

RISKCHECK

February 2021

LATEST NEWS ON OPERATIONAL RISK

explore@benchmatrix.com | www.benchmatrix.com



SUMMARY OF NEWS

1. French Bank to Pay \$8.6 Million to Settle Syria Sanctions Case
2. Finra Fines LPL \$6.5 Million over Broad Supervisory Failures
3. T-Mobile data breach: 'Malicious, unauthorized' hack exposes customer call information
4. Government to replace Sassa grant cards after security breach
5. Deutsche Bank pays nearly \$125mln to resolve US bribery, fraud claims
6. New Zealand Central Bank Says Data System Hacked
7. Equifax Invests In Fraud Prevention And ID Verification With \$640M Kount Deal
8. China fines state-owned financial institutions \$31 million in crackdown
9. TD Bank Denies Negligence Claim in \$4.5 Billion Stanford Fraud
10. RBI imposes Rs 2 cr fine on Deutsche Bank for non-compliance of directions
11. Ubiquiti suffers data breach and alerts customers to change passwords
12. Capital One hit with \$390 million fine over "egregious" AML failures
13. Seven Hong Kong bank staff arrested in US\$1.07bil money-laundering probe
14. Former head of Vatican bank found guilty of embezzlement
15. Digitonics Used 12 Bank Accounts For Money Laundering
16. SECP takes action against fake investment firms
17. Seven Banks Escape With Minor Fines in Mexico Antitrust Case
18. Ex Tustin bank manager sentenced to prison for stealing \$1 million from customer with dementia
19. Enforcement Action: SBP imposes Rs 59.5 million penalty on Habib Metropolitan Bank
20. Railway's IT system collapses; data breach feared
21. India's central bank penalizes Standard Chartered Bank for late fraud reports

OPERATIONAL RISK NEWS

French Bank to Pay \$8.6 Million to Settle Syria Sanctions Case

Jan 04th, 2020 -

The U.S. Treasury Department imposed an \$8.6 million fine on a French bank that officials said processed payments for blacklisted Syrian financial institutions..... [Read full story](#)

Finra Fines LPL \$6.5 Million over Broad Supervisory Failures

Jan 04th, 2020 - LPL

Financial has agreed to a censure and \$6.5 million fine for a range of supervisory and compliance failures tied to record-keeping and screening employees..... [Read full story](#)

T-Mobile data breach: 'Malicious, unauthorized' hack exposes customer call information

Jan 04th, 2020 - A security incident at T-Mobile has resulted in customer call data being accessed, the telecommunications giant has said..... [Read full story](#)

Government to replace Sassa grant cards after security breach

Jan 04th, 2020 - Minister of Social Development Lindiwe Zulu says that government is in talks with stakeholders to replace South African Social Security Agency (Sassa)..... [Read full story](#)

Deutsche Bank pays nearly \$125m to resolve US bribery, fraud claims

Jan 10th, 2020 - New York: Deutsche Bank has agreed to pay US authorities nearly \$125m and entered into..... [Read full story](#)

New Zealand Central Bank Says Data System Hacked

Jan 10th, 2020 - New Zealand's central bank says one of its data systems has been breached by an unidentified hacker who potentially accessed commercially and personally sensitive information..... [Read full story](#)

Equifax Invests In Fraud Prevention And ID Verification With \$640M Kount Deal

Jan 11th, 2020 - The great digital shift – and the rising tide of eCommerce – has placed greater pressure on companies to verify..... [Read full story](#)

China fines state-owned financial institutions \$31 million in crackdown

Jan 11th, 2020 - China's top banking regulator handed out its first big tickets in 2021, fining several state-owned banks and financial institutions a total of nearly RMB 200 million (\$31 million) for..... [Read full story](#)

TD Bank Denies Negligence Claim in \$4.5 Billion Stanford Fraud

Jan 12th, 2020 - Toronto-Dominion Bank denied knowing about illegal activity in the accounts of convicted fraudster Allen Stanford and..... [Read full story](#)

RBI imposes Rs 2 cr fine on Deutsche Bank for non-compliance of directions

Jan 12th, 2020 - The Reserve Bank of India (RBI) on Tuesday imposed a penalty of Rs 2 crore on Deutsche Bank AG for non-compliance..... [Read full story](#)

Ubiquiti suffers data breach and alerts customers to change passwords

Jan 13th, 2020 - Ubiquiti Networks has sent out notification emails to its customers informing them of a recent security breach..... [Read full story](#)

Capital One hit with \$390 million fine over "egregious" AML failures

Jan 19th, 2020 - The Financial Crimes Enforcement Network (FinCEN) has enforced a \$390 million civil money penalty on Capital One for engaging in both "willful and negligent" violations of the Bank Secrecy Act..... [Read full story](#)

OPERATIONAL RISK NEWS

Seven Hong Kong bank staff arrested in US\$1.07bil money-laundering probe

Jan 20th, 2020 -

Seven former and current bank employees have been arrested in Hong Kong as part of a major operation against a US\$810 million..... [Read full story](#)

Former head of Vatican bank found guilty of embezzlement

Jan 21st, 2020 - A former head of the Vatican bank, Angelo Caloia, has been found guilty of embezzlement and money laundering and sentenced to eight years and 11 months in prison.....

[Read full story](#)

Digitonics Used 12 Bank Accounts For Money Laundering

Jan 21st, 2020 - FIA conducted a big crackdown against a company called Digitonics involved in International Scam earlier in January 2021.....

[Read full story](#)

SECP takes action against fake investment firms

Jan 21st, 2020 - The (SECP) has initiated legal proceedings against two firms unauthorised to operate investment schemes, it said on

Wednesday..... [Read full story](#)

Seven Banks Escape With Minor Fines in Mexico Antitrust Case

Jan 24th, 2020 - Mexico's antitrust watchdog has fined seven banks a total of \$1.5 million, only 4% of potential penalties..... [Read full story](#)

Ex Tustin bank manager sentenced to prison for stealing \$1 million from customer with dementia

Jan 25th, 2020 - A former branch manager of a Tustin Comerica bank was sentenced Monday, Jan. 25, to more than three years in prison for..... [Read full story](#)

Enforcement Action: SBP imposes Rs 59.5 million penalty on Habib Metropolitan Bank

Jan 27th, 2020 - The State Bank of Pakistan (SBP) imposed a monetary penalty of Rs.59.516 Million on Habib Metropolitan Bank (HMB) on account of violation of its..... [Read full story](#)

Railway's IT system collapses; data breach feared

Jan 28th, 2020 - The electronic system of e-ticketing and financial and human resources of the Pakistan Railways (PR) collapsed on Tuesday, leaving 60 online reservation offices

disconnected..... [Read full story](#)

India's central bank penalizes Standard Chartered Bank for late fraud reports

Jan 21st, 2020 - India's central bank fined Standard Chartered Bank – India Branches 20.0 million rupees for delays in its report of frauds..... [Read full story](#)

ABOUT BENCHMARKIX

BenchMatrix Private Limited is a Management Consultancy and Financial Solutions firm specialized in providing innovative, practical, and comprehensive solutions to its valuable clients.

BenchMatrix is strengthened by renowned senior executives of the industry who have international working experience with global brands. We believe in understanding the complex needs of clients and delivering them tailor made solutions for their organizations.

RISKCHECK

RiskCheck Operational Risk newsletter is published monthly. It keeps you abreast with the latest news, events and external risk exposures which could potentially impact your organization. Both national as well as international potentially high risk events are covered in this newsletter.

[Click here](#) to subscribe

For more information, please contact:

Tel: (+92 21) 3562-0945

Email: explore@benchmatrix.com

Sources: Reuters, New York Times, The International News, BBC, Dawn News, Business Recorder, Tribune, The Nation, American Banker, Belleville News-Democrat, Bank for International Settlements, Harvard Business Review, Federal Reserve, Telegraph, Norman Transcript, Indian Express, Buffalo News, US news, Ottawa Citizen, LA Times, Chicago Tribune and ABC.

CONTACT US

Head Office, Bahrain

Office 61, Building 3358,
Road 2845, Seef 428,
Kingdom of Bahrain
waqas.alam@benchmatrix.com
+973 3513 9689

Pakistan Office

3rd Floor, Lakson Square Building No.3,
Sarwar Shaheed Road,
Karachi, Pakistan.
taimur.kaleem@benchmatrix.com
+92 332 5432689

Canada Office

53 Village Center Place,
Mississauga, ON, Canada
noman.Zahid@benchmatrix.ca
+1 (647) 546-1985

UAE Office

Business Centre, Building C,
3rd Floor, Dubai Logistics City,
United Arab Emirates
asad.ali@benchmatrix.com
+971 50 8508325

Kingdom of Saudia Arabia Office

Abdulaziz Alkhuraijy, Alzahra District,
Jeddah
sultan.malki@benchmatrix.com
+966 55 031 3461

Kuwait Rep Office

nadeem.mukaddam@benchmatrix.com
+965 9406 7607