

# Portfolio Migration | Risk & Compliance, Internal Controls Review



## Situation

### Operational Risk Assessment for 2 Large Credit Card Portfolio Sales

A multinational financial services corporation negotiated the sale of two large credit card portfolios. The combined portfolios were comprised of nearly 9 million card accounts with a value of approximately \$12B. The portfolios were sold to two different purchasing banks within three months of each other, which created a level of complexity and timing challenges, while simultaneously facing limited resources. Due to the multitude of consumer compliance laws and regulations, our client required a thorough assessment of potential operational risks across all impacted business areas of the portfolio sales.

## Solution

SolomonEdwards led the planning and performance of a thorough, company-wide operational risk assessment which considered all the potential operational risks that might exist for the portfolio sales/migration of accounts to the purchasing bank. This assessment included, where applicable, the plans designed to mitigate such risks. Key aspects of this work include:

- Developed and held kick-off sessions with professionals from approximately 20 risk areas (including legal, compliance, privacy, credit, IT, fraud, finance, servicing) to provide them with direction to carry out their individual risk assessments.

- Performed a detailed analysis of existing risk assessment templates and enhanced for project needs.
- Prepared detailed risk assessments for several risk areas where a SME was not assigned.
- Worked directly with each team to guide them through the preparation and approval of their individual risk assessments.
- Prepared detailed and on-going progress updates for Senior Management and the Board of Directors.
- Developed and performed a post-migration internal controls review to help ensure that newly implemented finance internal controls added for the sales settlements were designed and operating effectively.

## Results

The detailed operational risk assessments led by SolomonEdwards provided Senior Management with assurance that all highly visible transactions were considered in advance of the large credit card portfolio sales and that key risks were properly mitigated.



**INDUSTRY:**  
Banking



**DEPLOYMENT:**  
Individual

**SERVICES:**



**Business Transformation**

*Business Analysis & Analytics*

*Business Process Optimization*

*Banking & Regulatory Compliance*

*Credit Card*