

REGTECH100

Profiles of the **REGTECH100**, the world's most innovative RegTech companies that every leader in the regulatory industry needs to know about in 2022





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The **REGTECH100** is an annual list of 100 of the world's most innovative RegTech companies selected by a panel of industry experts and analysts. These are the companies every financial institution needs to know about as they consider and develop their mission critical RegTech and digital transformation strategies.

There's plenty of interest and hype about RegTech in the marketplace, but much of it is superficial, incoherent or self-serving and fails the needs of decision-makers in incumbent financial institutions who require independent, facts, figures and analysis.

The **REGTECH100** list will help senior management and compliance professionals evaluate which digital solutions have market potential and are most likely to succeed and have a lasting impact on the industry.

CRITERIA

A range of factors was considered by the Advisory Board and RegTech Analyst team to make the final selection including:

- Industry significance of the problem being solved;
- Growth, in terms of capital raised, revenue, customer traction;
- Innovation of technology solution offered;
- Potential cost savings, efficiency improvement, impact on the value chain and/or revenue enhancements generated for clients;
- How important is it for financial institutions to know about the company?

PROCESS



RESEARCH REGTECH UNIVERSE

Analyse universe of RegTech solution providers on RegTech Analyst database and external sources



NOMINATE COMPANIES

Shortlist candidates that meet criteria along with companies nominated via the website



CONDUCT INTERVIEWS & SURVEY

Undertake in-depth interviews or surveys with founders and CEOs of shortlisted companies



IDENTIFY REGTECH 100

Determine which companies excel in terms of the criteria and can be classified as RegTech innovation leaders



PUBLISH

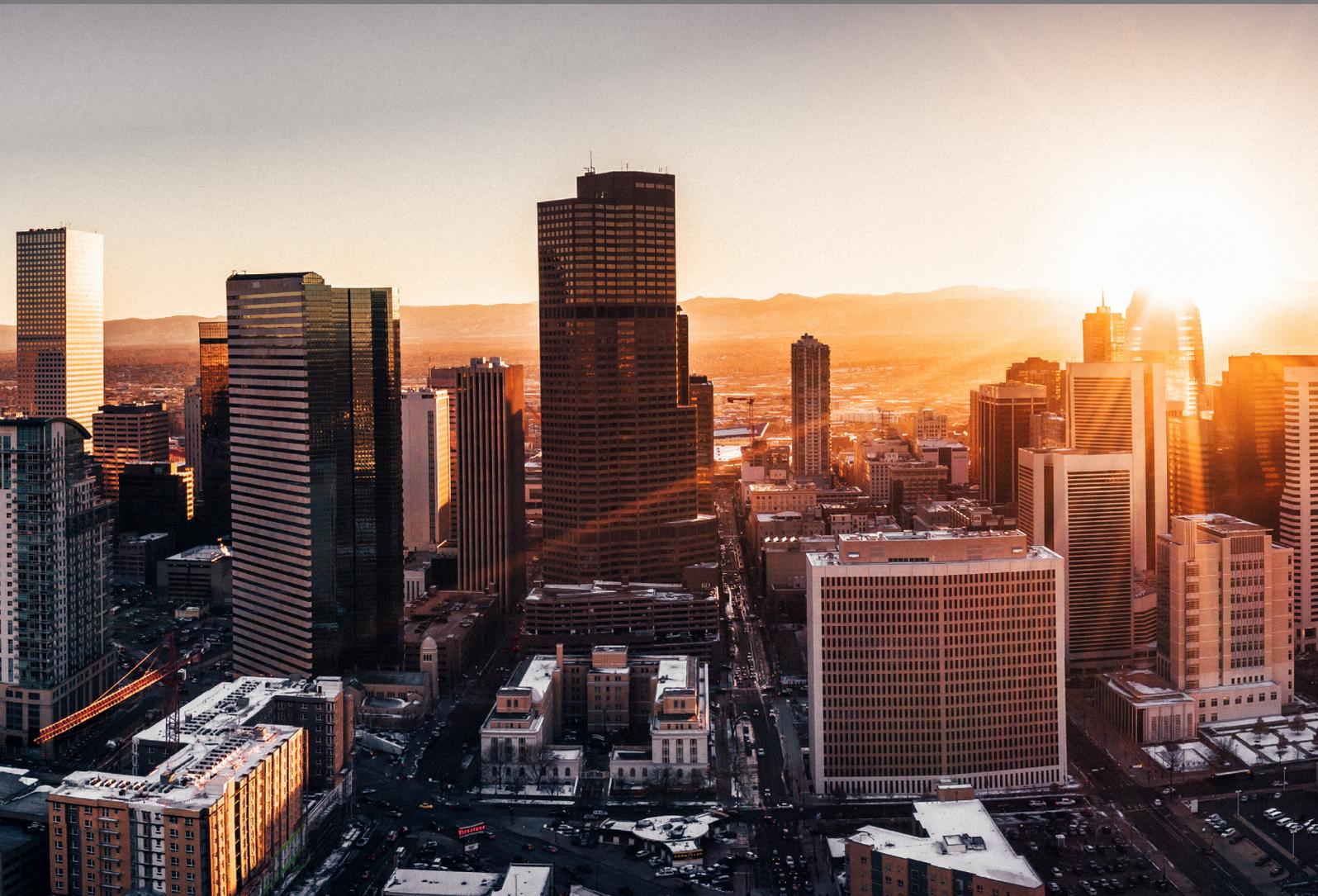
Announce results to media and finalists



BearingPoint RegTech is now Regnology

Our vision: We provide the global platform connecting regulators and the industry.

Our mission: We enable the transparency and stability of the financial markets.





COMPANY RESEARCH PROFILE



Founded 2019
 Melbourne, Australia
 Employees: 51-100

www.6clicks.com
hello@6clicks.com
 Regions of operation: Australia, United Kingdom, United States, UAE, South Africa, India

KEY EMPLOYEES:



Anthony Stevens
CEO



Louis Strauss
CPO



Andrew Robinson
CISO



Michelle Teunissen
CRO



Dr. Heather Buker
CTO

Value Chain: **Management, Reporting, Processing & Control**

Subsectors: **Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management**

Regulation/Legislation: **6clicks is regulation agnostic and can even support bespoke assessment templates, industry best practice docs, common control frameworks, etc.**

OFFERING

6clicks is an AI-powered GRC solution, purpose built for advisory firms and enterprise alike, which allows for multi-entity (or parent/child) hierarchy organisation structures. The company supports the workflow for use cases such as; Questionnaire & Requirements based Audits & Assessments, Compliance Requirement Mapping, Control to Authority Gap Analysis, 1000s of business app integrations, Vendor & Third-Party Risk Management, Content Packs, Policy & Control Management, ERM, Obligations & Compliance Management, Issue & Incident Management, Projects & Playbooks, Asset Management, Reporting & Analytics, trust portal for auditors and advisors, Academy Training, Custom Reporting and dashboards, plus many more.

PROBLEM BEING SOLVED

As a Governance, Risk and Compliance operating system, 6clicks helps both enterprises (and advisory firms assisting enterprises) with setting up and automating their risk and compliance programs and streamlining audit, vendor risk assessment, incident and risk management and policy implementation.

TECHNOLOGY

6clicks offers an AI engine called Hailey. Hailey plays an integral role in reducing the cost and complexity of risk and compliance processes. The application for Hailey is huge, focusing on dramatically speeding up what has been a traditionally laborious and expensive process - managing the overlap of obligations that exist across different standards, laws and regulations across multiple jurisdictions (compliance requirement mapping). Hailey also carries out policy/control set to authority gap analysis with blistering speed and accuracy.

PRODUCT DESCRIPTION

- **Information Security Management System (ISMS)** - 6clicks makes it easy to implement policies, manage assets, identify risks, issues and incidents, and collect the evidence that organisations need to get their information security management systems deployed. The 6clicks marketplace of content includes standards, laws, regulations, best practice frameworks, assessment templates, policies, control sets, risk libraries, incident playbooks and risk methodologies.
- **Governance, Risk & Compliance (GRC)** - 6clicks helps businesses manage their risk registers, run risk reviews, assign owners, define treatment plans for boards, executives or project managers. 6clicks Pulse® is the ultimate social media network to devour all risk and compliance related news and current affairs, giving companies an integrated employee social network experience for real-time risk alerting and better risk awareness across the enterprise. In addition via 6clicks mobile app (Android or iOS) organisations can support risk identification and risk assessment across teams.
- **Financial Services Compliance and PCI DSS** - Streamline PCI DSS compliance processes with an easy-to-use platform to implement policies, manage assets, identify risks, issues and incidents, collect evidence, and automate PCI Report on Compliance (RoC) with a single click. Clients can prepare a RoC against each of the PCI DSS controls available from the 6clicks marketplace of content by assigning to a respondent and tracking a requirement's implementation status. Once complete, users can leverage the 6clicks Pixel Perfect™ reporting capabilities to automatically generate a RoC.

TRACTION/GROWTH

- 6clicks has approximately 200 corporate subscribers under an ARR model, which equates to roughly 3,000 users of the solution.
- Clients include: Macquarie, King & Wood Mallesons, Cyber CX, Tesserent, PwC, Deloitte, KPMG, Protiviti
- 6clicks launched its Partner Program in July 2021. The Program's current relationships include MSSP's, Referral Partners, Traditional Resellers, Distributors and Advisory Firms. These companies range in size from small regional consultants to very large global firms.

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Why 6clicks is backing its GRC solution to transform industry risk and compliance

Founded in 2019, 6clicks has developed a governance, risk and compliance (GRC) software solution for businesses and advisors. The company provides a simple way for firms to implement their risk and compliance programs or achieve compliance amongst a range of standards.



6clicks provides a range of solutions in the risk and compliance space such as compliance and audit streamlining, vendor risk assessment, incident and risk management and policy implementation. Users can also easily import (or create bespoke) laws, regulations, templates, policies, project plans, playbooks, risk libraries and standards from its content library.

Defining the GRC technology, 6clicks Chief Revenue Officer Michelle Torrey-Teunissen said, "Typically, GRC solutions have some very common components to them. These include a data repository, a workflow engine, integrations and a reporting engine. There are a lot of GRC's on the market, but one of the primary differentiators for 6clicks, is in our ability to accommodate multi-tenancy via our Hub & Spoke technology

"Multi-tenancy matters, because when you are an organisation that manages a lot of clients like a managed service provider or a consulting delivery company, you're having to deliver hundreds of

engagements, and it's very difficult to do without a single pane of glass from which to manage all of those engagements."

Torrey-Teunissen noted that 6clicks' technology was originally built for the advisory community, with the company's founders – two of whom worked for KPMG – identifying a key pain point surrounding service delivery of GRC.

She added, "A lot of organisations are still attempting to manage governance, risk and compliance on some combination of spreadsheets, SharePoint, Excel and Email, making it very siloed. Combined with the complexity of regulations, the velocity of regulatory changes and the fact that the threat landscape doesn't seem to be improving, you can imagine how complex and costly it can become to carry on with manual approaches."

"One of the complexities that hasn't been solved in the market so far, is this area of multi-tenancy. We've taken the same technology that we designed originally for advisors and have now translated that for the enterprise market. Why does this matter? There is a large number of multinational organisations grappling with this need, such as holding companies, private equity firms and their portfolio of clients, a franchise organisation or a health network with regional hospitals, for example. Imagine a complex organisation, who has a need to push risk assessments out and garner risk and security data back to a central location – that is the model that 6clicks Hub & Spoke solves."

Torrey-Teunissen detailed that through the 6clicks' Hub & Spoke technology, users can manage their governance, risk and compliance from a single pane of glass, with each one of those organisational entities able to operate completely autonomously, with granular role-based access controls in place as well as pure data segregation, enabling them to each have their own individual GRC instance and mature at their own pace."

How can businesses manage a complex organisation structure within the realm of a GRC platform? Torrey-Teunissen stressed that Hub & Spoke also enables

users to easily spin-up a new entity. She remarked, "Our Marketplace is a very core, foundational piece of the product, rich with content. And once you've got the data that that you need from the Marketplace, you can easily create client templates. The templates can contain GRC configurations as well as the Marketplace content.

"So, now you've got your content, and you've packaged it up into the templates you want (organisations can create templates that reflect a vertical such as financial services, or reflect a particular service offering), adding a new entity or client is very simple, you just click a button and get a small form with a couple of questions regarding client/entity name and it will ask you to assign a project manager to that particular organisation as well as the email for the organisation's primary contact."

"Once you've entered those three items, you select the template of content that you want – it automatically pushes to those entities, and the user is ready to log in and start their work."

Another key 6clicks feature is Hailey, which is the company's AI engine. According to Torrey-Teunissen, Hailey allows practitioners to do authority-to-authority or policy-to-authority mappings with the click of a button. She explained, "If you can imagine, a regulation has many domains, and hundreds of controls – and if a company knows that they have met the control obligations of one regulation, and then they have an obligation to comply with a second regulation, it is very helpful for them to understand where the gaps are. Hailey can quickly produce gap-analysis and assist you with a prioritized roadmap to that next regulatory certification."

Because 6clicks is regulation agnostic, Hailey can produce these mappings for any cyber or privacy controls.

Pain points and apprehension

Besides tackling the pain points around multi-tenancy, Torrey-Teunissen claims the company also delivers tens of thousands of content components or content elements in its in-app Marketplace. She said, "Our Marketplace contains a wide host of different documents, such as raw regulatory authority documents, assessment templates, policies, procedures and project plans, playbooks and risk libraries, from all over the world.

"The really nice thing about our Marketplace is that you can bring in bespoke content. If you as an organisation have developed a common control framework where you're taking, for example, a derivative of NIST or derivative of ISO and PCI (for example), and you combine them into a single document - so that you can assess against that - we are able to accommodate that custom framework that you or a service delivery company can then leverage."

One of the key challenges during the last couple of years for a vast range of companies has been the need to transition to a more digital-first approach due to the challenges imposed top-down in relation to the pandemic, and this had to some extent, created apprehension around using RegTech solutions. Torrey-Teunissen believes, however, that this unease is starting to fade.

She said, "I think the resistance and the hesitancy has, to a large degree, gone away. This is because every organisation – whether they are regulated or not, large or small – understands the need for security-best practices and they understand the risks that come with not having proper defences and controls in place. Even without an obligation of compliance, many of these organisations are implementing some sort of framework so that they can self-regulate or attest that they have taken the proper measures to secure, not only their data but, the data of their customers and employees."

Present goals and future plans

According to Torrey-Teunissen, 6clicks has signed an agreement with an unnamed large company to help bring truckloads more regulatory content into the marketplace, as well as a regulatory change management feed within the platform. In addition, 6clicks has grown substantially across the US market (with more to come) as it continues to expand its presence and brand awareness in the Asia Pacific market.

For the future, 6clicks has its eyes on further tech expansion. Torrey-Teunissen remarked, "Listening to feedback from our clients and partners, we're focusing in areas of automation by expanding our Hailey capability and coming to market with a Reporting and Analytics Suite that will allow customers to do predictive analytics and live reporting documents, which will essentially mean clients can bring in templates for reporting, and these templates can be updated in real-time.

"The real value in adopting a GRC solution is ultimately in the data driven story you are able to tell about your organisations risk posture. 6clicks has simplified GRC reporting with our new Reporting & Analytics Suite." ●



"The real value in adopting a GRC solution is ultimately in the data driven story you are able to tell about your organisations risk posture"

The Challenge

Building a robust enterprise GRC program is a journey and one that requires a well-thought-out plan followed by pristine execution coordinating across several teams and various personnel.

Creating a complete landscape between all the GRC use cases – incidents, third-parties, risks & compliance, external audits, vulnerabilities, policy – can feel like a monumental task.

We get it. It's hard. It takes time, resources, some expense, and guidance.

Organizations looking for ways to optimize their GRC program tend to express reluctance to change and tool implementation. Stakeholders maintain that "the mounds of spreadsheets and numerous database applications work" or "we don't have the resources for that." If it ain't broke, don't fix it, right?

Wrong, and here's why...

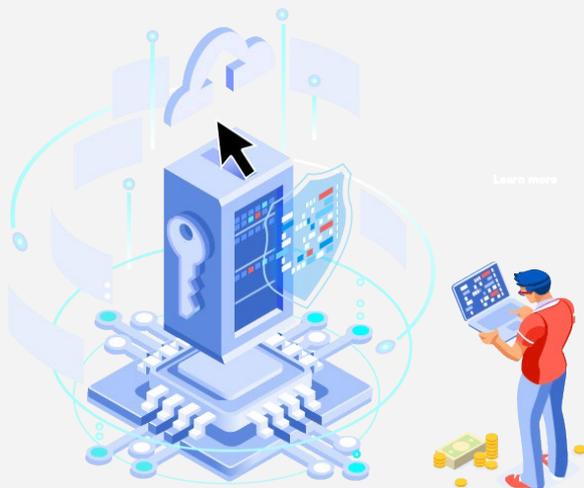
Implementing a tool to curate the single-pane-of-glass landscape:

- standardizes GRC practices
- mitigates team members from taking shortcuts
- reduces process inefficiencies, and
- cuts out headaches associated with maintaining multiple systems.

Bye Bye, Spreadsheets

NO.MORE. SPREADSHEETS. Need we say more?

Let's face it, managing your risk and compliance program through spreadsheets is archaic. Eliminating the need for spreadsheets reduces the likelihood of lost audit trails and human errors and creates a more repeatable process for your GRC needs.



The Value of 6clicks

Single Source of GRC Content Truth

Creation of a single source of truth for content, policies, processes, risks, incidents, assessments, vendors, and the opportunity to integrate bi-directionally with your current systems to bring all your GRC and information security data into the same platform:

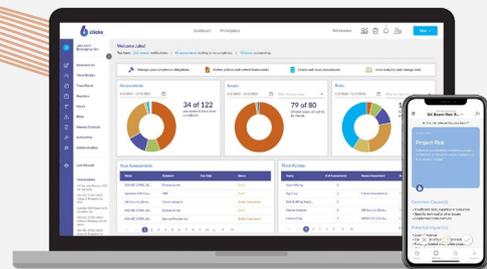
- reduces audit stress
- alleviates the hassle of tracking down information, and
- minimizes time spent managing GRC

No more "an email here, a spreadsheet there, and a file over there." All your GRC content and workflows live in one place, ready to access, edit, and report on, with ease.

Struggling with where to start with your content build-out? No sweat. 6clicks offers in-app content at your fingertips including questionnaire and assessment templates, authority documents, and industry-standard risks, policies, control sets, playbooks, and response plans.

6clicks Hub and Spoke™ Model

Managing GRC across a number of departments? Subsidiaries? Clients? Other entities? 6clicks can handle that. Leveraging the capabilities of the 6clicks Hub and Spoke™ model, organizations can create, manage, and maintain their GRC functions across multiple departments, for example, packaged up in a single view – all while providing data segregation between the entities.



Reduced Time to Compliance



Built Your Audit Train in a Single Platform



All-in-One Reporting



Holistic View of All GRC Programs



-  Founded: 2018
-  Employees: 11-50
-  Regulation/Legislation: **AML**
-  Subsectors: Risk Management, Compliance Management
-  Regions of operations: EU

Acuminor is a Swedish-based RegTech founded in 2018, specialized in anti-financial crime threat intelligence. With advanced analytics tools powered by machine learning, Acuminor's intelligence analysts keep you up to date with the latest financial crime trends. The analyses are always available in Acuminor's SaaS Solution that contains two products: Risk Assessment Pro (for business-wide risk assessments) and ThreatView (for financial crime intelligence). Internally Acuminor uses a variety of techniques to create effective, high-quality analyses - Machine learning/NLP play an important role. The solution is cloud based with API, with the possibility to connect to the other systems such as TM or KYC.



-  Founded: 2008
-  Employees: 101-250
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Reporting, Identification/ Background checks, Compliance Management
-  Regions of operations: United States, Canada, United Kingdom, Germany, Australia, Caribbean, Latin America, parts of Asia, Kenya

Tier1 Financial Solutions is the provider of Alessa, an anti-money laundering (AML) compliance, controls monitoring and fraud prevention software solution for banking, insurance, fintech, gaming, manufacturing, retail and more. With deployments around the world, Alessa allows organizations to quickly detect suspicious transactions, identify high-risk customers and vendors and decrease fraud risks that reduce profitability and increase costs.

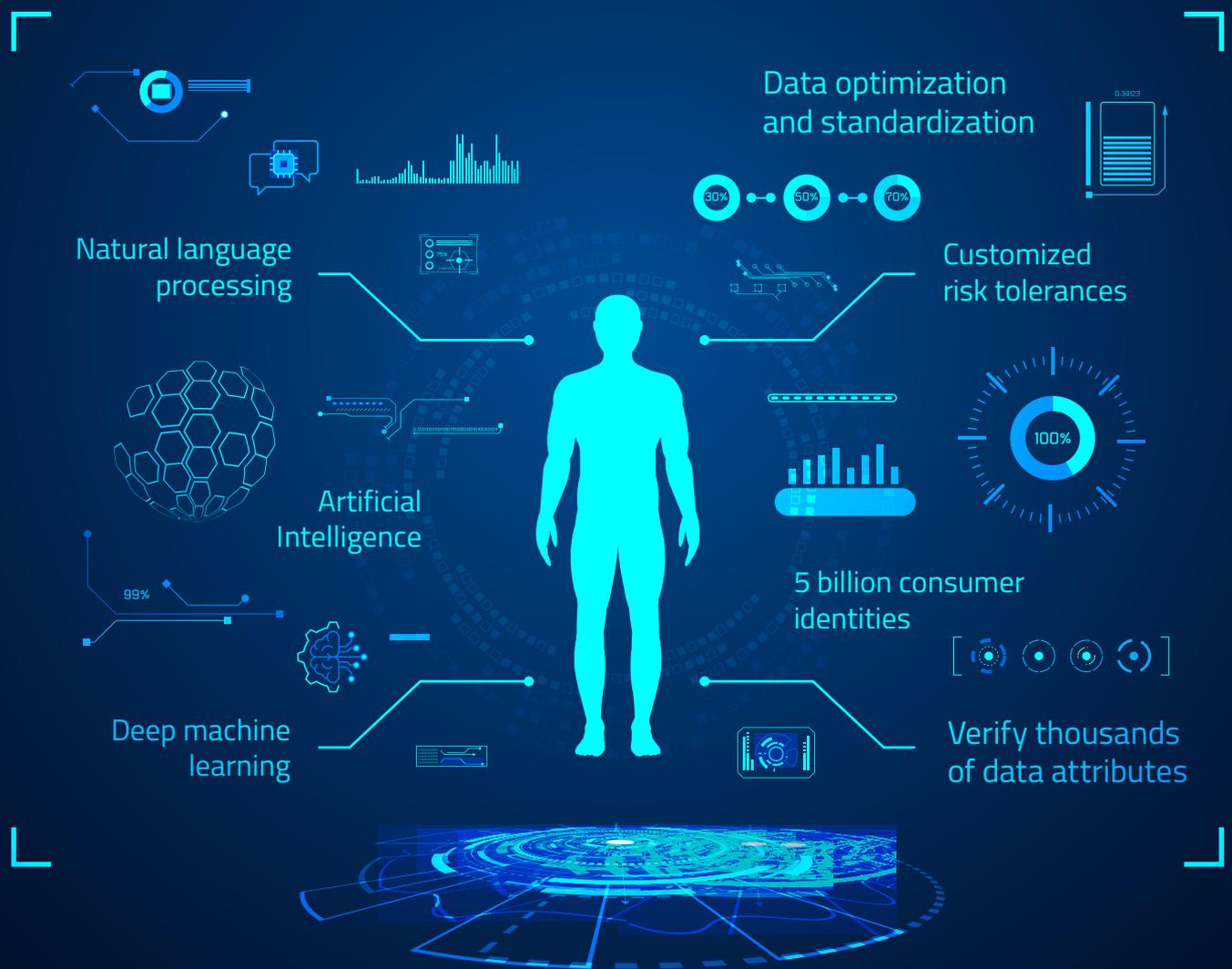


-  Founded: 2018
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Identification/Background checks
-  Regions of operations: United Kingdom, New Zealand, Australia

APLYiD is one of the world's fastest-growing RegTech solutions provider based out of Auckland, New Zealand. Its solutions provide companies with the ability to Know Your Customer (KYC) in under 90 seconds by proving their identity with powerful biometric technology, trusted data sources, and fraud prevention tools. Started in 2019 to assist reporting entities with their AML/CFT onboarding requirements, APLYiD has quickly become a leading player in the AML space and now works with over 300 companies across NZ & Australia, and now expanding into the UK with a new office in London.

Supercharge your identity verification engine.

Trulioo GlobalGateway provides fast and seamless identity verification, powered by the world's most precise **Identity Match Engine** that analyzes millions of variables in milliseconds.



400 identity services from over 195 countries optimized, normalized, and integrated and available through a single API.

Optimize your verification match rates at:
<https://id.trulioo.com/regtech-100-mrc.html>





COMPANY RESEARCH PROFILE



PRODUCT NAMES:
ComplianceAlpha®



Founded 2002



New York, United States



Employees: 501-1000



www.acaglobal.com



info@acaglobal.com



Regions of operation:
United Kingdom, Europe,
United States

KEY EMPLOYEES:



Shvetank Shah
Chief Executive Officer



Raj Bakhru
Chief Innovation Officer



Michael Borts
Chief Technology Officer

Value Chain: **Onboarding, Monitoring, Detection, Reporting**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Communications Monitoring, Transaction Monitoring, Cybersecurity/ Information Security, Risk Management, Reporting, Identification/Background checks, Compliance Management**

Regulation/Legislation: **MiFID II, KYC, AML, SFTR, EMIR, MiFIR, MAR, SEC Rule 206(4)-7 and 38a -1**

OFFERING

ACA Group ("ACA") is the leading governance, risk, and compliance (GRC) advisor in financial services. The company's innovative approach integrates consulting, managed services, and its ComplianceAlpha® technology platform with the specialized expertise of former regulators and practitioners to deliver holistic risk and compliance management solutions for clients.



PROBLEM BEING SOLVED

ComplianceAlpha® integrates risk and compliance activities, automated surveillance, ongoing monitoring, testing, enhanced analytics, and managed services delivery in one platform to provide risk and compliance leaders and their teams with a unified view of risks and behaviour across their firm.



TECHNOLOGY

ComplianceAlpha® is a native cloud SaaS solution that leverages artificial intelligence (AI) through machine learning algorithms and natural language processing (NLP) to reduce false positives, provide more meaningful and accurate alerts, and save time for clients. The technology is leveraged across functionality such as eComms surveillance, marketing reviews, file searches, and rules validation.

