

ThetaRay's AI Uncovers Major Money Laundering Scheme for Clicksendnow

Case Study



Executive Summary

Clicksendnow, an independent money transfer operator, initially focused on remittances between South Africa and Zimbabwe—over the course of two years they rapidly expanded to serve more than 30 African countries and parts of Asia.

As a money remittance company dealing with high-volume, low-value transactions, Clicksendnow faced challenges in identifying customer transactional patterns and mitigating risks associated with money laundering and terrorist financing. To address these challenges and enhance compliance, Clicksendnow turned to ThetaRay's Cognitive AI Transaction Monitoring solution.

The Compliance Challenge

Operating from a single branch in Hermanus, South Africa, with a dedicated team of 20, Clicksendnow needed a solution that could:

- Identify suspicious patterns in real-time.
- Detect and report money laundering risk effectively.
- Improve efficiency in compliance reporting.
- Scale with compliance operations as the business expanded into new markets.

Clicksendnow faced challenges with manual transaction monitoring, making it difficult to proactively identify and manage risks. This led to potential gaps in financial crime detection. They needed a robust, scalable solution that could handle domestic and cross-border transactions with greater efficiency and accuracy—ensuring stronger compliance and risk mitigation.



"In an industry where transaction volume is high and profit margins are tight, AI-powered compliance solutions are essential for scalable growth without increasing costs for customers."

Lynnette Botha
Head of Transaction Monitoring
Clicksendnow

Why ThetaRay?

During the technology vendor selection process, Clicksendnow identified key features of ThetaRay's Transaction Monitoring solution that aligned with its compliance needs:

1. **Cognitive AI and machine learning core capabilities** – Enhanced detection of suspicious activities with high accuracy.
2. **Domestic & Cross-Border Monitoring** – Effective tracking of transactions across multiple jurisdictions.
3. **Scalability** – Ability to handle increasing transaction volumes.
4. **Customizable Rules and Alerts** – Configurable detection parameters aligned with regulatory requirements.

Results

Impact of ThetaRay's Cognitive AI Monitoring

ThetaRay's technology played a pivotal role in detecting and mitigating financial crime risks for Clicksendnow. Two key money laundering cases highlight its effectiveness:



1. Money laundering via card payments

ThetaRay's Cognitive AI identified an unusual pattern where multiple senders were making large transactions to the same beneficiary. This behavior suggested a potential money laundering operation. Clicksendnow was able to intervene quickly, preventing further illicit activities.



2. Money Laundering Facilitated through Third-party Transfers

An individual used Clicksendnow's platform to send large sums of money to Zimbabwe through an agent, who convinced multiple individuals to send money on their behalf. ThetaRay's AI flagged this suspicious behavior, enabling compliance teams to investigate and take appropriate action.



Operational Efficiency & Compliance Enhancement

ThetaRay's solution streamlined compliance workflows and improved risk assessment capabilities. Key benefits included:

- **Dynamic Risk Identification** – Early detection of suspicious patterns.
- **Proactive Risk Monitoring** – Immediate intervention capabilities.
- **Improved Decision-Making** – Cognitive AI driven insights for better compliance management.
- **Efficient Reporting** – Automation of compliance reports and audit trails.

Future of AI in Compliance

As Clicksendnow continues to grow, the company envisions further collaboration with ThetaRay to:

- Automate Suspicious Activity Reports (SARs) and Suspicious Transaction Reports (STRs) via goAML regulator platform.
- Expand transaction monitoring to include wallet transactions, incoming remittances, and rejected transactions.

Conclusion

By implementing ThetaRay, Clicksendnow strengthened its ability to detect and report suspicious activity while ensuring compliance with the Reserve Bank of South Africa's regulations. This boosted trust and security for the business, its customers, and regulators.