The system provider KERBEROS developed a compliance management system for sports betting companies and real estate agencies in order to react more quickly to suspected money laundering. Using the Neo4j graph database and application platform Structr, complex organizational structures are viewed in detail and complex legal obligations stay controlled and in compliance.

The Company

KERBEROS is a leading regulatory tech company for the prevention of money laundering in the non-financial sector (so-called “Reg-Tech”). The company supports associations and companies in complying with all the requirements of the Money Laundering Act (AMLA): from analysis and advice to implementation. As an extended arm, KERBEROS implements these legal obligations for companies in accordance with the highest compliance standards.

The Challenge

The German Federal Ministry of Finance estimates that up to 100 billion euros are illegally generated in Germany every year through money laundering. Criminals in particular use so-called “risk industries,” such as the real estate sector or gambling industry. Operators are subject to strict documentation and auditing requirements, and they must demonstrate transparency in how security and detection systems are implemented in their organizations. Affected market participants turned to compliance expert KERBEROS for an IT solution to check and document suspected cases of money laundering and, if necessary, report them to the authorities.

The Strategy

The enormous number of suspected cases requires a high degree of automation, so the solution should have an interface to the FIU (German Central Financial Transaction Investigation Unit) reporting office and be flexibly adaptable – e.g. in case of changes in the law or new market participants. There was no standard solution of this kind on the market.

Together with Structr, KERBEROS developed a completely new compliance management application.

“Risk management is about process clarity, speed and accuracy,” explains Christian Tsambikakis, Managing Director of KERBEROS. “Three aspects were therefore decisive for us when choosing the right database: a fast query, a flexibly adaptable data model without performance limitations and the simple presentation of highly complex interrelationships.”

In order to shed light on the environment of a suspicious person or company, for example, all participating companies must be visible from the parent company to the individual, small outlets – including owners, shareholders and locations. The data model can be adapted flexibly without any performance restrictions. Documentation is also a central requirement of the solution. Wherever there is a relationship between company and person, this is documented (e.g. ID document, rental agreement).
Neo4j is the leader in graph database technology. As the world’s most widely deployed graph database, we help global brands – including Comcast, NASA, UBS, and Volvo Cars – to reveal and predict how people, processes and systems are interrelated.

Using this relationships-first approach, applications built with Neo4j tackle connected data challenges such as analytics and artificial intelligence, fraud detection, real-time recommendations, and knowledge graphs. Find out more at neo4j.com.

Questions about Neo4j?
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