PRODUCT DESCRIPTION

ComplianceAlpha® is ACA's award-winning regulatory technology platform that integrates risk and compliance activities, automated surveillance, ongoing monitoring, flexible workflows, enhanced analytics, and managed services delivery. Designed, developed, and supported by ACA's experienced team that includes over 200 former regulators and compliance officers, in addition to subject matter experts in cybersecurity and technology, the platform is used by over 1,000 leading financial services firms worldwide to build more scalable and resilient compliance programs. Integrated technology and managed services can reduce the total cost of ownership by up to 40% over four years, with solutions for:

- **Employee compliance** - Automates surveillance of employees' personal trading activity and centralizes code of ethics/code of conduct management activities
- **Market abuse surveillance** - Provides in-depth trade surveillance to help firms identify Items of Interest (IOI) and non-compliant trading and investment activity
- **Compliance management** - Provides a governance, risk, and compliance technology platform for effectively and efficiently managing compliance program activities
- **Marketing review** - A complete end-to-end review and approval workflow solutions for marketing materials and financial promotions
- **AML KYC/CIP monitoring** - Provides automated, ongoing monitoring and managed services to help your firm meet its data screening, ongoing monitoring, remediation, and reporting needs
- **eComms surveillance** - SaaS solution using NLP, Behavioral Analytics, and Machine Learning with a 100+ policy library to identify high risk activity
- **eLearning** - Centralizes employee training courses, tracking and administration and access to ACA's web-based training modules

TRACTION/GROWTH

- Since inception, ACA has worked with over 4,000 clients globally, including leading investment advisers, private fund managers, investment companies, broker-dealers, and commodity trading advisors.
- The company's team includes former SEC, FINRA, FCA, CFTC, NFA, and state regulators, as well as former senior managers and technologists from prominent financial institutions and consulting firms.
- In September 2021, ACA Group acquired Catelas, a sophisticated machine learning-based electronic communications (eComms) surveillance and investigations platform, to create industry-first 360 surveillance offering.

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How ACA Group is making compliance a unified experience

Compliance is an ever-increasing challenge for financial institutions. As more regulations are introduced, it can be harder to keep up, which is why a connected governance, risk management and compliance (GRC) solution is crucial to make compliance solvable.



ACA Group (ACA) was created to fill this need. It was founded in 2002 by four former SEC regulators and one former state regulator after they realised the buy-side within investment firms needed better guidance with compliance. Raj Bakhru, ACA's Chief Innovation Officer, said, "ACA's focus has always been on bringing the best expertise to bear." With a mission to make compliance solvable, it has established a combination of RegTech software, managed services, and advisory support.

ACA's flagship product, ComplianceAlpha®, was designed as an all-encompassing tool to help compliance professionals manage everything from a single system. "Every CxO has a primary tool: the head of sales has Salesforce, the CHRO has Ultipro or Workday, and the CFO has an ERP like Netsuite. The CCO needs a tool to execute on their mandates," Bakhru added. ACA works with over 3,500 institutions worldwide to help them protect and grow their business. Since introduced in 2016, over 1,000 leading financial firms worldwide have adopted the ComplianceAlpha platform which covers a broad spectrum of compliance program management solutions, including AML, financial crime, cybersecurity, risk, surveillance, and much more.

To get to this stage, ACA has grown organically and through strategic acquisitions so it could provide a broad spectrum of services. Bakhru stressed that ACA is not a pure-play software shop, nor is it pure-play consulting, it is a mixture of both. This is something that sets it apart from other players in the field. He added, "We bring together the expertise of 200+ compliance team members, which includes former compliance officers and regulators, in addition to experts in cybersecurity, ESG, performance, and technology. Our RegTech solutions are a pairing of both breadth (modules, problems we can solve) and depth (sophistication of feature-set) and are guided by that regulator and compliance officer base."

However, growing up as a consulting business and then adding in RegTech software was not something ACA instantly saw as its strength. Bakhru explained the company had an identity crisis from this and had to decide what they wanted to be. The result was to embrace both sides as it made them unique and put them in an incredibly valuable position to empower their clients.

ACA is always looking at ways to expand its product offering to meet all the needs of their clients. It recently acquired Catelas, a machine learning-based electronic communications (eComms) surveillance and investigations platform. Its technology ingests all types of eComms, trade alerts, and voice calls to provide the buy- and sell-side firms globally with a single view of potential high-risk activities and behaviors across their organization. Through this acquisition, ACA has further enhanced their holistic surveillance capabilities and has established the industry's first 360-surveillance offering to give clients full oversight of high-risk activities.

The RegTech business already has its sights on more product enhancements in the new year. In 2022, it plans to release Control Room, Best Execution, ESG oversight, eComms Surveillance and Archive, and FINRA-based functionality for rep license management, trade suitability, and surveillance, Bakhru said.

With such a broad offering of compliance tools, it is no surprise ACA's platform is used by over 1,000 leading financial services companies, spanning broker-dealers, digital asset managers, CFTC/NFA members, hedge

funds, investment advisers, mutual funds, private markets and more. Among its happy customers is Russell Investments, a US-based global asset management firm. Initially, the investor implemented one of ACA's compliance tools, but soon added more modules.

Bakhrú said, "Over time, Russell's Global CCO realized the advantage of being able to report, oversee, and manage their function from a single pane of glass. The trust in ACA, the value seen from ComplianceAlpha, and our managed services integrations led them to expand their use of the platform."

ACA is not only focused on helping ease compliance-related burdens, but also looks to help clients fix mistakes that are being made. A recent study from the company found that 97% of firms' transaction reporting is incorrect under EMIR and MiFIR. This is not even a case of one error being made, ACA claims an average of 30 mistakes per report. Even more worrying is that most firms think nothing is wrong. It states that 87% of firms are confident in the quality of the reports they submit and that no direct contact from the regulator means everything is fine.

"This is where our transaction reporting solution can help," Bakhrú added. "Our award-winning ACA Regulatory Reporting Monitoring & Assurance (ARRMA) solution blends technology with specialist consulting oversight – no other firm provides this service. By independently analysing and challenging reports generated by firms or external platforms, we provide unrivalled assurance."

Better together

The philosophy of ACA is "better together." ComplianceAlpha's modules are all specifically designed so they can interact with each other and provide necessary insight so the compliance team can get holistic understandings. For example, personal trading data is stored in the system for pre-clearance and monitoring purposes, and it is also put through the advanced surveillance algorithms that look for personal front-running against firm trading. Similarly, expert network meetings in the system can be used to identify material non-public information, and this is then checked for compliance and used within surveillance.

As compliance challenges continue to rise, firms can either have multiple solutions that work independently to solve their problem, or they can have a holistic GRC solution that lets them all work together.

"Every function (HR, finance, sales, etc.) has a system of record with workflows built around it, and compliance needs the same so that it's faster to get the job done," he added. "It reduces the workflow of figuring out "the plumbing": why is one system not correctly feeding the other, and endless reconciliations that come on the heels of those issues. Building an algorithm/workflow

to address a new regulatory issue becomes turnkey when one is already sitting on the data within a secure environment."

Finding the right solution

The pandemic has forced financial services to accelerate their digitalisation. When governments forced country-wide lockdowns, it meant firms had to ensure they could continue to operate. For compliance teams, this meant having digital tools that could let them monitor regulatory requirements from their homes – just because they were not in the office did not mean they could miss AML breaches.

This resulted in companies needing to quickly find a solution that would support compliance, but choosing incorrectly comes with hefty costs. "Putting in the wrong solution inhibits the business and correcting that requires change. This technology change causes anxiety for everyone: there are significant switching costs with redundant licenses and implementation fees, stress on staff to manage it, and training and other overhead that goes into switching."

While some level of normality has returned, the world is not out of the woods. New variants of the virus are regularly surfacing, and governments have shown they are not concerned with reinforcing lockdowns. Companies have also started to adopt a hybrid working model long-term, allowing staff to fluctuate between working in the office and externally. This means firms should not implement a RegTech solution as a quick fix, but instead it needs to be something that can scale with the business. "You really want to spend the time to get it right up front and bet on a solution that will grow with you, that has the right roadmap, the right expertise, and the right go-forward investment so that you are not getting a solution that won't scale."

With so many RegTech solutions in the market, it can be hard to find the right one. Bakhrú concluded, "ACA is investing tremendously into its integrated RegTech and managed services platform and leveraging its 200+ former regulators and compliance officers to help guide the toolset. This gives us a significant advantage in getting it done, and our size/scale affords us the ability to invest materially to build more and further service our clients. Today, we have the most breadth and depth in a single platform in the marketplace, and we are investing even more to further expand that." ●

“

"Today, we have the most breadth and depth in a single platform in the marketplace."

Build a scalable and resilient compliance program with our regulatory technology platform backed by managed services.





Smarter Decisions

PRODUCT NAME:
ACTICO Compliance Suite

 Founded 2015
 Immenstaad, Germany
 www.actico.com
 info@actico.com
 Employees 101-250
 Regions of operation:
EMEA, APAC, AMER

KEY EMPLOYEES:


Hans Jürgen Rieder
CEO



Christine Moosherr
COO & Co-Founder



Thomas Knöpfler
CSO & Co-Founder

Value Chain: **Onboarding, Monitoring, Detection, Reporting, Processing & Control**
 Subsectors: **Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Classification, Reporting, Identification/Background checks, Sanctions Lists and PEP screening, Payment Screening, Market Abuse and Insider Trading Detection, Fraud Management**
 Regulation/Legislation: **5AMLD, AMLO-FINMA, Swiss Anti-Money Laundering Act, MiFID II, KYC, AML/CTF, Basel III, Market Abuse Directive MAD, Market Abuse Regulation MAR II**

OFFERING

Actico provides software for intelligent automation and digital decisioning. The software and tools used across multiple industries enhance day-to-day decision-making and end-to-end automation. The heart of all applications is the ACTICO Platform. It is a technology for digitalizing and automating high-volume, operational business decisions. It helps organizations capture decision-making logic, train and operationalize machine learning models, and apply automated decision-making to any application scenario. Used to manage risks, fulfil regulatory compliance obligations, prevent fraud, enhance digital customer engagement, and optimize operations, Actico software combines human knowledge and artificial intelligence.

PROBLEM BEING SOLVED

More regulations, scarce staff resources and rising data volume are the main focus for compliance departments in financial firms and insurance companies. Thus, automation and the use of AI-based technologies such as machine learning is becoming increasingly important. Actico enables companies to implement agile services and applications to automate decisions or improve human decision-making. Thus, financial services providers and insurance companies can manage digital transformation via technology that helps them adapt regulatory requirements and serve customers in real time.

TECHNOLOGY

The ACTICO Compliance Suite is based on the award-winning ACTICO Platform, a flexible and scalable software for digitalizing and automating high-volume, operational business decisions. It is designed for intelligent automation and digital decisioning and combines human knowledge and AI with automation technology. The unified low-code platform integrates machine learning to improve decision quality and increase automation rates. Companies can ramp up new applications and services and implement changes – with little or no need for IT support and without waiting for the software vendor's next IT release.

PRODUCT DESCRIPTION

With its Compliance Suite, Actico offers a RegTech solution that helps financial firms meet compliance requirements and fight financial fraud. The software automatically monitors customers, business relationships, payments and securities orders and tracks suspicious cases – all within a single application.

The suite consists of the following modules:

- **Anti-Money Laundering** - Monitor transactions for money laundering, clarify abnormal transactions, classify customer risk
- **Know Your Customer (KYC)** - Automate the Know Your Customer process, continuously update Know Your Customer profiles, integrate compliance checks into client onboarding
- **Sanctions Lists and PEP Screening** - Screen for sanctions, embargoes, PEP status and other risks, Initial screening of potential new customers, regular screening of the customer base
- **Transaction Monitoring** - Screen payments to prevent money laundering and terrorist financing, screen for embargoes, sanctions and more, carry out real-time checks of payments before posting
- **Market Abuse & Insider Trading Detection** - Monitor for market manipulation, insider trading and trade restrictions, manage insider lists, watch lists and restricted lists, clarify conspicuous securities orders

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In the ACTICO Compliance Suite all the relevant information to prevent financial crime comes together in one single application: AML/CTF, KYC, sanctions & PEP screening, payment monitoring and the prevention of market abuse. The software handles all the necessary tasks, such as clarifying hits, storing documents and producing regular reports for internal and external auditors. It offers a set of standard compliance scenarios that can be adjusted to suit the company's specific requirements. The solution allows companies to adapt standard rules as necessary and supplement them with their own specific guidelines.

Banks, financial service providers and insurance companies benefit from this solution for various reasons: fast adaptation to regulatory changes, reduced compliance risks through proven procedures, one unique system for compliance and anti-financial fraud management, digitalized and automated testing of millions of transactions daily, and a reduced workload for compliance staff thanks to modern procedures.

Banks use Actico's machine learning component in various use cases, e.g. payment screening. Actico has developed a new payment screening system that combines a wide range of similarity algorithms. It uses existing machine learning methods to achieve maximum effectiveness and efficiency – more accurate hits combined with fewer false hits. Another example for machine learning is KYC. Actico's customer screening software matches customer data with entries in the sanctions list to detect true positives. However, not every true positive represents a real compliance risk. As a result, it is crucial to reduce the false positive rate. This is where machine learning comes in. The combination of human knowledge and data knowledge predicts the probability which person represents a risk. Concentrating on real risks significantly reduces the follow-up effort and relieves the burden on compliance staff.

PARTNERSHIPS



- Avaloq's clients can benefit from using the compliance offering as a standardized solution to combat money laundering and financial crime. All financial institutions with an Avaloq core banking system can now integrate it fully with the Actico Compliance Suite.



- an implementation partner for Actico in the area of compliance.



- Cloud solutions partner.



- together with ACTICO jointly offer a cloud-based dual risk rating system.

TRACTION/GROWTH

- Actico's technology is used by companies on almost every continent, ranging from small/mid-size firms to Fortune 500 companies, including :



- Gartner has identified Actico as a Sample Vendor for Decision Intelligence in Hype Cycle for Data Science and Machine Learning, 2020 and Hype Cycle for Artificial Intelligence, 2020 and as a Sample Vendor for Composite AI in Hype Cycle for Artificial Intelligence, 2020 and Hype Cycle for Emerging Technologies, 2020.



Forrester Research has named Actico a Leader in The Forrester Wave™: Digital Decisioning Platforms, Q4 2020. Forrester notes: "With many years of experience delivering to organizations globally, Actico has a proven ability to handle large volumes of data and build reliable, robust and scalable applications."

MANAGEMENT BIO

Hans Jürgen Rieder – CEO

Hans Jürgen Rieder received his degree in business administration from the University of Mannheim, Germany. After positions at Société Générale and at PwC as a management consultant, he served in several senior roles at SAP AG before ultimately becoming the SVP Global IT – Application Services. He was since responsible for all global applications as VP – Group Head Applications at ABB Ltd, and most recently was the Group Chief Technology Officer at global Swiss bank UBS AG. He has been Chief Executive Officer of Actico GmbH since January 2020.

Why automation is crucial for keeping up with risk management

ACTICO is revolutionising compliance and credit risk management by leveraging technological advancements in artificial intelligence (AI) and machine learning to automate processes for its customers. This is delivering immense cost savings, boosting employee productivity and enables firms to keep up with the ever-changing regulatory landscape.



Thomas Knöpfler, Co-founder, General Manager and CSO, ACTICO



Companies are under pressure to meet a rising number of regulations in the RegTech sector, that are also becoming increasingly stricter. The requirement for speed without compromising risk or raising costs, has never been greater.

The answer, according to ACTICO, lies with automation. Automating as many routine tasks as possible frees up staff to focus on the tasks that require a human touch. It also stops firms overburdening staff with these routine tasks, making it easier to recruit and retain risk management experts.

Moreover, if financial firms want to play a leading role in the market, ACTICO advises they “think and act with agility”. To do this, they need to embrace the latest technology.

The good news is, according to ACTICO co-founder Thomas Knöpfler, developments in technology over recent years mean corporations have more options to automate processes in risk management. AI and machine learning in particular are key to helping firms implement this type of automation.

Many companies are planning to combine their risk management software with machine learning, or already have such a system in place. This makes their results more

sophisticated: “In most cases this is a combination of a business rules management software and AI. Business Rules Management systems represent a high degree of automation when analysing risks since they process large amounts of data in the shortest time possible and thereby cover the given regulatory requirements, e.g. detect money laundering or calculate a credit risk score,” Knöpfler said.

AI provides an additional advantage since it combines human knowledge and data knowledge, he continued. Thus, it makes decisions more intelligent and enables companies to use their human resources for really difficult risk evaluations which cannot be handled by the machine.

Better analyses at lower costs

With more than 20 years of experience, and a proven ability to handle a large volume of data and build reliable applications, ACTICO is revolutionising the risk management process. Banks, financial service providers, and insurers, have been working with ACTICO’s business rule management software for many years to make decisions safe, agile and effective.

ACTICO strives to empower companies to leverage machine learning to screen customer data, analyse potential risks in financial transactions, or rate credit risks more effectively.

Knöpfler outlined that more and more ACTICO customers have added machine learning to their business rules management application. Combining the ACTICO business rules and machine learning systems has helped them make better analyses at lower costs, he said.

In the area of sanctions and payment screening, ACTICO has solutions which use business rules management coupled with machine learning methods. These, Knöpfler said, offer a huge potential for cost saving in compliance departments. The combination of these technologies helps banks achieve more accurate hits combined with fewer false hits. ACTICO’s system is intelligent enough to flag only the risky payments and keep false hits to a minimum to avoid unnecessary clarification costs and overburden compliance staff.

Overcoming the fear of automation

Talk of automation unavoidably brings fears over the loss of jobs. These worries, Knöpfler, acknowledged, are not

unfounded. “Machine learning will inevitably replace humans in risk management departments, but this is a phenomenon that began when the first assembly line was automated,” he noted.

However, machine learning need not be a threat, rather it could improve the capabilities of staff members. Knöpfler said ACTICO’s experience with machine learning shows that automation is only successful when combined with input from compliance specialists.

“To sum up, it’s true that the steps in the process are carried out by machines, but they are always based on human decisions. So, the need for experts is growing rapidly, and the enhancements merely cushion this huge demand.”

Adapting to regulations

With risks and regulations continuing to rise, an agile organisation should not accept a system where a modified or new legal requirement joins a queue of change requests being dealt with by IT, Knöpfler warned. Teams need the power to make adjustments as soon as needed.

In an automated risk management system, modifications can be implemented “on the fly”, he said, so firms are compliant with new rules and regulations within a short period of time. “This gives them a high level of security, a possibility to keep costs down and, last but not least, a revision-proof documentation for internal and external auditors.”

Knöpfler highlighted that there was significant “room for improvement” for many firms’ risk management practices, predominantly surrounding a lack of flexibility in adapting to new regulation, guidelines, or requirements caused by new trends.

He pointed to the effect the pandemic had on payments behaviour and how automation is crucial to meeting market need. “All over the world, real-time payments are playing an increasingly important role in the payment’s ecosystem. Because banks need to find potential risks in a transaction in less than ten seconds, the compliance check places high demands on a system. There is no time for human interaction and decisions of whether a payment is classified as a risk or not can only work with automation.”

How machine learning can reduce manual work by up to 80%

There have been several cases where ACTICO’s machine learning has added value to the business rules management, Knöpfler said.

For compliance checks, banks and insurance companies must be able to reliably detect a business relationship with sanctioned or politically exposed persons (PEPs). ACTICO’s software “Name Matching Customer” is based on business rules and generates hits when matches are found between customer data and sanctions lists.

Knöpfler explained, “In the second step, machine learning models are used to determine the probability of hits.

Machine learning indicates how high the probability is that a hit is a true positive. The lower the probability, the lower the priority in the clarification. The Compliance officers receive a clear indication, which hits must be processed first. With this approach, banks can save up to 60% of their clarification effort.”

VP Bank Group, an internationally active private bank based in Liechtenstein, decided to use ACTICO’s payment screening system including machine learning. The tool, which analyses potential risks in payments, resulted in a 50% reduction in workload, Knöpfler said.

Fraud prevention by automating decisions in Credit Risk Management is another interesting success story, Knöpfler continued.

At Volkswagen Financial Services (VW FS), the digitalisation and automation of business processes is advancing. Auto financing – whether in the form of a classic loan or a lease – carries the risk of delinquency. However, Knöpfler said, “At VW FS, manual verification by specialists was very time-consuming and tied up resources. This is why the auto-financing giant envisioned the introduction of digital processes, Advanced Analytics (AA) and machine learning to reduce manual checks and thus, significantly increase efficiency.”

By using the advanced analytics model developed by VW FS in combination with ACTICO’s platform, the number of manual checks was reduced by 80%. This, Knöpfler explained, increased employee productivity enormously and allowed VW FS to be able to realise annual savings of over €1m.

Why the financial sector appreciates out-of-the-box compliance solutions

In ACTICO’s experience, customers can implement new compliance systems much faster when they can use a standard that is included as business rules.

“Basically, firms appreciate out-of-the-box solutions from a software vendor. ACTICO’s expertise in compliance is available in the Compliance Suite in the form of graphical business rules. This approach is advantageous for compliance officers because every rule that leads to a decision is transparent (no black box decision),” Knöpfler explained.

If a compliance risk is indicated by the system, he continued, it can be precisely traced which factors have led to this hit and why it has to be clarified. The design of this suite allows firms to add their own rules or adjust the existing rules.

The ACTICO Compliance Suite is a proven software for the financial and insurance industry. Its modular design allows different functionalities to be used on one user interface (UI): Prevention of money laundering and terrorist financing, KYC (Know Your Customer), sanctions list and PEP list checks, payment transaction monitoring and the prevention of market abuse and insider trading. ●



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Transaction Cost Analysis

MiFID II Record Keeping

TZTR

Transaction reporting for EMIR, MiFIR and SFTR

Custom regulatory reporting solutions

3-Way reconciliation

Field-by-field edits, automatic submissions and response handling



-  Founded: 2013
  Employees: 11-50
-  Regulation/Legislation: **AML**
-  Subsectors: Financial Crime Risk Governance
-  Regions of operations: Africas (South Africa), Asia Pacific (Australia, New Zealand, Hong Kong & Singapore), EMEA (United Kingdom) and Americas (Canada & United States)

Arctic Intelligence is a global RegTech firm that has developed enterprise risk assessment software enabling regulated businesses to better assess, document and manage their financial crime risks. Trusted by over 200 clients globally, Arctic Intelligence solutions are cost-effective and multi-jurisdictional allowing businesses regardless of their size or complexity to carry out their money laundering and terrorist financing (ML/TF) risk assessment and manage vulnerabilities consistently across their entire organisation.



-  Founded: 2019
  Employees: 11-50
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Business Verification (KYB)
-  Regions of operations: Singapore, China, Australia, France

AsiaVerify is a RegTech company, incorporated in Singapore, focused on building an automated, simplified and streamlined solution for risk mitigation and compliance systems in an effort to increase trust and safety when organisations are doing business in Asia. AsiaVerify provides an online platform with accesses to the most legally authoritative and compliant sources, to effortlessly onboard, verify, monitor prospective Asian business partners, customers and shareholders in real-time.



-  Founded: 1994
  Employees: 101-250
-  Regulation/Legislation: **MiFID II, SFTR, EMIR, CASS, CSDR, IFPR**
-  Subsectors: Reporting, Compliance Management, Financial Control
-  Regions of operations: United Kingdom, United States, Australia, Malta, South Africa, Netherlands

AutoRek has been at the forefront of data management since 1994, consistently delivering customisable solutions to companies in the asset management, banking and insurance sectors. Through consistent innovation and collaboration AutoRek will strive to establish themselves as the leading global provider of financial controls and data management solutions. AutoRek deliver data confidence through innovative technology and a collaborative people first approach. AutoRek's platform goes beyond automated reconciliation. Its centralised, operationally resilient architecture is a one-stop shop for a range of data management services and features, including integration with Excel and the ability to add internal accounting rules. While designed for mid-/back-office, its front-end reporting capabilities are quickly comprehensible for senior managers. AutoRek automate manual processes and in turn reduce manual errors and mitigate risk.



COMPANY RESEARCH PROFILE

APIAX

Founded 2017
 Zurich, Switzerland
 Employees 51-100

www.apiax.com
info@apiax.com
 Regions of operation: Global

KEY EMPLOYEES:



Philip Schoch
Co-founder & CEO



Nicolas Blanchard
Co-founder & CRO



Thomas Suter
Co-founder & CTO



Ralf Huber
Co-founder & General Counsel

Value Chain: **Regulatory Reporting, Onboarding, Monitoring, Detection**

Subsectors: **Compliance Management, Embedded Compliance**

Regulation/Legislation: **MiFID II, PSD2, AIFMD, KYC, AML, GDPR, SFTR, Basel III, EMIR**

OFFERING

Apiax's embedded compliance solution enables business leaders to make critical decisions faster, delivering answers to the financial industry's most pressing regulatory issues in real time. It's the easiest, fastest way for highly regulated entities to put the client back at the heart of business operations.

Founded in 2017, the company now serves clients around the world, including global universal banks, regional private banks and fast growing challenger banks.

PROBLEM BEING SOLVED

There's a compliance check behind everything an organisation does: promoting, onboarding, advising, selling, meeting, trading, and so on. When compliance runs smoother, financial institutions run better.

This is what Apiax solves: embedded compliance gives financial institutions immediate answers to their most pressing regulatory questions right where and when they need them—embedded in their existing systems, tools and processes.

When compliance is realised seamlessly, financial institutions are agile enough to adapt easily to outside forces, leaving more time to drive revenue through innovation, quality improvements and strengthening customer relationships.

TECHNOLOGY

Our proprietary technology turns the regulatory knowledge of trusted law and consultancy firms into machine-readable compliance rules and enables financial institutions to access and leverage this knowledge seamlessly.

Our easy and dynamic REST APIs allow for quick and flexible integration into financial institutions' existing systems such as core banking systems, CRMs, or investment management software.

PRODUCT DESCRIPTION

With Apiax, you can:

- Access regulatory content maintained and verified by the world's leading law firms.
- Adapt regulatory answers to your own risk appetite and business needs.
- Embed compliance into any team, tool or process for fully compliant business growth.

