



**GLOBAL
COMPLIANCE
INSTITUTE**



CERTIFIED COMPLIANCE MANAGER

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Introduction

Chapter I: Customer Onboarding and KYC

- Identification of Individual Accounts
 - Personal Affirmation Document
 - Address
 - Work and Income Information
 - Purpose of Account Opening
 - Authorised Signatories
 - Queries

- Requirements for Identification of Corporate Accounts

- Charities and Non-Profit Organisations
- Account Opening for Companies Under Registration
- Embassies and Government Agency Accounts
- Accounts of Minors
- Accounts by Power of Attorney or Bank Authorisations

Knowing all the Requirements for Individual Accounts

Knowing all the Requirements for Corporate Accounts

Knowing all the Requirements for Different Account Types

Competencies

➤ Identifying the Real Beneficiary of the Account

How to Identify the Real Beneficiary of an Account



➤ KYC Customer Identification Form

- First: Customer Information
- Second: Address (Residence Indicator)
- Third: Work and Income Information
- Fourth: Account Management Information
- Fifth: Inquire About Politically Exposed Persons PEP
- Sixth: Telephone Number
- Seventh: Inquiry about (FATCA)
- Eighth: Customer Signature
- Design for a KYC form (Individuals)

How to Create a KYC Individual Customer Identification Form



Competencies

- Know Your Customer Entity Form (Companies)
 - Identifying Owners and Natural Shareholders
 - Identifying the Authorised Signatories of the Company
 - FATCA information on the KYC Form
- KYC Form Design for Companies

How to create a KYC Companies Customer Identification Form



- General Terms and Conditions
- European Data Protection Act (General Data Protection Regulation - GDPR)

Knowing the General Terms and Conditions for Account Opening



What You Need to Know about GDPR



- Accepting Instructions by Fax or Email

How to Accept Instructions by Fax or Email



- Summary of Account Opening Requirements – Individuals
- Summary of Account Opening Requirements - Entities
- Summary of Account Opening Requirements - Non-Profit Organisations

Knowledge of All Account Requirements



Competencies

➤ FATCA Procedures When Opening an Account

- W-9 Form
- W-8BEN Form
- W-8BEN-E Form

FATCA
Procedures
When Opening
an Account



➤ Opening (Non-Face-to-Face) Accounts

- Incomplete Accounts
- Modifying the Customer Data

Special Cases
When Opening
an Account



➤ Customer Risk Rating

- First: Customer Type
- Second: Geographical Factor
- Third: Products, Services, and Delivery Channels Factors

Customer Risk
Rating Factors



➤ KYC Update

- Online KYC Update

How to Update
Accounts
(KYC Update)



➤ Dormant Accounts

How to Deal
with Dormant
Accounts



➤ Closure of Accounts

How to Close an
Account



Competencies

- Account Opening Procedures
 - Opening Accounts, and Activating Them through Branches
 - Activating Accounts through Central Management
 - Best Practices for Account Opening Mechanisms

Knowing the Account Opening Procedures



- Digital Identity and Electronic Know Your Customer (EKYC)
- Digital Identity Highlights
- Digital ID Challenges
- A Proposed Mechanism for Implementing Digital ID
 - ID Verification
 - KYC Information (Identifiers)
 - Name Screening
 - Applicant ML Risk Rating
 - Address Verification
 - Work Verification
 - Signature
 - Periodically Updating the Customer Profile
 - Monitoring Account Transactions

Knowing the Digital Identity Procedures and EKYC



Chapter II: Anti-Money Laundering and Counter-Terrorism Financing

- The Concept of Money Laundering
 - Criminal Offences
 - Financial or Physical Returns from the Original Crime
 - Camouflage and Concealment
 - Knowledge of the Source of Funds

Knowing the
Concept of Money
Laundering



- The Stages of Money Laundering
 - The First Stage: Placement
 - The Second Stage: Layering
 - The Third Stage: Integration

Knowing the
Stages of Money
Laundering



- Terrorist financing
 - The Difference Between Terrorism Financing and Money Laundering
 - Terrorism Financing Indicators (Red Flags)

Knowing the
Concept of
Terrorism
Financing



Competencies

- Consequences of Money Laundering and Terrorism Financing Crimes
 - Encouraging Original Crimes
 - Negative Impact on Financial and Economic Decisions
 - Negative Impact on Legitimate Businesses
 - Negative Effect on the State's and Financial Institution's Reputation
 - Exposure to Fines or Sanctions

