

RISKCHECK

December 2021

LATEST NEWS ON OPERATIONAL RISK

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SUMMARY OF NEWS

1. Operational RWAs – previously calculated under the advanced measurement approach (AMA) – increased by €1.2 billion (\$1.4 billion) to €19.8 billion to their highest level since Q3 2019.
2. Federal Deposit Insurance Corporation preparing to issue new interagency guidance on managing the risks associated with entering into contracts with external suppliers.
3. The manager of a cooperative bank was killed during robbery in Pune district on Wednesday.
4. The Union Bank of India to the tune of Rs 11 crore by submitting fake documents of property as collateral security.
5. Rajkot-based Mandeep Industries and its directors and partners allegedly cheating the Union Bank of India to the tune of ₹ 44.64 crore.
6. Plans are in motion to force all UK banks to reimburse victims of authorized push payment (APP) scams, marking a landmark win for scam victims.
7. Ten major banks from Switzerland's commodity and trade finance sector have finalized a best practice guide aimed at avoiding a repeat of the fraud and insolvency scandals that shook the sector last year.
8. APP fraud – being tricked into transferring money to a fraudster – is fast becoming one of the UK's biggest frauds.
9. The Counter Terrorism and Transnational Unit (CTTC) has arrested two alleged members of the international financial scammers from Sirajganj in a special operation.
10. The National Bank of Pakistan (NBP) has suffered what two sources have described to The Record as a "destructive" cyberattack.
11. State Bank of Pakistan (SBP) imposed Rs465 million penalties on four banks in Q3 of 2021 for noncompliance with instructions on anti-money laundering (AML) and combating the financing of terrorism, general banking operations, and customer due diligence, the SBP said on Friday.
12. The largest and oldest bank in the United Arab Emirates will pay a host of federal and state regulatory and sanctions agencies \$100 million for dealings with a blacklisted regime.
13. Under the GDPR, the EU's data protection authorities can impose fines of up to up to €20 million (roughly \$20,372,000), or 4 percent of worldwide turnover for the preceding financial year—whichever is higher.
14. Lebanese president Michel Aoun announced he had ordered Central Bank of Lebanon governor Riad Salameh and finance minister Youssef Khalil to hand the data over.
15. An operation coordinated by INTERPOL codenamed HAECHI-II saw police arrest more than 1,000 individuals and intercept a total of nearly USD 27 million of illicit funds, underlining the global threat of cyber-enabled financial crime.
16. The Federal Investigation Agency (FIA) on Monday arrested its own assistant director in the Rs75 million bank scam.
17. Pakistan's foreign exchange reserves decrease by \$244 million to \$16,010.3 million in the week ending November 26, compared to \$16,254.1.
18. The founder of one of Russia's largest privately-owned banks has agreed to pay the U.S. Internal Revenue Service (IRS) more than \$500 million after pleading guilty to tax fraud.
19. Chinese officials have arrested members of a criminal group charged with alleged money laundering using the country's CBDC, the digital yuan.
20. German digital bank N26 is shutting down its U.S. operations, less than two-and-a-half years after it launched in the country.
21. A Romanian man, in the US illegally, has pleaded guilty in federal court to stealing more than \$30,000 from bank customers at several ATMs in Claremont.
22. Pak paid USD100 million penalty to ADB for failing to implement projects in last 15 years.

OPERATIONAL RISK NEWS

Commerzbank's op RWAs rise €1.2bn on SA switch

Nov 8th, 2021 – Commerzbank's operational risk-weighted-assets (RWAs) rose 6.7% in the third quarter after the bank switched to the standardized approach to calculate capital requirements.

Banks seek greater clarity from regulators on cloud risk

Nov 03rd, 2021 - Banks are asking US regulators to provide more detailed guidance on the risks presented by cloud service providers, such as Amazon, Google and Microsoft.

Bank Manager Killed During Robbery In Pune

Nov 24th, 2021 - Two persons, who were wearing helmets, entered the bank and opened fire before making away with some cash.

Rs 11 crore UBI loan scam: Ex- manager in dock

Nov 19th, 2021 - An internal inquiry in the irregularities in sanctioning Rs 11 crore loan to Amazon Enterprises Private Limited revealed that former manager of the Union Bank of India had accepted photocopies of the property document rather than the original one as collateral security.

