Slide 1

Slide 2

International Compliance Association
Bill Howarth
Chief Executive
International Compliance Association

Slide 3

International Compliance Association
• International professional organisation
- objects are educational and professional
- global coverage (20+ countries)
• Courses and qualifications in association with University of Manchester Business School
• Quality assured educational partnerships
• Global Compliance and AML Officers Association Network
International Compliance Association

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University of Manchester Business School
• Founded in 1851 – one of the UK's leading universities
• Member of the Russell Group of top universities
• Business School – established as a 'Centre of Excellence' by the UK Government since 1965
• World class programmes– consistently among the UK's top 5 Business Schools
• Consistently high European and Global rankings
• Teaching rating of 'Excellent' by Government Funding Council
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Global Centres
Jersey
Guernsey
Isle of Man
Zurich
Geneva
London
Birmingham
Leeds
Manchester
Edinburgh
Bahamas
Bermuda
Cayman
British Virgin Islands
Hong Kong
Singapore
South Africa
Belize
Jamaica
Middle East -various
Portugal
New York
Paraguay
Argentina
Paris
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Membership Benefits
Benefits of Membership of the Association include:
• A certificated benchmark professional qualification
• On line Resource Centre – a jurisdiction specific and international database of laws, regulations and guidance
• Up to date newservice and on-line services
- jobzone
- products and services zone
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Membership Benefits (cont)
• Listing in International Membership directory
• Updates on international anti money laundering and compliance issues
• Information exchange – enabling members to exchange ideas, views, problems and information
• Useful links to industry related websites
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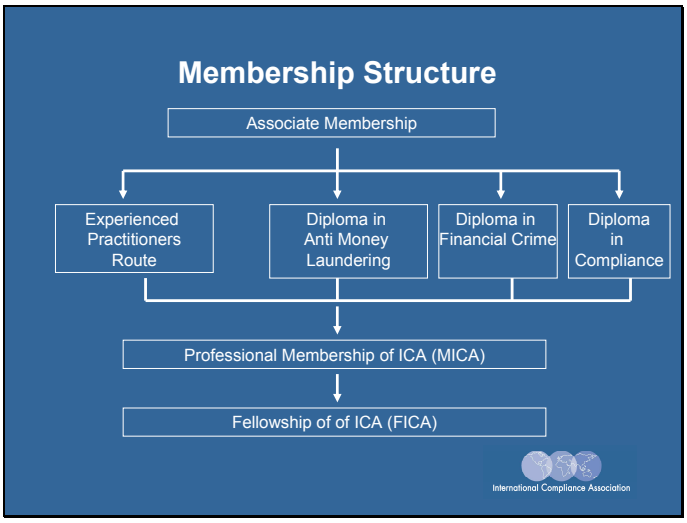
Membership Structure
Associate Membership
Experienced Practitioners Route
Diploma in Anti Money Laundering
Diploma in Financial Crime
Diploma in Compliance
Professional Membership of ICA (MICA)
Fellowship of of ICA (FICA)
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ICA Courses and Qualifications
• Diploma in Compliance
• Diploma in Anti Money Laundering
• Diploma in Financial Crime*
• Certificate in Compliance
• Certificate in Anti Money Laundering Awareness
UK and International versions on all courses are available
* UK – 2006 International - 2007
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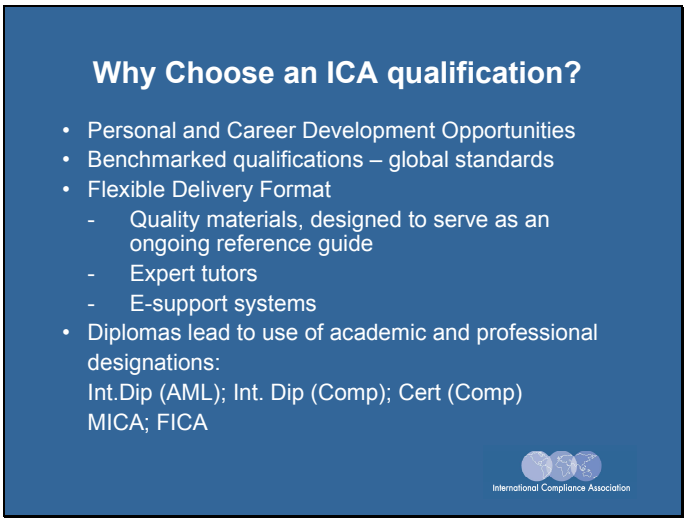
Why Choose an ICA qualification?