Knowing the Consequences of Money Laundering and Terrorism Financing Crimes



- Legal Framework for Money Laundering and Terrorism Financing Crimes

Knowing the Legal Framework for Money Laundering and Terrorism Financing Crimes



- Due Diligence and Customer Identification Requirements

Knowing the Due Diligence and Customer Identification Requirements



- The Most Important Methods of Money Laundering and Financing of Terrorism
 - Cash Deposits
 - Red Flags for Bank Accounts
 - Red Flags for Wire Transfers
 - Red Flags for Safety Deposit Boxes
 - Red Flags for Credit Facilities
 - Trade Financing and Letter of Credit (Import and Export)
 - Red Flags for Electronic Banking Services
 - Red Flags for Customer Behaviour
 - Red Flags for Employee Behaviour
 - Foreign Letter of Guarantee
 - Insurance Companies
 - Fuel Stations, Restaurants and Business Activities with Intensive Cash
 - Casinos
 - Real Estate Trading
 - Shell Companies
 - Virtual Currencies
 - Virtual Assets Red Flag Indicators

Knowing the
Methods of
Money
Laundering and
Financing of
Terrorism



Chapter III: Advanced AML Investigations

- Introduction
- Correspondent Banking
 - Payable Through Accounts – PTA
 - Nesting and Down Streaming
- Internal Accounts
- Transactions Monitoring
- Alert Investigations (Case Management)
- Confidentiality of Suspicious Activity Reports
- AML FinTech Highlights
 - Where FinTech and RPA Make More Sense
 - FinTech Benefits/Impact
 - FinTech Challenges

Knowledge of Correspondent Banking



Understanding Internal Accounts



Knowledge of Transactions Monitoring



Knowing the Confidentiality of Suspicious Activity Reports



Knowing the AML FinTech Highlights



Competencies

- AML Robotic Process Automation (Case Management)
 - Automated AML Investigation Robotic Processes (Case Management)

Understanding
AML RPA



- International Competent Bodies Relating to Anti-Money Laundering and Counter-Terrorism Financing
 - FATF – Financial Action Task Force
 - Bank for International Settlement - BIS
 - The Wolfsberg Group
 - Egmont Group
 - International Monetary Fund

Knowing the
International
Competent
Bodies Relating
to AML and CTF



- Summary of FATF Recommendations

Knowing the
Summary of FATF
Recommendations



Competencies

➤ 5th AML Directive

- The Main Objective of the 5th AML Directive
- Changes to Certain Customer Due Diligence Measures
- Lists of Politically Exposed Persons (PEPs)
- Clarification of the Measures to be Taken in Relation to Transactions Involving High-Risk Third Countries
- New Transparency Measures

Knowledge of the 5th AML Directive



➤ Factors for a Successful Compliance and AML Program

- Independence and Appropriate Location within the Institution's Structure
- The relationship between Anti-Money Laundering and Regulatory Compliance Functions
- Qualified Team
- Automatic Systems and Keeping Abreast of Technological Developments
- The AML Manager's Mindset and Approach
- Policies and Procedures
- Continuous Training and Keeping Abreast of Developments
- Independent Audit

Understanding the Factors for a Successful Compliance Program



Competencies

- Money Laundering Risk Classification
 - First: Customer Type
 - Second: Geographical Factor
 - Third: Type of Service, Product or Delivery Channel

Knowing Money Laundering Risk Classifications



- Customer Risk Rating

Understanding Customer Risk Ratings



- Types of Money Laundering Risk Classification

Knowledge of the Types of ML Risk Classifications



- Electronic AML Risk Rating
 - Risk Assessment of Correspondent Banks
 - AML Risk-Based Approach

Understanding Electronic AML Risk Ratings



- Control Type & Function
 - Multiple Controls

Understanding Control Types and Functions



- Determining the Date of the Next Examination

How to Determine the Date of the Next Examination



- Monitoring and Analysing Statistical Data Relating to the Risk Approach

How to Monitor and Analyse Statistical Data



Chapter IV: International Sanctions and Embargoes

- Introduction
- Definition of Sanctions
- Types of Sanctions
 - Comprehensive Sanctions
 - Sectoral Sanctions
 - Targeted Sanctions
- Definition of Embargo
- International Context
 - United Nations
 - Security Council
 - United Nations Security Council (UNSC) Sanctions Regimes
 - Types of UNSC Sanctions
- EU Sanctions
 - EU Thematic Restrictions
 - Ownership and Control as per the EU Sanctions
 - EU Licensing