Our solution allows our clients to:

- Reach more clients in more countries, and faster than ever before
- Reduce compliance overhead with instantly available, targeted regulatory answers
- Avoid regulatory and reputational risks with clear do's and don'ts

TOTAL FUNDING – \$11.6M

Apiax is backed by leading investors and financial institutions including **Futury Regio Growth Fund, XAnge, Headline, SICTIC and Zürcher Kantonalbank.**

 **PARTNERSHIPS**

Apiax has already partnered with law firms, consulting and tech companies, including: **BDO, EY, Invest Glass, New Access, Temenos, Vision Compliance, and Wealth Dynamix.**

 **TRACTION/GROWTH****What you need to know:**

- We're the first regulatory compliance solution that is fully integrated into its clients tools and processes via a set of regulatory API's.
- We're the only solution that allows its clients to pick and choose their digital regulatory compliance content from some of the world's most prestigious law firms.
- We offer the broadest coverage of regulatory answers on the market, covering more than 150 jurisdictions and all of our clients' most pressing business activities.
- We're the only solution that completely replaces cumbersome policies and manuals with clear yes or no answers.
- Our solution has been recognized by prestigious awards such as: RegTech100, FinTech50, Top 100 Swiss Startups Award, The WealthTech Awards (PWM), Red Herring Top100 Europe Awards, Regulation Asia Awards, Asian Private Banker Awards, WealthTech Asia Awards.

Why Apiax is betting on embedded compliance to simplify regulatory processes

Founded in 2017, Swiss firm Apiax has a mission of helping financial institutions grow their businesses faster through the automation of compliance processes. With the pandemic driving an increased need for automated processes, has the time come for embedded compliance in the financial sector?



APIAX

The founding of Apiax arose from a key regulatory challenge in the banking space identified by the company's four founders, according to Apiax chief marketing officer Thomas Schäubli. "The company sought to tackle the issue of the need for regulatory changes to be reflected on various places in the software of banks. At the time, this was very cumbersome for internal stakeholders.

One of the four founders – who worked for a bank in the area of compliance – believed that there should be a standardised solution for compliance cases. Not long after this, the founders met in an accelerator program in Zurich and the Apiax story began.

Apiax has a repository of compliance rules built by partners it works with, including companies like EY and BDO, who digitise their own in-house compliance knowledge and put it in the repository. This repository, Schäubli claims, is a database of compliance rules for

different business scenarios. The company has APIs that connect to that end and connect the repository to the banking software.

Defining what Apiax does, Schäubli remarked, "Imagine you want to pull out a specific compliance rule in a CRM or in a trading system – through Apiax, you have the API that connects to the database and gets that information." This is the core of embedded compliance.

Embedded compliance

The embedding of solutions across different sectors is growing ever more present by the day, with markets such as embedded insurance and embedded finance growing in stature year-on-year as consumers and a wide range of users look to simplify key financial processes in their lives.

According to Apiax, embedded compliance is defined as the ability to provide instant answers to regulatory questions when and where they are needed. As per Schäubli, there is a key gap in the market where companies have front units that need to apply the compliance knowledge but don't have it.

He added, "The way we look at embedded compliance is we embed the compliance knowledge directly into the tools that the front units use, such as the client relationship managers, the traders and portfolio managers. For us, it is the DNA of the company – our goal is to empower the front units with compliance knowledge immediately. From this, front units will have a bunch of benefits such as being able to do more with people in more countries, they can do it faster, it brings down costs and helps mitigate risks."

What role does embedded compliance play in transforming compliance within financial services? Schäubli remarked, "Firstly, it connects them to the business units and makes their knowledge available to the business units immediately. Financial services companies are able to deploy their knowledge in the digital format across their entire organisation.

"In terms of how it transforms compliance, I believe that some people in compliance units in the future will be spending their days in front of software like the one that we provide, and this will definitely have a big impact on them. It will maybe allow them to provide their knowledge immediately to the business units and to have an impact on the business side to become a business enabler.

Shift to digital

One of the chief challenges brought about by the pandemic has been the requirement for the majority of the global population to move to using online platforms. This is no different in the area of regulatory compliance – with many compliance teams working in the remote model for the first time ever. Will this shift be permanent?

According to Schäubli, it very well could be. He remarked, "For us, it was definitely the case that we saw heightened interest during the pandemic, as compliance teams were moving remote for the first time in their professional lives, so they were questioning how they were going to still be able to provide their knowledge in this new scenario. How we help them is that if you can put your knowledge in a core centralised repository and make it available, then it doesn't matter if you're remote or in the office.

"I think in general the pandemic has just increased the speed with which these kind of digitisation discussions are being held. While compliance is more of a fringe area, this is an area where the digitisation process is also speeding up. We were at an event recently and had discussions where for the first time we spoke with people who said they were looking for transformation projects in the compliance space. I believe that may partially be a consequence of what we have seen in the last two years."

One of the biggest global trends seen over the past couple of years has been the rapid acceleration of digital-first mentalities by companies across a vast range of sectors. While the move online had been moving steadily along year-on-year, the challenges posed by the still-present coronavirus mean global businesses are contemplating how best to transition their services to a more hybrid-focused model.

For the area of compliance, this is no different. Schäubli remarked, "I think the compliance profession will have to become more digital, because this way they create more value than in a traditional way. The second thing is that the more transactions, the more meetings and the more interactions you have on digital channels, the more important it is that you can also guarantee compliance on those channels. You cannot guarantee compliance in a digital transaction by a handbook or by a PDF on the internet, so you need to find a way to translate your knowledge and then make it available immediately in whatever transaction or interaction you have digitally."

The Apiax CMO highlighted that as sector such as payment services and financial services continue to grow digitally, the continuous growth of the digital economy

will increase the need for compliance to also be managed in a digital way.

Schäubli added, "Ultimately, you could even say the potential of the digital economy can only be fully achieved if compliance is managed in a digital way. We see a lot of FinTechs out there that are 100% digital, but their main challenge is proving to be; how do I leverage my compliance expertise and my regulatory expertise on our growth path?"

Roadblocks and future plans

While many companies across a vast number of industries may have seen benefits from the great shift online, one of the great issues that is now arising is the challenge of cyberattacks and their growing numbers as more people become digitally reliable. Is this a potential roadblock for Apiax and its compliance software?

Schäubli said, "We sell into tier one banks, so the due diligence processes there are the same for us and for anyone else, so the security part of it is a big topic. So, I don't think it is something that is peculiar to RegTech or compliance specifically."

As the company moves forward, Schäubli claims the company is currently expanding its ecosystem of law firm that works with Apiax as it aims to help its clients choose the legal content they want to work with. He added, "If someone is your auditor, for example, they cannot be the ones who provide your compliance knowledge – so you need options, and that is key for us, and that is why we are growing.

"Our second key aim is to cover more countries. For some of our business scenarios, we cover 150 countries, for some others we cover maybe much less. We are looking to source the content to cover all of our business scenarios.

"The final point I would say is around is product maturity. At the moment, we invest a lot in knowledge bases and developer resources to make the product as self-onboarding as possible. So if you need to do the API integrations, users should be able to do that on their own, but also the user who needs to understand that product should be able to have a good knowledge base, and that is a huge push of ours at the moment." ●



"Ultimately, you could even say the potential of the digital economy can only be fully achieved if compliance is managed in a digital way."

Fight Financial Crime with Better Technology

Hummingbird enables compliance and risk professionals to fight financial crime with a case management platform that automates much of their work.

Designed and built for compliance professionals, Hummingbird offers:



Case management



Intelligent automation



Direct SAR submission



Automated reporting

Investigate, collaborate, document, and manage cases on a single platform.

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- Fraud
- Complaints
- Disputes
- Sanctions
- Diligence



COMPANY RESEARCH PROFILE

- Founded 1997
- Hitchin, United Kingdom
- www.armadillo.co.uk
- enquiries@armadillo.co.uk
- Employees: 11-50
- Regions of operation: Global

KEY EMPLOYEES:



Emmanuel Cohen
CEO



Amanda Coyle
Managing Director



Julia Ward
Commercial Director

Value Chain: **Onboarding, Reporting, Processing & Control**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Identification/Background checks, Compliance Management, RPA, AI Analytics**

Regulation/Legislation: **KYC, AML, Bribery Act, Criminal Finance Act**

OFFERING

Armadillo are experts in Robotic Process Automation (RPA) and AI Analytics, together with the Armadillo Universe of 420 million companies, 5 billion individuals & 1 billion businesses they provide original registry documents, PEPs and Sanctions Checks, as well as ID verification for AML (Anti-Money Laundering), Know Your customer (KYC), Due Diligence and Enhanced Due Diligence (EDD).

- Receive exactly the right documents, from around the globe, delivered fast
- Achieve onboarding compliance and peace of mind
- Minimise risk and avoid fines
- Protect your clients
- Ease the burden of inspections

PROBLEM BEING SOLVED

It is essential for a business to carry out 'Know Your Customer' (KYC) checks in the fight to prevent money laundering, terrorist financing and financial crime. Armadillo provides compliance teams with key capabilities including corporate and individual searches as well as on-going monitoring, ensuring effective customer on-boarding and continued compliance requirements.

Armadillo's solutions can be tailored to suit your compliance requirements - from only paying for the information & data you need as you go, through to full client on boarding management giving you a unique flexibility.

The company's team understands the needs of regulated businesses, having three different regulated firms in its group, including a UK-regulated law firm that can also ensure confidentiality.

TECHNOLOGY

Armadillo Tech offers fully responsive web applications for customers and their users, with secure login and report & document delivery. Depending on the requirements, original source and registry documents and data can be sent directly via web interface, API, email or by setting up a regular secure FTP transfer to a preferred server.

The new revolutionary cloud-based Armadillo Hub technology offers a seamless flow between different types of onboarding data, verification information, customer profile generation including risk & credit screening. Bespoke data solutions can also be provided either with customer platforms or using the Armadillo Hub interfacing different technologies and data.

Armadillo is ISO9001 and ISO 27001 certified.

PRODUCT DESCRIPTION

Armadillo's innovative systems provide original documents, reports, PEPs and Sanctions checks, adverse media screening, ID verification and EDD on corporates and individuals. The Armadillo universe covers all jurisdictions globally (220 countries, 1000+ registries) allowing customers and partners to onboard clients faster and more efficiently by centralising data and documentation; thereby helping clients comply with a range of regulatory obligations on a single platform.

- **PEPs, Sanctions & Adverse Media** - Armadillo Dig Deeper (ADD System) is global service that enables individuals and companies to be queried against the company's AML database for Sanctions, PEPs or Adverse Media risk exposure with full automated monitoring. All information is available through the Armadillo's HUB application together with related information i.e. relationships, article summaries and corresponding URLs.
- **Anti-Money Laundering** - the company has resources and partners around the world giving access to confidential reports from over 100 countries and over 50 million individuals, including deceased persons. Sources include the judiciary, international government institutions and registries, banking sector organisations, non-governmental organizations (NGO's) and recognised private data collection companies and bodies.

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- **Armadillo Enhanced Due Diligence** - Used by hundreds of organisations across the world, Armadillo's Enhanced Due Diligence services provide detailed background checks on any entity or individual, no matter where they are located in the world.
- **Armadillo International Registry Docs** - global online search and ordering system providing access to 420 million companies in over 1000 registries worldwide, delivered in under an hour. For clients with larger and more frequent requests, Armadillo Tech can create a bespoke and dedicated, fully responsive, web application. Alternatively, organisations can use the company's commercial APIs for seamless onboarding flows, customer profile generation, credit risk scoring, including bespoke data solutions.

Organisations working with the array of Armadillo's services enjoy the following benefits:

- Reduced costs by eliminating manual processes
- Always prepared for inspections with easy reporting
- Improved governance through compliance with a wide range of global legislation
- Enhanced customer experience by making the application process seamless
- Faster decision-making – automatic acceptance based on accurate data
- Audit trails – all checks are stored and accessible anytime

TRACTION/GROWTH

- Armadillo has resources and partners around the world giving clients access to corporate reports and documents on over 420 million companies and verification checks on 5 billion adult individuals globally, including PEPs and Sanctions. Armadillo also works through channel partners worldwide with multi-lingual systems.
- Armadillo have over 40 years of experience in helping clients meet and stay ahead of the continually changing world of compliance mandates.
- Following its well-defined, Cloud-based product road map, Armadillo successfully launched its Hub platform and the ADD (Armadillo Dig Deeper) System in June 2021.
- Armadillo's solutions, from mass access, to bespoke on-boarding RegTech systems, are continuously developed in search of the "RegTech Golden Source".
- Armadillo - From Anywhere, To Anywhere, Anytime.

MANAGEMENT BIO

Emmanuel Cohen – CEO

Emmanuel Cohen, better known as Manny, is the CEO & Founder of The Armadillo Group of companies. He has been working in the RegTech & Compliance industry for over 40 years.

He is an expert in Tech solutions, corporate information, on-boarding and regulatory compliance assistance, KYC, due diligence, money laundering regulations & credit data; corporate law, company secretarial; corporate administration, IP & brand protection. He regularly speaks on these topics at worldwide conferences including the Global RegTech Summit 2020 & 2021 on "The need for automated KYC & DD" and "RegTech: The Golden Source" and on corporate compliance at Shorex Wealth Management Forum (Switzerland & Russia) and CPH-C Conference (Hungary). He regularly writes as a thought leader for online publications such as Retail Banker International, Private Banker International & CXO Fortune.

Amanda Coyle – Managing Director

With over 25 years industry experience Amanda possesses a wealth of knowledge and a strong skills set in corporate services that includes: Compliance & Client On Boarding (KYC & AML Solutions), Due Diligence; and is particularly strong in Deep dive KYC for offshore; HNWI and complex structures, Compliance Audit & testing, Corporate Governance and risk compliance, Worldwide Certification and Legalisation, Worldwide Company Formation and Company Administration, and Drafting of Corporate Documents and Agreements (to name a few).

Julia Ward – Commercial Director

Julia is a motivated multi-lingual professional with over 10 years of experience in the industry. She has expertise in strategic growth, sales, recruiting, training, administration, and customer relations. Julia has worked closely with Banking Institutions and Professional Services providers which share a common goal of excellence. Her knowledge includes global legal requirements for company registrations and filings along with research and sourcing of documents from a variety of countries.

RPA helps with compliance staff shortages and cuts costs whilst building towards the RegTech 'Golden Source'




Regulations seem to be flooding into the market and more industries are being held responsible to standards, as a result, compliance experts are being treated like gold dust. This all results in compliance teams facing a significant problem - there are not enough people.

In order to fulfil the regulatory requirements and prevent fines, some companies' compliance teams have become engorged; the lack of staff leaves it unsustainable for businesses to keep expanding them.

The solution lies within Robotic Process Automation (RPA). Emmanuel 'Manny' Cohen, Armadillo founder and CEO, explained "The volume of work that companies need to do to keep compliant is getting hellish, and there aren't enough people. The only way to do that work efficiently and quickly is to automate as much as you can." Firms that fail this are likely to miss indicators of financial crime. Institutions such as banks are faced with so much information, it is becoming increasingly impossible to manually monitor.

RPA is a set of models that can efficiently complete tasks, it does the work of humans but it is not replacing humans because at the end of the day they will always be the ones having to make the final decisions. RPA is there to remove tedious manual workloads, sift through masses of data and highlight anomalies so staff can focus on important tasks. "Everybody thinks everyone's up to some to something dodgy, but most people are honest. So, you're only looking for the anomalies rather than the standard stuff. You can only do that efficiently if you're automating the systems," Cohen added. The financial and reputational damage that comes alongside a compliance failure has meant regulated

businesses are scrambling to find a solution to prevent incidents. Cohen explained that everyone is looking for that "golden source" that can protect them. Unfortunately, there is no one simple answer. There are many pieces to that puzzle and RPA is a core part of it, he explained.

When businesses such as financial institutions see how RPA can sift through masses of data and find patterns that a human would have missed, there is a sense of reckless abandon in using it. Cohen stated that, "A lot of companies think everything's available immediately and everything can be automated. Sadly, we're years away from that. So automating as much as possible allows available resource to focus on the gaps."

Many systems around the world are too dependent on largely manual processes, such as due diligence, and RPA cannot simply be implemented and do all the work for them. The technology processes digital data but is still limited by its parameters, but Cohen is optimistic that in a few years mixed with AI it will be capable of automating most of the compliance processes for firms of all sizes and industries.

RPA technology not only enables a team to assess vast amounts of data and find hidden patterns, but it also acts as an "equaliser." While regulations around the world might cover similar topics, most countries have differences in how regulatory requirements need to be met. It is easy for a human to mistake requirements in various countries allowing incidents to slip past. RPA stops this happening.

Cohen added, "It takes in different types of data and sends it out in one format, or in the format that the client requires. RPA is able to populate systems in such a format that everything is equalised. So, it doesn't matter whether it's from Italy, Japan, Australia, or wherever, to the person who sees the output, it's all the same."

Regulations are getting more complex, and the amount of data that firms need to monitor is only growing. RPA is the only way to keep up. Armadillo has been aware of this importance for over a decade. It is continuing to innovate the use of the technology and mixing it with AI, having recently released Armadillo Dig Deeper. It leverages RPA and AI to automatically crosscheck someone against its AML database of sanctions, PEP's or adverse media risk exposure, and provide the user with all related information in a simple format. Cohen concluded, "We make things as easy as possible for the compliance professional." ●

ISO27001
& ISO9001
certified

ARMADILLO DIG DEEPER (ADD)

PEPs, Sanctions & Adverse Media

Armadillo Dig Deep (ADD) is our latest global service allowing regulated businesses to check up to 5 billion individuals, 1 billion businesses and 420 million companies for PEPs (Politically Exposed Persons), Sanctions and Adverse Media risk exposure with full automated monitoring.

All information is available through the Armadillo HUB together with related information such as relationship mapping, article summaries and corresponding URLs.

ADD provides compliance teams with key capabilities including corporate and individuals search as well as on-going monitoring ensuring effective customer onboarding and meeting continued compliance requirements.

BENEFIT FROM ARMADILLO'S HUB:

- Reduce costs by eliminating manual processes
- Prepare for inspections with easy reporting
- Improved governance through compliance with a wide range of global legislation
- Enhance your customers' experience by making the application process seamless
- Faster decision making – automatic acceptance based on criteria
- Audit trails – all checks are stored and accessible any time

Contact us:
aRMAdillo®

Armadillo.co.uk/dig-deeper
enquiries@armadillo.co.uk

AxiomHQ

-  Founded: 2013
  Employees: 11-50
-  Regulation/Legislation: **MiFID II, Solvency II, GDPR, FCA, PRA, CBOI, FAR, BEAR**
-  Subsectors: Risk Management, Reporting, Compliance Management
-  Regions of operations: United Kingdom, Ireland, Czech Republic, Switzerland, Singapore, Hong Kong, Australia

Axiom is an industry-leading software platform designed to help regulated firms manage the burden of evidencing and monitoring compliance. Over 40 of the world's best-known banks, insurance companies, asset management companies and investment funds trust Axiom to help manage their regulatory compliance. Rules mapping, risk and control environment, third party oversight, breach management, operational resilience. The solution is made up of several core modules which can be deployed to provide automation and reduction of compliance risk at different points in the compliance journey. Together, these work to make Axiom a holistic platform which delivers end-to-end benefits at every level of a regulated financial services firm. Traditional compliance documentation and monitoring is manual and happens only periodically. With Axiom, key areas of compliance can be automated and put under direct review by appropriate individuals across the business.

BEHAVOX

-  Founded: 2014
  Employees: 101-250
-  Regulation/Legislation: **FINRA, SEC, GDPR**
-  Subsectors: Communications Monitoring, Transaction Monitoring, Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management
-  Regions of operations: Global

Behavox provides AI-powered insights that protect companies and their employees from illegal, immoral, and malicious behavior. Insights are generated by analyzing communication data from email, instant messaging, voice, and video conferencing platforms. By proactively monitoring these platforms using AI rather than manually reviewing content, employees are protected while maintaining their privacy. Founded in 2014, Behavox is headquartered in New York City and has offices in Montreal, London, San Francisco, Seattle, Singapore, Tokyo, Dallas, and Abu Dhabi.

CalRisk

-  Founded: 2009
  Employees: 11-50
-  Regulation/Legislation: **MiFID II, PSD2, AIFMD, Solvency II, KYC, AML, GDPR, EMIR, FCA Handbook, NIST, ISO 27001 (and other standards), Cyber Essentials Scheme, EBA Outsourcing Guidelines and many more.**
-  Subsectors: Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management, Vendor Management / Outsourcing Risk Management
-  Regions of operations: United Kingdom, Ireland, United States, Luxembourg, Malta, Germany, Australia

CalQRisk is a modular Governance, Risk & Compliance solution which allows large financial institutions to have one, organisation-wide platform to deal with operational risk management, incident management, audit, vendor management, regulatory compliance and much more. Typically, firms will have several solutions to assist with the functions. The integrated nature of the solution saves time, money and highlights the interconnectedness of all of these processes in a firm. CalQRisk is the complete Governance, Risk & Compliance software, whether you're an SME or a MNC. CalQRisk solutions have garnered international recognition in the Global Risk Awards as well as being shortlisted for an array of awards in the GRC sector.



COMPANY RESEARCH PROFILE



PRODUCT NAME:

b.rx

-  Founded 2017
-  Brussels, Belgium
-  www.b-fine.eu
-  info@b-fine.eu
-  Employees: 11-50
-  Regions of operation: Belgium, Netherlands, Luxembourg, France, United Kingdom, Austria, EU

KEY EMPLOYEES:



Klaas Van Imschoot
CEO



Bert De Vriendt
COO



Jo Van Oosterwyck
CTO

Value Chain: **Regulatory Reporting**

Subsectors: **Capital Planning/Stress Testing/Simulations, Data Management & analytics, Compliance Management**

Regulation/Legislation: **Basel III/IV, IFR/IFD, IFRPR, Solvency II, ESG, EBA (COREP, FINREP, LCR, NSFR, ALMM, ...), SRB, ECB (AnaCredit, SHS, ...), EIOPA, Pillar 3 disclosures, FATCA, CRS, local regulatory reporting (Bank of England, De Nederlandse Bank, National Bank of Belgium, ...)**

OFFERING

b.fine is a RegTech scale-up on a mission to industrialise the regulatory reporting processes for financial institutions. To achieve this goal, b.fine created an innovative and collaborative SaaS platform called b.rx which brings regulatory reporting to the 21st century. With its expertise and unique mix of services and technology solutions, b.fine helps financial institutions move from regulatory reporting towards regulatory intelligence.

PROBLEM BEING SOLVED

Getting the data right and getting the right data is crucial for financial institutions when it comes down to regulatory reporting.

b.fine's unique mix of product and services is bringing peace of mind to financial institutions by transforming their inefficient reporting processes into an effective reporting supply chain.

TECHNOLOGY

By relying on a micro-services architecture and facilitating the integration of publicly available building blocks (e.g. DPM), regulatory changes can be easily absorbed and quickly integrated. We focus on the ability to scale our platform to your needs and invest in innovation by using big data capabilities and machine learning to optimize the reporting processes.

PRODUCT DESCRIPTION

The RegTech platform b.rx has been developed as an answer to the many struggles financial institutions are facing with traditional reporting solutions. Through the b.rx platform, you'll make the shift towards a data centric reporting architecture with a focus on the user journey by leveraging on unique features like automation, collaboration, workflows and key insights. b.rx makes an end to inefficient data flows, missing control and oversight of reports and helps you save time and costs.

b.rx goes beyond traditional reporting and fully supports the holistic view on the reporting process:

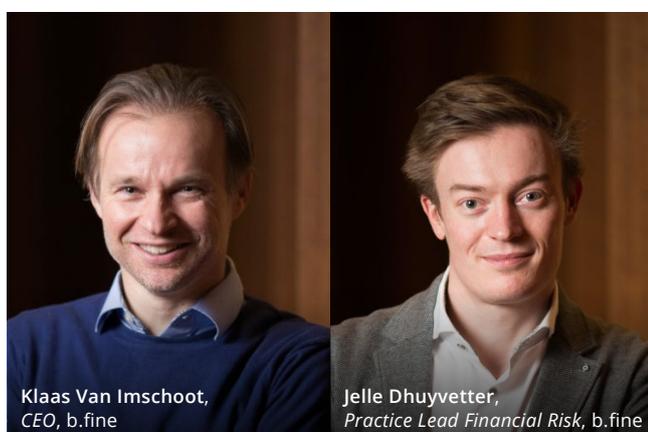
- Digital transformation - b.rx digitizes and automates the regulatory reporting processes and workflows in the most efficient way
- Data centricity - b.rx works with open standards for data aggregation, data governance and data modelling while the intuitive dashboards help compliance teams visualize the full data and reporting workflow
- b.rx marketplace – Through the marketplace, the value proposition can be extended with built-in integrations towards credit and liquidity risk engines, data monitoring platforms, reporting validation engines, ... Thanks to the b.rx marketplace of high qualified partners, you can compose the reporting platform to your needs.
- Lower TCO - By leveraging on regulatory building blocks, cloud architecture and a proportionality based subscription model, b.rx reduces overall reporting spend significantly.
- Regulatory reporting - b.rx comes with built-in support for national and international financial, prudential and statistical reporting frameworks.

TRACTION/GROWTH

- b.fine's client base is rapidly growing and diversifying towards different segments of the financial industry. Today credit institutions, insurance companies, investment firms, lease companies and innovative fintech platforms are relying on b.fine to transform their regulatory reporting processes into an effective data and reporting supply chain.
- The company has established integration/consulting partnerships with ElysianNXT, MORS, RegBird, Collibra, Soda Data and Oracle
- b.fine recently announced that it is extending its capabilities with an additional solution from PwC in the b.rx marketplace that provides financial institutions with clear insights into their data quality and figures.

How b.fine is looking to bring regulatory reporting into the 21st century

Founded in 2017, Brussels-based b.fine is on a mission to industrialise the regulatory reporting processes for financial institutions. The company developed b.rx, a collaborative software-as-a-service platform, which supports the full regulatory reporting process in the most optimized & efficient way.



What inspired the creation of b.fine? The company said, “Based on our experience gained over many different regulatory-inspired projects, we noticed financial institutions were struggling keeping their systems aligned with the latest regulations. These institutions didn’t always have the people with the required technical and functional knowledge and did not receive the required support from their vendor. By relying on b.fine’s unique mix of products and services, we are offering them peace of mind for regulatory reporting. The company also highlighted that prior to its creation, there wasn’t really a trusted independent advisor for huge regulatory data transformation programs. By engaging with b.fine, financial institutions can benefit from its expertise gained across different jurisdictions.

b.fine added it had noticed reporting teams were using a lot of tools next to their regulatory reporting application which resulted in complex processes and scattered dataflows. Because of this, b.fine decided to develop b.rx, which is built around the reporting team and covers all of their needs thanks to the focus on data, process flows and reports which results in the presence of collaboration, workflow, data and document management features.