• Personal and Career Development Opportunities
• Benchmarked qualifications – global standards
• Flexible Delivery Format
- Quality materials, designed to serve as an ongoing reference guide
- Expert tutors
- E-support systems
• Diplomas lead to use of academic and professional designations:
Int.Dip (AML); Int. Dip (Comp); Cert (Comp)
MICA; FICA
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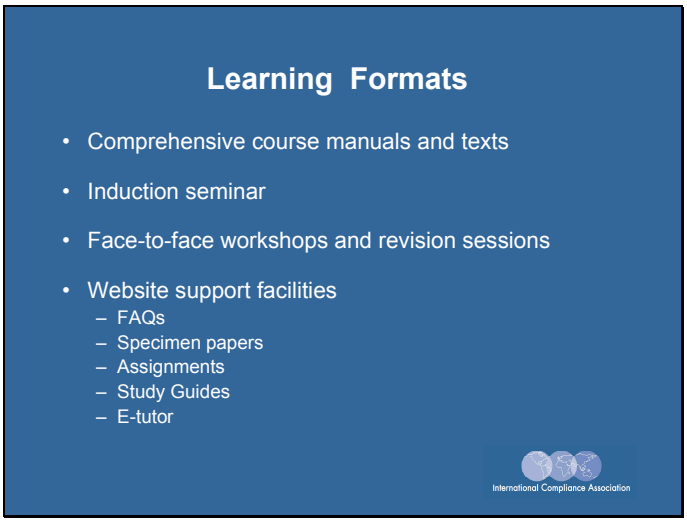
Learning Formats
• Comprehensive course manuals and texts
• Induction seminar
• Face-to-face workshops and revision sessions
• Website support facilities
– FAQs
– Specimen papers
– Assignments
– Study Guides
– E-tutor
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Who are the ICA qualifications aimed at?
• Compliance officers, managers and assistants
• Regulators
• MLROs
• Law Enforcement
• Internal Audit
• Accountants, Lawyers and Company Secretaries
• Risk Managers
• Fraud Managers
• Anyone who requires an in-depth knowledge of fundamental principles and procedures in Compliance, AML or Financial Crime
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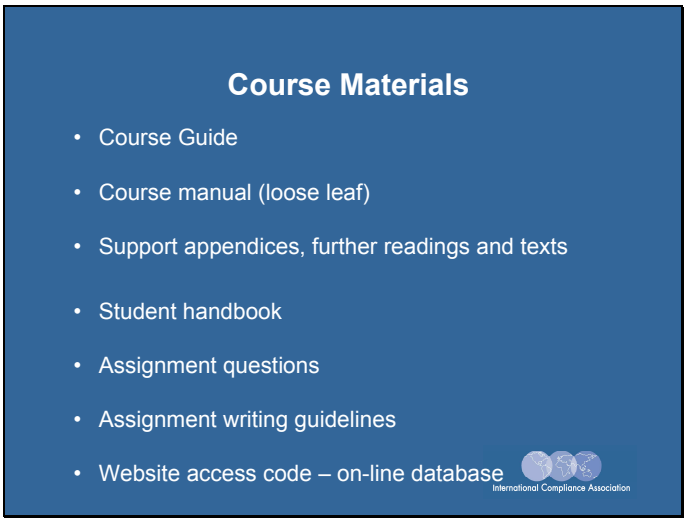
Course Materials
• Course Guide
• Course manual (loose leaf)
• Support appendices, further readings and texts
• Student handbook
• Assignment questions
• Assignment writing guidelines
• Website access code – on-line database
