

Independent Sanctions Screening Module Testing

Below are the initial observations based on independent testing and are intended to highlight priority areas for enhancement before deeper or expanded validation. Overall, baseline sanctions detection is functioning. However, several gaps in alias handling, name normalization and hit-level transparency introduce false-negative and auditability risks that should be addressed.

As an immediate recommendation, it would be helpful to enhance the tool to provide visibility into hit-level details and the specific alias names that trigger alerts. Without this information, it is difficult to independently validate why an alert was generated, which limits the effectiveness of the current review. This capability is a core requirement for sanctions screening solutions, as it materially improves explainability, supports effective alert disposition and reduces operational and audit risk.

	Observations
1	<p>Difference in match counts detected between Watchman and OFAC list.</p> <p>Samples: “ABU BAKR AL-BAGHDADI” generated 1 potential match in Watchman and 4 in the OFAC list. “AL SHABAAB” generated 4 potential matches in Watchman and 11 in the OFAC list.</p> <p>The SDN hit was successfully identified and alerted with a high score. The differences in match counts likely reflect internal alias handling and do not impact baseline sanctions detection under exact-name conditions.</p> <p>However, the application currently does not provide sufficient match-level detail or alias visibility to confirm which specific records or aliases triggered the alert independently. This limits transparency and makes it difficult to fully validate match accuracy.</p>
2	<p>Screening results indicate sensitivity to name order for records.</p> <p>Sample: “AL-JASIM, Muhammad Husayn” Vs. “Muhammad Husayn AL-JASIM”</p> <p>This behavior indicates a potential false-negative risk where sanctioned individuals may not be detected if name components are presented in a different order.</p>
3	<p>The application does not provide sufficient identifying attributes (such as date of birth, place of birth, nationality, location or identification numbers) to support effective alert disposition.</p> <p>The absence of this information limits the ability to mitigate or clear potential false positives. Providing visibility into matched aliases and underlying list records would strengthen explainability, support auditability and improve confidence in screening outcomes.</p>
4	<p>Screening using certain alias-only inputs (e.g., “AL-MALIZI,” an OFAC-listed alias of Abu Sayyaf) did not generate the same match in Watchman. This indicates a potential false-negative risk, where sanctioned individuals/entities may not be detected correctly when screened using alternate or less common names.</p>

	<div data-bbox="256 277 841 745"> <p>Lookup</p> <p>Type: All</p> <p>Name: AL-MALIZI</p> <p>ID # / Digital Currency Address: </p> <p>Program: All 561-Related BALKANS BALKANS-EO14033</p> <p>Minimum Name Score: 100</p> <p>Lookup Results: 1 Found</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Address</th> </tr> </thead> <tbody> <tr> <td>AL-MALIZI, Abu Sayyaf</td> <td></td> </tr> </tbody> </table> </div> <div data-bbox="881 193 1388 745"> <p>Search Name AL-MALIZI</p> <p>Entity Type (optional) All Types</p> <p><input checked="" type="checkbox"/> Enable ScoreTrace</p> <p>Run Search</p> <p>Results: 1 matches</p> <p>View ScoreTrace Report</p> <p>AL-MALIKI, Shabib Lazem - Match: 88.0% Type: PERSON Source: US_OFAC</p> </div>	Name	Address	AL-MALIZI, Abu Sayyaf	
Name	Address				
AL-MALIZI, Abu Sayyaf					
5	<p>When screening using an alias name, the application returns a hit against the primary sanctioned entity/individual, but does not display the specific alias that triggered the match. As a result, it is not possible to confirm whether the alert was generated due to an exact alias match or broader name similarity, limiting the ability to independently validate match accuracy.</p> <div data-bbox="256 1003 779 1554"> <p>Search Name Muhammad IBN AL-HUSAYN</p> <p>Entity Type (optional) All Types</p> <p><input checked="" type="checkbox"/> Enable ScoreTrace</p> <p>Run Search</p> <p>Results: 1 matches</p> <p>View ScoreTrace Report</p> <p>AG ALHOUSSEINI, Houka Houka - Match: 100.0% Type: PERSON Source: US_OFAC</p> </div> <div data-bbox="803 1014 1377 1554"> <p>Search Name Muhammad Yunis Ahmad AL-BADRANI</p> <p>Entity Type (optional) All Types</p> <p><input checked="" type="checkbox"/> Enable ScoreTrace</p> <p>Run Search</p> <p>Results: 1 matches</p> <p>View ScoreTrace Report</p> <p>AHMAD, Muhammad Yunis - Match: 100.0% Type: PERSON Source: US_OFAC</p> </div>				