

Compliance as a Service Managed Client Onboarding & Monitoring

There is industry wide focus on the adequacy and completeness of the client information. As a consequence, financial institutions are asked to take a more proactive role in the collection and active management of "KYC" related information. It has become clear that there can be serious consequences for failure to comply.

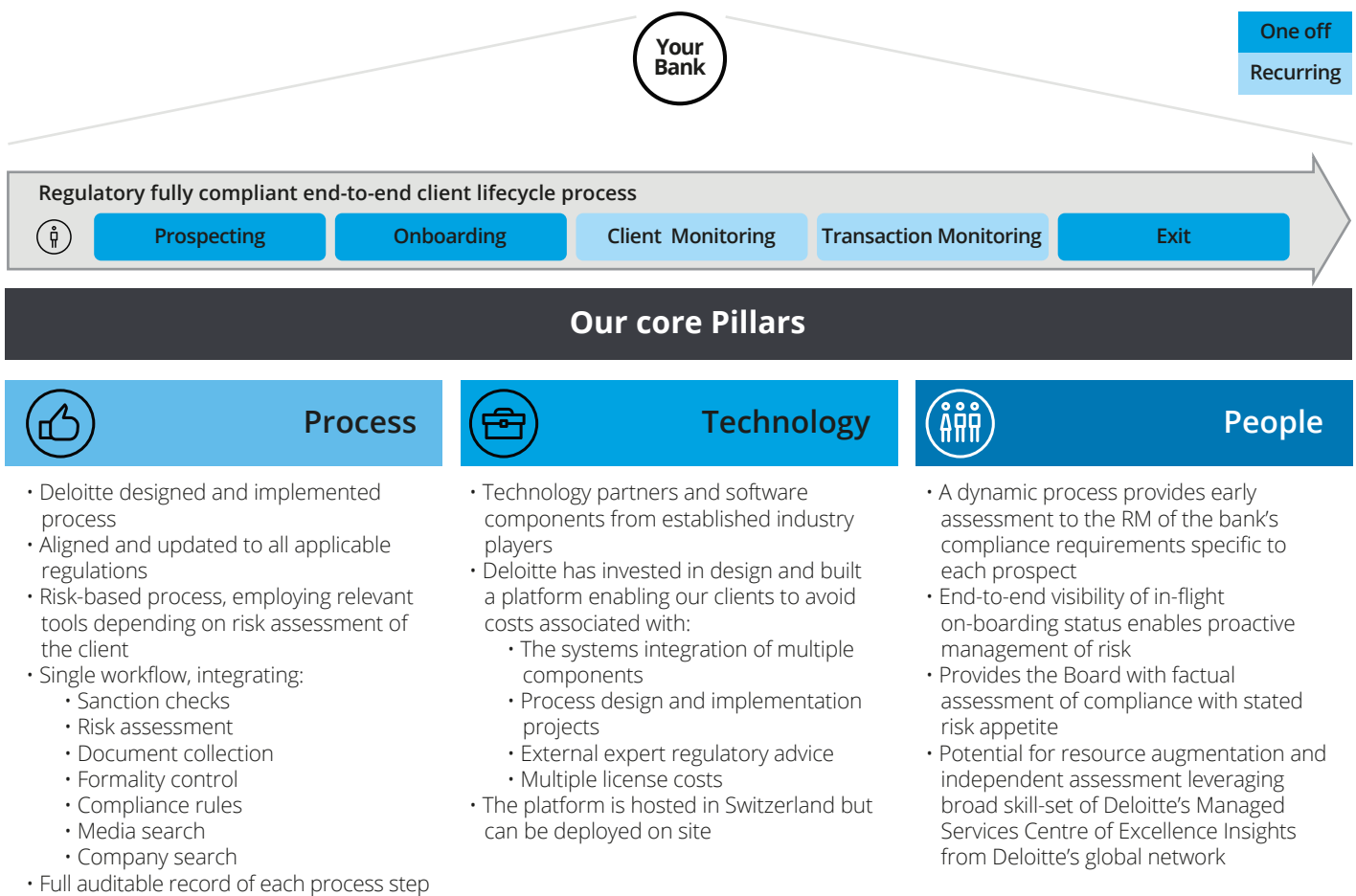
The **Relationship Manager** (RM) holds the central role in ensuring quality data is collected from the client and maintained during all client interactions.