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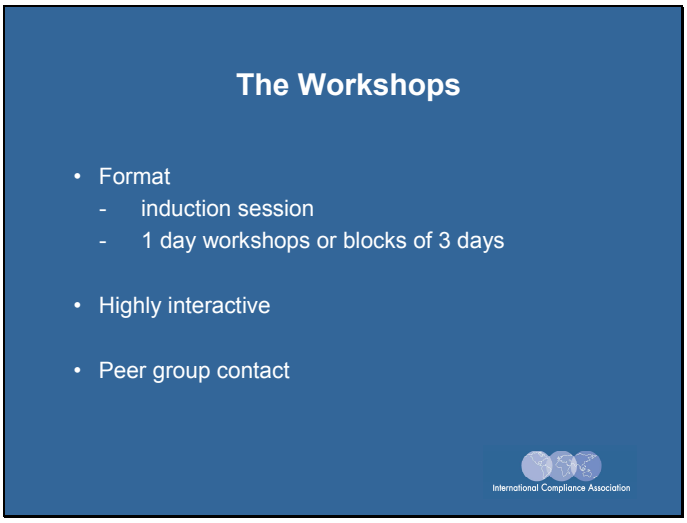
The Workshops
• Format
- induction session
- 1 day workshops or blocks of 3 days
• Highly interactive
• Peer group contact
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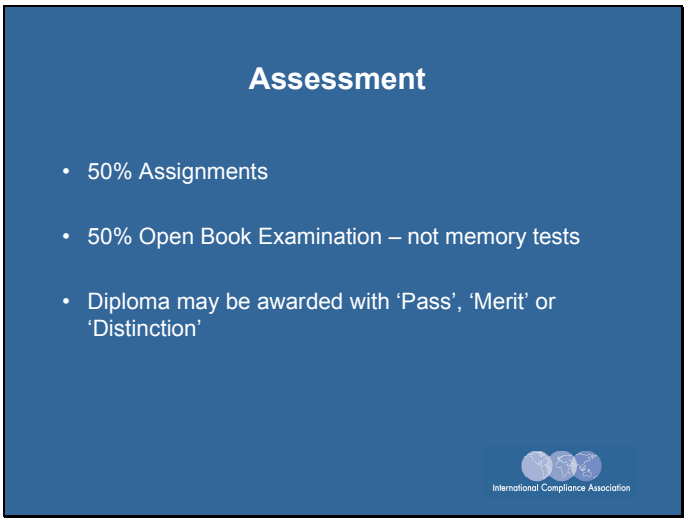
Assessment
• 50% Assignments
• 50% Open Book Examination – not memory tests
• Diploma may be awarded with 'Pass', 'Merit' or 'Distinction'
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Quality Assurance
• Accrediting Bodies
• International External Examiners
• Independent Examination and Test Board
• QA Procedures (University of Manchester)
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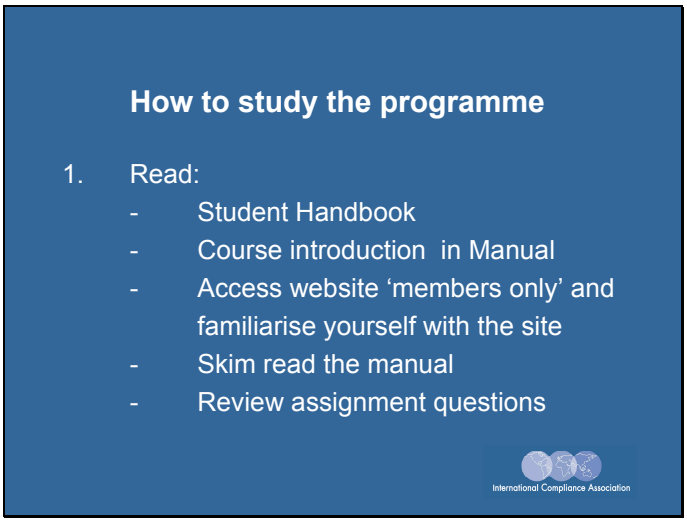
How to study the programme
1. Read:
- Student Handbook
- Course introduction in Manual
- Access website 'members only' and familiarise yourself with the site
- Skim read the manual
- Review assignment questions
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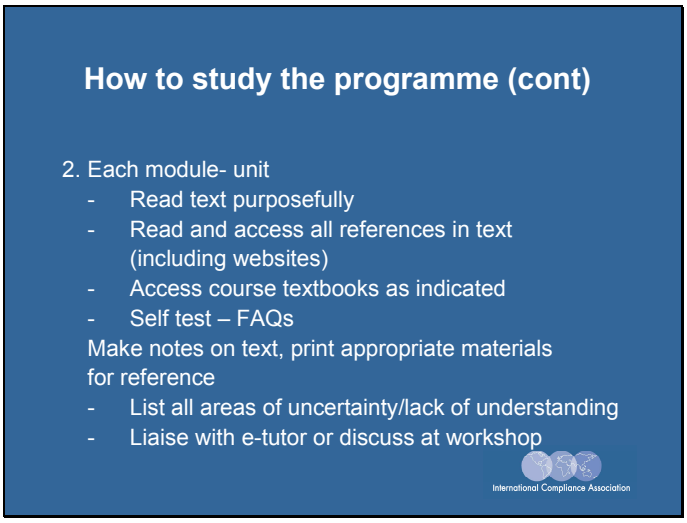
How to study the programme (cont)
2. Each module- unit
- Read text purposefully
- Read and access all references in text (including websites)
- Access course textbooks as indicated
- Self test – FAQs
Make notes on text, print appropriate materials for reference
- List all areas of uncertainty/lack of understanding
