Payments Compliance and Risk Programs

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Rippling places Compliance and Risk at the forefront of its payment operations, recognizing the complex and ever-evolving legal, regulatory, and operational aspects of payroll and payments processing.

Rippling combines regulatory requirements and industry best practices to make compliance and risk controls a central feature of Rippling's payment operations. Rippling's policies and programs are approved by the licensed Rippling entities' management and are available to Rippling employees.

Anti-Money Laundering and Sanctions Program

Our AML program utilizes a risk-based approach to monitor and mitigate the inherent risks with our unique product offerings and customer portfolios. The program is designed to detect and prevent money laundering and terrorist financing activity on the Rippling platform and ultimately provide the safest environment for our customers.

Internal policies

Relevant compliance policies, including the AML Policy and AML Risk Assessment, are reviewed annually and approved by the regulated entity's Board of Directors. Program and procedure documentation providing more detailed information on operational standards is maintained by the first line and Compliance team, and is internally restricted to protect sensitive information as needed.

Compliance officer
The Compliance program is overseen by the Board-appointed Compliance Officer, with experience in payments and financial transactions compliance.

Training
Rippling conducts annual AML/CFT, sanctions, and risk training for all employees working on payments-related products, including targeted team training focused on specific risks that vary by function. The training program is developed and delivered to ensure all staff are sufficiently knowledgeable to identify and escalate any suspicious activity.

Independent testing
Rippling undergoes annual external audits to evaluate the overall adequacy and maturity of the compliance programs and adherence to regulatory requirements.

Customer due diligence
Rippling maintains a robust Know Your Customer (KYC) program (also known as a Customer Due Diligence program), which includes enhanced due diligence procedures designed to understand customer risk profiles and provide a greater level of scrutiny where appropriate.

Fraud and Credit Risk Management

Robust fraud detection and risk mitigation measures are essential to ensuring a safe and healthy payments and payroll platform and overall financial ecosystem. To this end, Rippling has developed and runs a prevention, detection, and investigation program to identify and control credit, fraud, and operational risks, with the goal to protect our customers, their employees, and our partners from bad actors.

Customer identification verification
Risk mitigation and fraud prevention start with customer onboarding. At Rippling, customers are required to provide critical KYC information at onboarding. Rippling utilizes this information, internal tools, and leading providers of authentication and verification services to manage the risk of identity fraud on our platform.

Transaction monitoring
Rippling maintains a robust detection program to systematically monitor its regulated activity for anomalous or inconsistent data and outliers for both credit and fraud purposes. Additionally, Rippling leverages custom transaction monitoring rules based on known money laundering and terrorist financing typologies targeted at payment processors and payroll providers.

Sanctions Program

Rippling maintains robust policies and procedures to ensure that company services are not utilized by, or on behalf of, sanctioned parties. As part of this program, Rippling maintains a continuous monitoring system to ensure that changes to relevant sanctions lists are updated daily and that customers, employees, and contractors are screened against this list at onboarding and on an ongoing basis. Rippling also utilizes technical controls and blocks products to prohibit payments to countries that are under a comprehensive sanctions program. Rippling's sanctions program is reviewed at least annually and approved by the Board.

Audit Programs

Rippling believes a robust payments and payroll Compliance and Risk program must include independent assessments of key policies, procedures, and other controls. To this end, Rippling leverages experienced independent auditors specializing in fintech compliance to review and assess Compliance and Risk programs on an annual basis.

Anti-money laundering and sanctions audit

Rippling's AML and sanctions programs are independently assessed on an annual basis. These reviews test the overall integrity and effectiveness of the AML and sanctions systems, controls, and compliance with applicable laws and regulations.

Fraud and risk audit

Rippling's Fraud and Risk program is independently reviewed each year to test the maturity and strength of Rippling's fraud and credit risk controls, including the effectiveness of prevention and detection controls.

Nacha audit

Rippling's ACH Program is reviewed annually to ensure that all processes are executed in compliance with the Nacha Operating Rules, the governing organization of the ACH Network. This audit includes a review of our compliance policies and framework, information security policies, and other operational procedures relevant to the creation, transmission, and return of ACH files with partner institutions.