Rajkot-Based Company Cheats Union Bank Of India Of ₹ 44 Crore, CBI Lodges Case

Nov 29th, 2021 - Directors and partners for allegedly cheating the Union Bank of India to the tune of ₹ 44.64 crore.

Banks will have to repay bank transfer scam victims under new law

Nov 18th, 2021 - In the first six months of the year, individuals and businesses lost a staggering £355m to APP scams.

Destructive cyberattack hits National Bank of Pakistan

Nov 02nd, 2021 - The National Bank of Pakistan (NBP) has suffered a destructive cyberattack, Impacted the bank's backend systems and affected servers used to interlink the bank's branches, ATM and mobile apps.

Swiss banks take on fraud with tough commodity finance standards

Nov 03rd, 2021 - Ten major banks from Switzerland's commodity and trade finance sector have finalized a best practice guide aimed at avoiding a repeat of the fraud and insolvency scandals that shook the sector last year.

Banks wrongly denying fraud victims compensation in up to 8 in 10 cases

Nov 11th, 2021 - The number of customer complaints about banks' handling of authorized fraud in the vast majority of APP – landing at the FOS more than doubled in the 2020-21.

22 Biggest GDPR Fines of 2019, 2020, and 2021

Nov 19th, 2021 - The GDPR, the EU's data protection authorities can impose fines of up to up to €20 million.

SBP slaps Rs465mIn fines on 4 banks for AML noncompliance

Nov 30th, 2021 - KARACHI: State Bank of Pakistan (SBP) imposed Rs465 million penalties on four banks in Q3 of 2021 for noncompliance with instructions on anti-money laundering.

Pakistan reserves decrease \$244 mln to \$16,010.3 week ending

Nov 28th, 2021 - Pakistan's foreign exchange reserves decrease by \$244 million to \$16,010.3 million in the week ending.

OPERATIONAL RISK NEWS

[OFAC, Fed, NYDFS penalize Mashreq bank \\$100 million for sanctions failures, just three years after \\$40 million fine for similar issues](#)

Nov 09th, 2021 - The largest and oldest bank in the United Arab Emirates will pay a host of federal and state regulatory and sanctions agencies \$100 million.

[Lebanese president orders central bank to comply with audit](#)

Nov 25th, 2021 - Lebanese president Michel Aoun announced he had ordered Central Bank of Lebanon governor Riad Salameh and finance minister Youssef Khalil to hand the data over.

[FIA official held in bank scam](#)

Nov 09th, 2021 - LAHORE: The Federal Investigation Agency (FIA) arrested its own assistant director in the Rs75 million bank scam after receiving bribe.

[More than 1,000 arrests and USD 27 million intercepted in massive financial crime crackdown](#)

Nov 26th, 2021 - An operation coordinated by INTERPOL codenamed HAECHI-II saw police arrest more than 1,000 individuals and intercept a total of nearly USD 27 million.

[Pak paid USD100 million penalty to ADB for failing to implement projects in last 15 years](#)

Nov 03rd, 2021 - Pak paid USD100 million penalty to ADB for failing to implement projects in last 15 years.

[Afghans suffer as banks run low on cash and economy implodes](#)

Nov 04th, 2021 - Almost three months after the Taliban swept to power in Afghanistan, the country's economy is imploding.

[Russian Bank Founder Agrees To Pay IRS \\$500 Million In Tax Fraud Case](#)

Nov 01st, 2021 - The founder of one of Russia's largest privately-owned banks has agreed to pay the U.S. Internal Revenue Service (IRS) more than \$500 million.

[Chinese Police Make First Arrest For CBDC Money Laundering](#)

Nov 05th, 2021 - Chinese officials have arrested members of a criminal group charged with alleged money laundering using the country's CBDC.,

[Polish DPA: Bank Millennium fined for failure to notify the breach and the data subjects about the incident](#)

Nov 22nd, 2021 - The Personal Data Protection Office (UODO) learnt about the personal data breach from a complaint lodged against the bank

[Germany's \\$9 billion digital bank N26 to withdraw from the U.S.](#)

Nov 18th, 2021 - N26's American customers will no longer be able to use its app from Jan. 11, 2022.

[Romanian man pleads guilty to bank fraud, identity theft](#)

Nov 09th, 2021 - A Romanian man, in the United States illegally, has pleaded guilty in federal court to stealing more than \$30,000.

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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.

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