- Liaise with e-tutor or discuss at workshop
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Regulatory Environment
Primary Sources
Laws, Ordinance Acts, e.g. Proceeds of Crime Act (UK)
Secondary Sources
Regulations, orders, e.g. Money Laundering Regulations
Industry Best Practice
Guidance notes, reports, e.g. JMLSG Guidance Notes
Own organisation's policies, guidelines and procedures
Access websites and reading and pull together your Jurisdictional and international sources
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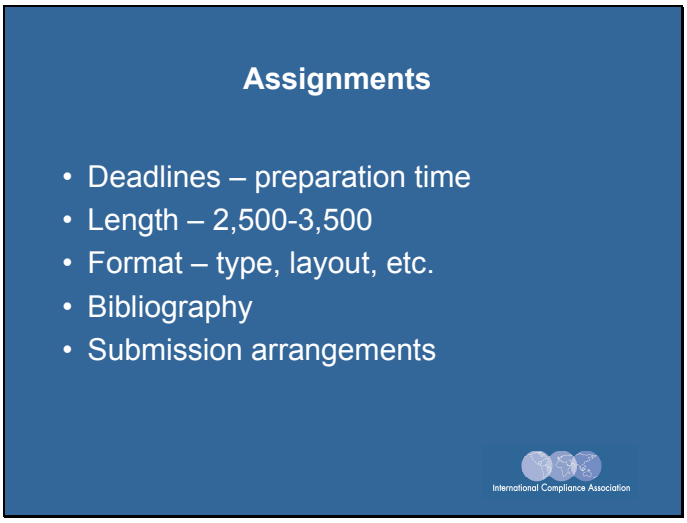
Assignments
• Deadlines – preparation time
• Length – 2,500-3,500
• Format – type, layout, etc.
• Bibliography
• Submission arrangements
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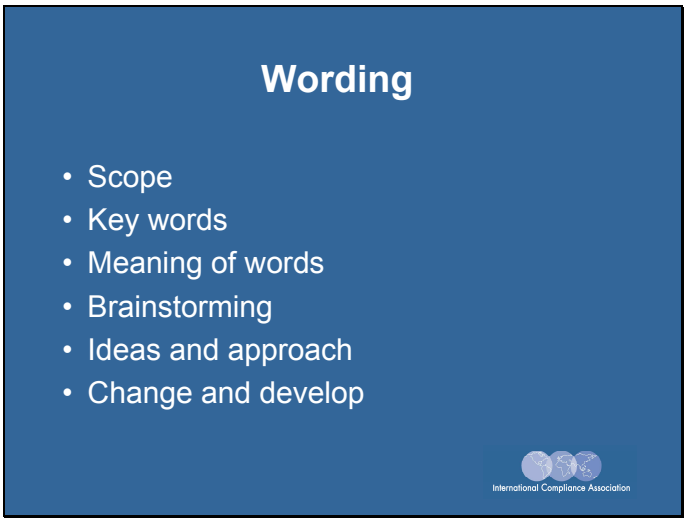
Wording
• Scope
• Key words
• Meaning of words
• Brainstorming
• Ideas and approach
• Change and develop
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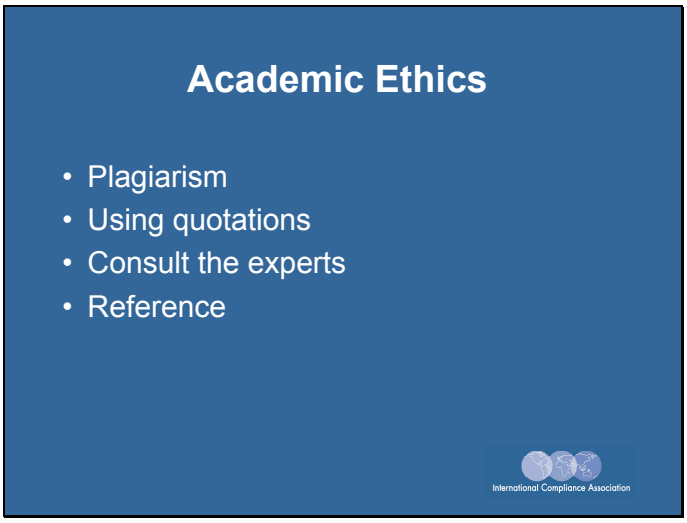
Academic Ethics
• Plagiarism
• Using quotations
• Consult the experts
• Reference
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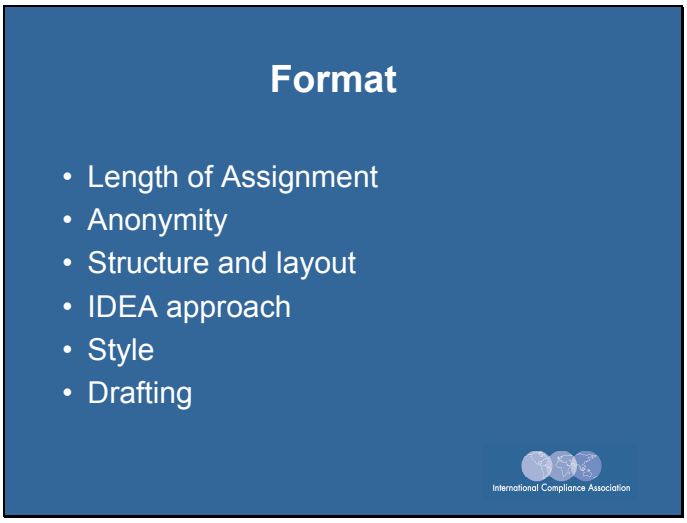
Format
• Length of Assignment
• Anonymity
• Structure and layout
• IDEA approach
• Style
• Drafting
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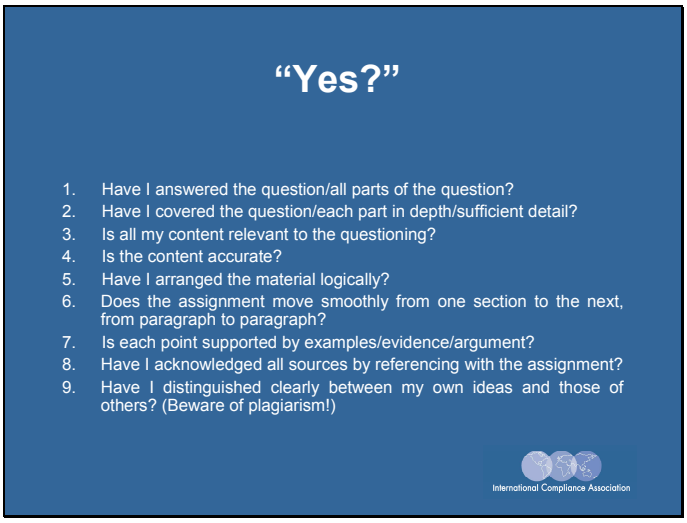