New era of digitalisation

The practice of regulatory reporting for companies in the past was commonly cumbersome, with excel-based, manual reporting very often highly time-consuming. However, with the development of new technologies, many businesses are looking towards a future that is more time and cost-effective. What role does b.rx play in this sea of change for regulatory reporting?

“What we do within our platform is allow collaboration directly within the form,” Van Imschoot said. “You need to think of a solution in relation to the process it needs to support and that combines all necessary features that allows for digitalization, process automation and simplification, because within regulatory reporting, in the end, you’re collecting a lot of data and interacting with a lot of data sources and stakeholders. In the past, you only had the finance department who was responsible for regulatory reporting, but today you need to talk to people in the risk department, treasury department amongst a range of others. So, you really need to have a platform that supports collaboration and communication in a digital way.

“We see that there’s a loss of control and oversight in the reporting processes, and severe penalties can be imposed if those reports don’t comply with the regulator’s requirements. With b.rx, we want to relieve the burden of the regulatory processes, all while focusing on the best user experience. b.rx was created as an answer to the need of innovation in the reporting area. The main goal of b.rx is to give banks and financial institutions a total peace of mind when creating those reports for the regulators.”

While most banks have adopted technology in some part of their workflow, one of the big challenges for b.fine – and the wider industry – is to get them to embrace new technologies in the regulatory sphere. In the eyes of b.fine practice lead financial risk Jelle Dhuyvetter, a big task is getting banks away from the ‘most widely misused tool they have’ which is Excel.

He said, “Banks can keep returning to Excel because in some ways, it can do everything that you want. However, it is not a centrally managed platform, which can lead banks’ information to become scattered and sometimes lost. When

a regulator comes in and requires important information, this can be a hindrance to banks as they are then required to gather all this disconnected and decentralised information. This is where I believe technology can play a key role."

b.fine's b.rx platform provides one central entry point to the whole regulatory reporting process, and uses technology to bring together data and people from across different bank departments.

b.rx's ability to help centralise the regulatory reporting process can be seen as a key step on the road to digitalisation. Alongside this, however, Van Imschoot highlighted that b.fine's ability to know exactly where you are in the reporting process is also part of this digitalisation path.

He detailed, "We believe you should be capable of doing all steps within your regulatory reporting process from the platform – when you submit the reports to the portals of your regulator, you should not be required to do that manually, by first downloading your report and subsequently manually uploading it to the portal. What we offer our clients is a seamless integration with those regulatory platforms, so that from the first data captured needed to start producing your report to the final submission, brx' got you covered."

Technology is a vital part of banks' path to digitalisation, but it is also fundamental that this technology is simple and easy to use. Banks that turn away from RegTech products due to their complicatedness and lack of user friendliness is a worst-case scenario for the RegTech firms who are looking to help transform user experience in this area.

"Technology itself should be there to facilitate and support your work and should not be a burden in its own right" Dhuyvetter professed. "It should be simple enough to ensure usage but at the same time should support you in performing your day-to-day job in a more efficient and effective way. Because the worst investment that you can make as a financial institution is to buy something, which in the end will never be used. This is even true more so in the current low-rate environment where bank's standard earning model is under pressure"

Alongside simplicity and ease-of-use, the big selling point of any technology is its ability to speed up processes that were once sluggish and uneconomical. Van Imschoot echoed this point, detailing technology should 'squeeze' the time for your report production to help speed up its delivery towards a regulator without sacrificing on quality. Allowing bank staff to focus on interpretation and insights the regulatory numbers provide rather than in running the reporting process."

When financial institutions get to the stage of picking their vendor, it may be tempting for them to simply pick the biggest market player as the safest bet. But is this the right choice? Dhuyvetter believes not, stating that the size of the vendor is not necessarily the key to success – instead, the technology a company offers and its ability to leverage that technology is much more beneficial.

He said, "Technology is ever changing, and is there to support digital transformation. So, you should make choices that are

in-line with where you would want to go as an organisation technologically. Secondly, companies should choose technologies that are able to be adjusted quickly, because the competitive advantage is gotten from the ability to react faster than your peers in every part of your business as a financial institution."

Bank and tech vendor relationship

With a growing usage of technological solutions by financial institutions arising, this is undoubtedly changing the bank and tech vendor relationship. According to Van Imschoot, this has evolved particularly over the past five years, "I think in the last five years, the vision has been changed a lot.

"Previously, there was an interest in having a one-stop-shop solution. Now, thanks to the API economy, we are evolving towards best of breed solutions. This is partially accelerated due to the move towards cloud services, as it makes it possible for banks to no longer opt for this one-stop-shop if they don't want to. Banks also don't need to worry about integrating their services, because APIs fix this for them."

Dhuyvetter added, "Five to ten years ago, the mantra was to go with one vendor, assuming this would be a guarantee for integration across functional areas. Today, I think a lot of banks are realising that going with one vendor is not a guarantee for integration. This is because many of the big vendors, while covering large portions of the different functional areas also had gaps in their solutions. In an effort to close these gaps quickly, what they have done is started to acquire smaller companies. But because of the speed of which they acquired them, real integration was never accomplished."

Another key shift in the bank-tech vendor relationship has been the evolution of technology more specifically in certain areas. Dhuyvetter remarked, "Technology has evolved, and instead of needing one vendor to be integrated, the main focus now should be technology alignment. There is a switch going on in the industry where the model is no longer that banks need to go with one vendor who does everything, but instead go with certain vendors who do one thing really well, whilst using similar technological cornerstones."

What has been the triggers for the change in this relationship? According to Van Imschoot, the key trigger has been the shift away from a report-driven approach towards a data-driven approach. He added, "Data is also becoming the focus of regulators. They are more and more looking at your underlying data and requiring reporting on transaction levels, they really want the data up to the lowest level – so that is an important trigger.

"The cloud is also important trigger. Cloud capabilities these days provide financial institutions with much more flexibility and require no IT infrastructure to manage." Dhuyvetter added: "IT infrastructure costs as an argument to postpone digitalisation is not an option anymore. Applications that run in the cloud can be upscaled and downscaled according to the needs of the customers. This allows financial institutions to keep a better eye on the costs, since you only pay for what you use." ●

From regulatory reporting to regulatory intelligence

Banks
Investment firms
Pension funds
Insurance

ESG

IFD/IFR

Regulatory
technology

b.r.x

Risk &
treasury

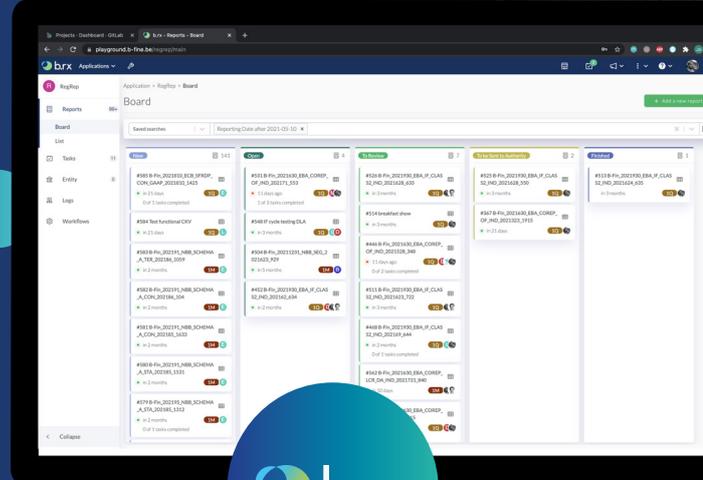
Regulatory
Reporting

Solvency II

Finance

Basel IV

Data
management



Getting the data right and getting the right data is crucial for financial institutions when it comes down to regulatory reporting. Therefore, financial institutions rely on b.fine's unique mix of products and services to transform their time-consuming, inefficient reporting processes into an effective reporting supply chain.



-  Founded: 2014
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, SFTR, Basel III, EMIR, Coverage of Acts, Regulations, Standards & Guidelines by 1,200 regulators across industries in over 200 countries and dependent territories**
-  Subsectors: Risk Management, Compliance Management
-  Regions of operations: Global

Capnovum's compliance management platform provides fully automated horizon scanning, instant impact assessments, and regulatory change management. The platform provides an up-to-date repository of regulations, obligations and regulatory activity, that lets regulated entities manage compliance, operational risk and resource utilisation across jurisdictions. The coverage exceeds 1,200 regulators across industries in over 200 countries and dependent territories, with the highest concentration remaining within financial services - Banking, Capital Markets, Insurance and Pensions - and adjacent domains such as Environmental, Social and Governance (ESG), Consumer and Data Protection. Artificial intelligence (AI) is leveraged to understand and identify synergies between regulations, assess the footprint of business models and impact of regulatory change. Integrated PMO tools automatically monitor implementation progress and manage risks from gap analysis to effective remediation. Capnovum eliminates manual work and external spend that traditionally go into producing and disseminating static reports. Reducing cost, improving timeliness and quality.



-  Founded: 2018
-  Employees: 11-50
-  Regulation/Legislation: **AIFMD, KYC, AML, compliance for international standards 15489 and 16175 (recordkeeping) as well as any regulatory obligation for information handling**
-  Subsectors: Cybersecurity/Information Security, Risk Management, Compliance Management
-  Regions of operations: Australia, United Kingdom, The Netherlands, New Zealand and Singapore

Castlepoint uses artificial intelligence, data science, commercial and regulatory insight to help organisations find, secure and manage information across all their business systems. Castlepoint can be deployed wherever data traceability, cyber security, risk and compliance is important and can be implemented in hours rather than weeks, with no impact on users. Headquartered in Canberra in Australia, Castlepoint has won multiple deeptech, innovation and cyber security awards and in October was named a finalist in the Australian Information Security Association Startup of the Year.



-  Founded: 2014
-  Employees: 251-500
-  Regulation/Legislation: **AML, Local regulations regarding AML, CFT and other reporting requirements**
-  Subsectors: Transaction Monitoring, Risk Management, Reporting, Compliance Management
-  Regions of operations: North America, South America, Europe, APAC and Africa

Chainalysis is the blockchain data platform. Chainalysis provide data, software, services, and research to government agencies, exchanges, financial institutions, and insurance and cybersecurity companies in over 60 countries. Chainalysis' data powers investigation, compliance, and market intelligence software that has been used to solve some of the world's most high-profile criminal cases and grow consumer access to cryptocurrency safely. Backed by Accel, Addition, Benchmark, Coatue, Paradigm, Ribbit, and other leading firms in venture capital, Chainalysis builds trust in blockchains to promote more financial freedom with less risk. Chainalysis has five products: Chainalysis KYT (Know Your Transaction), the real-time transaction monitoring solution for compliance professionals; Chainalysis Reactor, the investigations software; Chainalysis Business Data, the on-chain customer intelligence for cryptocurrency businesses; Chainalysis Kryptos, the risk management software for financial institutions; and Chainalysis Market Intel, the cryptocurrency market intelligence platform.

clausেমatch

 Founded: 2012  Employees: 51-100

 Regulation/Legislation: **Reporting, Processing & Control**

 Subsectors: Compliance Management, Policy Management, Regulatory Change Management

 Regions of operations: United Kingdom, Europe, Singapore (APAC), North America and Middle East

Clausematch is an award-winning global regulatory technology (RegTech) company that enables financial institutions and other regulated companies to run their businesses safely and meet compliance obligations. Its AI-powered platform provides end-to-end policy management and regulatory compliance solutions to help organizations navigate the compliance lifecycle. Clausematch applies a deep understanding of the regulatory lifecycle and machine learning to help teams working in Compliance, Finance, Legal and Risk collaborate on documents in real-time and demonstrate compliance to regulators, while significantly reducing costs. www.clausematch.com

COGNITIVE VIEW

 Founded: 2018  Employees: 11-50

 Regulation/Legislation: **ASIC, FINRA, MiFID II, FCA, MAS, GDPR, ePrivacy, DFSA, FSC**

 Subsectors: Communications Monitoring, Conduct Risk Management, Compliance Automation, Continuous control monitoring & Audit

 Regions of operations: Australia, United States, Singapore, United Kingdom

Cognitive View monitors communication and collaboration channels to automate compliance, quality, customer experience, and conduct risk. It provides the necessary tools to create a customer-centric culture and risk-based supervision to reduce operational risk. Cognitive View offers hundreds of regulatory policies and behavioral patterns out of the box to support communication surveillance. In addition, it supports a variety of data sources, including video, text, and voice, that automate the supervision process for compliance, customer experience, complaints & conduct risk. It automates 1LOD with incident & breach reporting to support global regulatory requirements. Additionally, it supports remote working compliance with abuse detection for employee-related workplace misconduct. Cognitive View has been certified & listed in major international marketplaces. Open API & Integration with hundreds of 3rd party systems, including MS Teams, Cisco WebEx, Zoom.

COMPLIANCE.AI Insightful. Transparent. Trusted.

 Founded: 2016  Employees: 11-50

 Regulation/Legislation: **AML, GDPR, BSL**

 Subsectors: Compliance Management

 Regions of operations: United States, Canada, United Kingdom

Compliance.ai is transforming the way highly regulated organizations address compliance risk. Its Modern Regulatory Change Management (RCM) solution empowers banks, financial services and insurance companies to proactively manage the growing volume and velocity of regulatory changes as they occur, and makes it simple to implement the correct steps to remain in compliance. Compliance.ai establishes a centralized regulatory change management command center and to automate and manage standardized processes for the entire enterprise. Compliance.ai is the only regulatory change management software that is designed for the BFSI industry. Our customers rely on Compliance.ai to automatically enforce regulatory change management policy; thereby mitigating risk, reducing costs, and gaining confidence in their compliance status. Compliance.ai leverage machine learning to deliver curated data based on selected interests. Compliance.ai focus on streamlining regulatory change management, leveraging AI and our unique expert-in-the-loop methodology to provide the best in class service for financial institutions.



Corporate **KYC**, the way it should be.

Spend time on what matters, while we handle the rest.

Our Solutions

Unveil corporate customers' structures and UBOs through live connections to company registries.

Verify the identity of shareholders and directors worldwide and perform on-going AML screening.

Centralise all compliance functions and streamline client onboarding through configurable workflows.



-  Founded: 2013
  Employees: 11-50
-  Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, SFTR, Basel III, EMIR, We also cover non-regulatory bodies plus specific financial themes: ESG, Crypto, Payments and Financial Crime**
-  Subsectors: Capital Planning/Stress Testing, Risk Management, Reporting, Compliance Management
-  Regions of operations: North America, United Kingdom, EMEA, APAC

Set up in 2013, the Corlytics team has understood from the beginning that to restore trust and build transparency in global finance system, global intelligence needs to be categorised, risk assessed and presented in a standardised manner across all three lines of defence. Its in-depth regulatory platform is provided by a world class team of legal and regulatory analysts, data scientists, risk practitioners and seasoned technologists to meet today's requirement to track regulatory texts, and tomorrow's requirement to treat regulation as a risk. Corlytics is reinventing how people and their firms manage regulatory change. The Corlytics platform solution is designed for firms who need to manage regulatory change and those who need to manage their global regulatory obligations – it monitors, structures and maps complex global regulatory information to organisational frameworks, providing timely, relevant information directly to business areas.



-  Founded: 2016
  Employees: 101-250
-  Regulation/Legislation: **MiFID II, AIFMD, Solvency II, GDPR, SFTR, EMIR**
-  Subsectors: Communications Monitoring, Transaction Monitoring, Cybersecurity/Information Security, Reporting, Compliance Management
-  Regions of operations: United States, United Kingdom, Ireland, Netherlands, Sweden, France, Luxembourg

Compliance Solutions Strategies (CSS) is a trusted global RegTech partner that uniquely brings together innovative technology-driven solutions to support financial services firms in navigating a clear and strategic path through the complex and fragmented global regulatory space. Their solutions and services help firms meet regulatory deadlines while optimizing compliance data, operations and technology. CSS covers a full range of global compliance disciplines spanning fund reporting, transaction reporting, investment monitoring, compliance management, compliance services and managed services with a complementary, centralized approach to the strategic management of regulatory data called RBOR (Regulatory Book of Record). The company currently serves over 600 software clients in the financial services vertical comprising of hedge funds, traditional asset managers and fund administrators, including Tier 1 buy-side and sell-side institutions. CSS maintains a global footprint across both North America and Europe with customer-facing offices in New York, London, Dublin, Paris, Amsterdam and Stockholm.



-  Founded: 2011
  Employees: 101-250
-  Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, SFTR, Basel III, EMIR (all the world's financial regulation/legislation)**
-  Subsectors: Regulatory Change Management, Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management
-  Regions of operations: CUBE is founded and headquartered in London, with more than 200 employees spread across 11 locations in Europe, the Americas and Australia

CUBE is a global RegTech proving regulatory change management through AI and automation. Born of the 2008 financial crisis, CUBE combines industry-leading technology and automation with expert-validated insights to enable global financial institutions to streamline their complex regulatory change management processes. With more than 10 years of experience, CUBE boasts the world's most comprehensive source of classified, meaningful regulatory data. Using leading techniques in artificial intelligence, CUBE captures and classifies all regulatory content across 180 countries in 60 languages and maps it to customers' compliance frameworks; from financial crime to cyber, privacy, tech risk and more. CUBE's products provide a trusted, world-beating SaaS platform which intelligently automates regulatory change for financial organisations, which can be easily integrated with existing systems. Combining artificial intelligence, automation, and expert validated insights, CUBE offers a constantly up-to-date regulatory inventory that simplifies the complexities of multi-jurisdictional regulatory compliance.

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INNOVATIVE SOLUTIONS FOR:

- CLIENT LIFECYCLE MANAGEMENT
- RISK MANAGEMENT AND COMPLIANCE
- CORPORATE GOVERNANCE
- DIGITAL OPERATIONS

GOVERNANCE.COM



-  Founded: 2014
-  Employees: 51-100
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Compliance Management
-  Regions of operations: Globally with offices in Singapore (headquarters), United States, United Kingdom, United Arab Emirates, Taiwan and Vietnam

Cynopsis Solutions was established in Singapore in 2014 and offers regulatory technology (RegTech) solutions designed to automate Know Your Customer (KYC) / Anti-Money Laundering (AML) processes. The company focuses on building anti-money laundering and counter-terrorism financing SaaS products that help global clients comply with regulatory requirements and stay ahead of the regulatory curve. Its products include KYC/AML screening and documenting, digital onboarding, transaction monitoring and Balanced Scorecard Framework compliance. The unique proposition of combining its deep knowledge and expertise in the regulatory and compliance fields with smart use of functional technologies allows us to offer very cost-effective solutions for smaller and medium-sized organisations, as well as larger-scale corporations from both the financial and non-financial sectors. Some of these sectors include Banks, Insurance, Public Listed Companies (PLCs), Casinos, E-payments, Blockchains, FinTech start-ups, Brokerage, Corporate Service Providers (CSPs), Payments and Remittance, Precious Stones and Metals Dealers (PSMDs), Accounting and Audit, and Law Firms.



-  Founded: 2016
-  Employees: 11-50
-  Regulation/Legislation: **314(b), CCPA, BCPIF, PIPEDA. Also, complies with encryption requirements mentioned in paragraph 84 of the EDPB recommendations document**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Cybersecurity/Information Security, Risk Management, Reporting, Identification/Background checks, Alert and case investigations
-  Regions of operations: North America, United Kingdom, Europe, Israel

Duality Technologies is a leading provider of privacy-enhanced data collaboration solutions based on Homomorphic Encryption (HE) and other Privacy-Enhancing Technologies (PETs). These technologies allow users in any regulated industry to compute on encrypted data, making it possible to collaborate on sensitive information across business lines, jurisdictions, and organizations, and derive value from sensitive data, while strictly complying with data privacy regulations. In the financial services sector, Duality's groundbreaking solutions offer data models that facilitate secure collaboration across the complete financial crime and compliance lifecycle, turbocharging the global fight against fraud and money laundering. This allows financial crime and compliance teams to seamlessly enrich their AML programs with external intelligence in a manner compliant with privacy and confidentiality regulations. Duality collaborates with leading players in the financial services ecosystem, and its platform has been successfully piloted by leading banks in the UK and North America.



-  Founded: 2011
-  Employees: 101-250
-  Regulation/Legislation: **AML/CTF, RG271, Hayne Royal Commission bills, HIPAA, GDPR, PCI DSS, KYC, Dodd-Frank, MiFID II, and more**
-  Subsectors: Communications Monitoring
-  Regions of operations: Global

Dubber is the world's leading Unified Call Recording and Voice AI platform. Native to the cloud, Dubber is integrated into the leading service provider networks and collaboration platforms globally. Provisioned with a click, the Dubber platform enables the compliant capture of voice data, which is then delivered to Dubber's infinitely scalable Voice Intelligence Cloud. From there Voice AI generates business insights, transcriptions and alerts of keywords and phrases for proactive compliance.



COMPANY RESEARCH PROFILE



e f l o w



Founded 2004



London, United Kingdom



Employees: 11-50

www.eflowglobal.comsales@eflowglobal.comRegions of operation:
United Kingdom, EU, North America,
Asia-Pacific**PRODUCT NAMES:** TZ & TZTR**KEY EMPLOYEES:**

Ben Parker
CEO and Founder



Marsha Parker
Chief of Product
Strategy and Founder



Phil Laws
Chief Product Officer



Alex Parker
Chief Technical Officer

Value Chain: **Monitoring, Reporting**Subsectors: **Transaction Monitoring, Reporting, Best Execution & Transaction Cost Analysis**Regulation/Legislation: **MiFID II, AIFMD, MAR, MAD II, EMIR, MiFIR, SFTR**

OFFERING

For over 15 years, eflow has provided workflow and regulatory software solutions within the financial markets. The company's offerings include post-trade surveillance for market abuse, best execution and transaction cost analysis, custom and bespoke regulatory reporting, transaction reporting, MiFID II record keeping and more.

eflow uses a cloud-hosted SaaS model with trade volume-based pricing. eflow operates globally, and countries of operation include UK, EU, United States, Hong Kong, Singapore and Australia.



PROBLEM BEING SOLVED

The purpose of all eflow solutions is to ensure compliance with the ever-changing global regulatory landscape. However, what sets the company apart from competitors is its exception-based approach. This approach solves the problems of slow, cluttered and confusing workflows as well as the risk of human error. The company's data-driven system allows clients to have full visibility of their trading and compliance procedures without being overloaded with a lot of unnecessary and irrelevant data, allowing them to maintain control of the entire compliance process.



TECHNOLOGY

The technology used in all of eflow's solutions is the product of over 20 years of development. The company uses a cloud-hosted SaaS model. All solutions are built using the company's proprietary development platform PATH which allows it to onboard clients and build client systems with the agility of an off-the-shelf solution and the flexibility of a bespoke system.

PRODUCT DESCRIPTION

eflow's solutions include:

- **TZ Regulatory Compliance** - TZ is the company's flagship product and a fully consolidated regulatory compliance system. It provides compliance professionals with intuitive and automated solutions for trade surveillance, best execution monitoring, best execution reporting, transaction cost analysis and more. TZ can ingest millions of trades per day, and test them against a variety of benchmarks including market abuse, best execution and insider trading. Suspicious trades will generate alerts, highlighting them for review by members of a compliance team. TZ can then be used to generate a range of regulator-ready reports in just a few clicks.

Unlike most similar solutions, TZ is exception-based, meaning it only displays infringing or suspicious trades. This greatly reduces the time required to find and deal with errors, providing a more streamlined compliance workflow with a minimised risk of human error.

- **TZTR Regulatory Reporting Hub** - a sophisticated regulatory reporting hub specialising in EMIR and MiFIR transaction reporting. Unlike most reporting solutions, TZTR doesn't just send reports to regulators; it takes control of the entire reporting process from the moment a transaction is made until the report is submitted and accepted. TZTR can combine data from multiple sources, format regulator-ready reports in accordance with a number of different regulations, receive and ingest regulator responses, make simple edits on a field-by-field basis, maintain audit trails and more, all with just a few clicks. And as with TZ, TZTR is entirely exception-based, allowing for low-risk, high-accuracy, streamlined reporting.

- **PATH Development Platform** - PATH is the platform all eflow solutions are built on. Its primary function is to allow data to flow freely between different sources. eflow can use PATH to build a bespoke data-management solution that allows all of organisation's in-house and third-party platforms to communicate with one another instantaneously, regardless of file format. Most often the platform is used for Straight Through Processing and Trade Lifecycle Management.

All eflow clients gain access to the 3 pillars of eflow support designed to help them get the most from the TZ or TZTR system.

- The eflow Helpdesk - 24/7 technical support with regional support teams across the globe
- Client Services - Dedicated customer success manager and regular check-ins ensure clients get the most from the eflow's systems
- Active Monitoring - Continuous usage and log in activity monitoring ensures everything is running smoothly

PARTNERSHIPS

eflow partners with a number of technological innovators to ensure its clients receive the best possible products and services:



eflow helps Euronext provide authorised MiFID II APA and ARM services, connecting to all major European regulators and national authorities



eflow integrates content from Dow Jones Newswires within its TZ™ Market Surveillance offering

UnaVista

partnership with London Stock Exchange Group's UnaVista to automate Transaction Reporting under MiFID II for eflow clients



the partnership allows firms access eflow's Best Execution Monitoring, Transaction Cost Analysis, Best Execution Reporting and Trade Surveillance along with a range of e-Comms surveillance functionality

VECTALIS

by connecting Vectalis' UTS platform and eflow's trade surveillance solution TZ, the companies are able to provide the OTC equity derivative market with an improved solution to simplify compliance workflows

TRACTION/GROWTH

- eflow services a global client base of over 100 organisations across five different continents (Europe, Asia, North America, South America, Australia), providing both buy-side and sell-side firms with fast, efficient software designed to keep them compliant
- Clients include:

GLEN POINT 

 BREWIN
DOLPHIN

 AEGON
Asset Management

the**share**centre:

 Plus500



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Supercharge your compliance

Trusted by the world's leading data providers, our intelligent compliance platform transforms financial crime compliance from legal obligation to competitive edge.



Transaction Monitoring



Transaction Screening



Client Screening



Client Activity Review



Risk Based Scorecard



STR Builder

The Napier platform is fast, scalable and easily configurable. Powered by highly explainable AI, it rapidly strengthens your AML defences and compliance capabilities, while meeting your regulatory obligations and challenges in any sector.

