

To: [IT Department/Development Team Name]

From: [Compliance Department/Project Manager Name]

Date: [Insert Date]

Subject: Technical Requirements for Implementing Anti-Money Laundering (AML) System Updates

Dear Technical Team,

Following the recent updates to regulatory compliance standards, we are initiating a formal update to our Anti-Money Laundering (AML) monitoring systems. This letter outlines the core technical requirements necessary for this implementation.

1. Transaction Monitoring Enhancements

- Implementation of real-time monitoring for cross-border transactions.
- Integration of automated alerts for high-velocity account activity.
- Update of detection thresholds for [Insert Specific Currency/Limit].

2. Sanctions Screening and Watchlist Integration

- API integration with updated global sanctions lists (OFAC, UN, EU).
- Implementation of fuzzy matching logic for Name/Alias identification.
- Automation of daily delta-file updates for restricted entities.

3. Customer Due Diligence (CDD) Modules

- Deployment of enhanced risk-scoring algorithms based on geographic and professional data.
- Technical support for automated re-verification workflows (Periodic Review).
- Storage infrastructure for high-resolution KYC documentation.

4. Data Integrity and Reporting

- Generation of automated Suspicious Activity Reports (SAR) in XML/JSON format as per regulatory templates.
- Creation of immutable audit logs for all manual override actions.
- Database encryption for all Personally Identifiable Information (PII).

5. Testing and Validation

- Provision of a User Acceptance Testing (UAT) environment.
- Documented Unit Testing results for the logic of new alert rules.

Please review these requirements and provide an estimated development timeline and resource allocation plan by [Insert Deadline Date].

Sincerely,

[Your Name]

[Your Title]

[Organization Name]