"Yes?"
1. Have I answered the question/all parts of the question?
2. Have I covered the question/each part in depth/sufficient detail?
3. Is all my content relevant to the questioning?
4. Is the content accurate?
5. Have I arranged the material logically?
6. Does the assignment move smoothly from one section to the next, from paragraph to paragraph?
7. Is each point supported by examples/evidence/argument?
8. Have I acknowledged all sources by referencing with the assignment?
9. Have I distinguished clearly between my own ideas and those of others? (Beware of plagiarism!)
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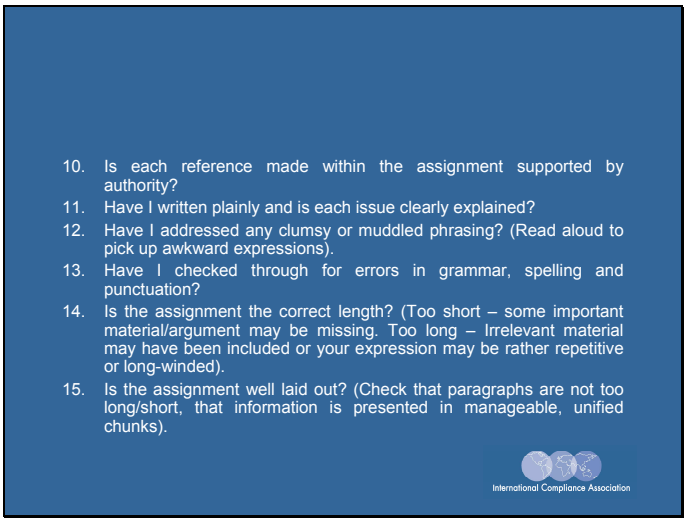
10. Is each reference made within the assignment supported by authority?
11. Have I written plainly and is each issue clearly explained?
12. Have I addressed any clumsy or muddled phrasing? (Read aloud to pick up awkward expressions).
13. Have I checked through for errors in grammar, spelling and punctuation?
14. Is the assignment the correct length? (Too short – some important material/argument may be missing. Too long – Irrelevant material may have been included or your expression may be rather repetitive or long-winded).
15. Is the assignment well laid out? (Check that paragraphs are not too long/short, that information is presented in manageable, unified chunks).
