



Daric IAML: A Proven, AI-Driven Anti-Money Laundering Solution

Improve the effectiveness, accuracy and efficiency of your AML transaction monitoring

As the cost of AML compliance and regulatory exposure climb year-over-year, banks struggle with an overwhelming number of false positives and enormous investigative volume, requiring ever greater resources. As an integrated technology platform, Daric IAML enhances the power of your transaction monitoring system (TMS) by improving the management of data quality, using artificial intelligence (AI) to better group customers and risk profiles, algorithmically developing predictive rules and scenarios, and improving rapid, agile scenario deployment to address an ever-changing AML landscape.

It Starts With Better Data

With AI-driven data management and validation services, Daric IAML extracts, cleanses and manages AML data from multiple base data systems in a graphical form, improving the quality of derived data and ensuring interdependencies are preserved in the sequence of data extraction to allow for accurate detection.

Better Rules and Scenarios

Extend the rule management functionality of your TMS and derive suggested rules and scenarios that reflect risk profiles and patterns inherent in the data by analyzing millions of rows of transactions. Integrate conclusions into case management systems and investigation or interdiction workflows.

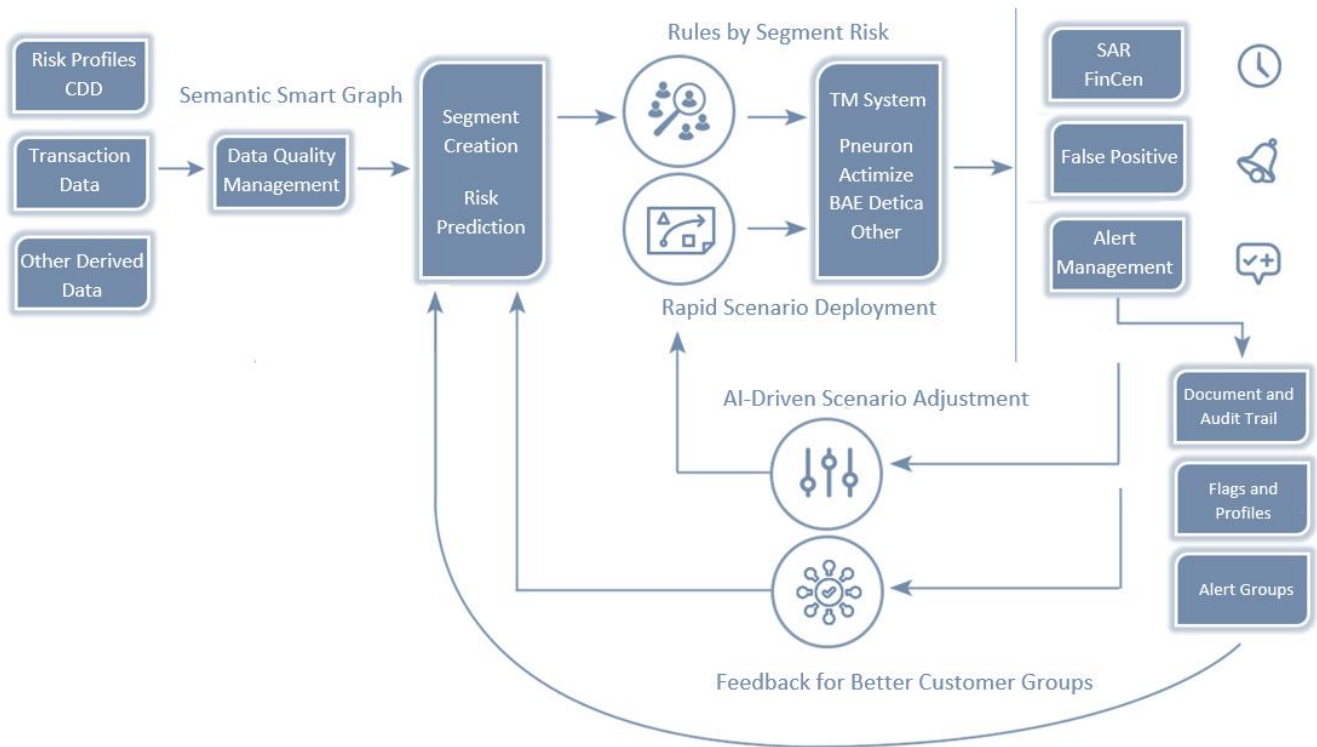
Reduce False Positives and Investigations

Daric IAML enables intelligent segmentation of your customers and transactions, creating groups and associated rules that better reflect the patterns in the data to minimize false-positives and the time spent on due-diligence during onboarding. The results are integrated directly to your TMS and managed through our platform tools, transforming your case management capabilities.