The Deloitte's Managed Services solution has therefore created the Compliance as a Service (CaaS) offering to

- support the RM in this duty during the entire lifecycle of a client relationship,
- provide confidence that all relevant data is collected and
- ensure that all necessary steps are performed.

It provides confidence to the **Compliance Officer** and the board that the bank's policies are followed.

Overview of compliant end-to-end client lifecycle process and benefits for financial institutions



Our Foundation: Service Management

Your benefits

With this service, we bring unique benefits to your organisation that only Deloitte is able to provide. By leveraging our global organisation and implementing our local Centre of Excellence, we achieve the following:

Compliance view

- **Always compliant**
 - To understand regulatory change is core for our business. Our platform leverages this knowledge to keep our process up-to-date and our clients compliant.
- **Dynamic**
 - We aim to identify risk early in the process, thereby determining the level of information required as well as activities that need to be performed for a successful onboarding. This also includes the clear and early highlighting of prospects that are not in line with the bank's risk appetite.
- **Risk based approach**
 - We apply the right approach based on risk assessment. A client assessed as low risk would trigger a simple (retail) workflow whilst a higher risk client would trigger additional process steps.
- **Audit traceability / defensible / repeatable**
 - As a leading audit company, we used our experience to build a proper audit trail that provides full transparency to any stage of the process.
- **Market coverage**
 - Benefit from our Centre of Excellence based in Switzerland and supported by our global network, bringing detailed knowledge and skills across a broad range of topics and markets.
- **Standard & tailored**
 - Our process is compliant "out of the box" but we know that you will have specific requirements that can easily be included within the workflow.
- **Independent assessment**
 - Whilst the bank will always remain control, benefit from an independent assessment from our CoE.

Financial view

- **Mutualizing costs**
 - Deloitte has invested in the creation of the platform and will continue to invest. Our clients benefit from a transaction based pricing model, without up-front investment costs for the core offering.
- **Economies of scale**
 - As our community grows, the opportunities to further reduce costs increase. Adding new markets and functions become more cost effective.
- **You pay for what you need**
 - Our platform provides access to the full functionality but is priced based on the services you use, on a per transaction basis. This flexibility means you only pay for what you use.
- **Multiple sourcing models**
 - We offer a "platform-only" model right through to full utilisation of our CoE.