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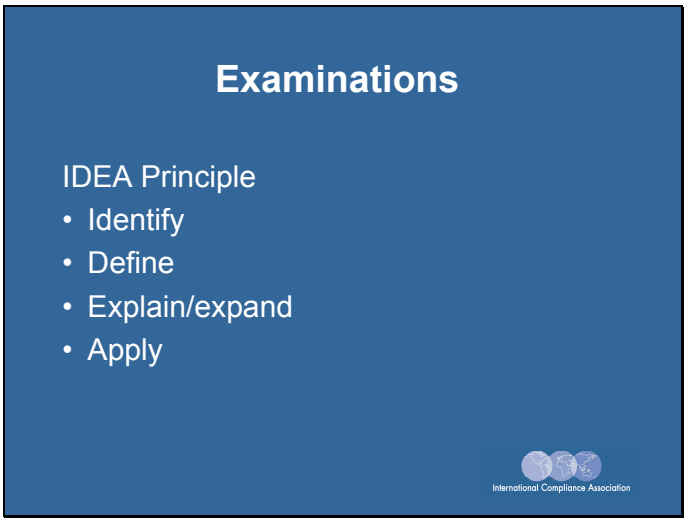
Examinations
IDEA Principle
• Identify
• Define
• Explain/expand
• Apply
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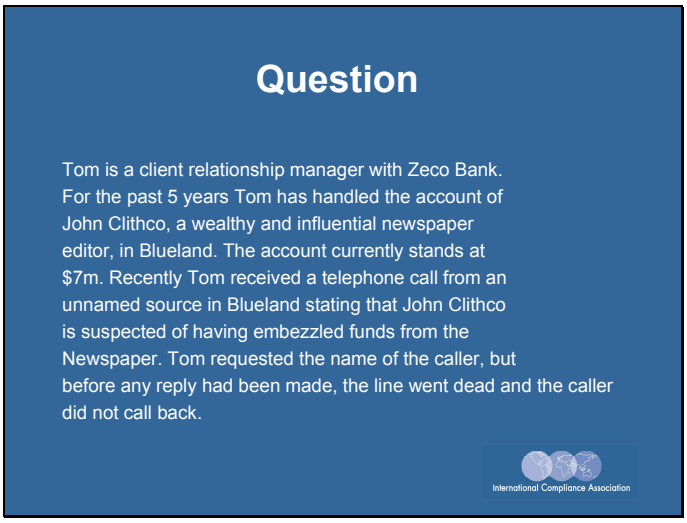
Question
Tom is a client relationship manager with Zeco Bank. For the past 5 years Tom has handled the account of John Clithco, a wealthy and influential newspaper editor, in Blueland. The account currently stands at $7m. Recently Tom received a telephone call from an unnamed source in Blueland stating that John Clithco is suspected of having embezzled funds from the Newspaper. Tom requested the name of the caller, but before any reply had been made, the line went dead and the caller did not call back.
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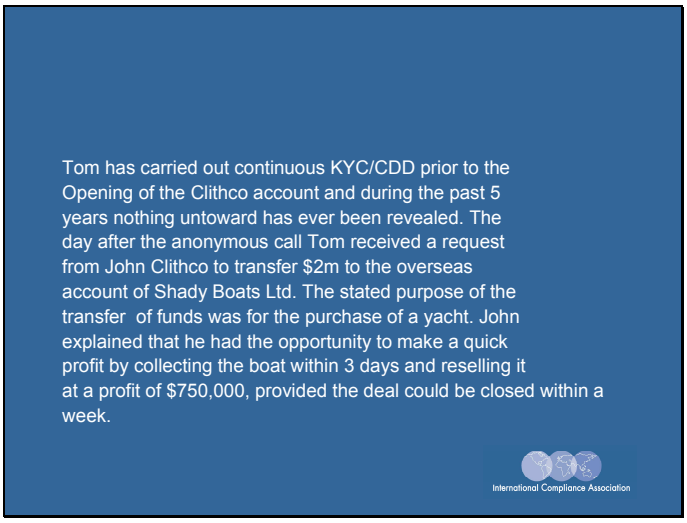
Tom has carried out continuous KYC/CDD prior to the Opening of the Clithco account and during the past 5 years nothing untoward has ever been revealed. The day after the anonymous call Tom received a request from John Clithco to transfer $2m to the overseas account of Shady Boats Ltd. The stated purpose of the transfer of funds was for the purchase of a yacht. John explained that he had the opportunity to make a quick profit by collecting the boat within 3 days and reselling it at a profit of $750,000, provided the deal could be closed within a week.
