

AML Screening for Retail Banking

From Cards to Loyalty Points – Full AML Compliance

The New Reality: Retail Banks Are in the AML Hot Seat

In today's regulatory landscape, retail banks are no longer exempt from AML screening integration. Whether issuing prepaid cards, powering loyalty schemes, or facilitating cross-border remittances, consumer-facing banks are now considered fully "obliged entities" under global AML frameworks.

And with good reason. Criminals have turned everyday financial tools into laundering vehicles:

- Stolen cash is converted into gift cards or loyalty points, then resold or redeemed across countries.
- Prepaid cards are used for placement and cover-ups. They're easily moved across borders without being traced.
- Liberal return policies are exploited to clean illegal funds through cash-back and store credits.

Scammers misuse systems on a huge scale. Illicit flows through loyalty and rewards programmes alone are estimated at \$2 trillion! Regulators are implementing stricter enforcement, and banks that fail to comply can be held accountable.

Retail banks must now screen not only their customers, but also partners, redeemers, dealers, and facilitators. The pressure is clear: install robust and up-to-date AML infrastructure, or risk fines, debanking, and reputational damage.

Purpose-Built AML Screening for Modern Retail Banking

Shufti delivers continuous, quick, and accurate screening against looming global risks. Designed to smoothly handle the speed and complexity of retail banking environments, our solution enables real-time detection and ongoing monitoring across the customer lifecycle.

Unlike traditional name-matching systems, Shufti's screening platform:

- Detects Special Interest Persons (SIPs) beyond standard PEP tiers
- Supports fuzzy, phonetic, and cross-script matching to reduce false positives



2.6M+ PEPs and RCAs



215+ global sanction regimes



50,000+ news sources



3,500+ watchlists

Shufti delivers all of that in 80+ languages with lightning-fast speed: under 2.5 seconds per screen, with a false-negative rate below 0.6%—so you stay compliant without disrupting checkout, redemption, or onboarding flows.

Retail-Specific Threat Coverage: Designed to Uncover What Legacy Systems Miss

Retail banking products appeal to money launderers because they're fast and scalable without detailed monitoring. Shufti smartly exposes:

- Gift-card mule rings using synthetic IDs or stolen credentials
- Loyalty-point laundering across airline, hotel, and cashback schemes
- Sanctioned entities hiding in merchant supply chains or partner networks
- Fraudsters misusing return policies to generate "clean" funds
- High-risk individuals attempting account redemption via aliases or phonetic variants

Shufti's own NLP engine flags adverse media stories in real time, classifies them into 400+ risk categories, and detects fraudulent accounts with contextual scoring. It allows Shufti to detect real-world threats super fast.

Compliance Without Compromise

Shufti's AML screening aligns with mandatory regulations that govern today's retail banks:

EU AML Regulation 2024/1624

Risk-based customer due diligence (CDD) for all obliged entities, including prepaid card issuers and loyalty programmes.

UK MLR 2017

Monitoring requirements for politically exposed persons (PEPs), RCAs, and high-risk partnerships.

01

02

03

04

FinCEN Title 31

Mandatory screening obligations for prepaid instruments and MSBs.

FATF Recommendation 22

Due diligence requirements for dealers in high-value goods and services.

How Retail Banks Deploy Shufti AML Screening

Prepaid card issuance

Screen and monitor cardholders at issuance, reload, and redemption stages.

Loyalty programme compliance

Flag suspicious redeemers, especially in high-risk regions or patterns.

Gift card monitoring

Detect any fake activity or network abuse tied to gift card purchases and resale.

Partner and supplier onboarding

Screen merchant partners, dealers, and third parties before integration.

Return policy abuse prevention

Identify high-risk actors leveraging refund loops or store credits for laundering.

Ongoing CDD for high-volume customers

Re-screen users as risk profiles evolve or when adverse news emerges.

Why Retail Banks Trust Shufti

- Over 90% faster decisioning:**
Legitimate prepaid users and redeemers auto-cleared in under 3 seconds
- 44% fewer false positives:**
Advanced matching logic reduces manual case queues for compliance teams
- 100K+ data sources across 235+ jurisdictions:**
Global coverage with region-wise accuracy
- Sub-3 second latency:**
Real-time screening integrated with all the processes including checkout, onboarding, and redemption
- One intelligent console:**
Centralise AML queues, audit logs, RCA alerts, and screening history



Whether you're screening prepaid cardholders, loyalty redeemers, or merchant partners, **Shufti gives you the visibility** you need at the speed your operations demand.

The AML Burden Is Now a Business Risk

Retail banking has changed. AML enforcement has caught up. And your institution's ability to screen intelligently is now directly tied to its ability to grow, partner, and protect customer trust.

Shufti AML Screening provides the invisible yet essential compliance infrastructure that today's retail banks need. **No noise. No hassles.** Just clear signals, full coverage, and real-time protection.



Shufti AML Screening: Clean cards. Clean customers. Clean reputation.

Ready to safeguard every redemption, refund, and reload? Let's talk.

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Request a Compliance Demo

www.shufti.com