Platform view

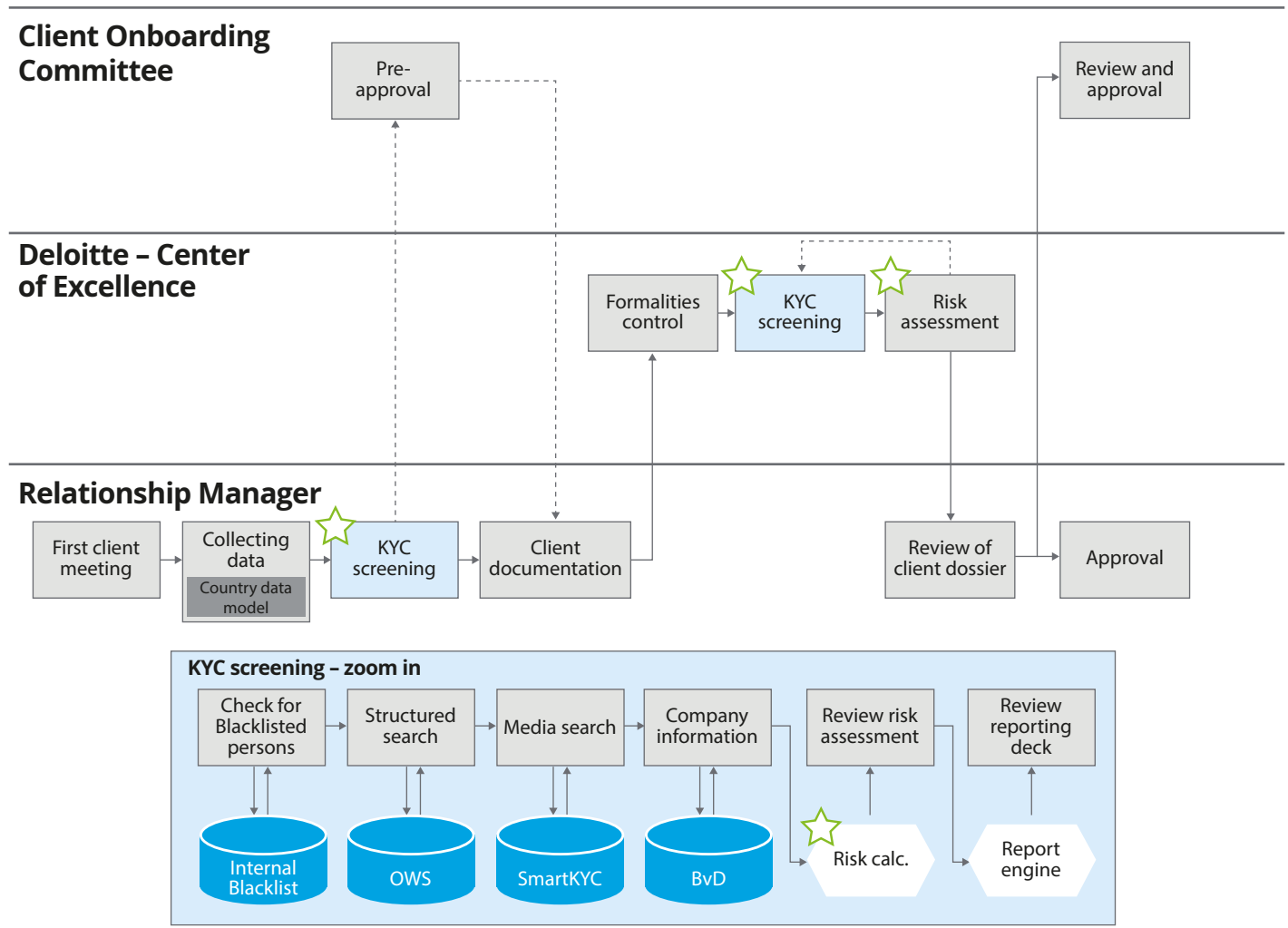
- **Platform options**
 - We provide a fully compliant hosted platform solution – the most cost effective solution. However, we recognise that some industry players prefer to host all IT within their own controlled data centres. Our platform can be deployed at your facility.
- **Externalizing integration complexity**
 - Using our workflow tool, we have integrated all relevant components from our partners. This simplifies integration with our clients and reduces on-going maintenance costs.
- **Multi device**
 - Our platform works with all common browsers and devices.
- **Continuous improvement**
 - As Deloitte we advise market participants on best-in-class implementation and have valuable market insights. We use these insights to further refine our processes.

An illustration of Deloitte's Managed Services onboarding process

Our solution is delivered through workflow (process) that includes the latest requirements (CDB16). It uses a set of configurable swim-lanes to enable interaction between:

- The banks' compliance rules and the RM
- The RM and Compliance Officer
- The RM and our screening tools
- The client data and our Centre of Excellence (or internal compliance function)
- The client on-boarding report and the banks' on-boarding committee

While ensuring regulatory compliance out of the box and supporting the entire onboarding and monitoring process, the workflow can further be adapted to your need to better support "bank specific" activities.



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