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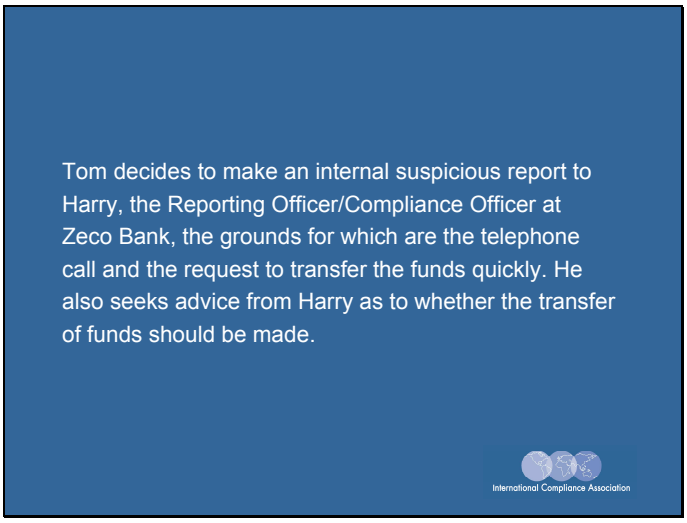
Tom decides to make an internal suspicious report to Harry, the Reporting Officer/Compliance Officer at Zeco Bank, the grounds for which are the telephone call and the request to transfer the funds quickly. He also seeks advice from Harry as to whether the transfer of funds should be made.
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a) Advise Harry as to any course of action he should follow on receipt of the internal request from Tom.
(5 marks)

b) Outline any risks involved in Harry instructing Tom to transfer the funds to Shady Boats Ltd.
(5 marks)

c) Outline any risks involved in Harry giving instruction that the transfer of funds to Shady Boats Ltd should be made.
(5 marks)

d) Explain what course of action you would recommend if you were advising Harry and why.
(5 marks)

Total 25 marks

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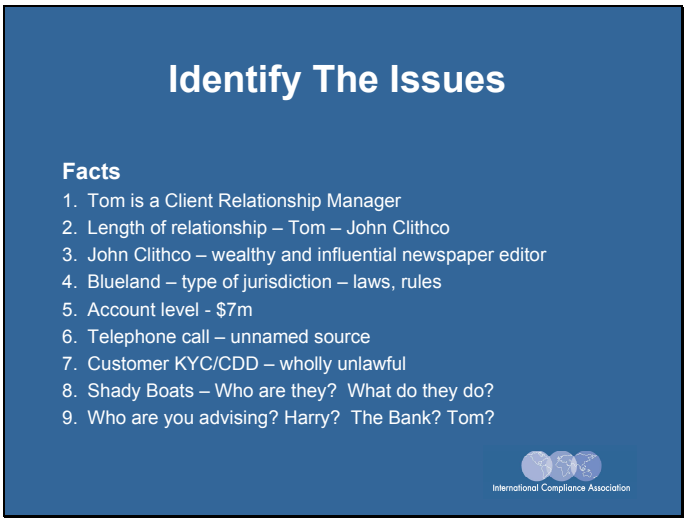
Identify The Issues
Facts
1. Tom is a Client Relationship Manager
2. Length of relationship – Tom – John Clithco
3. John Clithco – wealthy and influential newspaper editor
4. Blueland – type of jurisdiction – laws, rules
5. Account level - $7m
6. Telephone call – unnamed source
7. Customer KYC/CDD – wholly unlawful
8. Shady Boats – Who are they? What do they do?
9. Who are you advising? Harry? The Bank? Tom?
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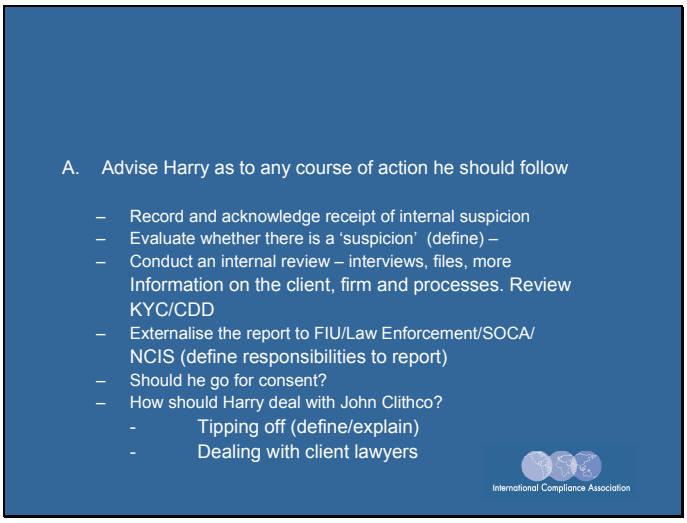
A. Advise Harry as to any course of action he should follow
– Record and acknowledge receipt of internal suspicion
– Evaluate whether there is a 'suspicion' (define) –
– Conduct an internal review – interviews, files, more Information on the client, firm and processes. Review KYC/CDD
– Externalise the report to FIU/Law Enforcement/SOCA/ NCIS (define responsibilities to report)
– Should he go for consent?
