

ThetaRay Risk Catalog Fact Sheet

The risk catalog will provide clients with a comprehensive catalog of risks based on regulatory guidance, industry knowledge and insights from the clients' own data and alerts.

Using Gen AI in combination with human expertise from ThetaRay's financial crime expert (FCE) team, to build and maintain a global risk catalog, leveraging the various regulatory documents around the world, including FATF, FinCEN, FCA, Egmont, The Wolfsberg Group, and more local regulatory documents. The risk catalog is a structured set of risk indicators (also called "red flags"), such as:

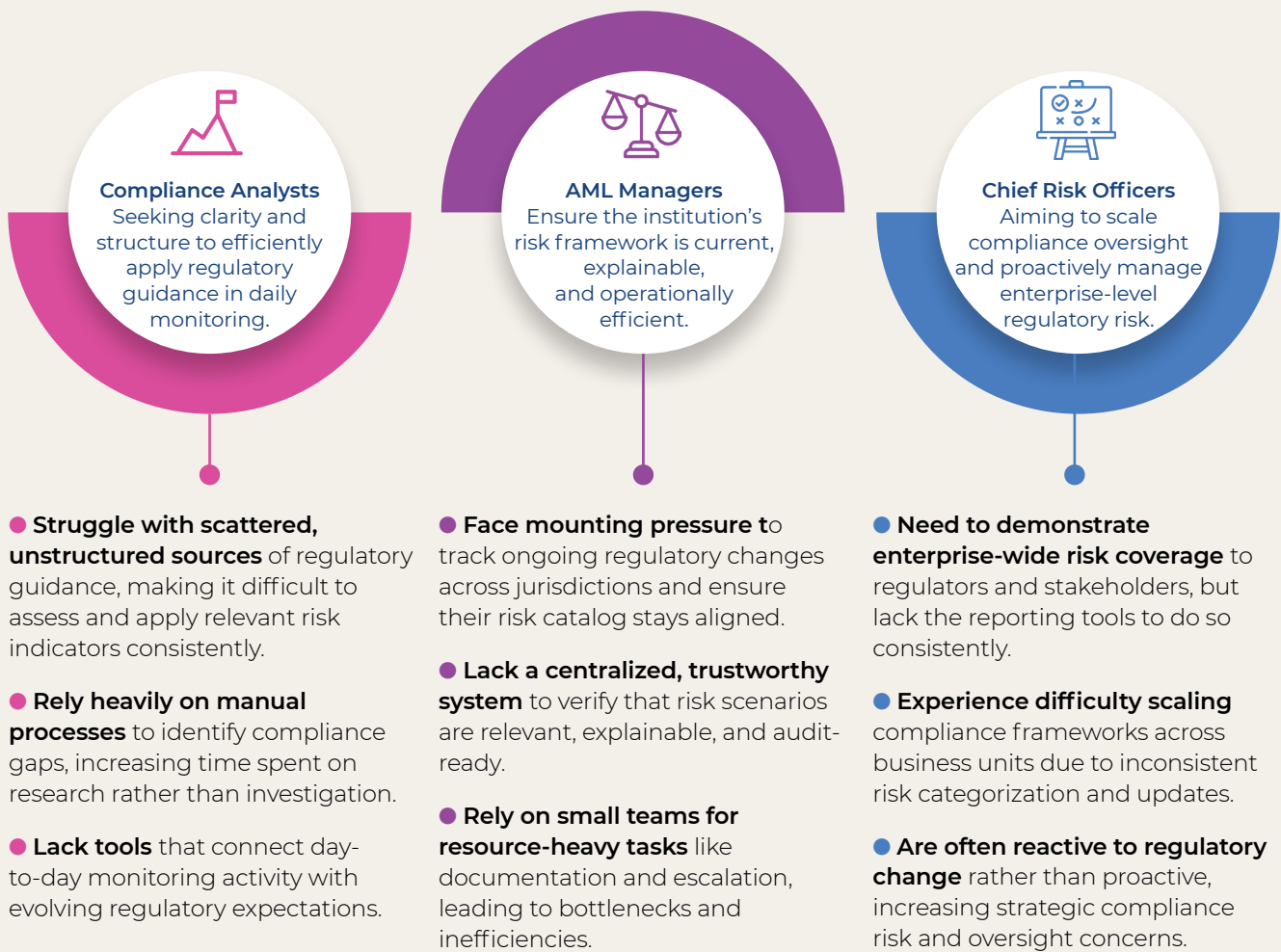
- Structuring (smurfing)
- High-risk corridor usage
- Unusual transaction velocity
- Counterparty profile mismatches
- Activity spikes in dormant accounts
- Use of shell entities or tax havens

Current challenges our clients face

The absence of a centralized source for regulatory updates that are a) constantly changing and b) provide vital information relating to risk assessment requirements during onboarding and ongoing monitoring, forces banks and fintechs to manually collect and monitor regulatory publications, leading to inefficiencies and inconsistencies. The scattered and uncentralized nature of this information makes it difficult to control and manage, leading to a coverage problem in addition to potentially missed important updates.

Four key areas are being addressed:

Periodic coverage: Financial institutions more often than not have to manually track regulatory publications to assess risk assessments, leading to inefficiencies and inconsistencies.	Trigger-based coverage: Ongoing regulatory changes require continuous tracking, making manual processes time consuming and prone to oversight. It is essential to keep up-to-date with new regulations.	Trust and explainability: Financial institutions suffer from not having links between risk alerts and real-world regulations, enabling them to clearly justify their compliance processes to regulators.	Scalability & self-service: Risk assessment relies on individual expertise, limiting scalability and creating resource-heavy bottlenecks within the FCE team.
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Risk Catalog solution key features

ThetaRay's Risk Catalogue gives compliance teams a smarter, faster way to manage evolving regulatory and operational risk. Pre-configured and continuously updated, it eliminates manual overhead and enables institutions to deploy relevant, explainable, and regulator-aligned risk typologies—at scale.

Pre-Built Typologies for Faster Deployment Out-of-the-box risk scenarios and feature sets accelerate implementation, eliminating the heavy customization typically required by legacy AML systems.	Risk-to-Alert Traceability Provides a direct link between selected risks and the alerts generated by ThetaRay, giving institutions clear visibility into how each risk is monitored in practice. Clients can see which alerts are triggered for each defined risk—proof that the risk is actively monitored—and be able to demonstrate this coverage to auditors and stakeholders, while also being able to suppress irrelevant alerts to align with their specific risk appetite to focus resources effectively.
Continuously Updated and Expert-Validated The catalog will be updated ongoing, incorporating external risk events and regulatory updates, with all changes reviewed and validated by ThetaRay experts.	Self-Service Risk Selection and Management Empowers clients to select relevant risks from the catalog, reducing the need for manual assessments and supporting growth with less onboarding friction.
Customizable Risk File Delivery Clients receive a structured, filterable file (e.g., Excel) with all risk indicators and parameters—updated periodically—delivered via email or portal to support tailored deployment by use case.	Streamlined Regulatory Tracking and Reporting Enables compliance teams to categorize, update, and report on regulatory risks with minimal manual effort—freeing time for strategic decision-making.
Comprehensive Regulatory Coverage Enables comprehensive visibility into regulatory risk exposure, supporting the generation of structured, regulator-ready reports aligned to frameworks like FATF and Wolfsberg.	

Benefits across compliance teams and AML frameworks

