.

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