– How should Harry deal with John Clithco?
- Tipping off (define/explain)
- Dealing with client lawyers
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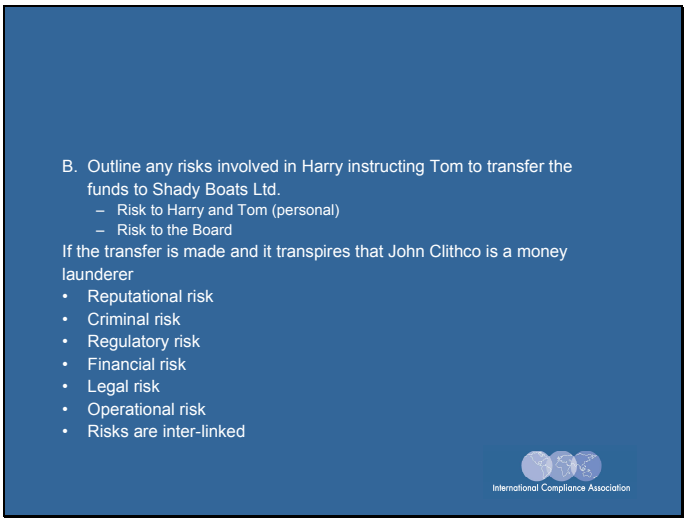
B. Outline any risks involved in Harry instructing Tom to transfer the funds to Shady Boats Ltd.
– Risk to Harry and Tom (personal)
– Risk to the Board
If the transfer is made and it transpires that John Clithco is a money launderer
• Reputational risk
• Criminal risk
• Regulatory risk
• Financial risk
• Legal risk
• Operational risk
• Risks are inter-linked
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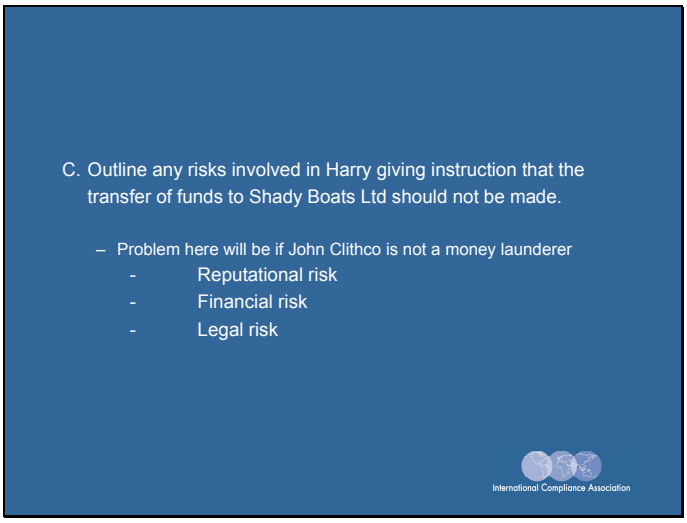
C. Outline any risks involved in Harry giving instruction that the transfer of funds to Shady Boats Ltd should not be made.
– Problem here will be if John Clithco is not a money launderer
- Reputational risk
- Financial risk
- Legal risk
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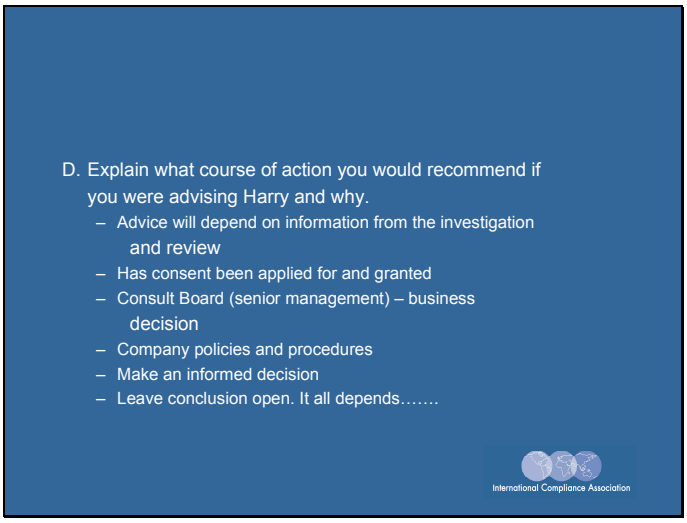
D. Explain what course of action you would recommend if you were advising Harry and why.
– Advice will depend on information from the investigation and review
– Has consent been applied for and granted
– Consult Board (senior management) – business decision
– Company policies and procedures
– Make an informed decision
– Leave conclusion open. It all depends…….
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