

2021 Anti-Money Laundering Awareness Training

Course Outline and Provider Qualifications (As of August 2021)

I. Regulatory Overview

- a. What is Money Laundering?
- b. AML Regulatory Background
- c. AML Regulatory Landmarks
- d. OFAC Sanctions
- e. OFAC Sanctions Compliance
- f. OFAC & Ransomware Payments
- g. Digital (virtual) Assets

II. How Money Laundering Works / Red Flags

- a. How does Money Laundering Work?
- b. Red Flags
- c. FATF Digital Asset Red Flags
- d. Red Flag Summary

III. Suspicious Activity Reporting

- a. Suspicious Activity
- b. Email – Account Compromise
- c. Reporting Suspicious Activity
- d. SAR Requirements
- e. Individual Liability
- f. Willful Blindness or Turning a Blind Eye

IV. AML Compliance Program Elements

- a. Elements of an AML Compliance Program – Overview
- b. AML Program Elements in Detail
 - AML Program Development
 - Training
 - AML Compliance Officer
 - Testing
 - Customer Due Diligence
- c. Customer Identification Program Steps
- d. CIP Exception: Voice Brokers

V. Noteworthy Cases

- a. Characteristics of Cases
- b. Cases

VI. Case Study

- a. Know Your Customer
- b. Case Study
- c. Knowledge Check
- d. Case Study Review
 - Disclosing False Information
 - Origin of Funds
 - Frequent Transfer or Withdrawals
 - Disregards for Costs and Risks
 - Trades that have no Apparent Legal Purpose
- e. Case Study Epilogue

VII. Quiz

About the Course Authors

Marc Nagel serves as an advisor to Exchange Analytics and was the main course author. Mr. Nagel recently retired as Chief Operating Officer and Chief Compliance Officer of a clearing Futures Commission Merchant. He serves on the Futures Commission Merchant Advisory Committee of the National Futures Association and on the Advisory Board of the IIT- Chicago Kent College of Law Futures and Derivatives Conference. Mr. Nagel is employed as a futures industry compliance consultant and expert witness. He is a licensed CPA and attorney, admitted to the State of Illinois Supreme Court, the U.S. District Court for the Northern District of Illinois, and the U.S. Tax Court. Mr. Nagel is a registered Floor Broker and has held various Exchange memberships since 1979. Mr. Nagel received his BS in Accountancy and CPA from the University of Illinois and his JD from IIT/Chicago Kent College of Law.

Lawrence D. Israel served as co-author. He has been continuously registered with the National Futures Association from March 11, 1981, through the present and is a 30-year member of the Chicago Board of Trade. During that time, Mr. Israel has been extensively involved in the futures and securities industry, serving on a variety of committees at the CBOT, including Arbitration and Education. In 2008, Mr. Israel was appointed to both the Business Conduct Committee and Probable Cause Committee of the Chicago Board of Trade/CME Group. Mr. Israel was Chairman of the Associate Members Committee (financial traders) and serves as an Arbitrator for the National Futures Association. He has served as an expert witness in both Federal Court and arbitrations in disputes involving futures trading, as well as testifying in criminal proceedings for the United States Department of Justice. Mr. Israel served as an adjunct

lecturer at Northwestern University, where he taught courses about the futures, securities and options markets. Mr. Israel earned his BS in Economics from the University of Illinois Champaign-Urbana and his MBA from the University of Chicago. He is a Certified Anti-Money Laundering Specialist.

Joseph Adamczyk served as a co-author. Prior to his affiliation with Exchange Analytics, he served as the Chief Compliance Officer for Options Clearing Corporation (OCC). Mr. Adamczyk oversaw the firm's compliance risk monitoring and governance programs, advised the board of directors and staff on compliance and regulatory requirements, and interacted with federal regulators on compliance, risk, and examination matters. Before joining OCC, Mr. Adamczyk worked at CME Group, where he served as the Managing Director & Associate General Counsel overseeing the company's non-U.S. legal staff and activities. In this role, he interacted with regulators from around the globe. He also handled CME Group's interactions with U.S. regulators and other authorities on cybersecurity and technology controls, requirements, cyber incident response, and examinations. At CME Group, Mr. Adamczyk also served as the Global Head of Investigations and Enforcement in the Market Regulation Department. In that role, he oversaw teams responsible for monitoring, investigating, and enforcing the CME Group exchanges' trade practice rules and other requirements. Mr. Adamczyk received his MBA from the University of Chicago, a law degree from the Loyola University Chicago School of Law, and an undergraduate degree from DePaul University. He has no regulatory actions or other disciplinary history.