Understanding
What a Sanction Is

Knowing the
Different Types
of Sanctions

Knowing the
Definition of
Embargo

Understanding
the International
Context of
Sanctions

Knowledge of EU
Sanctions

Competencies

- United States Initiatives
 - US Patriot Act
 - The Office of Foreign Assets Control (OFAC)
 - OFAC Lists
 - Who Must Comply with OFAC Regulations
 - OFAC Licence

Knowing the United States Initiatives



- The Australian “Autonomous Sanctions Act”

Knowing the Australian “Autonomous Sanctions Act”



- Global Sanctions Regimes

Knowing the Global Sanctions Regimes



- The Importance of Imposing Sanctions

Knowing the Importance of Imposing Sanctions



- Role of Governments and Regulators
 - Foreign Policy
 - Import and Export
 - Regulators
 - Governments

Knowing the Role of Governments and Regulators



Competencies

Understanding
the Role of
Financial
Institutions



➤ The Role of Financial Institutions

➤ Processes

- Account Opening
- De-Risking Activities
- Banking Authenticated Messages
- Trade Transactions
 - Credit
 - Swift Integration
 - Documentary Credit Messages
 - Vessel Name
 - Vessel Flag
 - Vessel Picture and Class
 - Vessel Location and Route
 - Ports and Passage
 - Sanctions Violations
 - Ownership
 - Vessel Status
- Other Products and Services
- Dealing with High-Risk Countries

Knowing the
Internal
Processes to
Ensure
Sanctions
Compliance



Competencies

➤ Systems

- Computer Assisted Audit Techniques (CAATs)
- System Internal Lists
- General Sanctions Software Highlights

Understanding Which Sanctions Systems Are Required



➤ SWIFT Recommendations

Knowing the SWIFT Recommendations



➤ Name Screening Algorithms and Reducing the Number of False Hits

Knowing How to Reduce the Number of False Hits



➤ Additional Advice for Reducing False Hits on your Name Screening System

- Screen the Data against its Category
- Structured Data Vs. Unstructured
- List Set
- List Review
- Unifying Related Alerts
- Weak Aliases
- Heavy and Light Words
- Machine Learning

Understanding Additional Ways to Reduce False Hits on Your Name Screening System



- Reporting
 - Violation Report - Structure
 - Violation Reports – Interpreting the Results

Understanding
Violation Reports



- Sanctions Highlights
 - UN Sanctions on Sudan
 - US Sanctions on Sudan
 - UN Sanctions on Iran
 - US Sanctions on Iran
 - Financial Sector-Related Provisions
 - US Sanctions on Syria
 - Caesar Syria Civilian Protection Act
 - Executive Order on Hong Kong Normalization
 - US Sanctions on Cuba

Knowledge of
Sanctions
Highlights



Chapter V: Regulatory Compliance Management

- Regulators

- The International Context
 - Bank for International Settlements (BIS)
 - Basel Committee on Banking Supervision
 - Wolfsberg Group
 - Federal Reserve System
 - Australian Regulatory Agencies
 - Reserve Bank of Australia (RBA)
 - The Australian Prudential Regulation Authority (APRA)
 - Australian Securities and Investments Commission (ASIC)
 - The Treasury
 - The Organisation for Economic Co-operation and Development (OECD)
 - International Chamber of Commerce
 - European Data Protection Act (General Data Protection Regulation - GDPR)
 - How the Compliance Officer Deals with International and Regional Laws and Organisations

Understanding
the Role of the
Regulatory
Bodies



Understanding
the
International
Context of the
Regulatory
Bodies



Competencies

➤ The Compliance Function within the Financial Institutions (Practical Aspect)

Understanding the Compliance Function

➤ Compliance with Direct Regulatory Bodies' Instructions

Knowing How to Comply with Direct Regulatory Bodies' Instructions

➤ Compliance with Laws and Indirect Regulatory Bodies' Instructions

Knowing How to Comply with Laws and Indirect Regulatory Body Instructions

➤ Compliance with Internal Policies

Knowing How to Comply with Internal Policies

➤ Compliance Department Location within the Institution's Organisational Structure

Understanding Where Compliance Fits Within the Organisational Structure

➤ Relationship of the Compliance Department with Other Departments within the Institution

- Relationship of the Compliance Department with Internal Audit
- Relationship of the Compliance Department with the Legal Department
- Relationship of the Compliance Department with the Risk Department
- Relationship of the Compliance Department with the Anti-Money Laundering Department
- Relationship of the Compliance Department with the Chief Executive Officer (CEO)
- The Relationship of the Compliance Department with the Board of Directors and its Committees

