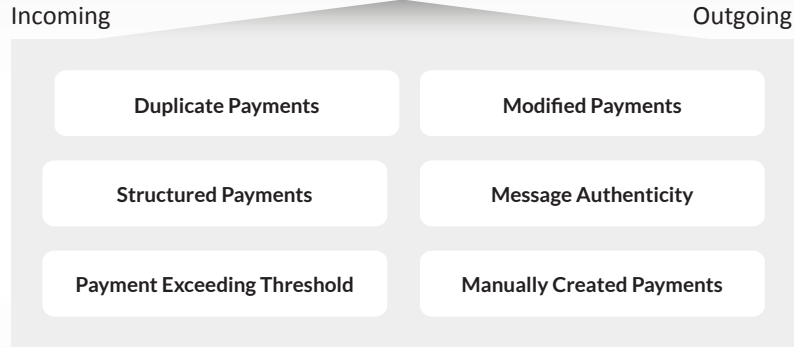## Fraud Detection

A process flow for real time payment fraud detection is developed by Buna whereby incoming and outgoing payments are checked against a selected number of scenarios.

Engine

Screens the payment against a predefined set of scenarios to detect fraudulent behavior

Incoming | Outgoing

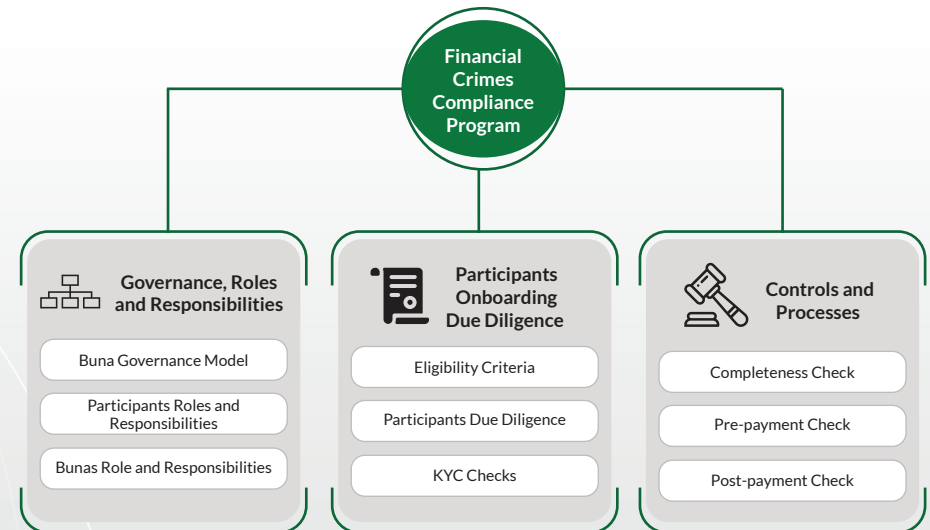| Duplicate Payments	Modified Payments
Structured Payments	Message Authenticity
Payment Exceeding Threshold	Manually Created Payments

Selected Scenarios for Incoming and Outgoing Payments

Payment as it should be !

Buna's Compliance Program

Buna has established an effective compliance program based on three key pillars to promote the safety and efficiency of its operations and to ensure sufficient controls and measures are implemented.

Financial Crimes Compliance Program

Governance, Roles and Responsibilities
- Buna Governance Model
- Participants Roles and Responsibilities
- Bunas Role and Responsibilities

Participants Onboarding Due Diligence
- Eligibility Criteria
- Participants Due Diligence
- KYC Checks

Controls and Processes
- Completeness Check
- Pre-payment Check
- Post-payment Check

For more information, Please contact :
Buna
Arab Regional Payments Clearing and Settlement Organization

buna@amf.org.ae
www.buna.co
+971 2 617 1200

Controls and Processes

Buna voluntarily added a second layer of compliance to the payment flows, this includes conducting our own checks on top of the checks conducted by both the Originating and Beneficiary Financial Institutions for all payment transactions. This is not relieving the participants from complying with their regulatory obligations.

Originating

① Conducts all compliance checks prior to submitting payment instruction
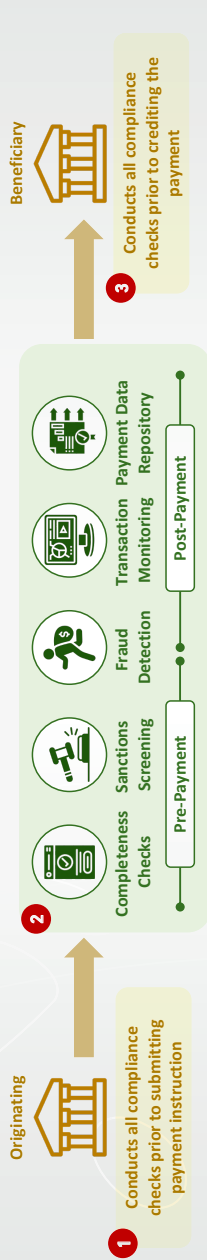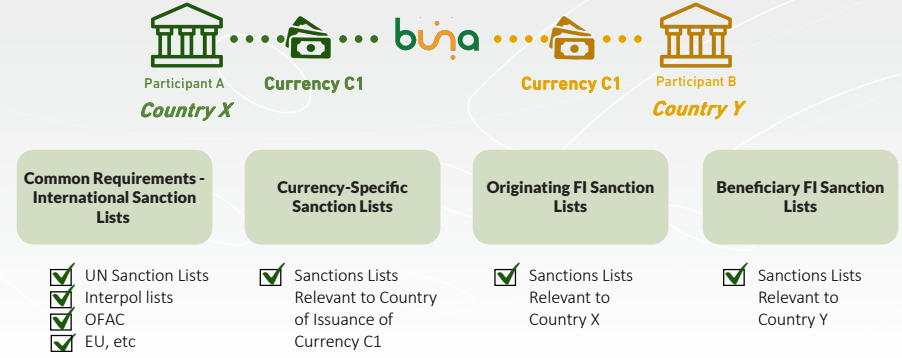
Participants are accountable for **complying with and performing mandatory compliance obligations** against currency-specific and international laws and regulations.

②

Pre-Payment
- Completeness Checks
- Sanctions Screening

- Fraud Detection

Post-Payment
- Transaction Monitoring
- Payment Data Repository

Buna shall provide a **second layer of compliance checks** to ensure that both originating and receiving banks have successfully performed their obligations Buna shall **exert reasonable efforts** to identify and suspend any suspicious payment submitted for settlement through its platform.

Beneficiary

③ Conducts all compliance checks prior to crediting the payment

Participants ultimately **remain accountable and responsible for adhering to applicable compliance regulations.**

Sanctions Screening

Each transaction is screened against relevant sanction lists based on currency, originating and beneficiary institutions, countries, etc.

Participant A — Currency C1 — buna — Currency C1 — Participant B
Country X — *Country Y*

Common Requirements - International Sanction Lists	Currency-Specific Sanction Lists	Originating FI Sanction Lists	Beneficiary FI Sanction Lists
☑ UN Sanction Lists ☑ Interpol lists ☑ OFAC ☑ EU, etc	☑ Sanctions Lists Relevant to Country of Issuance of Currency C1	☑ Sanctions Lists Relevant to Country X	☑ Sanctions Lists Relevant to Country Y

Buna conducts real-time automated sanctions screening of transactions against designated sanction lists.

Transaction Monitoring

Buna also deploys a transaction monitoring tool to build behavioral profiles of participants and customers using data included in the payment messages.

Identify payment patterns and compare payment activity for future AML/CFT detection purposes

Build **risk management profiles** of **customers** and **indirect participants**

Flag risky transactions (e.g. transactions involving **high-risk countries, participants, parties**, etc.)

Build behavioral profiles for the detection of **anomalies** or **suspicious transactions**

Issue **alerts** upon **identification of suspicious payments** to participants

Create, modify, and combine rules without the intervention of IT experts