Manage Alerts and Improve Results

Improve your alert management with the Daric IAML platform's holistic evaluation tools, clustering and identifying groups. Feedback loops improve detection consistently. The Rapid Scenario Deployment tool allows for effective administration, review, and deployment of rules and scenarios to meet the agility requirements of a robust AML program.

HOW IT WORKS



Better Segments

A distributed data management system powers topological data analysis, which identifies groups of similar customers and transactions along with associated risk levels based on important features. Prediction and ranking algorithms enable subject matter experts to manage clusters that better reflect the entirety of the data feature set.

Better Scenarios

The algorithmic approach allows the platform to “learn” better scenarios with more data. Scenarios and rules are developed to reflect accurately the risk profiles of customers. These can be adjusted and generate fewer false positives than purely manual choices programmed into the TMS. Case management integration improves with minimal disruption.

Less Regulatory Exposure

The platform automates the audit trail and creation of the documentation necessary to explain decisions to regulators. There is no “black-box” arising from the use of machine learning and algorithmic techniques. Every decision tree can be justified, and every alert is more informed. Each scenario can be tuned to improve detection with integration of new regulatory data sources. Powerful visualization and data management tools improve integrity and reduce human error.

The IAML Console

https://www.daric.com/selectfeatureset/ 🔍 ☆ G

Customer Analyzer

Your customer account data set for AML risk segmentation has the following attributes.

Total Accounts	12,000,034
Non-Business Accounts	9,393,399
Average Customer Relationship	2.4 Years
Historical Alerts	12,800
Average Days since Last Online Activity	15

Recent Alert Profile by Risk Score

Internal Risk Score: 14, Recent Alerts: 8

Transactions Profile

Below is the recent transactions profile for the customer account data set.

Average Account Monthly Balance (NB)	\$56,100
Net Transaction Monthly Average (B)	\$150,401
Gross Transaction Monthly Average (B)	\$316,822

You can include other transaction features in the configuration toolbox.

Prepare Segmentation

Your customer account data set for AML risk segmentation will need to be pre-processed for feature selection, concurrent with segmentation through the clustering algorithm.

In each segment, customers are grouped by risk and the results can be used to evaluate transaction risk in scenario management.

Total Features to Select:

Feature 1 (0.98)	Temporary Repository Flag
Feature 2 (0.92)	Net Worth
Feature 3 (0.91)	Is Business
Feature 4 (0.76)	Transacted with High Risk Nation
Feature 5 (0.62)	Customer Risk Score
Feature 6 (0.45)	Extra-Regional Transactions
Feature 7 (0.42)	Average Monthly Balance
Feature 8 (0.31)	Gross Transactions Monthly

Configure Segments

Number of Segments	<input type="text" value="8"/>
Segment Tolerance	<input type="text" value="0.2"/>
Default Segment Flag	<input type="text" value="True"/>

Customer Risk by Segment

Number of Risk Levels	<input type="text" value="8"/>
Maximum Rank Size	<input type="text" value="N/A"/>
Display Customers	<input type="text" value="20"/>

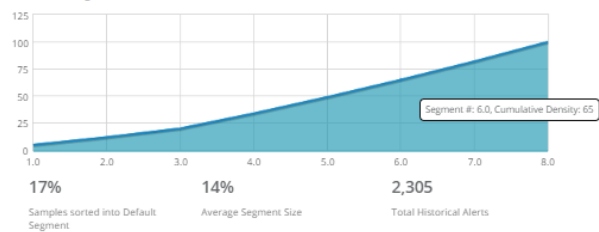
Segmentation Analyzer

Below are the results of the segmentation, separating customers into 8 groups.

Risk levels are evaluated within these groups, and transactions can be evaluated based on segment-specific risk levels, minimizing false positives and ensuring alerts are generated.

Customer Account Sample Size	3,494,399
Non-Business Account Sample Size	2,822,473
Segmentation Percentage	83.2 %
Error Estimate	0.028
Average Days since Last Use	15

Cumulative Segment Distribution of Customers



Segment List

Show 25 entriesSearch:

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Showing 1 to 8 of 8 entries

Segment Definition	Sample Size of Customers	Historical Alerts	Risk Score	Actions
Customer_Relationship_Years > 2 and Average_Monthly_Balance >= 100000	132,783	126		Analyze/Export
Customer_Relationship_Years > 2 and TemporaryRepositoryFlag = False and Average_Monthly_Balance <= 100000	146,719	124		Analyze/Export
High_Volume_Low_Activity_Flag = False and Average_Monthly_Balance > 25000 and Extra_Regional_Transactions = False	384,954	263		Analyze/Export
IsBusiness = False and Net_Worth > 200000 and Days_Since_Online_Activity < 365	1,329,446	880		Analyze/Export
Net_Transaction_Average_Monthly >= 42000 and Gross_Transaction_Average_Monthly <= 350200	431,964	281		Analyze/Export
Number_of_Countries_Beneficiary_Originator <= 4 and Transactions_with_High_Risk_Nations = True	273,342	181		Analyze/Export
Transactions_with_High_Risk_Nations = False and TemporaryRepositoryFlag = False and Customer_Risk_Score < 10.3	145,994	92		Analyze/Export
Transactions_with_High_Risk_Nations = True and TemporaryRepositoryFlag = False and Customer_Risk_Score < 3.2	62,134	42		Analyze/Export

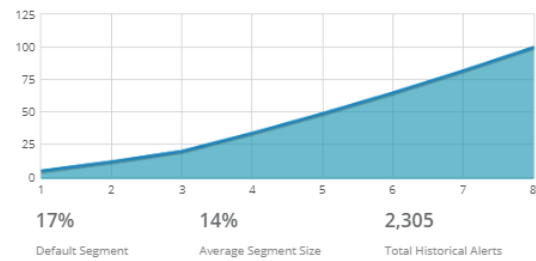
Individual Segment Analyzer

Within each segment, customers are ranked according to risk levels. These can be used to calculate overall transaction risk and tuning of scenarios within segments.

This segment is defined as the population of all customers in the sample set where:
IsBusiness = False and Net_Worth > 200000 and Days_Since_Online_Activity < 365

Segment Population	1329446
Segment Risk Level	Medium
Customer Risk Levels	Ranked 1-8
Error Estimate	0.028
Number of Historical Alerts	880

Cumulative Segment Distribution of Customers



Customer Ranking (Showing 500 Samples)

Show 25 entriesSearch:

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Showing 1 to 25 of 499 entries

Account ID	Risk Level (1- Low, 8-High)	Recent Transactions	Segment Information
106042780	1	0	IsBusiness = False and Net_Worth > 200000 and Days_Since_Online_Activity < 365
143010656	1	3	IsBusiness = False and Net_Worth > 200000 and Days_Since_Online_Activity < 365
150861730	1	3	IsBusiness = False and Net_Worth > 200000 and Days_Since_Online_Activity < 365
166233242	1	1	IsBusiness = False and Net_Worth > 200000 and Days_Since_Online_Activity < 365



What Customers Say

“We saw a nearly 22% reduction in our investigative volume and we easily beat our reach target for the reduction of false positives just in the first few months after we implemented the Daric IAML platform as a layer on top of NICE Actimize™. What I particularly liked was that it didn’t really disrupt our AML process. It also didn’t miss a single real SAR when we ran old data through the system, but it helped us contain the number of people who would have to dedicate their time simply to performing investigations that led nowhere.”

Sharon W., AML Compliance Expert at a large Texas credit union

About Daric IAML

Daric Inc. offers the IAML solution to improve transaction monitoring and AML compliance through a scalable resource-efficient approach, along with a full suite of implementation services including infrastructure, application support, data management, operations and business testing.



About Daric

Daric, Inc. provides credit risk management, digital lending, and AML solutions to banks, credit unions, and financial institutions worldwide. Backed by leading figures in the financial and technology industries including former Wells Fargo CEO Richard Kovacevich. Our team includes veterans of the world’s leading financial and financial technology companies such as Palantir Technologies and Teradata Systems. Daric is based in Silicon Valley, CA.

You can request more information by calling (1)-650-218-4287, or emailing us at solutions@daric.com.