Understanding How the Compliance Department Relates to Other Departments



➤ Organisational Structure

Understanding How the Organisation Should be Structured



➤ Compliance Policy

- The Scope and Purpose of the Policy
- Determining the Tasks of the Board of Directors
- Determining the Tasks of the Compliance Committee
- Determining the Responsibilities of the Executive Management Team for Monitoring Compliance
- Determining the Tasks and Qualifications of the Compliance Department
- Tasks of the Institution's Staff Regarding Compliance
- Communication with Regulatory Bodies

Understanding
How to Create
a Compliance
Policy



➤ Compliance Monitoring and Examination Process

- First: Monitoring Simple Requests
- Second: The Monitoring of Periodic Reporting to Regulators
- Third: Compliance Role in Work Procedures and Providing Advice
- Fourth: The Compliance Monitoring of Regulatory Requirements

Knowing
Compliance
Monitoring and
Examination
Processes



Competencies

➤ A Risk-Based Approach to Compliance Examinations

Applying a Risk-Based Approach to Compliance Examinations



➤ The Risk Assessment Process

Understanding Risk Assessment Processes



➤ Control Type & Function

- Multiple Controls

Knowing the Control Type & Function



➤ Determining the Date of the Next Examination

How To Determine the Date of the Next Examination



➤ Issuing Regulatory Compliance Reports

Knowing How To Issue Regulatory Compliance Reports



Chapter VI: Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS)

- FATCA Introduction
- Types of FATCA Agreements
 - Type I: Inter-Governmental Agreement– Model 1 IGA
 - Type II: Inter-Governmental Agreement– Model 2 IGA
 - Type III: Foreign Financial Institution (FFI) Agreement
- FATCA Entity Classification
 - Foreign Financial Institutions (FFIs)
 - Non-Financial Foreign Entities (NFFEs)
- FATCA & IDES Registration Process
 - FATCA Online Registration
 - IDES Online Registration
- Risk of Non-Compliance with FATCA
 - Material Breach
 - Event of Default
 - Consequences of Non-Participation of Financial Institutions in FATCA

Knowing The Types of FATCA Agreements



Knowing The FATCA Entity Classification



Knowing The FATCA & IDES Registration Process



Knowing The Risk of Non-Compliance with FATCA



Competencies

➤ Definition of a US Person (In Accordance with FATCA)

- Individuals
- Companies

Defining a US Person for FATCA



➤ FATCA Responsible Officer

Understanding the Remit of a FATCA Responsible Officer



➤ Tax Evasion Practices

Awareness of Tax Evasion Practices



➤ Establishing a FATCA Governance Framework

How to Establish a FATCA Governance Framework



➤ How to Deal with Pre-Existing Accounts (Four Methods)

- First: "Individual Account" Indicators
- Second: Corporate Account Indicators
- Third: High-Value Account Indicators
- Fourth: Accounts of Financial Institutions

Knowing How to Deal with Pre-Existing Accounts (Four Methods)



Competencies

➤ Documents Required for Accounts Subject to FATCA Law

- Form W-8BEN
- Form W-9
- Form W-8BEN-E

Understanding the Documentation Required for Accounts Subject to FATCA

➤ Joint Accounts

How to Open Joint Accounts Subject to FATCA

➤ Minors Accounts

How to Open Minor Accounts Subject to FATCA

➤ Power of Attorney

How to Open Power of Attorney Accounts Subject to FATCA

➤ Employee Accounts

How to Open Employee Accounts Subject to FATCA

➤ Recalcitrant Accounts

Understanding the Meaning of Recalcitrant Accounts

Competencies

- Annual Reporting
 - ONE: Reporting Entity Information
 - TWO: Accounts Reporting
 - THREE: Shareholder Reporting
 - FOUR: Payments Reporting
 - FIVE: Recalcitrant Accounts Pooled Reporting

How to Prepare Annual FATCA Reports



- Reporting Additional Information
 - Pooled Reporting
 - Reporting of Closed Accounts
 - Nil Reporting
 - Schema Requirement

Understanding Additional Reporting Requirements for FATCA



- Process for Preparing and Transmitting XML Files
 - Schema Validation
 - Sender Metadata
 - IDES Gateway
 - The Most Important Advice when Preparing FATCA Reports

Knowledge of Preparing and Transmitting XML Files



- Common Reporting Standard (CRS)
 - Background
 - CRS Activities
 - Taxation
 - Due Diligence
 - FATCA IGA/CRS Comparisons

Knowledge of the Common Reporting Standard (CRS)



Competency Types:

