

CRYPTO WALLET SCREENING

No Wallet Left Unchecked!

The Hidden Risks Behind Blockchain Wallets

The **decentralized nature** of cryptocurrency transactions creates significant challenges for financial institutions and compliance teams.

Traditional Anti-Money Laundering (AML) systems, built for fiat transactions, **struggle to identify** the real owners or beneficiaries of blockchain wallets.

Key Challenges

Anonymity of Wallet Owners	Constantly Changing Sanction Lists	Multiple Blockchain Networks	Real-Time Detection
It is difficult to link wallet addresses to individuals who may be sanctioned or deemed high-risk.	Sanction lists are updated frequently, requiring constant monitoring to remain compliant.	Indicates the severity of the risk (Low, Medium & High).	The wide range of blockchain networks and token standards complicates screening efforts.

How Shufti Solves These Challenges

Shufti tackles these challenges with a screening engine that is

- Automated
- Data-Driven
- Continuously Updated

It screens against sanctions and watchlists, and surfaces risks with clear, audit-ready decisions.

Here's How It Works

 Cross-Referencing Wallets Each submitted wallet address is checked against a curated and verified database of sanctioned and blocked wallets, sourced from trusted governmental and regulatory sources.	 Ongoing Monitoring Shufti continuously monitors sanctions and watchlists, ensuring updates are automatically reflected in the system, keeping compliance teams up-to-date.
 Accurate Data Source Verification Only verified sanctioned crypto wallets are included in Shufti's internal database, eliminating unreliable community-generated data and minimizing false positives.	 Automated Alerts & Reporting When a match is detected, Shufti generates automated alerts and compliance reports, enabling teams to take swift action and remain audit-ready.

Key Capabilities

Shufti's platform delivers enterprise-grade compliance and security with a powerful suite of advanced, real-time screening capabilities.

- Real-Time Sanctions Screening**

Instant identification of risky wallets before transactions are processed.
 - Continuous Monitoring**

Ongoing surveillance of sanctioned wallets and regular updates from global authorities.
 - Batch Screening**

Upload large wallet lists via CSV or API for mass screening.
- Lookup by Wallet or Name**

Shufti allows clients to search both by wallet address or by the wallet holder's name.
 - Adaptive Risk Assessment**

A fully customizable risk engine tailored to your compliance and business needs.
 - Secondary Sanction Data**

If a wallet appears on secondary sanction lists, Shufti flags it for review, offering deeper risk insights and ensuring compliance.



Worldwide Sanctions? Covered!

Shufti maintains one of the most extensive coverage networks for sanctioned crypto wallets, sourcing data from governmental bodies, regulators, and validated public sources to ensure global reach and accuracy.

Flags sanctioned wallet addresses instantly, even at initial crypto gateways for cash deposit or withdrawal.

Major sanctions that Shufti covers include:

- Israel Sanctioned Crypto Wallets List
- GOV UK - Sanctions (Sanctioned Crypto wallets)

- Ministry of Finance - Japan (Sanctioned Crypto wallets)
- Etherscan - Frozen Wallets

- Office of Foreign Assets Control (OFAC) - SDN and Blocked Persons List
- and more...

All updates **Every 15 Minutes**.

Real Wallets, Real Reports

When a wallet matches a sanction list, Shufti provides structured, actionable details within the screening dashboard.

Each flagged wallet entry includes:

- Source Authority & List Name

Identifies the regulatory body and list where the wallet is found.
- Date of Last Update

Ensures the data is up-to-date.
- Risk Classification

Indicates the severity of the risk (Low, Medium, High).

Here's a **sample** of sanctioned wallets detected by Shufti's AML platform, along with direct links to their AML Reports

Wallet Address	Holder Name	Source	Report
3QrukkUiBm23rFUKUga sNd1wyWNK7WdSV	Matthew Simon	OFAC	View
1NE2NiGhhbkFPSEyNWwj7 hKGhGDedBtSrQ	SECONDEYE SOLUTION	OFAC	View
1QHxyuLGRMHfbNPJikV 4Dwhfx45HWfUMWB	Hydra Marketplace	OFAC	View

Meeting Regulatory Requirements

- **EU Regulations**

EU and national authorities have instructed crypto firms to freeze any wallet that “belongs to or is controlled by” a person on a sanctions list. The **FATF-guided EU approach** means providers should use tools (like blockchain analytics) to match address strings against publicly listed banned wallets.

- **UK Regulations**

UK crypto firms must regularly screen customers and wallets against sanctions lists and report any transactions involving sanctioned addresses to the **Office of Financial Sanctions** Implementation (OFSI). Evasion via crypto is considered a criminal offence.

- **Global Initiatives**

International bodies like the UN and U.S. have targeted specific **crypto addresses** in sanctions. Wallet screening is a crucial part of AML compliance in most regulatory regimes, supported by industry initiatives and public sanction lists.

Where Shufti Works Best

 Crypto Exchange	Shufti helps crypto exchanges monitor transactions and block sanctioned or high-risk wallets, ensuring regulatory compliance.
 Custodians & Wallet Providers	Custodial platforms use Shufti's monitoring to detect transfers to sanctioned wallets and trigger review alerts.
 Payment Processors & FinTechs	Shufti's API lets crypto gateways reject payments from sanctioned wallets, avoiding compliance breaches.
 DeFi Platforms & NFT Marketplaces	DeFi and NFT platforms can block wallets tied to illegal activity by integrating Shufti into compliance workflows.
 Regulated Financial Institutions	Financial institutions can integrate Shufti to screen fiat and crypto under one AML framework.

Integration Capabilities

- **API Integration**

REST APIs for seamless integration with existing transaction monitoring or exchange systems.
- **KYT / KYC System Integration**

Native compatibility with Know Your Transaction (KYT) and blockchain intelligence tools.
- **Dashboard Interface**

An intuitive web interface for manual screening and real-time monitoring.
- **Webhook Alerts**

Push notifications for compliance systems when high-risk matches are detected.

Let's Keep Your Flows Clean And Compliant

Shufti gives you more than alerts; it gives you foresight.

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Book a Demo

www.shufti.com