Oracle® FCCM Know Your Customer Cloud Service
Risk Assessment Guide

ORACLE®

Contents

Preface

1 Introduction

2 Customer Risk Assessments

3 Prospect Risk Assessments

Preface

KYC Risk Assessment describes the Know Your Customer Cloud Service Risk Assessments.

Audience

This document is intended for users who are responsible for provisioning and activating Oracle FCCM Know Your Customer Cloud Service or for adding other users who would manage the services, or for users who want to develop Oracle Cloud applications.

Help

Use Help Icon to access help in the application. If you don't see any help icons on your page, click your user image or name in the global header and select Show Help Icons. Not all pages have help icons. You can also access the https://docs.oracle.com/en/ to find guides and videos.

Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc.

Access to Oracle Support

Oracle customers that have purchased support have access to electronic support through My Oracle Support. For information, visit http://www.oracle.com/pls/topic/lookup?ctx=acc&id=info or visit http://www.oracle.com/pls/topic/lookup?ctx=acc&id=trs if you are hearing impaired.

Diversity and Inclusion

Oracle is fully committed to diversity and inclusion. Oracle respects and values having a diverse workforce that increases thought leadership and innovation. As part of our initiative to build a more inclusive culture that positively impacts our employees, customers, and partners, we are working to remove insensitive terms from our products and documentation. We are also mindful of the necessity to maintain compatibility with our customers' existing technologies and the need to ensure continuity of service as Oracle's offerings and industry standards evolve. Because of these technical constraints, our effort to remove insensitive terms is ongoing and will take time and external cooperation.

Related Resources

For more information, see these Oracle resources:

- Oracle Public Cloud: http://cloud.oracle.com

- Community: Use https://community.oracle.com/customerconnect/ to get information from experts at Oracle, the partner community, and other users.

- Training: Take courses on Oracle Cloud from https://education.oracle.com/oracle-cloud-learning-subscriptions.

Conventions

The following text conventions are used in this document:

Convention	Meaning
boldface	Boldface type indicates graphical user interface elements associated with an action, or terms defined in text or the glossary.
italic	Italic type indicates book titles, emphasis, or placeholder variables for which user supply particular values.
`monospace`	Monospace type indicates commands within a paragraph, URLs, code in examples, text that appears on the screen, or text that user enter.

Comments and Suggestions

Please give us feedback about Oracle Applications Help and guides! You can send an e-mail to: https://support.oracle.com/portal/.

1

Introduction

This section provides an introduction on the types of Risk Assessments performed by the KYC application based on the customer or prospect type.

Risk Assessments

Know Your Customer (KYC) assesses the risk that a customer poses to a bank or Financial Institutions (FIs). KYC is a continuous process of customer assessment and not a one-time activity. Below are the different stages for KYC Risk Assessment during a customer life cycle.

- Customer Onboarding
  - Every new prospect is risk assessed during onboarding based on the risk attributes defined by particular jurisdiction and prospect type (namely Individual, Financial Institution & Organization). KYC provides a REST-based API for real-time KYC risk assessment for the same.
    * System risk assesses both primary and secondary prospects as a part of onboarding.
- Continuous Monitoring (also called KYC Batch)
  - Deployment Initiation
    * All the existing customers of the bank are risk assessed on Day 0 at the time of KYC going live. The system assigns the next periodic review date based on the risk category (High/Medium/Low) for each jurisdiction.
  - Periodic Review
    * Customers are risk assessed based on their respective next periodic review dates.
  - New Account Review
    * Customers are risk assessed when they open an additional new account with the financial institution.
  - Accelerated Re-review (ARR)
    * Customers are risk assessed if there is a change in any key KYC profiles like occupation change, change in the country of residence, and so on. This list of profiles is pre-configured in the system.

Key Concepts - Types of Assessments

There are two types of assessment, users can configure to assess the risk associated with each relationship type for each jurisdiction - **Full KYC Assessment** and **Watchlist Screening**.

For example: Full KYC Assessment for company UBO relationship and Watchlist Screening for company's Director is performed. If there is no mapping for a particular relationship type for a jurisdiction, the default is Full KYC Assessment.

- **Full KYC Assessment**: In Full KYC Assessment, the system performs both Watchlist Screening and final KYC Risk Scoring for the respective party. Watchlist risk is one of the risk attributes for KYC risk scoring.

- **Watchlist Screening**: In Watchlist Screening, no KYC risk score is computed for the respective party as the system only performs Watchlist Screening.

> ⓘ **Note**
>
> Watchlist Screening is an optional service during KYC implementation.

The following are the Assessment types based on the customer and prospect:

- **Customer Risk Assessment**

  – The system performs a Full KYC Assessment for the primary customer.

  – The system assigns a unique Risk Assessment ID to only the primary customer. All other interested parties with Full KYC Assessment undergo KYC Scoring. Their scoring details as a part of this assessment are attached to the same Risk Assessment ID.

  – A case is created for manual investigation at the primary customer level if the KYC Risk Score of the primary customer exceeds the defined threshold score for case creation.

- **Prospect Risk Assessment**

  – The system performs a Full KYC Assessment for the primary prospect.

  – The system assigns a unique risk assessment ID to every prospect with a Full KYC Assessment.

  – A case is created for manual investigation if the KYC Risk Score of a primary or secondary prospect exceeds the defined threshold score for case creation.

Key Concepts - Risk Inheritance

- **Customer Risk Assessment**

  – For the primary customer, the Watchlist Risk Score is calculated based on watchlist matches of both primary customer and interested parties. The primary customer inherits the maximum watchlist score of interested parties (for whom the assessment type is **Watchlist Screening**).

  – The primary customer also inherits the maximum KYC Risk Score among all the interested parties for whom the assessment type is **Full KYC Assessment**.

- **Prospect Risk Assessment**

  – For the primary prospect, the Watchlist Risk Score is calculated based on watchlist matches of primary and secondary prospects. The primary prospect inherits the maximum Watchlist Score of secondary prospects (for whom the assessment type is **Watchlist Screening**).

2

Customer Risk Assessments

This section provides step-by-step instructions on how to use the Customer Risk Assessments.

Customer Risk Assessment Summary

This page lists the Customer Risk Assessments where you can view the assessment details such as the Assessment Score, Assessment ID, Batch Type, Jurisdiction, Customer Type, Customer ID, Entity Name, SSN/TIN, Business Domain, Case ID, Created Date, and Risk Category. You can also manually promote the Risk Assessment to a case. Two risk scores are generated, namely Algorithmic score and Business Check score. The maximum score is taken as the final KYC Risk Assessment Score.

To view the Customer Risk Assessments page:

1. In your web browser, enter the application URL to open the **Oracle Cloud Account Sign In** page.

2. On the sign-in page, enter your username and password to log in to the **Oracle Financial Services Crime and Compliance Management Anti Money Laundering Cloud Service** home page.
   After you sign in, the **Applications**, **Application Administration**, and **Business Processes** tiles are displayed.

3. Select **Applications**. The **Applications** page is displayed.

4. Select **Know Your Customer** . The **Know Your Customer** page is displayed.

5. Select **Customer Risk Assessment**.

By default, you can view the Risk Assessments created for the past seven days including the current day.

Searching for Assessments

If you know the Risk Assessment ID, use the **Search by Risk Assessment ID** field to search for the Customer Risk Assessment. Enter the Assessment ID and click **Search**. The **Risk Assessment ID** is displayed. If the Assessment ID does not exist, the following message is displayed:

```
No data to display.
```

Using the Risk Assessment Filters

You can also use the filter fields to search for a risk assessment.

To view the filter fields:

1. Click **Filter Risk Assessments** to show the filter fields.

2. Enter values in any one of the following fields:

Table 2-1   Filter Fields for Risk Assessments

Record Name	Description
Risk Assessment ID	Enter the Risk Assessment ID.
Created From	Select a **From Date** to view the risk assessments created from that date. The default date is **Current Date-6**.
Created To	Select a **To Date** to view the Risk Assessments created till that date. The default date is the **Current Date**.
Batch Type	Enter the batch type the customer belongs to. To select a value, click inside the field. The values appear as a drop-down list.
Customer ID	Enter the customer ID.
Entity Type	Select the entity type from the drop-down list. You can select **Financial Institution, Individual, or Organization**. An organization is any non-financial institution, such as technology companies, telecommunication companies, companies in the Food and Beverage (F & B) industry, and automobile manufacturing companies.
Jurisdiction	Select the jurisdiction the customer type belongs to. To select a value, click inside the field. The values appear as a drop-down list.
Entity First Name	If the customer is an individual, enter the individual's first name.
Entity Last Name	If the customer is an individual, enter the individual's last name.
Entity Full Name	Enter the individual's full name or the entity's name.
SSN/TIN	Enter the individual's Social Security Number (SSN) or the entity's Taxpayer Identification Number (TIN).
Business Domain	Select the business domain the customer type belongs to. To select a value, click inside the field. The values appear as a drop-down list.
Created Date	Enter or select the date on which the assessment is created. To enter the date, click inside the field. The date must be in the format MM/DD/YY. The Date format will appear based on the selected Time Zone preferences. To select the date, click **Calendar** and select the date from the date picker.
Case ID	Enter the case ID.
Risk Category	Select the risk category of the assessment. To select a value, click inside the field. The values appear as a drop-down list.
Risk Assessment Count	You can filter the list of risk assessments based on the number of times the primary customer was risk assessed. Select the relevant operator (>=, =, <=) from the drop-down list and then enter the risk assessment count.

3. Click **Apply Filter** to show the assessments that meet the filter criteria.

4. Click **Reset** to clear all the values in the fields.

5. Click **Expand** to maximize the **Filter Risk Assessments** view.

6. Click **Close** to hide the filter fields.
   You can now view and download the details of the customer risk assessment. Click the hyperlinked value in the **Risk Assessment ID** column and then click the hyperlinked value

in the **Customer/Party ID** column. Click the **Export PDF Report** icon in the **Risk Assessment Details** section.

> ⓘ **Note**
>
> The Export PDF Report option is supported for only applicants who have undergone Full KYC.

If you think that the customer is a risk and must be investigated, click **Promote to Case**. A dialog box is displayed with the following fields.

Table 2-2   Add Case Creation Reason Fields

Risk Indicator	Description
Reason*	Select a relevant reason from the drop-down menu.
Comments	Enter the optional comments to defend the selected reason.

The Risk Assessment is promoted to a case and a case number is assigned. The case number is displayed in the **Case ID** column. With this case number, you can search for the case on the **Case Investigation** page and view the details of the primary and related customer.

For information on Creating and Investigating Cases, see Oracle Financial Services Case Investigation User Guide. If you want to manually investigate the entity and do not want to promote the Risk Assessment to a case, click **Cancel**.

Sorting and Exporting the Risk Assessments

- Use the **Sort by** drop-down list to view all Risk Assessments which have a specific value, such as the Created Date, Batch Type, Entity Type, Business Domain, Case ID, Jurisdiction, and so on.

- Use the Arrows next to the **Sort by** drop-down menu to change order of the list to Ascending and Descending .

- Click the **Refresh** icon to refresh the list.

- Click the **Export** icon to download the Customer Risk Assessment lists present on the screen. You can only export the number of records set in the **Customer Risk Assessment Export Limit** parameter value of the Admin screen. To update the Export Limit parameter value, see the KYC System Parameters section in Configure Dimension Data guide.

> ⓘ **Note**
>
> For bulk export of Customer Risk Assessment records, see the Bulk Export of Records Displayed on Risk Assessment UI section in Pipeline Designer guide.

2.1 Customer Risk Assessments Details

Customer Risk Assessment Details

The Risk Assessment Details page displays all risk-related information available in the **Risk Assessment Summary** page in the **Risk Assessment Details** section, the risk assessment score along with the individual rule scores in the **Risk Assessment Score** section, and the matches generated in the **Matches** section.

> ⓘ **Note**
>
> The field values do not remain the same as given during the batch execution, but they will get updated as the Master or Dimension Data values are updated.

Both the algorithmic score and business check scores are displayed. The Risk Assessment score for the individual or entity is the maximum score of the algorithmic score and business check score. If the Batch Type of the risk assessment is Accelerated Re-review, then you can view the evidence details clicking on the hyperlinked value.

The Matches section provides the list of records this customer matched with across various watchlist types, such as Sanctions list, Politically Exposed Persons (PEP) list, Enhanced Due Diligence (EDD) list, and so on.

- Click the **Overall Match Score** link in this list to open the **Matching Details** window with attribute match details.

- Click **Export** to download the Customer Risk Assessment Details.

- If you think that the customer is a risk and must be investigated, click **Promote to Case** .

Table 2-3   Risk Assessment Field Details

Record Name	Description
SSN/TIN	SSN/TIN field provides the individual's Social Security Number (SSN) or the entity's Taxpayer Identification Number (TIN).
Batch Type	This field indicates the reason why the Risk Assessment was performed for the primary customer. Valid values are Periodic Review, New Account Review, Accelerated Re-review, and Deployment Initiation. Among these Accelerated Re-review is a hyperlinked value and clicking shows the evidence details that include Change Log evidence, Case trigger evidence, Regulatory Report evidence, and KYC Model Change evidence.
Primary Customer	This field indicates whether the risk assessment details belong to Primary Customer or not. Valid values are Yes/No.
Case Status	This is the current Case Status, if the Risk Assessment is promoted to case for further investigation.

Table 2-3   (Cont.) Risk Assessment Field Details

Record Name	Description
Relationship Type	This field provides the relationship type between the Primary Customer (Whom the assessment is created.) and the Secondary Customer (Derived based on the relationship (Customer to Customer and Customer to Account) to the primary customer as part of the KYC Batch process.).
Risk Category	Risk category of an assessment is derived based on the effective KYC score of the primary customer.
Assessment Type	This field indicates whether **Full KYC Assessment** or **Watchlist Screening** was performed for the respective customer/party. For Primary Customers, it's always a **Full KYC Assessment**. If the assessment type is not configured, the default is **Full KYC**.
Case Closure Reason	This is the final Case Closure Reason.
Effective KYC Risk Score (Overridden)	This score is manual overridden Effective KYC Risk Score for the primary customer and as part of case closure in Case Management, the score will be updated in KYC.
Overridden Risk Category	This field displays the category of the Overridden risk score. For example, Low, Medium, High.
MPTC Reason	Reason selected when taking **Promote to Case** action.
MPTC Comment	Comment provided when taking **Promote to Case** action.
Next Review Date	System generated next review date for when the primary customer to be assessed.
Next Review Date (Overridden)	This date is manual overridden Next Review Date for the primary customer and as part of case closure in Case Management, the date will be updated in KYC.
Case ID	This is the Case ID. • If the Risk Assessment is promoted to case for further investigation. • Respective case ID, if KYC is integrated with other third-party case investigation system.

Risk Assessment History

The Risk Assessment History page lists all risk assessments associated with the Primary Customer in the Customer or Interested Party page.

To view the Risk Assessment History:

1. Click the Risk Assessment ID, then select **Risk Assessment History** in the Risk Assessment Summary page.

2. Click the **Customer or Interested Party ID** to see the Interested Party and the Risk Assessment Details.

   • Click **Export** to download the Customer Risk Assessment Details.

> ⓘ **Note**
>
> The field values do not remain the same as given during the batch execution, but they will get updated as the Master or Dimension Data values are update.

The Risk Assessment Details and the Risk Assessment Score along with the Individual Rule Scores are displayed, and the matches generated in the Matches section. For more information, see Customer Risk Assessments Details.

3

Prospect Risk Assessments

This section provides step-by-step instructions on how to use the Customer Risk Assessments.

Prospect Risk Assessment Summary

This page lists down the Prospect Risk Assessments where you can view the assessment details such as the Applicant Risk Score, Assessment ID, Jurisdiction, Prospect Type, Entity Name, SSN/TN, Primary Prospect, Application ID, Case ID, CIP Status, Business Domain, Created Date, Risk Assessment Score, Risk Category, and Promote to Case. You can also manually promote the Risk Assessment to a case.

Two risk scores are generated, namely algorithmic score and business check score. The maximum score is taken as the final KYC Risk Assessment Score.

To view the **Risk Assessments** page:

1. In your web browser, enter the application URL to open the **Oracle Cloud Account Sign In** page.

2. On the sign-in page, enter your username and password to log in to the **Oracle Financial Services Crime and Compliance Management Anti Money Laundering Cloud Service** home page.
   After you sign in, the **Applications**, **Application Administration**, and **Business Processes** tiles are displayed.

3. Select **Applications**. The **Applications** page is displayed.

4. Select **Know Your Customer** . The **Know Your Customer** page is displayed.

5. Select **Prospect Risk Assessment**.
   By default, you can only view the Risk Assessments created from the past seven days including the current day.

Searching for Assessments

If you know the Risk Assessment ID, use the **Search by Risk Assessment ID** field to search for the Risk Assessment. Enter the Assessment ID and click **Search**. The **Risk Assessment ID** is displayed. If the Assessment ID does not exist, the following message is displayed:

```
No data to display.
```

Using the Risk Assessment Filters

You can also use the filter fields to search for a Risk Assessment.

To view the filter fields:

1. Click **Filter Risk Assessments** to show the filter fields.

2. Enter values in any one of the following fields:

Table 3-1 Filter Fields for Risk Assessments

Record Name	Description
Risk Assessment ID	Enter the risk assessment ID.
Created From	Select a **From Date** to view the risk assessments created from that date. The default date is **Current Date-6**.
Created To	Select a **To Date** to view the risk assessments created till that date. The default date is the **Current Date**.
Prospect Type	Select the prospect type from the drop-down list. You can select **Financial Institution, Individual, or Organization**. An organization is any non-financial institution, such as technology companies, telecommunication companies, companies in the Food and Beverage (F & B) industry, and automobile manufacturing companies.
Jurisdiction	Select the jurisdiction the prospect type belongs to. To select a value, click inside the field. The values appear as a drop-down list.
Business Domain	Select the business domain the prospect type belongs to. To select a value, click inside the field. The values appear as a drop-down list.
Created Date	Enter or select the date on which the assessment is created. To enter the date, click inside the field. The date must be in the format MM/DD/YY. The Date format will appear based on the selected Time Zone preferences. To select the date, click **Calendar** and select the date from the date picker.
Entity First Name	If the prospect is an individual, enter the individual's first name.
Entity Last Name	If the prospect is an individual, enter the individual's last name.
Date of Birth	Enter or select the individual's date of birth or the organization's date of incorporation. To enter the date, click inside the field. The date must be in the format MM/DD/YY. The Data format will appear based on the selected Time Zone preferences. To select the date, click **Calendar** and select the date from the date picker.
SSN/TIN	Enter the individual's Social Security Number (SSN) or the entity's Taxpayer Identification Number (TIN).
CIP Status	Select the Customer Identification Program (CIP) status of the assessment. To select a value, click inside the field. The values appear as a drop-down list.
Entity Full Name	Enter the individual's full name or the entity's name.
Risk Category	Select the risk category of the assessment. To select a value, click inside the field. The values appear as a drop-down list.

3. Click **Apply Filter** to show the assessments that meet the filter criteria.

4. Click **Reset** to clear all the values in the fields.

5. Click **Expand** to maximize the **Filter Risk Assessments** view.

6. Click **Close** to hide the filter fields.
   You can now view and download the details of the customer risk assessment. Click the hyperlinked value in the **Risk Assessment ID** column and then click the hyperlinked value in the **Customer/Party ID** column. Click the **Export PDF Report** icon in the **Risk Assessment Details** section.

> ⓘ **Note**
>
> The Export PDF Report option is supported for only applicants who have undergone Full KYC.

Use the **Sort by** drop-down list to view all risk assessments which have a specific value, such as the same application ID, same entity name, whether the prospect is a primary prospect or a related prospect, and so on.

If you think that the prospect is a risk and must be investigated, click **Promote to Case** . A dialog box is displayed with the following fields:

Table 3-2   Add Case Creation Reason Fields

Risk Indicator	Description
Reason*	Select a relevant reason from the drop-down menu.
Comments	Enter the optional comments to defend the selected reason.

The risk assessment is promoted to a case and a case number is assigned. The case number is displayed in the **Case ID** column. With this case number, you can search for the case on the **Case Investigation** page and view the details of the primary and related customer.

For more information on Creating and Investigating Cases, see Oracle Financial Services Case Investigation User Guide. If you want to manually investigate the entity and do not want to promote the risk assessment to a case, click **Cancel**.

Sorting and Exporting the Risk Assessments

- Use the **Sort by** drop-down list to view all risk assessments which have a specific value, such as the Created Date, Application ID, Business Domain, Case ID, Jurisdiction, and so on.

- Use the Arrows next to the **Sort by** drop-down menu to change order of the list to Ascending and Descending .

- Click the **Refresh** icon to refresh the list.

- Click the **Export** icon to download the Customer Risk Assessment lists present on the screen. You can only export the number of records set in the **Customer Risk Assessment Export Limit** parameter value of the Admin screen.
  To update the Export Limit parameter value, see the KYC System Parameters section in Configure Dimension Data Guide.

  After accessing the Risk Assessment details on the Risk Assessment Summary page, click the Risk Assessment ID to see the Risk Assessment details.

3.1 Prospect Risk Assessments Details

Prospect Risk Assessment Details

The Risk Assessment Details page displays all risk-related information available in the **Risk Assessment Summary** page in the **Risk Assessment Details** section, the Risk Assessment score along with the Individual Rule Scores in the **Risk Assessment Score** section, and the matches generated in the **Matches** section.

> ⓘ **Note**
>
> The field values do not remain the same as given during the batch execution, but they will get updated as the Master or Dimension Data values are updated.

Both the Algorithmic Score and Business Check Scores are displayed. The Risk Assessment Score for the Individual or Entity is the maximum score of the Algorithmic Score and Business Check Score. If the Batch Type of the Risk Assessment is Accelerated Re-review, then you can view the evidence details clicking on the hyperlinked value.

The Matches section provides the list of records this customer matched with across various watchlist types, such as Sanctions list, Politically Exposed Persons (PEP) list, Enhanced Due Diligence (EDD) list, and so on.

- Click the **Overall Match Score** link in this list to open the **Matching Details** window with attribute match details.

- If you think that the customer is a risk and must be investigated, click **Promote to Case**

  .

Table 3-3   Risk Assessment Field Details

Record Name	Description
Primary Prospect	This field indicates whether the Risk Assessment details belong to Primary Prospect or not. Valid values are Yes/No.
Risk Category	Displays the category of the risk score as calculated by the system. For example, Low, Medium, High.
Overridden Risk Category	This field displays the category of the Overridden Risk Score. For example: Low, Medium, High.
Risk Assessment ID	Displays the unique ID for the Risk Assessment.
SSN/TIN	SSN/TIN field provides the individual's Social Security Number (SSN) or the entity's Taxpayer Identification Number (TIN).
CIP Status	Displays the business domain to which the event belongs.
Business Domain	Displays the business domain to which the event belongs.
Prospect Type	Displays the Prospect Type of the respective prospect. Valid values are Financial Institution, and Individual Organization.
Application ID	Displays the Application ID of the respective assessment.
Applicant ID	Displays the Applicant ID assigned by the Bank or FI for an Individual or an Entity.
Jurisdiction	Displays the jurisdiction to which the risk assessment belongs.

Table 3-3   (Cont.) Risk Assessment Field Details

Record Name	Description
Created Date	Displays the date on which the assessment is created.
Case ID	This is the Case ID. • If the Risk Assessment is promoted to case for further investigation. • Respective case ID, if KYC is integrated with other third-party case investigation system.
Case Status	This is the current Case Status, if the Risk Assessment is promoted to case for further investigation.
Case Closure Reason	This is the final Case Closure Reason.
Effective KYC Risk Score (Overridden)	This score is manual overridden Effective KYC Risk Score for the primary customer and as part of case closure in Case Management, the score will be updated in KYC.
MPTC Reason	Reason selected when taking **Promote to Case** action.
MPTC Comment	Comment provided when taking **Promote to Case** action.
Overridden	This score is a manual overridden KYC Risk Score for the primary customer. The score gets updated in KYC as part of case closure in Case Management.