Find out more today at napier.ai



-  Founded: 2016
-  Employees: 1-10
-  Regulation/Legislation: **EU ESG regulation/EU taxonomy/ EU Green Deal**
-  Subsectors: Compliance Management, Risk Management, Reporting, Transaction Monitoring, Capital Planning, Stress Testing, Identification, Background checks
-  Regions of operations: Europe, United Kingdom

Dydon AG is a Swiss AI company offering a flexible and transparent AI-Suite specialized in Sustainable Finance, Legaltech and Medtech solutions. What makes Dydon truly unique is its transparency & auditability. Dydon is very proud in defining its AI-Suite as "Open-Box" system. The results that are shared with customers are transparent and traceable, supporting the company in its decision-making process. Within the "sustainable finance" module Dydon developed its specific ESG solution and the TAXO TOOL. This last project has been developed in collaboration with VÖB Service (German Public Bank Association) to tackle the EU Taxonomy regulation. Founded in 2016 by Dr. Hans-Peter Güllich in Herrliberg (Zürich), Dydon has grown now up to a +10 people team. Hans-Peter is accompanied by a team of two co-founders with decades of experience in finance, technology and consultancy.



-  Founded: 1984
-  Employees: 251-500
-  Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, KYC, AML, Basel III, EMIR**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Cybersecurity/Information Security, Risk Management, Reporting, Identification/Background checks, Compliance Management, Payment and SWIFT connectivity
-  Regions of operations: Europe, United Kingdom, Ireland, GCC countries, MENA and APAC with a network of channel partners

Eastnets is a global provider of compliance and payment solutions for the financial services sector. Its experience and expertise help ensure trust at 750 financial institutions across the world, including 11 of the top 50 banks. For more than 35 years, Eastnets has worked to keep the world safe and secure from financial crime. It achieves this by helping its partners manage risk through screening, monitoring, analysis and reporting, plus state-of-the-art consultancy and customer support. As specialists in end-to-end payment systems, Eastnets turns payment challenges into opportunities, helping financial Institutions operate more efficiently and cost-effectively. That includes more than 270 corporate and financial institutions who rely on Eastnets for outsourced SWIFT connectivity and compliance software solutions. In 2019, Eastnets was awarded the ISO 27001:2013 certification for its Information Security Management System.



-  Founded: 2013
-  Employees: 51-100
-  Regulation/Legislation: **KYC, AML, eIDAS**
-  Subsectors: Customer Onboarding, Identity Verification, QES
-  Regions of operations: Global

Electronic IDentification is a software provider created to lead the next generation of e-trust solutions. Electronic IDentification is the only provider offering an end-to-end solution with a Qualified Electronic Signature based on a remote and automatic Video Identification, with no human intervention. Its technology is the first and only one that combines video streaming with the most advanced machine learning and artificial intelligence algorithm to identify people in just seconds from any device and through any channel. Electronic IDentification offers a solution that can verify people in seconds and in real time with the same level of legal compliance as face-to-face identification, from any device and through any channel with an end-to-end solution valid across Europe in compliance with eIDAS and AML.



**“I FORGOT
TO” FRED**



**“I MUST’VE
MISSED IT”
MARIA**

**Thousands of Employees
With Thousands of Excuses.**

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ELLIPTIC

-  Founded: 2013
-  Employees: 51-100
-  Regulation/Legislation: **KYC, AML, Countering Terrorist Financing**
-  Subsectors: Transaction Monitoring, Risk Management, Compliance Management, Blockchain analytics
-  Regions of operations: United States, United Kingdom, Japan, Singapore

Elliptic's founders first became involved with cryptoassets in 2011 when they recognized the technology's potential to open up financial services to unprecedented innovation and competition. Having worked for regulated financial institutions, they also understood that the cryptoasset industry would have to operate within financial crime regulatory frameworks to reach its full potential. They launched Elliptic, which provides blockchain analytics for cryptoasset compliance, in 2013. The company monitors every transaction of more than 150 cryptoassets allowing compliance teams to set their own risk rules to identify who they are transacting with; carry out counter-party due diligence and investigate transactions between virtual parties. Elliptic has the industry's most detailed multi-asset blockchain data, covering millions of addresses. This data is underpinned by robust data collection and validation methodologies that constantly uncover new types of illicit activity. At the same time, the company also has the highest asset coverage by transaction volume, representing around 98% of the global cryptocurrency trading volume.

ethixbase

-  Founded: 2011
-  Employees: 101-250
-  Regulation/Legislation: **KYC, AML, FCPA, UK Bribery Act, anti-corruption legislation, sanctions, human rights and modern slavery legislation, ESG and sustainability related legislation and regulation**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Identification/Background checks, Compliance Management, Supplier Risk Assessment
-  Regions of operations: Singapore, Malaysia, United Kingdom, Philippines, India, United States of America, Romania, France, Australia, Germany, Canada, Turkey

ethixbase helps organisations to elevate, build, maintain, and monitor sustainability in their supply chain. It provides clients with a deep and broad view of their supply chain risk across various risk areas, including: Anti-corruption, Human Rights, Labour and Environment. ethixbase services include Enhanced Due Diligence, Third-Party Risk Management Platform, ESG Risk Analysis, Advanced Perceived Risk Indicators and several other modular products brought together under a single, integrated platform. ethixbase is able to access millions of records and complex data sets from millions of open sources across the globe and then produce dynamic data algorithms influenced by machine learning to drive powerful predictive risk indicators and advanced data analytics - giving its clients unparalleled transparency into their third-party supply chain. The SaaS company has an international reputation and reach and has successfully established itself as an industry leader providing exceptional and bespoke client services.

everc

Nothing to hide. Everything to gain.

-  Founded: 2008
-  Employees: 101-250
-  Regulation/Legislation: **AML**
-  Subsectors: Risk Management, Transaction Monitoring
-  Regions of operations: Global

EverC is a pioneer in risk management and cyber intelligence. The company builds advanced technology that enables business growth in a crime-free environment. By combining data and industry expertise, EverC provides unparalleled visibility into the internet.

ELLIPTIC

The cryptoasset industry has exploded. The number of businesses embracing crypto has soared. As an asset class, crypto has grown by more than ten times in five years and is worth \$1 trillion.

Each of the largest crypto exchanges transact tens of billions' worth daily. More established institutions are moving in too: Goldman Sachs, Visa, JPMorgan, Wells Fargo, Fidelity, PayPal and Square are all engaging with crypto today.

All these companies need to understand when they can let things run – and when they should intervene. Because stopping financial crime is a regulatory requirement and a moral one. A healthy ecosystem is a safe one.

This is where Elliptic comes in.

Elliptic provides blockchain analytics for cryptoasset compliance. Our software and comprehensive data enable compliance teams to manage risk across more than 150 cryptoassets and fulfill regulatory requirements.

WHAT IS BLOCKCHAIN ANALYTICS?

Blockchain analytics is the process of analyzing, identifying and 'clustering' data on the blockchain – which is a cryptographic distributed-ledger accessible to all. Blockchain analytics also models and visually represents data in order to identify key information about users and transactions.



Our products and vision have the backing of VCs and banks from the US, Europe and Asia. In 2021 we announced our \$60m Series C funding welcoming Evolution Equity Partners, who fund the highest-potential software businesses protecting the digital world, to our cap table and board. SoftBank, the world's largest tech investor, was among other investors to join us on our vision.

Have confidence that you're making compliance decisions based on the largest and most accurate blockchain dataset ever built, with 20 billion+ data points. We've been collecting data since 2013 and have linked hundreds of

millions of cryptoasset addresses to known entities. Elliptic improves operational efficiency by reducing false positives so that your compliance team can focus on investigating the riskiest customer activity.

Empower your compliance teams with the risk insights they need to take action quickly. Our multi-asset platform uses sophisticated data science and machine learning to calculate risk scores at the transaction, customer, or wallet level. Elliptic provides a unified view of risk across all cryptoassets that's easily accessible from a browser interface or through a powerful API.

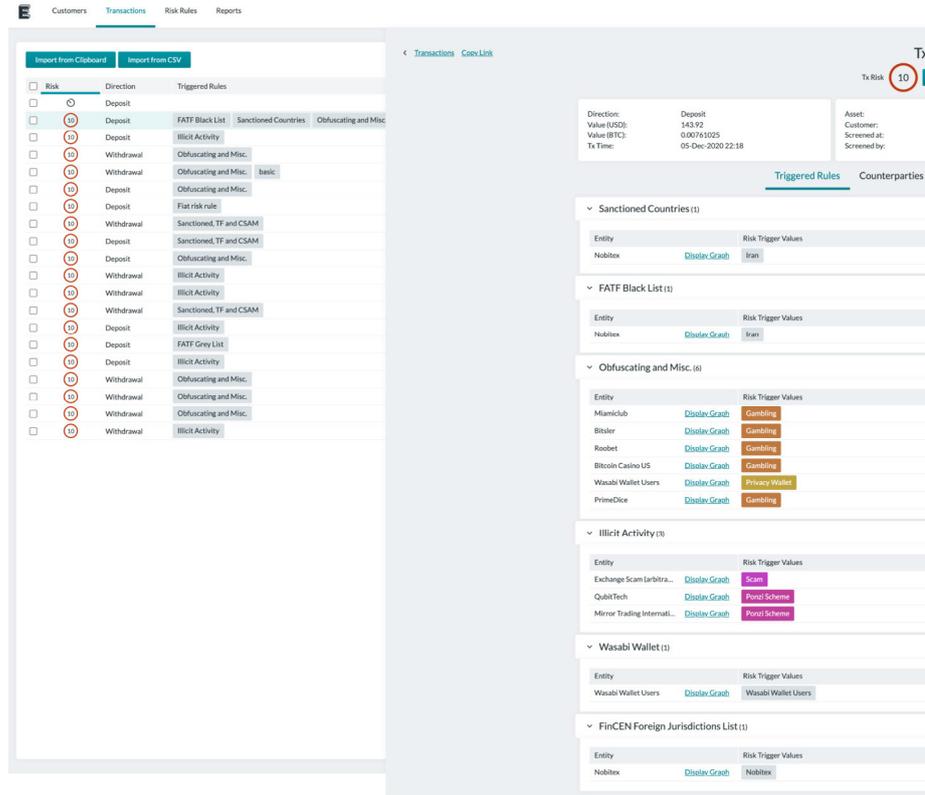
Elliptic Navigator

Elliptic Navigator supports 150+ cryptoassets - representing 98%+ of all assets by trading volume. Safely expand your asset coverage to access new customers and grow your business. From cryptocurrencies such as Bitcoin and Ether to stablecoins and ERC-20 tokens, we've got you covered.

Transaction risk scores provide the instant insights you need. Take a risk-based approach by configuring the risk rules to your unique needs. Automate your transaction screening and save time by only being alerted to activity that requires further action.

View a full breakdown of the exact source or destinations of funds with a single click. Elliptic provides detailed insights that can be used to decide whether to investigate a customer, or as the basis for SARs.

Save your compliance analysts' time when using our workflow features to review customer activity. Change the status of transactions and customers, add notes, and export data. Alternatively, integrate Elliptic Navigator with your own case management system through our flexible API.



Elliptic Navigator: Transaction Monitoring

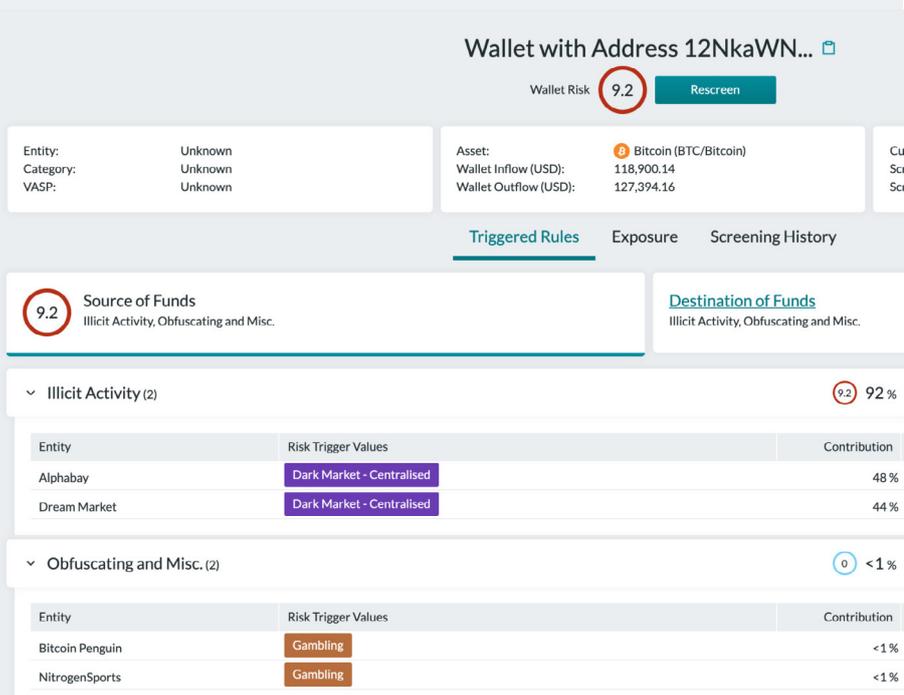
Elliptic Lens

Instantly identify whether a crypto address or wallet is controlled by a specific crypto exchange, sanctioned entity, darknet market, or one of 50+ other entity categories.

Wallet risk scores provide the instant insights you need. Take a risk-based approach by configuring the risk rules to your unique needs. Automate wallet screening and save time by only being alerted to activity that requires further action.

View a full breakdown of the exact source or destination of funds in a single click. Decide to investigate a customer or generate a Suspicious Activity Report (SAR) based on detailed risk insights.

Instant insights and a clear audit trail of wallet risk over time enable compliance analysts to view historical trends and ensure that decisions are backed by referenceable data.



Elliptic Lens: wallet screening source of funds

Elliptic Discovery

Elliptic Discovery features risk profiles for 1000 of the world's largest VASPs and is constantly expanding.

Elliptic Discovery provides a single risk metric for each VASP. Compare risk scores between VASPs to identify outliers. Implement controls based on a threshold risk score.

The Elliptic Discovery dataset is constantly updated by our team of researchers. It includes information about compliance policies enforced by each VASP, such as their KYC procedures, AML, and sanctions policies.

Gain visibility of a VASP's blockchain transactions through Elliptic Discovery. Understand transaction links with sanctioned actors, illicit entities, and anonymizing services so that you can dig into the details of a VASP's risk exposure.

Elliptic Discovery: VASP Profiling

< Entities [ConvLink](#)
Example VASP

31

Elliptic Score

Website [Link to Website](#)

Customer Verification Required

AML Policy Link [Link to Webpage](#)

Privacy Coins Available

Accepted Fiat Currencies PLN, CAD, BDT, BGN, CLP, CNY, DKK, ...

^ Legal Entities

Legal Name	Example VASP LTD
Registration Date	2015-07-29
Registration Number	12345678
Registration Address	1 Example Address
City and Post Code	London
Registration Country	United Kingdom
Cryptocurrency Regulatory Status	Unavailable
Issuing Body	Financial Conduct Authority (FCA)
Issuing Country	United Kingdom
References Details	123456

^ Blockchain Activity (Last month)

Incoming Anonymizing	0.10%	\$4692745.31		Outgoing Anonymizing	0.14%	\$6522086.17
Incoming Illicit	0.13%	\$6004978.92		Outgoing Illicit	0.12%	\$5664917.72
Incoming Sanctioned Addresses	0.00%	\$6004978.92		Outgoing Sanctioned Addresses	0.00%	\$997.70
Incoming Gambling	0.76%	\$35941911.33		Outgoing Gambling	0.52%	\$24594940.01

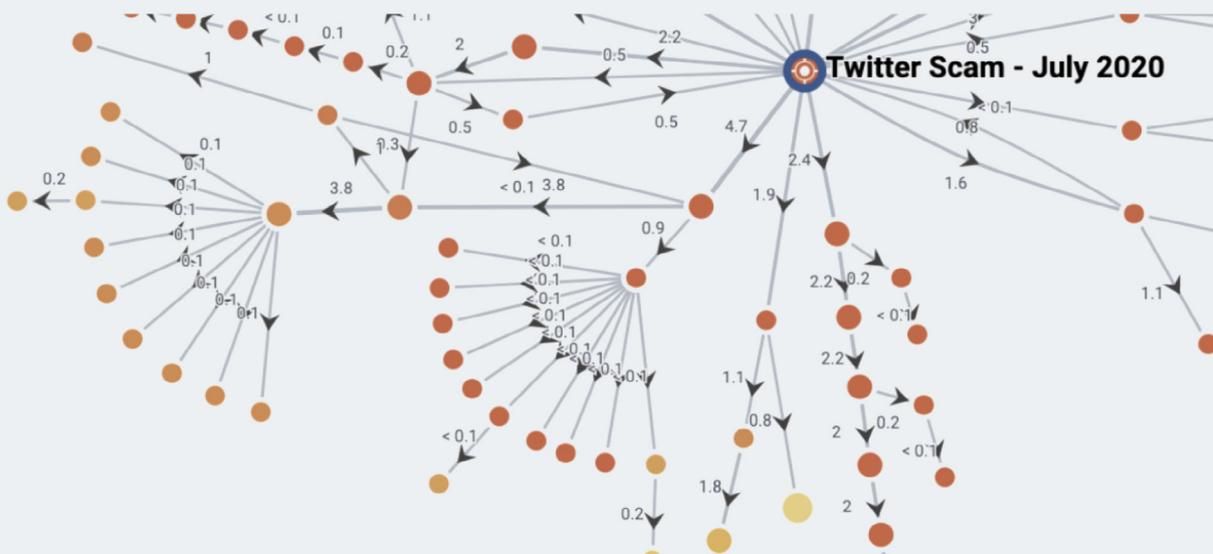
Elliptic Forensics

Elliptic Forensics translates raw blockchain data into clear visualizations and lets you drill down from high-level insights to the detailed underlying transaction data. A simple interface means that you can quickly get up to speed and obtain the valuable insights you need.

Elliptic Forensics can identify who controls an address or wallet, using high-quality data collected since 2013, which is backed by documented evidence. Our data has been successfully used to support criminal prosecutions.

Elliptic Forensics can identify who controls an address or wallet, using high-quality data collected since 2013, which is backed by documented evidence. Our data has been successfully used to support criminal prosecutions.

Forensics automatically saves all changes to your investigation as you work. Easily retrace your steps and share investigations with your collaborators.





Paysafe:

The Challenge

Paysafe, a leading specialized payments platform offering secure payments and payment gateways faced a new challenge when it envisioned a new feature that allows customers in the European Economic Area (EEA) to withdraw from their e-money balance via cryptocurrencies to external third-party wallet services. Although only indirectly exposed to cryptocurrencies, Paysafe decided to go above and beyond in its compliance transaction monitoring system and apply blockchain wallet screening capabilities in addition to the checks performed by their crypto partners in the service.

The Need

Paysafe began by reviewing and comparing the top blockchain monitoring tools in the market. This was a detailed deep dive into:

- Wallet screening functionality
- Risk Rule configuration
- Capability to capture and flag suspicious behaviour

The Solution

Elliptic fulfilled expectations before starting the trial by:

- Offering full configuration of the Risk Rule engine both configuring the rules and defining the type of results that Paysafe expected to see.
- Setting a level of confidence in the risk results verified both manually and algorithmically.
- Confirming the accuracy of the risk score and the visualization of the different events and entities that triggered a Risk Rule
- Providing access to a great customer support team.

The Financial Action Task Force guidance is that automatic blockchain monitoring systems are an essential component of mitigating financial crime risks. Paysafe integrated Elliptic Lens into its own artificial intelligence-powered risk engine to ensure effective monitoring and enrich its ability to analyze customer behavior, typologies and the interaction between entities outside of the regular financial systems.

2022 Compliance and Regulatory Update

Americas

In the US, crypto regulatory developments in 2022 will be summarized by one word: enforcement. Regulators will make crypto businesses accountable where they fail to adhere to regulatory requirements. Regulatory penalties and fines against crypto businesses total \$2.5 billion since 2009, and this will rise. Expect to see regulators start to take meaningful enforcement action against players in the DeFi space. More stringent compliance practices are on their way.

In other parts of the Americas, a focus will be on clarifying regulatory requirements for crypto, and offering guidance to new rules. Expect to see increasing regulatory clarity around crypto in countries such as Brazil, Argentina, Mexico and other large economies across the Americas as they seek to implement the FATF's updated guidance.

Expect to see more countries in the region follow El Salvador by either adopting bitcoin as legal tender, or by developing their own central bank digital currencies.

EMEA

The focus will be on progressing the EU Commission's proposed Markets in Crypto Asset (MiCA) regulatory framework. This sweeping and comprehensive regulatory proposal will impact all facets of the cryptoasset space. Crypto industry participants will need to begin preparing now for

this stringent regulatory framework well in advance of its formal roll-out expected in 2024.

Expect to see countries across the EMEA region start to implement the Travel Rule. While countries such as Germany and Switzerland have already implemented the Travel Rule domestically, others such as the UK and France have not yet announced their implementation plans. Expect this to change in 2022, with the crypto industry implementing Travel Rule compliance solutions.

In much of the Middle East and Africa, many countries have been slow to roll out regulation, or have taken minimal steps to do so — with some notable exceptions, such as Abu Dhabi, Dubai, and South Africa. Expect more countries to start taking steps to implement the FATF's guidance and provide greater regulatory clarity. However, this may come with some unwanted consequences for the industry: some governments in the Middle East and Africa may look at cryptoassets skeptically, and may even consider prohibiting their use in whole or in part. Such has been the case recently in countries such as Nigeria, Turkey, and Saudi Arabia.

APAC

Jurisdictions will move at very different speeds when it comes to implementing new requirements from the FATF. Singapore, Japan, and Australia have been relatively early movers when it comes to crypto regulation — so we can expect to see them provide clarity before some others in the region.

Hong Kong has announced that it will update its regulatory framework, but exact timelines remain unclear. Those across Asia that have not yet implemented regulations for crypto are going to come under increasing pressure from the FATF to do so, and quickly.

Into 2022, expect to see countries such as Japan, Australia, and others attempt to implement the Travel Rule as Singapore has done. This will add to the compliance burden for crypto businesses regionally.

Crypto businesses across APAC will face increasingly stringent licensing requirements. Licensing processes in countries such as Singapore are already moving slowly, and recent FATF guidance is likely to add additional layers of scrutiny to businesses seeking regulatory approval. Businesses that operate across multiple countries in APAC will need to respond to different local compliance requirements, which can prove challenging.

We have offices in London, New York, Singapore and Japan. Please contact us at marketing@elliptic.co for any queries.

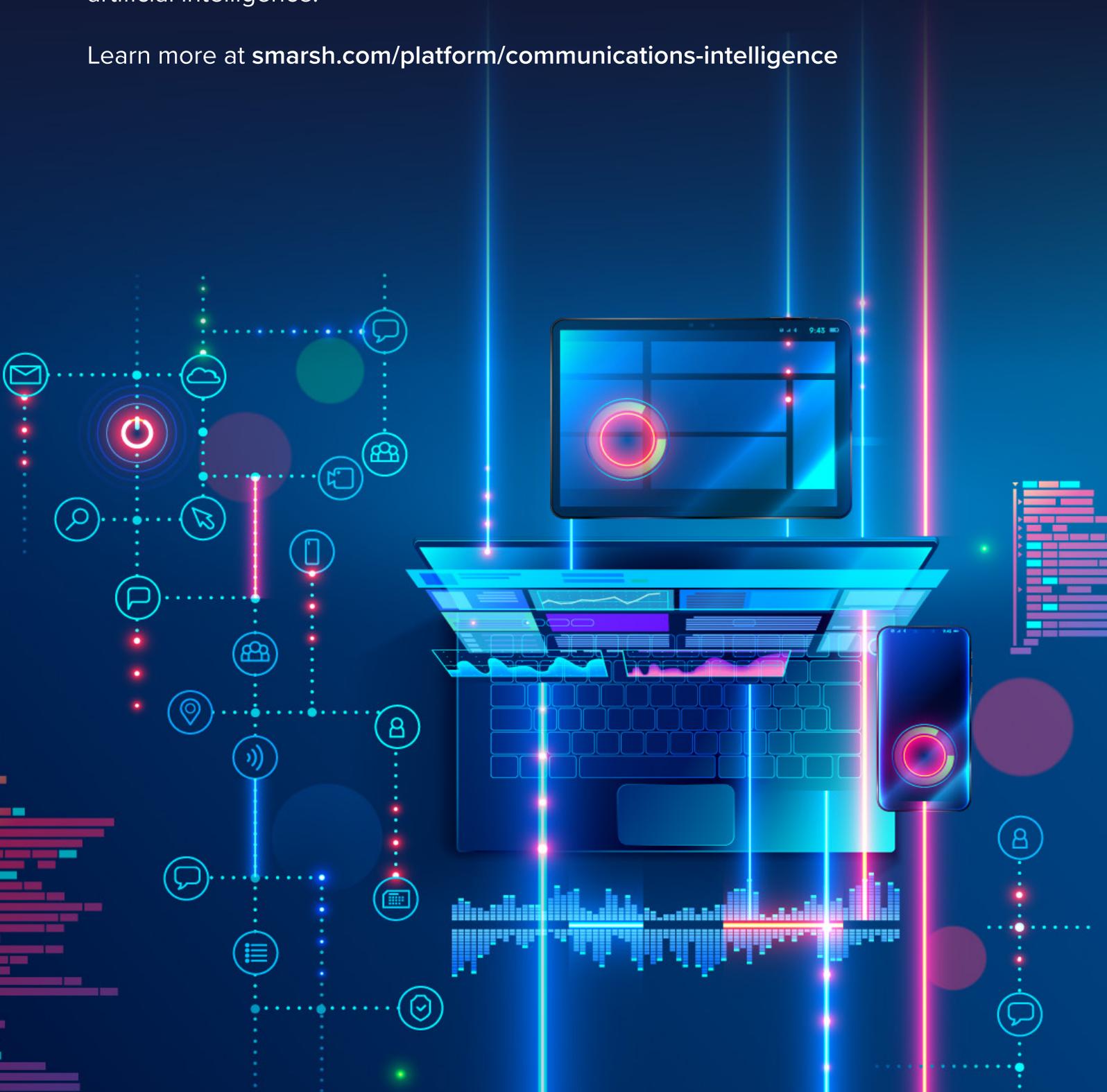




Maximize the value of all your communications data

The Smarsh Communications Intelligence Platform is a unified, cloud-native solution designed to future-proof enterprise communications data strategies. Proactively find risks and gain new insights using best-in-class technologies, including elastic compute, natural language processing, machine learning and artificial intelligence.

Learn more at smarsh.com/platform/communications-intelligence





COMPANY RESEARCH PROFILE



PRODUCT NAME:
Validus

Founded 2015
 Austin, TX, United States
www.eventussystems.com
info@eventussystems.com
 Employees 51-100
 Regions of operation:
United States, Canada,
APAC, EMEA

KEY EMPLOYEES:



Travis Schwab
CEO



Jeff Bell
President



Scott Schroeder
Global Head of Sales

Value Chain: **Monitoring, Detection**

Subsectors: **Trade surveillance, Reporting, Transaction Monitoring**

Regulation/Legislation: **MiFID II, AML, EMIR, Dodd-Frank, MAR, UMIR, SEC 15c3-5, NYDFS Part 504.3, FATF**

OFFERING

Eventus is a leading global provider of multi-asset class trade surveillance and market risk solutions for global for global capital markets organisations, including tier-1 banks, brokerages, futures commission merchants (FCMs), clearing firms, trading firms, market centers, buy-side institutions and corporates. The company's Validus platform is easy to deploy, customise and operate across equities, options, futures, FX, fixed income and digital asset markets.

More than 70 firms and counting rely on Validus and its responsive support and product development teams to overcome their most pressing regulatory challenges.

PROBLEM BEING SOLVED

Eventus provides capital markets firms with robust trade surveillance capabilities and tools to monitor and manage risk in their trading enterprise. Among the many challenges Validus solves are: helping compliance staff to quickly identify and address potential market manipulation behaviour; enabling clients to receive truly actionable alerts, bringing greater efficiencies to ensure they follow up on the most relevant information and avoid time-wasting chases; giving risk managers real-time risk monitoring capabilities. The company improves the effectiveness of trading risk and compliance functions while saving organisations countless hours in the process.

TECHNOLOGY

Eventus Systems' Validus is a platform that leverages many different technologies to tackle the complex data problems that surveillance and risk management present. Critical technology specific stacks include C++, PL/SQL, Python and HTML5. Validus is the only surveillance platform to marry a procedural approach with machine learning to detect and resolve certain market behaviours and their corresponding alerts.

Clients can deploy Validus either on premise or via the cloud.

PRODUCT DESCRIPTION

Eventus Systems' flagship product is Validus, a surveillance and risk software platform that provides sophisticated, efficient risk management and surveillance, spanning the front, middle and back office. The platform is easy to deploy, customize and operate across equities, options, futures, foreign exchange (FX), fixed income and digital asset markets. Validus is proven in the most complex, high-volume and real-time environments of tier-1 banks, brokerages, futures commission merchants (FCMs), clearing firms, trading firms, market centres, buy-side institutions and corporates.

Validus is a comprehensive platform that offers solutions in the following areas:

- **Trade Surveillance** – The Validus Trade Surveillance solution is capable of saving compliance teams time and resources while mitigating the risk of fines and reputational damage. It covers every type of market manipulation strategy including Reg NMS/ order marking, intermarket sweep orders (ISOs), spoofing, layering, wash trading, momentum ignition, and more.
- **Market Risk** – The Validus Market Risk solution helps ensure compliance with written supervisory procedures and financial limits by confirming that all pre-trade risk systems are working properly. It provides a consolidated view of the financial risk controls in all pre-trade and trading systems (OMS, EMS, etc.) catching breaches that may be missed by other systems.
- **Algo Monitoring** – The Validus Algo Monitoring solution helps organisations test, document and monitor all of their trading algorithms to reduce risk and ensure compliance with regulations including the Market Abuse Regulation (MAR) and MiFID II's Regulatory Technical Standard 6 (RTS 6).
- **AML/Transaction Monitoring** - Specifically tailored for the requirements of broker-dealers and market centres, the Validus Anti-Money Laundering and Transaction Monitoring Solution facilitates efficient fraud detection, investigation and remediation. The solution integrates into existing know your customer (KYC) and deposit/withdrawal platforms to detect suspicious transactions.

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Validus features hundreds of pre-built surveillance procedures that clients can tailor to their own facts and circumstances. The platform is continuously updated and in the past 12 months, the Eventus team has introduced dozens of automation, statistical and other enhancements to Validus, including: added digital asset transaction monitoring to support cryptocurrency clients; increased speed and throughput for processes; developed and began testing trader profiles to help firms better monitor individuals' unique trading patterns/history, using AI/machine learning; enhanced insider trading, anti-money laundering (AML) and statistics functionality; added key reference data features; and much more.

PARTNERSHIPS

The company has established strategic partnerships with:

-  **VoxSmart** - new strategic alliance with communications surveillance solution provider to offer clients a custom, holistic trade and communications surveillance solution, enhancing their ability to surveil/manage risk across the entire order/trade lifecycle
-  **QuantHouse** - high-performant data feeds
-  **STERLING TRADING TECH** - integration of its RaaS - Risk as a Service – capabilities
-  **ITIVITI** - drop copies for global exchange activities

Eventus has also signed data infrastructure partnerships with:    

TRACTION/GROWTH

- Just in 2021 Eventus has added 30+ new markets, actively surveilling activity for clients on 100+ exchanges/trading venues across asset classes globally.

- Current clients include:



- The company has been recognised with 19 awards and honors including the 2020 and 2019 RegTech 100 lists, three RegTech Insight Awards for Best Trade Surveillance Solution, the 2019 Market Surveillance Product of the Year in the Risk Technology Awards, the 2021 Trade Surveillance Product of the Year, the 2020 and 2021 Markets Media's Markets Choice Award for Best in RegTech, the 2021 Waters Technology Sell-Side Technology Award for Best Sell-Side Market Surveillance Product, the 2019 FOW International Award for Best Market Surveillance Product, the 2021 FOW Asia Capital Award for Best New Product, Market Surveillance, and more.

MANAGEMENT BIO

Travis Schwab – CEO

Travis Schwab is the CEO of Eventus Systems, Inc., a RegTech software company headquartered in Austin, Texas. For over 25 years, Schwab has worked in chief executive, compliance, sales and fintech roles across the front, middle and back office at a diverse range of organizations. Prior to founding Eventus, Schwab was the CEO and CCO of RGM Securities (now DRW Trading), the broker-dealer subsidiary of one of the largest proprietary trading firms in the US. Previously, he was Managing Director of Global Buyside Sales and CCO at Trading Technologies. Prior to TT, Schwab was Co-head of North American eBrokerage Sales at Calyon Financial (now Société Generale). Earlier in his career, Schwab had management roles at NYFIX, Inc. (now Itiviti), and the Chicago Mercantile Exchange (CME Group). Schwab received his BBA in Finance from Loyola University in Chicago.

Is Eventus' Validus platform the silver bullet for simplifying global trade surveillance?

Established in 2015, Eventus Systems is a provider of multi-asset class trade surveillance and market risk solutions for customer bases such as broker-dealers, banks and crypto exchanges through its trademark Validus platform. How can Validus help simplify global trade surveillance?



The idea for Eventus was born almost a decade ago. Back in 2014, Travis Schwab – the current CEO – was serving as CEO of RGM Securities. According to Eventus global head of regulatory affairs Joe Schifano, while RGM was trading extensively and its volume was ‘akin to that of a Tier 1 bank’, Schwab was unable to find a vendor that could provide what his company needed from a trade surveillance and market risk standpoint based on this activity level.

Schifano continued, “He looked at products in the space, and none offered a real-time capability or ability to scale. Recognising the gap in the market, Travis founded Eventus to serve the broader marketplace, starting in equities and expanding across asset classes, with the ability to handle large volumes of data. From here, Eventus set out to be the market’s most responsive and knowledgeable provider of trade surveillance and market risk solutions”.

The rise of Validus

The resulting product was Validus, Eventus’ trademark platform that applies machine learning and robotic process automation so users can detect relevant market behaviour and avoid time-wasting chases. The platform features hundreds of pre-built trade surveillance and risk monitoring procedures that clients can tailor to their own facts and circumstances, as well as provides anti-money laundering, transaction monitoring and algo monitoring capabilities.

Schifano added, “Validus can be deployed rapidly, and it operates in real-time or T+1 environments or a combination of the two. It can also be deployed in the cloud or on-premises. The Validus platform is primarily based on C++ and Python, and our technology approach is Agile. Validus can ingest data from disparate sources via our ETL process, presenting clients with all their normalized data vs only what relates to their alerts.

“Full-featured APIs and scalable architecture provide maximum flexibility and interoperability. Centralised, intuitive dashboards designed to integrate regulatory, operational and financial processes make in-depth reporting and reconciliation seamless. Our real-time data management include generating real-time alerts within five seconds of an event and enabling clients to take immediate remedial action.

“Validus normalises and interweaves masses of data, including tens of billions of messages per day in market data, trade lifecycle data and reference data. All of this is then compiled into easy-to-understand, actionable alerts for immediate action when needed. The platform is fully customizable and can be modified in detail. Procedures and reports can be tailored to specific client needs.

What sets Eventus apart from competitors? According to Schifano, a key differentiator is it can offer more than anyone else. He remarked, “No other trade surveillance platform gives clients the level of flexibility and customisation, integration and automation tools, or the ability to cast such a wide net and escalate only the most actionable alerts.

“Eventus routinely engages directly with global regulators on behalf of clients seeking registration and to demonstrate surveillance capabilities. Our hands-on client service from highly experienced market practitioners – many of whom have been directly in the clients’ roles – is unmatched in the industry. The focus on collaborating with clients with team members who thoroughly understand the challenges they face is one of the qualities clients cite regularly as to why they chose Eventus over competitors or moved from another provider”.

Validus is also becoming a key go-to in the digital asset trade surveillance market and represents a wide cross-section of crypto exchanges worldwide. According to Schifano, the platform meets the extremely high security requirements of the exchanges and provides the ability to surveil, 24/7,

billions of messages in real-time – something most surveillance systems are not designed to withstand. Schifano believes there are five critical reasons clients choose Eventus over building their own solutions. “The first is that clients get a product that is constantly evolving to meet the requirements of a rapidly changing regulatory landscape. Second, Validus undergoes enhancements based on feedback from our diverse client roster, including multiple asset classes and client types, allowing Eventus to bring the wisdom from the masses to our entire customer base.

“Third, it is my experience that compliance teams want tools that evolve with the times, yet in-house systems almost always start depreciating the moment they go live. Fourth, as trading systems improve, it is critical that surveillance systems employ the latest technologies as well, particularly as it relates to the ability to ingest disparate sources of data accurately, efficiently, and quickly. Lastly, it is no secret that it is increasingly difficult to attract and keep good technical staff. This need is greatly magnified when firms support their own platforms, particularly when staff is ready to move on to new and exciting projects after building an in-house system.

“We provide clients with a much more cost-effective solution than building a trade surveillance solution from scratch or relying on a legacy provider. Our team has built a robust, scalable platform that we continuously update to provide new enhancements and functionality that incorporates new regulations and exchange rules in jurisdictions across the globe”.

Pain points

In a world that is becoming ever more digital and globalised by the day, many companies are needing to find a way to address evolving regulations and exchange rules in multiple jurisdictions around the world and make sure they are compliant.

According to Schifano, this is where Validus steps in. The platform, he claims, is designed to maximise the efficiency of a company's regulatory operations – not only through automation and customisation but also by combining surveillance, risk, AML and transaction monitoring onto the same platform. This helps clients minimise the time needed to resolve issues and avoid regulatory fines and reputational damage.

He continued, “Missing any type of market abuse can seriously jeopardize a firm's reputation, subject it to regulatory repercussions and now even expose an executive to personal liability. In the U.S., the Dodd-Frank Act of 2010 now makes individuals personally liable, and other jurisdictions across the globe have escalated their enforcement in that direction. While these activities were never allowed before, the trend has shifted the onus and provided for significantly more penalties”.

Among the pain points Eventus is looking to address through Validus is help compliance staff identify and address fraud and market-manipulating behaviour, enable clients to receive truly actionable alerts, and bring greater efficiencies to ensure compliance teams follow up on the

most relevant information. The platform gives risk managers real-time risk monitoring capabilities and offers AML and transaction monitoring capabilities to digital asset markets and others.

Schifano went on, “Compliance teams are increasingly under immense pressure to do more with less. It's critical to have a solution that addresses the unique needs of a firm while automating as much as possible. Eventus helped one client automate review of their cross-trade alerts, tagging 99.6% of them with explanations through automation, and escalating the balance for human review. This enabled the staff to focus its attention on those areas requiring human intervention, while maintaining an audit trail of the rest for trend analysis. We note that automation does not solve all challenges either, but firms need to explain their behaviours to regulators. Validus meets this objective for our clients”.

Funding and future plans

Following a successful Series A last year, the company quadrupled its staff. Earlier this year, Eventus built on this by raising \$30M from its Series B, which it will use to further scale the business, particularly in its global sales, product and engineering teams.

Schifano remarked Eventus was undertaking ‘aggressive hiring’ globally, with the aim of doubling its staff again following the Series B. He added, “The funding is enabling us to build further on the Validus platform and expand our product suite across more asset classes. We are introducing new financial risk applications to the platform and finding new ways to leverage the massive data sets we absorb daily”. He noted Eventus has rapidly expanded its presence and client base outside of the US in EMEA, Canada and Asia Pacific, with hires already on the ground in each of these regions. “We are looking forward to bringing our high-touch and responsive client support model to each region with existing and future staff”.

Eventus recently announced a strategic partnership with TRM Labs and Notabene called Project TEN. Schifano explained, “With the launch of Project TEN, crypto-native firms and traditional financial institutions moving into virtual assets will benefit from our joint service that will feature Eventus’ trade surveillance and market risk applications; TRM Labs’ transaction monitoring, wallet screening and forensics tools; and Notabene’s counterparty risk management and Travel Rule compliance software. Our clients value the robust trade surveillance and transaction monitoring we currently provide, and we also recognize that clients in the digital asset market increasingly want to aggregate data from their Best-in-Breed KYC/AML tools in a more holistic view of compliance risk”.

Eventus also expanded its capability relative to monitoring algorithmic trading activity. Schifano explained that Validus’ Algo Monitoring solution provides real-time insight into the state and behaviour of a client’s algorithmic trading and client Direct Market Access flows to manage and reduce risk, monitor and analyse flows and ensure compliance with relevant regulations. He further remarked, “We plan to expand our machine learning initiatives to provide risk profiles off of a trader’s unique trade history, giving firms valuable new insights into trading behaviour”. ●



-  Founded: 2019
-  Employees: 1-10
-  Regulation/Legislation: **Basel III, KYC, AML, GDPR, EMIR. Evidology Systems is agnostic to most regulations, and also addresses standards compliance, e.g. ISO BSI, and internal policies**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Cybersecurity/Information Security, Risk Management, Evidology Systems manages the “design” and “operation” of compliance systems and processes across any subsector
-  Regions of operations: United Kingdom

Evidology Systems is a second-generation RegTech specialist and the creator of the revolutionary platform QED (Quality and Evidence Driven) that solves the compliance challenges presented by principles-based regulations such as GDPR and ISO27001. It is the only system able to process PDF-based regulations (which is how most regulations are documented) directly into a compliance model and then determine the steps an organisation must take to become compliant. This is the only approach which demonstrates unambiguously how to achieve compliance. QED software functionality and user interface are embedded within existing toolsets, such as Microsoft 365 and Teams and can be delivered in one, lightweight, real-time user interface footprint across desktops, tablets and phones, on Android and Apple platforms. This alignment across a company's procedures shortens the lines of communication and reduces core operational costs, as well reducing costly misunderstandings and errors.



-  Founded: 2009
-  Employees: 501-1,000
-  Regulation/Legislation: **MiFID II, KYC, AML, GDPR, SFTR, EMIR, FATCA, CRS**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Compliance Management
-  Regions of operations: Global

Fenergo is the leading provider of digital transformation, customer journey and client lifecycle management (CLM) solutions for financial institutions. Its software digitally transforms and streamlines end-to-end CLM processes - regulatory onboarding, data integration, client and counterparty data management, client lifecycle reviews and remediation and client offboarding.



-  Founded: 2014
-  Employees: 51-100
-  Regulation/Legislation: **PSD2, KYC, AML, GDPR, State Treaty of Gambling**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Identification/Background checks, Compliance Management
-  Regions of operations: Pan European

FTS is market leader in supplying open banking technology to RegTech companies, founded in 2014 and licensed under PSD2 as a Payment Initiation and Account Information Service Provider. FTS is specialised in retrieving and analysing bank account data for solving regulatory requirements such as KYC or AML. With their award winning and state of the art open banking solutions FTS is able to access over 6000 banks and 500 Mio end-users. More than 150 companies place their trust in FTS, including banks like Santander, DKB and Solarisbank as well as RegTechs like Signicat, IDnow, WebID or Checkin.com. To give some use case examples: FTS improves the acceptance and conversion rate within BNPL flows, optimises the process of Source of Fund investigations for gaming & gambling platforms or increases the number, speed and quality of signups. All in all FTS prepares account data in a way that enables other Compliance and RegTech providers to make better, data-driven and automated decisions.

Sphonic's Transaction

Monitoring Solution Supercharge Financial Crime Compliance

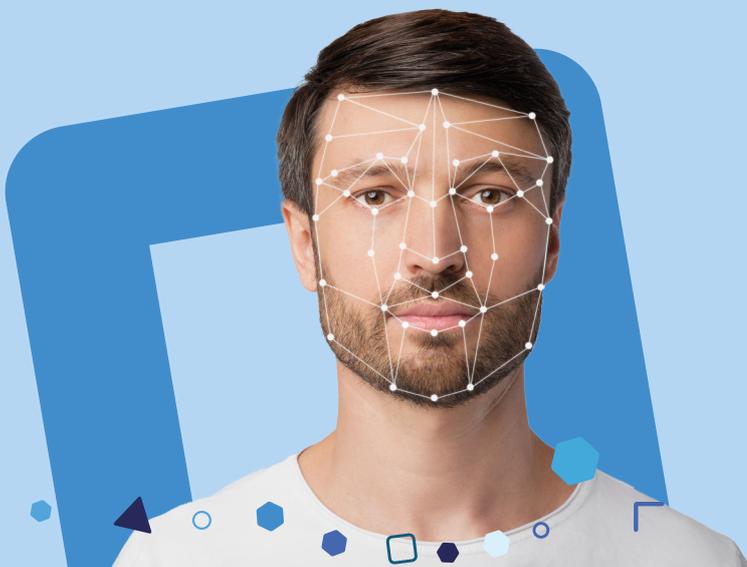
Dealing with the deluge of AML, Fraud and Affordability challenges?

Our agile tech provides a customisable 360° view of your customer's transactional behaviour to find the outliers quicker, and let genuine activity sail through. Furthermore, unlike incumbent solutions its at a price level that is attractive for start-ups, scale-ups and enterprises alike.

In a world where customers expect a super-fast digital experience and where fraud and financial crime continue to challenge the growing digital environment, you need to be able to identify, track and act as effectively as possible.

Sphonic, known for its pioneering KYC/KYB orchestration technology provides a dynamic real-time Transactional Monitoring System, allowing fintechs, banks, payment businesses, gaming operators to monitor fraud, AML and affordability data (e.g. for Responsible Gaming and Buy Now Pay Later) in a single integrated platform.

In a world where fraud and financial crime continues to come at you in different ways, it is important you can establish a richer view of your customers and their behaviour throughout their lifecycle. Bringing onboarding behaviour and transactional profiling together with Sphonic's technology provides game-changing solutions allowing you stay ahead of the curve.



Removing Data Silos

Profile fraud, AML, affordability in a single integrated platform enabling a single view of your customers and saving costs against using multiple systems.



Expert-led Solution Design & Deployment

Have Sphonic's team of experts help you to build the optimal Transaction Monitoring system, leveraging dozens of years of compliance and fraud management experience leveraging a myriad of rulesets, scorecards and strategies which are second to none.



Quick to Configure & Deploy

Sphonic's game-changing Design Manger tool enables you to build your Transactional Monitoring Solution, an API ready to test and Case Management views within a few hours



Dynamic Scoring

Transactional Monitoring tools can be clunky, built in an analogue era. Sphonic uses proprietary algorithms to dynamically assign scores to payments and transactions combine those scores, so each customer receives unique scores for each rule - because not every customer behaves in the same way.



Highly Scalable and cost-effective

The solution is designed to process tens of millions of transactions per annum and does so without breaking your budget and being significantly more cost-effective than other solutions in the market.

✉ info@sphonic.com

🌐 www.sphonic.com

📱 @sphonic

Get in **touch** to learn more, or schedule a [demo](#)

 **SPHONIC**

fourthline

-  Founded: 2017
-  Employees: 101-250
-  Regulation/Legislation: **PSD2, KYC, AML, GDPR**
-  Subsectors: Onboarding Verification (AML/KYC/CDD)
-  Regions of operations: Fourthline operates globally, with its headquarters in Amsterdam and an office in Barcelona.

In its fight against financial crime, Fourthline helps regulated enterprises solve digital identity challenges. Founded in 2017 and headquartered in Amsterdam, it's one of the fastest growing FinTechs in Europe. With offices in Amsterdam and Barcelona, Fourthline works for clients such as KPN, flatexDEGIRO, N26, Solarisbank and Wish. With innovative Know Your Customer-technology and best-in-class compliance experts, Fourthline is able to verify thousands of new clients every day. Over 200 checks are performed in no time, checking ID documents, biometrical data, location of the applicant, as well as worldwide sanction lists. In doing so, Fourthline catches 60% more fraud with 99.98% accuracy. How does this work? Customers applying for a financial product are asked to take a selfie, a photo of their ID and enter some personal information.

Galvanize is now Diligent

-  Founded: 1987
-  Employees: 251-500
-  Regulation/Legislation: **Audit, Reporting and Governance Authority (ARGA) regime, GDPR, SOX, ESG, anti-bribery and anti-corruption (ABAC)**
-  Subsectors: GRC Software Provider
-  Regions of operations: Global

Galvanize, a Diligent Brand, is the leading provider of GRC software for security, risk management, compliance, and audit professionals. The integrated HighBond platform provides visibility into risk, makes it easy to demonstrate compliance, and helps grow audit, risk, and compliance programs without incurring extra costs.

GEOCOMPLY

-  Founded: 2011
-  Employees: 251-500
-  Regulation/Legislation: **PSD2, KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Cybersecurity/Information Security, Risk Management, Reporting, Identification/Background checks, Compliance Management
-  Regions of operations: Global

Founded in 2011, GeoComply provides fraud prevention and cybersecurity solutions that detect location fraud and help verify a user's true digital identity. Its award-winning products are based on the technologies developed for the highly regulated and complex U.S. online gaming and sports betting market. Beyond iGaming, GeoComply provides geolocation fraud detection solutions for streaming video broadcasters and the online banking, payments, and cryptocurrency industries, building an impressive list of global customers including Amazon Prime Video, BBC, Akamai, Sightline, DraftKings, FanDuel and MGM. The company's software is installed on over 400 million devices worldwide and analyses over 4 billion transactions a year, placing GeoComply in a unique position to identify and counter both current and newly emerging fraud threats. By integrating GeoComply's solutions into their processes and risk engines, organisations are able to identify fraud earlier in a user's engagement, better establish their true digital identity, and empower digital trust.



COMPANY RESEARCH PROFILE

GOVERNANCE.COM

Founded 2014
 Luxembourg, Luxembourg
 Employees: 11-50

[Governance.com](https://www.governance.com)
info@governance.com
 Regions of operation: Europe

KEY EMPLOYEES:



Bert Boerman
Co-Founder and CEO



Rob Boerman
Co-Founder and CTO



Ray Groen in't Woud
Business Development Director



Ralf Ferner
COO



Jessica Sicre
Head of Marketing & Comms

Value Chain: **Onboarding, Monitoring, Detection, Reporting, Processing & Control**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Compliance, Reporting, Identification/Background checks**

Regulation/Legislation: **Governance.com helps clients to automate/digitalise their process management for all their compliance and regulatory requirements**

OFFERING

Governance.com is the low-code process management platform for regulated companies. The company's mission is to help transform the asset management industry, one process at a time. It provides digital technology designed for and trusted by fund depositaries, management companies, fund administrators, transfer agencies and other regulated companies.

PROBLEM BEING SOLVED

The Governance.com platform provides smart automated solutions for client lifecycle management, corporate governance, risk management, compliance and other digital operations. Benefits include huge cost savings and robust operations that respect regulatory requirements, in turn helping to establish safer and more efficient financial markets.

TECHNOLOGY

The company's technology is low-code and applies an open-architecture approach: Governance.com can connect to literally any other systems and technology - be it AI, Excel, Blockchain; this means the company's solution can seamlessly integrate with any new or existing parts of clients' business process management systems.

PRODUCT DESCRIPTION

Governance.com provides a low-code process management platform for regulated companies while also building bespoke solutions to suit clients' specific needs. The Governance.com low-code process management platform and solutions automate the process management operations needed for regulated businesses to smartly and efficiently comply with the increasing volume of regulatory requirements, such as KYC, AML, Due Diligence, etc. Solution areas include:

- **Client Lifecycle Management** - The client lifecycle journey is composed of a complex set of interactions that extend from client acquisition, through onboarding to the operational servicing of clients. Governance.com allows organisations to incrementally optimise and automate every process to continuously improve client experience and operational efficiency.
- **Corporate Governance** - Good corporate governance requires a balancing of many processes, procedures, mechanisms and parties. The company helps regulated businesses manage and implement digital meetings, committee management, CoSec Automation and build a centralised repository of procedures.
- **Risk Management and Compliance** - Governance.com gives organisations a complete view of upcoming deadlines, automates the periodic execution of controls, highlights actionable and relevant information and a central view of issues encountered in any processes.
- **Digital Operations** - Governance.com gives organisations' clients access to a white-labelled portal that allows collection of due diligence and information, collaboration with counterparties on tasks and sharing of information in real time. Additionally, the company offers effective transaction monitoring and document management solutions.

TRACTION/GROWTH

- In 2021 year-to-date Governance.com has acquired 35 new contracts including two large global fund administrators of which one will use the Governance.com platform in over 80 countries.
- Current clients include: Sanne Group, KB Associates, TMF Group, Apex Group, Credit Suisse, ILA (The Luxembourg Association of Independent Directors) and ALFI (The Luxembourg Association of the Fund Industry).
- Governance.com has established integration partnerships with multiple integration specialists, including Alpha FMC and DTSQUARED.
- The company is preparing to raise a EUR 5m Series-A investment to capitalize on its commercial momentum, scale-up its workforce as well as external partnerships and target enterprise clients with global contracts.

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How Governance.com is helping companies transition from traditional to technological

Process management - be it for client lifecycle management, risk management and compliance or corporate governance - for regulated companies is high-volume and time-intensive yet getting it right is critical to ensuring a firm remains efficient, regulatory-compliant and competitive. With Governance.com, firms can ensure a smooth transition to Digital Governance and Digital Transformation for all their process management needs.



GOVERNANCE.COM

When Governance.com CEO and founder Bert Boerman was heading up a depositary department at ABN Amro Bank, his job involved overseeing regulatory checks. He quickly realised the immense amount of data which needed regular updates making it a time consuming task. He recalled, "We were working with multiple spreadsheets and systems and it was not at all efficient." After much frustration and sleepless nights he had his eureka moment and along with his twin tech-expert brother Rob, got started on developing a digital solution to automate process management in 2014. Enter Governance.com.

The initial days of scaling the company from ground up was far from easy. Firstly, it was a herculean task to convince potential clients to make the jump to digital as they were stuck in legacy tech.

Furthermore, like many companies, it was hit by the covid domino-effect where a slew of contracts about to be signed were put on hold in the wave of uncertainty. Boerman said, "We had to be agile and adapt our approach to survive - in the short term, we offered digital meetings, AGMs and longer term, luckily, what we do in any case is exactly what is needed for our target clients such as fund depositaries, management companies, fund administrators, transfer agencies and other regulated companies, to work effectively online, digitally and remotely." It worked in the company's favour and this challenge turned into an opportunity. Financial firms quickly learnt and adapted to the digital way of working. Boerman added, "I'd say Covid-19 and having to go virtual was a catalyst for our individual business' current massive growth." In fact, Governance.com saw its revenue grow by 300% this year which is proof that it is the need of the hour.

The demand for an automated digital process is on the rise. The numbers don't lie. A huge chunk of the market wishes to digitalise their processes and circa 89% consider digital corporate governance to be superior to traditional, paper boards and operations, according to recent research by Governance.com. Almost 40% have not yet started on their digital journey - a figure which Boerman believes is set to shrink in the future. Given the Sisyphean task of going through tens of thousands of documents, increased volume of regulation and requirements; paper work; bureaucracy; it's easy to see how a digital solution is the answer to solving industry "pain points" in meeting and managing all the requirements, he continued. "Regulated entities struggle under a continuously growing mountain of rules that need to be transposed to operational controls. And without automation, it is just a matter of time until controls are forgotten, executed incorrectly or based on the wrong information."

How Governance.com's tool goes one step further

Admittedly, technology can make or break robust, efficient compliance and it's imperative to get the right technology so clients can enjoy seamless customer onboarding and compliance processes. And this is how Governance.com aims to revolutionise and future-proof traditional companies. In addition, regulatory compliance is a critical part to the success of each company irrespective of which vertical they belong in; all of which should prioritise it no matter their place in the market ecosystem. Non-compliance can lead to severe regulatory fines and reputational damage and on a wider scale impact the entire industry.

Getting the right digital tool for client onboarding, corporate governance, risk management and business operations creates a strong client relationship from the start and often leads to positive referrals. However, it's key to ensure companies strike the perfect balance between customer satisfaction and compliance. Tellingly, the art is in balancing out expedient and efficient onboarding on the one hand, and thorough checks on the other hand to act with prudence and to be sure to exercise all checks required on a client and their underlying assets.

According to Boerman, when looking for a suitable tool, management professionals must ensure it is low-code which means it's easier to adapt than coded software as well as elastic to connect with their existing software where applicable. In addition, it should have a low implementation time. He said, "It's no good if by the time all is signed off for digitalisation, the results are way off into the future. Two months is a decent implementation period and clients should experience the benefits immediately as they are onboarded."

For instance, instead of multiple spreadsheets and systems and controls to monitor and keep a check on everything, a tool should be able to automate processes that does all this for them in an instant. And this is exactly what Governance.com does. Boerman added, "Our "step by step" approach to digitalising each building block of our client's process management system means they can start quickly to enjoy the benefits of automation - they start with one

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"Covid-19 and having to go virtual was a catalyst for our individual business' current massive growth"

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"Without automation, it is just a matter of time until controls are forgotten, executed incorrectly or based on the wrong information."

process immediately, then we incorporate another, and so on, until all their processes are part of their digitalised process management." Along with being easy to use, it can also be integrated with a client's software. He continued, "We can seamlessly integrate all our client's processes and systems and technology – no matter the existing technology they use – providing the glue between the various processes, so they can pick and choose which processes to digitalise; when and with which technology."

The aim was always to make digitalisation user friendly. The implementation and "ownership" of the platform and solutions are aimed at the end business user, not IT experts. "The technology is low-code; easy to use and so our clients can very quickly learn to use and enjoy the benefits of digitalisation, rather than first having to pursue lengthy migration and onboarding processes internally," Boerman said. "Governance.com automates the periodic execution of controls and puts the relevant information at our clients' fingertips when manual intervention is still required. As a result, clients benefit from reduced manual work on controls by up to 80%; dramatically improved robustness of their controls and they gain a complete and real-time view of their controls and issues."

Driving the future of digital governance

Working culture has changed a lot in the last few months. And with the world slowly returning to normal, it's unlikely that companies will revert back to the old ways of work.

Boerman believes that the industry will see a sharp rise in business-led 'hyperautomation' – the approach businesses use to rapidly identify, vet and automate a critical mass of business and IT processes they can automate to catapult them into smarter processes and productivity. As a result, there will be an escalated demand for process automation, instant data-exchange between parties; more standardisation ideally; and a focus on process automation for end-to-end processes, for example for the entire fund launch process flow. And with Governance.com, he aims to "continue to help the industry to automate and transform, one process at a time." ●



-  Founded: 2018
-  Employees: 11-50
-  Regulation/Legislation: **AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring
-  Regions of operations: Europe, North America

Anti-Money Laundering in financial institutions is ripe for change. While banks still rely on rules-based legacy systems from the pre-Cloud and pre-AI era, ever tougher regulation forces them to throw larger budgets and higher headcounts at AML/CFT processes to ensure compliance. All without solving the underlying issue; conventional AML/CFT solutions produce up to 95% false-positive alerts, burdening compliance teams and contributing little to a growing problem. Hawk AI's mission is to change this. Founded in Munich in 2018 by experienced fintech entrepreneurs Wolfgang Berner and Tobias Schweiger, Hawk AI dramatically reduces false-positive alerts by applying fully transparent and auditable Machine Learning to high-volume transactions. Hawk AI's solutions are designed from the ground up to form a platform for secure and privacy-compliant information sharing between multiple financial institutions.



-  Founded: 2014
-  Employees: 11-50
-  Regulation/Legislation: **AML, HMDA, CRA**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Compliance Management
-  Regions of operations: United States, India

HEXANIKA is a B2B company providing data management, analytics and reporting solutions to banks, insurance companies and other institutions. The end-to-end platform and solutions can address multiple challenges in data management, regulatory reporting, analytics, anti-money laundering, risk monitoring and other business processes. The platform and solutions are easy to adapt and adopt, making it simple for institutions to leverage innovative new technology without significant changes to existing systems and processes. HEXANIKA platform and solution are made with the philosophy to make business processes Simple, Smart and Efficient, thereby enabling institutions to gain 100% data lineage and savings of up to 40% and more. HEXANIKA is the first to solve the complexities of data management and regulatory reporting in a single solution. From ingestion to normalization to output, our patented algorithms and elegant UI bring simplicity and ease to the complex and manual business processes.



-  Founded: 2000
-  Employees: 501-1,000
-  Regulation/Legislation: **SMCR**
-  Subsectors: Reporting, Compliance Management
-  Regions of operations: Global

Ideagen develops software that helps to solve complex problems in highly regulated domains including quality, health and safety, environmental, audit, risk and compliance. With more than 20 years' experience and success in the global regulatory environment, they are trusted by some of the biggest names in Financial Services, and have earned customers' trust by building long-term relationships in which they work closely together to meet and exceed their governance, risk and compliance goals. As a market leading RegTech solution, Pentana Compliance is a highly configurable and scalable solution built by true industry experts. The software boasts a proven track record of helping a broad range of clients across UK Financial Services Sectors manage their compliance obligations and reduce the risks and cost of compliance. Over 140 legal entities and more than 750 senior managers rely on the solution to meet regulatory requirements, raise standards and boost productivity while protecting them and their staff against the risks of non-compliance and regulatory fines.



COMPANY RESEARCH PROFILE



Founded 2017
 San Francisco, United States
 Employees: 11-50

www.hummingbird.co
info@hummingbird.co
 Regions of operation: Global

KEY EMPLOYEES:



Joe Robinson
CEO & Co-Founder



Matthew Van Buskirk
Co-CEO and Co-Founder



Jesse Reiss
Co-Founder and CTO



Jo Ann Barefoot
Co-Founder

Value Chain: **Onboarding, Reporting**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Reporting, Compliance Management**

Regulation/Legislation: **AML**

OFFERING

Hummingbird is on a mission to fight financial crime using better communications and technology. Hummingbird helps financial institutions investigate suspicious behaviour and communicate it to law enforcement. Blending regulatory expertise with modern product design and technology, Hummingbird is applying design expertise from IDEO, Apple, and other great consumer companies to anti-financial crime efforts.

PROBLEM BEING SOLVED

Banks, financial institutions, and FinTechs spend more than \$100bn per year on compliance and face severe penalties for failing to meet regulatory obligations. Compliance professionals move cases through tedious workflows and reporting obligations. Research firms estimate that over 90% of their time is spent on collecting and organizing data from fragmented sources.

Hummingbird can organize all the workflows and reporting that a compliance team does across anti-money laundering, SAR filing, enhanced due diligence, transaction disputes, and many more.

TECHNOLOGY

Hummingbird blends regulatory expertise with modern product design and technology. The Hummingbird platform is a web-based SaaS solution that requires no integration to get started. The company's APIs, test compliance programs with custom workflows, automated real-time reporting, master regulation, and enable shared investigation and reporting needs between banks and FinTech partners. As part of a modular ecosystem, the platform is built to integrate with data sources and other services.

PRODUCT DESCRIPTION

Hummingbird is a web-based platform that manages case management, investigations, and reporting. The platform includes automated SAR filing, automated real-time reporting, and powerful visualization tools. Compliance teams manage anti-money laundering, fraud and disputes cases in a beautifully designed compliance "CRM" that allows the teams to be organized and efficient. The solution enables teams to implement and manage a strong AML program and efficient operations.

Hummingbird allows customers to reduce manual touch points in their investigation's workflows by over 90 percent. It dramatically reduces time per investigation, cuts paperwork, and eliminates redundant investigation work. Investigations are augmented with smart analytics and additional data sources. The platform enables collaborative investigations: Teams can work securely with each other, partners, other financial institutions, and law enforcement within a single environment.

Hummingbird also facilitates suspicious activity report filing in more than 60 jurisdictions worldwide.

TRACTION/GROWTH

• Hummingbird clients include:



• Hummingbird joined the Visa Fintech Fast Track as an enablement partner to companies in the program in December of 2019.

How Hummingbird's centralised compliance workstation makes it an ideal partner for financial institutions

As compliance requirements continue to skyrocket, tools that can connect data into a single workstation will help reduce stress and inefficiency of regulatory processes.



hummingbird

Hummingbird came to life in 2017 after its co-founders – Joe Robinson, Matt Van Buskirk, Jo Ann Barefoot, Jesse Reiss and Ryan Gerard – had grown tired of the issues they faced with compliance processes. They saw an opportunity to build a service that could organise and streamline investigation and reporting processes. But there was another spark of inspiration for the company, they wanted to help fight financial crime. This mission focus has helped it grow and expand its services over the years. Robinson added, "Everything we do is rooted in helping organizations be more efficient and accurate in their fight against financial crime."

The reason there was such a gap for Hummingbird to fill was because so many firms had compliance processes working independently. Robinson said, "Historically, the need for company-specific compliance policies and processes has meant that

an all-in-one workspace solution for things such as case decisions, SAR filing, partner referrals, and other elements of a strong compliance program have existed only in isolated silos." While some compliance processes might have overlapped and resembled some form of case management, the work would just pass between teams and datasets, he added. This meant no one had a holistic view of the investigation.

Robinson and his fellow founders designed Hummingbird to be that end-to-end solution so compliance professionals could follow a case from the start to finish. By simply keeping track of a case throughout its journey, a team can boost their efficiency and accuracy. What also sets Hummingbird apart, is that it is customisable and mouldable to meet the needs of each financial institution, meaning that both external and internal compliance requirements can be maintained.

This is something that is quite unique to Hummingbird. While there might be other case management systems in the market, what Robinson thinks makes Hummingbird so revolutionary is that everything related to the investigation, from data collection and collaboration to analysis and documentation, is all completed through its platform. Having a single, centralised workstation that keeps all resources at hand, boosts efficiency and accuracy, but also removes lots of the burdens of compliance workflows.

One of the biggest challenges Hummingbird has faced during its development was finding ways to remove those tedious and repetitive processes from compliance work. "We asked ourselves the question, 'How much hard data work and data scrubbing can we take off the plate of the investigator?' and worked hard to automate those areas of the investigation and reporting workflow. Because, at the end of the day, you want investigators spending the majority of their time investigating, rather than on data management."

Part of this effort included making the user experience as intuitive as possible. Regulations are becoming increasingly complex and often leave many hoops for compliance teams to jump through. Removing simple tasks with automation and simplified processes is half the battle.

If a compliance tool is too convoluted, the staff are unlikely to make any time savings through the solution, which is often half the reason for using a compliance tool. Robinson said, "We feel that financial compliance personnel are heroes for trying to protect people's rights and prevent financial crime, so we do everything we can to celebrate that work. We think compliance professionals deserve a well-designed, functional toolkit, and we want to provide that."

To ensure the solution is the best it can be, it leverages customer intelligence to support compliance. In most financial institutions, Robinson explained, customer intelligence is typically fragmented across various isolated systems. Employees need to use spreadsheets to track case data, which is a laborious task, particularly when they need to search through multiple spreadsheets. The Hummingbird platform can connect all these intelligence datasets, transforming them into actionable information for investigators to use.

Why firms need to upgrade compliance systems

Simply put, Robinson does not think legacy systems can keep up with the volume and velocity of changes within compliance and risk management. This is because most of them were built for a different time. Their focus was to translate paper-based approaches into software, rather than on ways to transform and simplify processes. These old tools have had incremental improvements, but many are basic and cannot scale with the business. Hummingbird, on the other hand, can grow with a business and help them handle more regulatory requirements, without having to hire more staff.

With so many compliance solutions in the market, it can be easy to pick the "legacy" all-in-one solution that can handle everything, but this might not be the best choice. These solutions will not always offer the best functionality for teams as they can work separately from the rest of the business. Instead, Hummingbird serves as a CRM that collects data from disparate sources to fuel case management. It can work with other tools to offer the best results.

Robinson added, "Finance is complex, and no two institutions face exactly the same challenges and risks. Legacy vendors that promote all-in-one solutions

tend to under-serve the nuance and unique needs of their customers. We believe in a modular approach to compliance & risk tooling, so that institutions can easily integrate the solutions that make the most sense for them."

Why pick Hummingbird?

The RegTech company prides itself on the fact it is always looking at how it can improve the investigation process for its customers. It recently joined Visa Fintech Connect, a programme aimed at helping Visa's clients quickly connect with technology providers. Other growth initiatives this year included the expansion of its advisory services to include live consulting, which boasts a free 30-minute exploration session, staff augmentation, AML training and access to a network of regulatory experts.

True to its mantra of continuous growth, Hummingbird already has big plans for 2022. It plans to expand use cases for its platform, integrate more data sources and make further enhancements to its platform. Furthermore, it hopes to grow its team and its operations across the US and Europe. Robinson added, "We're excited about our growth and humbled by the supremely positive reception our platform has received from compliance teams across the industry."

The continuous development of its services has left a long list of happy clients, he said. One customer success story included a bank that had AML and regulatory compliance work spread across multiple systems. This made investigative work and SAR filings a long and disjointed process. "Unfortunately, the tools and workspace provided by their previous case management system had proven cumbersome and difficult to use, meaning the investigators were bogged down by efforts to find an efficient workflow."

Hummingbird came in and integrated the bank's data sources into its platform and within a few weeks, the bank had a centralised workflow and case management platform. It resulted in immediate improvements to its case management, SAR filing, and automated reporting processes. This is just one of many success stories.

Robinson concluded, "Our company was founded by technologists, former regulators, and compliance professionals. We understand the challenges financial institutions face and offer a purpose-built solution that has been readily accepted by the industry. Compliance teams use Hummingbird to manage cases in a fraction of the time spent under legacy systems, meaning they can conduct investigations and report on what happened in a dramatically more efficient way." ●



-  Founded: 2011
-  Employees: 101-250
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding new customers/businesses, Verifications (AML/KYC/CDD), Cybersecurity/Information Security, Biometric technology: Facial, Fingerprint, Voice, Iris
-  Regions of operations: North America, Latin America, EU, APAC

IDmission is a pioneer in applying AI in Fintech. It applies Machine Learning (ML) to every aspect of Identity. ID capture uses ML models for edge detection, document cropping, realness detection, tamper detection, document classification and data extraction. Similarly, selfie capture uses ML to detect presentation attacks (certified to the ISO30107-3 PAD Level 2 standard) and capture high quality live selfies. Automatic matching of the selfie to the photo on the ID and biometric deduplication complete our AI based Identity offering. The IDmission ML factory uses public and private data sources to populate our proprietary Ground Truth Engine. Every image is curated by expert humans to establish ground truth - a set of gold-plated data with 90% of images marked for ML training and 10% for testing. The ML factory then takes the data, trains new ML models, and deploys to production all with the click of a button.



-  Founded: 2015
-  Employees: 11-50
-  Regulation/Legislation: **pay to play regulations**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, code of ethics, pay to play regulations
-  Regions of operations: United States

illumis provides access to public data sources—the kind of sources that are generally difficult to work with or meaningfully access—relevant to compliance teams and integrates all the pertinent information into one easy to use search and monitoring platform. The illumis platform integrates political contribution data from hundreds of databases at the federal, state, and local level, and provides the tools and workflow to sort and identify any potential risks for pay-to-play compliance. Financial firms striving to comply with pay-to-play regulations are up against increased challenges. The number of regulations in this space continues to grow as does the volume of campaign contributions being made at federal, state, and local levels. Meanwhile, organizations charged with oversight (the SEC, FINRA, MSRB, CFTC, etc.) are taking a low-tolerance stance on violations they find during the oversight process.



-  Founded: 2000
-  Employees: 11-50
-  Regulation/Legislation: **iMeta can manage all compliance policies from KYC, Tax, Product regulation, legal requirements and can apply these dynamically as policies and customers change**
-  Subsectors: CLM, Client Onboarding and Know Your Customer (AML/KYC/CDD), Risk Management, Identification/ Background checks, Compliance Management
-  Regions of operations: Global

iMeta is a trusted provider of Client Lifecycle Management (CLM) solutions; delivering accelerated, fully compliant customer journeys for global, regulated organisations. From onboarding to offboarding and everything in between, iMeta helps firms to automate their KYC and AML regulatory compliance needs, streamline their processes, and optimize their business opportunities. iMeta leverages data to remove manual processing - reducing onboarding times to minutes and hours, not days and weeks - therefore delivering an expanded sales capacity for the Front Office and reducing time to revenue. By accelerating onboarding and eliminating repetitive requests, customers receive a rapid and positive experience from day one. With iMeta, you can expect 20 x increase in client onboarding capacity, with our clients reporting 75% of SME onboarding in less than 5 minutes. By fully automating as much manual, low value, repetitive activity, operational efficiencies are optimised, and KYC and AML regulatory compliance requirements are fully met. iMeta provides a central, up-to-date, single view of client and entity data across the organisation globally.



 Founded: 2017  Employees: 11-50

 Regulation/Legislation: **GDPR**

 Subsectors: Privacy, Compliance Management, Cybersecurity/Information Security, Risk Management, Reporting

 Regions of operations: United Kingdom, EEA, United States

Keepabl's Privacy Management SaaS delivers powerful analysis and insights into your Privacy Governance for the board and customers alike. Implementing and maintaining a world-class Privacy Framework is intuitive and simple, with easy-to-use and familiar workflows hiding intelligent heavy lifting under the hood. Keepabl instantly creates and updates your GDPR KPIs and Reports as you build out your Data Map, analyse Risk, manage Breaches and more, saving you time, money and stress as well as supporting cultural change and revenue generation.



 Founded: 2012  Employees: 51-100

 Regulation/Legislation: **KYC, AML**

 Subsectors: Onboarding Verification (AML/KYC/CDD), Identification/Background checks

 Regions of operations: Global with headquarters in Vienna, Austria, and offices in London, New York, and Singapore.

kompany is an award winning KYB platform operating a real-time network of commercial registers and other official government sources from around the world. This network provides instant access to audit-proof company data for KYB, entity identity and anti-money laundering processes. As a platform for business verification, the kompany difference is in the data. Instead of static business information (which is non-compliant), the register network offers real-time access to commercial registers, financial authorities and tax offices in more than 200 countries and jurisdictions, providing authoritative data and original documents on more than 115 million companies worldwide. kompany's register network and value-add services can be accessed via its KYC API or collaborative cloud-based platform, KYC workspace. With these two straightforward access options, clients can quickly and seamlessly scale their anti-money laundering compliance programs while simultaneously achieving a higher level of competitiveness with their market peers.



 Founded: 2016  Employees: 11-50

 Regulation/Legislation: **KYC, AML**

 Subsectors: Onboarding Verification (AML/KYC/CDD), Ongoing Due Diligence, Risk Management, Reporting, Compliance Management

 Regions of operations: Clients spanning from United States to Dubai, Mauritius, Russia, South Africa, United Kingdom and all over Europe

Finopz is a FinTech and RegTech company based in London, set up to focus on automating operations within the financial industries. Finopz is backed by expert leaders within the compliance and regulatory digitisation framework. The team behind Finopz has been delivering solutions to banks, law firms and financial institutions since 2016, successfully addressing challenges in KYC, due diligence and AML. The team consists of technical experts, business analysts and compliance/regulatory professionals. The company offers KYC Portal (KYCP) – the industry's most advanced, award winning, CDD and AML data collection and collation platform that, automates, centralises and simplifies the customer due diligence process. KYCP is a real-time, risk driven Client Lifecycle Management platform with full ownership of policy automation - increasing operational efficiencies and redefining business relationship outreach.

How Keepabl is enabling companies to stay compliant with GDPR

The General Data Protection Regulation (GDPR) has had a major impact on all industries in the three years since it started applying. While it might be a minefield for unsuspecting companies, they must put Privacy on the top of their priority list to stay compliant and avoid millions in fines.



Keepabl™

It's been three years since Europe's GDPR started applying on 25 May 2018, which significantly rebooted data protection law in the EEA. GDPR was presented as the new world standard for privacy and data protection and, indeed, its broadened territorial scope encompasses organisations world-wide. While companies increasingly focus on the arduous task of getting GDPR-ready, it can appear to be a massive undertaking. But organisations are moving forward as GDPR has become embedded across all business streams.

As Keepabl CEO Robert Baugh said, "I've never seen privacy have such a high profile, both in business and with the public. Nor have organisations, of any size and industry, public and private, paid such attention to data protection. It's now a core part of corporate risk programs and a differentiator."

Some may argue against the GDPR but it's certainly fulfilled its promise for vindicating data protection rights and spurring the development of privacy-protecting business models and practices.

Global impact of GDPR

It's no secret that GDPR has facilitated significant improvements in the governance, monitoring, awareness, and strategic decision-making regarding the use of personal data of consumers, employees and customers. The risk of incurring and paying out hefty fines has made companies take privacy and security more proactively. Companies everywhere have taken a closer look at their approach to consumer data privacy and security over the past three years.

On a global scale, GDPR legislation has pushed the topic of data privacy to the forefront. Now, three years out, more than 100 countries including Japan, South Korea, Kenya, Argentina, Brazil, and Chile have put privacy standards in place. For instance, Canada added a Digital Charter to their Personal Information Processing and Electronic Documents Act (PIPEDA) addressing cookies and opt-out options. The Protection of Personal Information Act went into full effect in South Africa in July 2020. Australia's Privacy Act has been on the books since 1988, but was recently amended to reflect GDPR regulations. While the GDPR was drafted in Europe, regulators can fine organisations anywhere in the world which target or collect data in the EU.

Why companies need to care about GDPR

Since its launch, hundreds of millions of euros worth of fines have been handed out by data protection authorities around Europe. Big players such as WhatsApp, Google, H&M, British Airways and Marriott International Hotels have received substantial multi-million-euro fines for infringements from under-informing individuals to over-collecting or exposing personal data. Despite the seemingly lax approach that many firms had to get up to speed in 2018, it shouldn't be forgotten the consequences are severe. Non-compliance comes with the risk of a €20m fine or 4% of turnover, whichever is higher, making it abundantly clear GDPR isn't something that can be swept under the rug. But a study conducted by [Capgemini](#) a year after GDPR became applicable revealed only 28% of organisations felt they had successfully achieved compliance with GDPR at that time. Fast forward two more years and, while the focus on GDPR has only increased, studies vary, suggesting anywhere from 30 to 75% of organisations now comply.

It's not just the regulatory risks and hefty fines companies need to keep in mind when deploying a privacy programme, but also business viability. Baugh said that privacy and data protection have immediate impacts on customer buying decisions, investor decisions, audits etc, and the whole topic hasn't seen so much change for decades. He added that it's also the need to "show auditors, investors, customers and partners a great answer on GDPR or you'll fail and they'll walk."

If done right, privacy hygiene and GDPR compliance significantly improves company culture, efficiency, innovation with data, and reduces sales delays, Baugh said. Indeed, on a pure ROI basis, Cisco reported that privacy spend also delivers an average 1.9X ROI (and 17% get 3X to 5X or above).

Compliance cannot be achieved overnight

However, GDPR wasn't always prioritised and companies thought they could get away with breaches and data exposure. According to Baugh, "you couldn't pay people to be bothered about data protection before GDPR. When I was advising clients back in the 90's, they'd first say they couldn't comply, then they'd ask what the fines were, and finally they'd brush it off as a business risk and just link to the Privacy Policy." It was seen as a bigger concern for financial companies handling more sensitive information but, today, every organisation needs, and recognises the need for, a good GDPR answer.

Baugh added that common myths endured through 2018 and 2019, particularly for small and medium sized companies who thought they were too small for GDPR to apply – but with this regulation, size does not matter. Baugh said, "There were many myths around in 2018, such as 'it doesn't apply to us' or 'it's like Y2K, it'll pass over'. Those have all been laid to rest after companies experienced the consequences of non-compliance. And events during lockdown have heightened awareness and understanding of this key law."

For those who opine that GDPR is still new, to those companies Baugh advised, "it's not, the fines are a revolution but the rules are an evolution, it was almost all there for decades before." Clearly, the times are now a-changin' and there can be no excuse for not prioritising data privacy.

Another misconception is that GDPR is unapproachable and impossible. Baugh said, "We used to hear 'no-one's asking me, I'm fine with a spreadsheet'. We don't hear that now, we're hearing 'I can't look at this spreadsheet again, it's too hard to maintain our patchwork processes, there must be a SaaS for this.'" And, of course, there is. Companies such as Keepabl enable GDPR, making it all easier and automated as much as possible. "No-one wants to redo the spreadsheets they've got from a few years ago, when they didn't know so much as they do today," he continued.

Furthermore, the tools which were available were far from user-friendly, making it discouraging for companies. Baugh said, "When I looked at the Privacy solutions that

were available in late 2017, they were super complex. I thought I was looking at a developer interface and it was the user interface. Given that I'm a Privacy expert, lawyer and a technophile who studied Engineering, if I couldn't, or wouldn't, use those solutions, how would non-experts? That's when I started Keepabl to help people in my exact position in central services with limited resources, and the organisations that rely on them."

Keepabl's capabilities in Privacy

GDPR can be the difference between a company on its way to attracting more customers and one that gets folded and fined. However, it can be a stressful area for both those that have been given the job on top of other responsibilities, as well as Privacy professionals themselves. That's where Keepabl comes in where the focus has always been about an insane focus on usability and customer workflow.

Baugh explained, "We model ourselves on SaaS leaders in other industries, so onboarding is really easy, we've ways to get you up and running very quickly with default packs of activities and policies, and customers are in total control of their account." This means customers can create their Privacy Framework incredibly quickly without the need for hours of training, and with Keepabl's tools maintaining that framework and reporting is "super intuitive."

The company claimed that its customers can save a significant amount of time and money on Privacy. Baugh said, "one consultant believes we save his clients up to 70% of ongoing costs." While companies facilitating GDPR compliance are abundant as the sector is getting increasingly crowded, what sets Keepabl apart from others is that its tool is simple to use as well as comprehensive. Its customers testify to the reduction in stress and the relief from having an intuitive solution, instant dashboards and reports when asked. He added, "Our customers note how easy it is to go from red-amber-green, visual reports and deep dive into the data and not get lost."

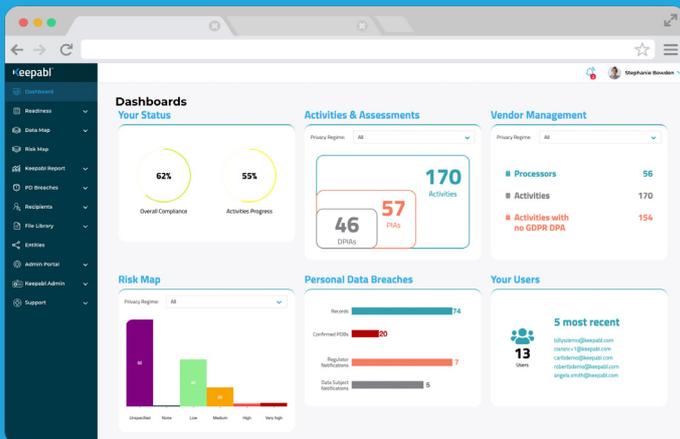
Essentially, the tool focuses on three key concerns namely ops, insights and culture. Baugh detailed, "On Ops, most of our customers come to us with some sort of Privacy Framework in place, but it's very manual and can't be maintained easily. We've got that sorted and, while we're comprehensive, we're continuing to iterate the Ops part."

Insights and culture is what helps the customers get value. Privacy Kitchen, Keepabl's free video training channel, has already trained thousands on all aspects of Privacy and it aims to move it into a formal training solution. Helping industries become more knowledgeable and compliant are a few reasons why Baugh finds Privacy to be a "very exciting place to be."

Looking ahead, Baugh said that the company has a customer-driven roadmap to ensure it keeps its customers effortlessly at the forefront of Privacy and Security compliance. "Our goal, ultimately, is to relieve people of their Privacy and Security anxiety about complying and reporting, and we get regular feedback that we're doing just that," he said bullishly. ●

Privacy Management SaaS

Taking the AARGH! out of GDPR

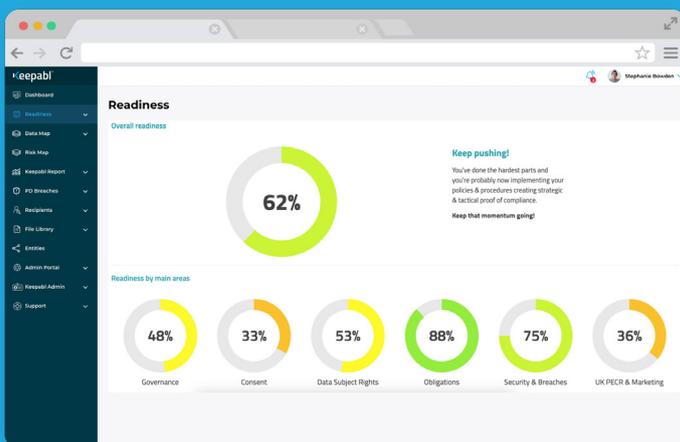


Say goodbye to spreadsheets

Create your Privacy Framework and manage all your GDPR obligations in one easy-to-use app.

Your 1st job on GDPR, done

Create your data map with ease. Instantly create all your valuable, and automatic, KPIs and reports.



Showcase your compliance

No more panic when Auditors ask where you are on GDPR. Instant reports turn Privacy into a competitive advantage.

Reduce risk and breach anxiety

Easily manage Privacy risk and capture every breach. Instant alerts. Detailed reporting, KPIs, visual Risk Map and Breach Log.



Keepabl's comprehensive Privacy Management Software and our Privacy Policy Pack lead you through all aspects of your Privacy compliance.

With guidance on each process, our SaaS solution takes over the heavy lifting of your Privacy Governance, and with intelligent linking behind the scenes we leave you free to focus on high impact, and high value areas.

Automate your GDPR compliance and make Privacy a competitive advantage

hello@keepabl.com



'Keepabl's Dashboard helpfully visualises our GDPR KPIs. We can give stakeholders tailored access, and we can work more efficiently with our external advisers.'

MML Capital

Crown
Commercial
Service
Supplier





COMPANY RESEARCH PROFILE



 Founded 2015
 Hong Kong
 Employees: 51-100

 www.knowyourcustomer.com
 info@knowyourcustomer.com
 Regions of operation: Global

KEY EMPLOYEES:



Claus Christensen
CEO



Jamie Anderson
Global Head of Sales



Margherita Maspero
Head of Brand and Communications

Value Chain: **Onboarding, Monitoring, Reporting**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Identification/Background checks, Compliance Management**

Regulation/Legislation: **PSD2, KYC, AML, GDPR**

OFFERING

Know Your Customer is an award-winning RegTech company specialised in next generation client onboarding, AML and KYC/KYB solutions for financial institutions and regulated organisations worldwide.

By providing a single source of truth and a holistic view on every customer, their digital solutions enable compliance teams to reduce financial crime risk, streamline processes through agile automation and workflows, improve data accuracy through live connections to company registries, and comply with internal, board and regulatory reporting demands.

PROBLEM BEING SOLVED

Know Your Customer radically simplifies, improves and digitises the KYC and AML compliance process for regulated organisations.

The traditional approach is too slow, too risky and not scalable. Entity databases don't satisfy regulatory demands for documentary evidence and for up-to-date and reliable company information. Know Your Customer solves this problem with a cloud-native solution that automates the KYC and AML process through live company registry connections, real-time data extraction powered by AI and highly customisable workflows.

TECHNOLOGY

Know Your Customer utilises a unique combination of artificial intelligence, machine learning, optical character recognition (OCR), natural language processing (NLP), facial recognition and live connections to company registries to fully digitise the KYB and KYC process.

The backend system is based on the Microsoft tech stack and runs on the Microsoft Azure Cloud. It comes with a full-featured REST API that allows clients to remote-control all functions. The suite of products also includes a customisable web portal and mobile app for secure client outreach.

PRODUCT DESCRIPTION

Know Your Customer's technology is based on a horizontal approach that centralises the five pillars of client onboarding and KYC/KYB compliance: Document Collection, Data Extraction & Assessment, Case Management & Workflow, On-Going Monitoring, and Reporting & Analysis.

- **KYB solutions (Corporate Clients)** - To accelerate the Know Your Business (KYB) process, the company employs a combination of automation, natural language processing, optical character recognition (OCR) and artificial intelligence to digitise the key manual steps any compliance officer would need to go through when onboarding a new corporate client. The platform provides live access to official registries, downloads official documents in real-time, sources shareholder and beneficial ownership information across jurisdictions and builds complex company structure charts. It also provides extensive workflow capabilities to streamline compliance operations and integrates with leading AML providers to automatically run on-going screening of all entities and individuals within the system.
- **KYC solutions (Individual Clients)** - The company redefines the end-user experience of the KYC & ID verification process, without ever compromising on AML compliance. Using its digital solutions, individual customers can provide the relevant documentation needed to complete their KYC process at the time and place that best suit them and through their preferred channel. All compliance steps are automatically tracked in an immutable log for audit purposes and compliance officers can easily and quickly create multiple customised reports.

TRACTION/GROWTH

- Know Your Customer's client base includes Tier 1 and Tier 2 banks, one of the leading credit card providers globally and a multi-service tech giant in Asia. Current clients in the public domain include: Tricor, Primasia, Crosscard, One4All, Hamburg Commercial Bank, Gerlioni, Neat, Premium Credit, ConnectPay, Conexim, CSLB-Asia, Gateway Private Markets, AssureHedge
- The company has established combined offerings with partners such as Microsoft, Refinitiv, CRIF and other global technology providers.
- Over the next 12 months the company is looking to grow its presence in additional SE-Asian and European countries and expand its product line to target specific client verticals beyond financial services.

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The five pillars of strong corporate KYC compliance

Founded in 2015, Know Your Customer provides digital onboarding solutions to financial institutions and regulated organisations globally. The company builds its KYC platform as an interconnected set of web apps, APIs, databases and pre-trained machine learning models – and is helping to change the game in digital corporate onboarding.



The inspiration behind the creation of Know Your Customer came from the challenges Claus Christensen – the CEO – faced in the area of corporate onboarding at a previous firm. “I was on the advisory board of a PropTech company and we needed to roll out KYC of Asian corporate entities at scale. We looked around for technology that would make this project manageable, but we found that corporate onboarding even more than the KYC of individuals involved many manual steps and the work of staff. With this considered, we decided to band together, incorporate the business and build the technology ourselves.”

The whole Know Your Customer system was built on the basis of the Microsoft Azure Cloud. Christensen remarked, “We constructed the system in a way so that we could deploy it on premises if needed. However, we found that every single client has stuck to cloud deployment as the advantages – such as scalability, security and business continuity – are just too big.”

The five pillars of KYC

One of the key benefits of digital onboarding for many companies has been the time and cost-effectiveness it brings to the table. Prior to digital onboarding, an individual would be required to provide their data either in-person or through

the mail. Alongside being a costly and time-consuming process, conducting traditional onboarding in the age of the Covid-19 pandemic may lead to some companies become outliers.

For those financial institutions that are looking to digitise and automate their corporate onboarding journey, what are the challenges and possibilities? According to Christensen, Know Your Customer has identified five key pillars of corporate KYC compliance that are streamlined and digitised by its platform. What are these pillars?

Christensen stated, “The first is document collection - this is the part that is normally most irritating for the onboarded customer. This is not the case with our platform, since we retrieve these documents directly from their official source – the company registries – and we do so in real time instead of using stale databases of questionable quality. This is not the same as providing an upload facility for customers as you’d see in some products. Our approach removes the burden of procuring these documents from the customers and removes the burden of verifying them from the compliance team.

“The second pillar is data extraction and assessment. Here we automate the most, as our solution uses artificial intelligence, OCR, and natural language processing to identify and extract shareholders and UBOs automatically from the official documents. The third is KYC case management – with our platform, compliance teams are able to see a customer holistically, combining data, documents and compliance decisions into one view. Compliance team management and signoff workflows reside in this space. Especially in larger firms, this is often seen as the area that presents the biggest challenges.

“On-going monitoring is our fourth pillar. We integrate directly with leading AML watchlist providers to perform on-going screening automatically against PEPs, sanctions, adverse media and the like. On top of that, our system also automatically updates the corporate structure and names of directors with fresh information from the registry on a schedule. This is perpetual compliance rather than one-off onboarding.”

The final pillar is the company’s reporting engine, which is designed to keep everything monitored and on cruise control

as well as simplifying regulatory reporting. Christensen remarked that where Know Your Customer's system shines is that it significantly pushes the factor of automation in each category instead of just guiding the compliance users and relying on manual processes.

Making the vendor-client relationship work

As the RegTech industry continues to grow and evolve, there is an ever-growing requirement for the sector to make sure it gets its relationship with clients right, and in a way that suits them. How can they best do this?

Christensen commented, "The first step is always acknowledging the challenges. The big picture is that vendors with a tech DNA just work differently than large FIs. For a large financial institution, working with a younger RegTech company can yield great results. How? First off, RegTech firms are generally more innovative and can bring the latest technology to the financial institution.

"RegTechs also normally move faster, accelerating the time to market. In addition, the staff of these companies are more often than not in tune with younger generations and therefore can bridge these worlds more easily. Lastly, new RegTech businesses can be surprisingly cost-efficient, especially if compared with more established vendors."

However, there can also be a few challenges in the vendor-client relationship. According to Christensen, most of them result from issues such as cultural differences, different responsibilities between financial institutions and tech firms and different time horizons. He cited two examples in particular, "Long-term project thinking in FIs compared to agile, iterative models in tech companies. The agile model makes sense in the fast-changing customer-centric world, but organisations that are 150 years old with 10 different management levels often struggle with that. Not everything has to be cut down into 5-day sprints, but this is an area where the FIs should move to ensure the success of these projects.

"Another area where the tech companies need to catch up is in adapting to the responsibilities of the much larger FIs – such as larger numbers of stakeholders, politically sensitive areas, and risks of multi-billion-dollar fines or losses. I'm afraid 'Move fast and break things' doesn't quite cut it when a piece of software impacts legal responsibilities toward millions of clients or tens of thousands of employees."

Reliable data and trends

With the proliferation of data offering new possibilities for companies to innovate and develop successful KYB strategies, it is also becoming increasingly important that the data being used is of a good quality. Christensen believes reliable entity data should be the first step of any successful KYB strategy, "If we step back and take a wider view of the industry and how it has developed over the past decade, we notice we notice that, after digitising processes, data is even more important.

"In compliance, we need the data to not just be of high quality – it is truth we need when we are fighting crime. That is why data lineage - where we get the data from - is so

important. For that reason, it is crucial to go straight to the official government source, the documents held with the company registries and sometimes tax authorities."

The digitisation of processes has been a key and ongoing trend in the RegTech space, however, with many processes now digitised, the industry is turning towards more difficult problems to solve. What are some of these challenges? One of the most important trends, Christensen believes, is how the industry can automate instead of just replicating manual processes in front of screens – and he states one of the trends that is helping to deal with this challenge is to use gradually more AI-based solutions.

He added, "Inside the trend of increased machine learning, there is also a maturing happening - the users and institutions know about pitfalls and challenges in using AI and start guarding against those with deliberate policies and processes. AI under InfoSec, or ethical use of AI with guards against bias in training data would be examples there."

Long term plans

Having been in existence for over half a decade, Know Your Customer is now looking to spread its wings and grow, and it has its eyes firmly focused on the future.

Christensen said, "We are still relatively young as a tech company, and we have ambitious growth plans in terms of client revenue and product development.

"However, there is a more important long-term mission to the company. In the big picture, we have all enjoyed more affordable better-quality products and services and an overall fantastic increase in living standards in many areas due to global trade and cooperation. But so have criminals and money launderers. Societies need to protect themselves and have reacted with stricter regulations. In the world of AML and KYC, regulators accepted that this meant a larger burden on both financial institutions and customers, and the disadvantages to smaller SMEs and new market entrants vs established larger companies.

"At Know Your Customer, we work to level the playing field again by using automation and digital processes to reduce that burden on both sides. This will allow regulators to stay strict, help societies to fight criminals, both while reducing the burden of regulations." ●



"In compliance, we need the data to not just be of high quality – it is truth we need when we are fighting crime. That is why data lineage - where we get the data from - is so important."



-  Founded: 2016
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Compliance Management
-  Regions of operations: Worldwide with head office Chicago, United States, tech/support Delhi, India

KYC2020 was founded in 2016 to meet the sanction screening requirements of Small & Medium Size Enterprises (SMEs), Credit Unions, and Emerging Payments FinTech that lacked viable and affordable solutions. A review of available market solutions exposed a significant deficiency: AML/CFT compliance systems were either too expensive, too disruptive to transaction flow or simply excessive for the purpose of a SME. The problem was that compliance systems had traditionally been aimed at financial institutional that have a larger burden of compliance. The emergence of KYC2020 as a stand-alone product/service was driven by the compliance needs of many online Money Services Businesses (MSBs) and grew from there. With over 1500+ lists relevant news sources, VisionIQ database is the most comprehensive and affordable source for global watchlists and negative news. Its standard lists include Sanction, limited PEP, Organizational, Enforcement, and Criminal lists.



-  Founded: 2016
-  Employees: 51-100
-  Regulation/Legislation: **AML, Indian Regulators**
-  Subsectors: Reporting
-  Regions of operations: India

Niche Banking Products in Trade Finance, Compliance & Regulatory Reporting. Supporting "Multiple Regulations" within a unified platform. Comprehensive Suite of Trade Finance and Remittances Regulatory Reports Management. Working with Indian Regulators - RBI, Financial Intelligence Unit - India, Directorate of Foreign Trade, Directorate of Revenue Intelligence, FATF, etc. Data Lake defined and all Trade Finance reports to be extracted from Single Source system across departments. Computations on Risk Ratings - Transaction wise, Customer wise etc. Integration with Core & Non Core Systems, Support for Migration from existing systems, Security Compliant with in-built Internal Checks & Controls Rapid deployment of revised regulatory guidelines at low costs, Make Regulatory returns data available for Data Analytics and Reporting. Proactive support team that understands your system backed by extensive training. Benefit from its expertise in Trade Finance and Indian Regulatory standards and experience.



-  Founded: 2018
-  Employees: 11-50
-  Regulation/Legislation: **PSD2, AML**
-  Subsectors: Reporting, Compliance Management
-  Regions of operations: Europe

LUXHUB emerged from the combined vision of four major Luxembourgish banks - Banque Raiffeisen, BGL BNP Paribas, POST Luxembourg and Spuerkeess - to become a key catalyst of the European financial industry's evolution towards Open Finance. The journey started with a focus on PSD2 compliance, which is seen as the cornerstone and key enabler of Open Banking. With its mutualized solution that removes compliance complexity, the Fintech gained the trust of 40+ European financial institutions. LUXHUB then developed a Luxembourg-focused and AML5-related compliance product to ease the daily routine of local financial institutions, called CEDR - Central Electronic Date Retrieval System. Today, through the recent acquisition of both AISP and PISP licenses, LUXHUB now provides a range of innovative solutions that enable financial institutions, Fintechs and other corporations to accelerate their digital transformation by offering one-of-a-kind account aggregation, payment initiation and enriched data services.



COMPANY RESEARCH PROFILE

LEAPXPERT

PRODUCT NAME:
LeapXpert

-  Founded 2017
-  Causeway Bay, Hong Kong
-  www.leap.expert
-  info@leap.expert
-  Employees: 51-100
-  Regions of operation:
APAC, Europe, United States, ANZ

KEY EMPLOYEES:



Dima Gutzeit
Founder & CEO



Avi Pardo
Co-founder & COO

Value Chain: **Monitoring, Detection, Reporting, Processing & Control**

Subsectors: **Communications Monitoring, Risk Management, Reporting, Compliance Management**

Regulation/Legislation: **MiFID II, AIFMD, GDPR, SFTR, EMIR, Bank Secrecy Act, Gramm-Leach-Bliley Act II, FCA SYSC, ASIC, FFIEC, FDCPA, Electronic Fund Transfer Act, Fair Credit Reporting Act, FFIEC Social Media Guidance, FCA, CFTC (Dodd-Frank Act) MiFID II MAR FINMA**

OFFERING

LeapXpert enables enterprises to embrace messaging applications like WhatsApp, WeChat, Signal, WeCom, Telegram, LINE and SMS and integrate them with their business-critical applications. Our solution resolves the business and compliance challenges messaging applications use in business channels has created. The single, centralised platform provides enterprises and employees an easy, seamless, compliant and real-time way to communicate with customers over the customers' preferred application. LeapXpert has users across 45 countries globally. LeapXpert is built on its patented Federated Messaging Orchestration Platform (FMOP™)

PROBLEM BEING SOLVED

The use of messaging applications was already on the rise and increased exponentially during the pandemic – professionally as well as personally. Lockdowns forced employees and enterprises to adopt new ways of working and new ways of engaging with customers. As a result, Gartner listed remote working as one of the top ten security and risk trends for 2021.

Different countries have different regulations for financial institutions. The common theme across all of them is, that all communication between financial institutions and the clients must be monitored and recorded.

LeapXpert solves the issue of the rising need to use messaging applications to respond to customer needs while still maintaining compliance, regulatory and governance mandates. Using LeapXpert's solution, authorised company employees can communicate via text, voice, or send files to a client's messenger of choice: WhatsApp, WeChat, Signal, WeCom, Telegram, Line, SMS or others.

Employees can also communicate internally via popular collaboration tools like Microsoft Teams for seamless communication and collaboration.

TECHNOLOGY

LeapXpert's solution is built on its patented Federated Messaging Orchestration Platform. It is available through different deployment options - as on-premise, as private cloud, or SaaS.

Employees can access LeapXpert using their desktop, tablet or their work or personal mobile devices. In addition, the platform is ISO 27001 certified ensuring that LeapXpert meets or exceed governance, risk and compliance processes and practices.

PRODUCT DESCRIPTION

LeapXpert's solution is built on its Federated Messaging Orchestration Platform (FMOP). LeapXpert is a single solution for enterprises who want to hold interactive, real-time recorded conversations with their customers. LeapXpert enables financial institutions to securely and compliantly communicate with their clients and contacts over the client's preferred messaging application like WhatsApp, WeChat, LINE, Signal, WeCom, Telegram or SMS.

i PRODUCT DESCRIPTION (CONT'D)

Using the LeapXpert Leap Work desktop or mobile app, authorized company employees can send text, voice, attachments, images and multimedia files to the client's preferred messengers: WhatsApp, WeChat, Signal, WeCom, Telegram, SMS, Line and others. The Platform enables one-to-one, broadcast and group chats. It is compliant, integrated, secure and provides full B2C data ownership and visibility to financial institutions. Benefits include:

- A **customer-first solution** – customers can choose the messaging application that they prefer.
- A **centralized architecture** for employees to use regardless of the device – mobile, desktop or tablet. Vital in this age of remote, hybrid and office-based working.
- **Complete view** of all data for analytics, compliance, data governance or customer records, regardless of the channel.
- **Open ecosystem** means financial institutions can adapt to changing market communication needs, customer preference shifts and new regulation.
- **Real-time view** of conversations across multiple messaging applications and collaboration tools from one single platform.
- **Proactive rules and processes** that enable employees to safely engage on messaging applications in an increasingly complicated and regulated channel.

LeapXpert FMOP integrates with additional business systems: CRM, data monitoring and archiving, analytics, security and admission tools, and more. The FMOP can also seamlessly integrate with collaboration tools, such as Microsoft Teams and Slack, allowing company employees to keep using the tools they are used to.

LeapXpert's FMOP is a flexible and customisable solution for a wide variety of industries and verticals. It offers an extensive range of messaging applications options for customers and employees. It delivers real-time, proactive control and monitoring for regulatory, governance, security and audit control.

\$ FUNDING – \$14.1M

- LeapXpert is backed by leading investors including **LingFeng Capital** and **Summer Capital**
- The company completed a Series A funding round in October 2021. The funding will allow LeapXpert to expand the team, support the company's growth, increase product development and accelerate international expansion.

🔗 INTEGRATIONS



📈 TRACTION/GROWTH

- Five top global banks are LeapXpert customers, with tens of thousands of users across 45 countries globally.
- The company has been recognised with several prestigious awards including 2021 Global Regtech Challenge – Customer Data Privacy (Hong Kong Monetary Authority and KPMG), ICT Fintech Gold Award 2021 by the HK Institute of Bankers, 2020 Highly Commended Solution – Market & Trading Surveillance and 2019 One to Watch by Regulation Asia, 2020 Legal Tech Winner AmCham, 2019 Fintech Awards Gold Winner by Department of International Trade and Accenture's 2019 Fintech Innovation Lab Finalist.

👤 MANAGEMENT BIO

Dima Gutzeit – Founder & CEO

Dima Gutzeit is the Founder & CEO at LeapXpert, where Dima leads the company on a mission of solving a long-standing problem of communication with clients, over consumer messaging platforms. LeapXpert's Federated Messaging Orchestration Platform (FMOP) is designed and built for regulated (and self-regulated) financial institutions providing unprecedented levels of ease of use and openness of modern, messaging focused, communication channels.

Dima has over twenty years of experience in building planet-scale communication platforms, during which, before starting his own company, he headed technology teams of Hong Kong based telecommunication company for seven years, in multiple geographies, creating a global platform for mobile communication service, servicing tens of millions of users daily, and prior to that, spearheading the development department of a company in Israel, delivering communication solutions to companies across Europe and Asia, leading the development of products with innovative secure and collaborative foundations. Through those experiences, Dima gained unique insight into what it takes to deliver products at scale, that work anytime and anywhere.

Why messaging communication services should be on every financial institution's radar

If financial institutions want to keep customers, they will need to engage with them through the platforms they want to use. Those that fail this could start to fall behind competition.



LEAPXPERT

Messaging applications like WhatsApp, WeChat, Telegram, Discord, and many others are becoming increasingly popular. These apps offer quick and easy ways to engage with people. As consumers become more used to these apps, they are starting to demand their financial services providers become more open to these types of tools, rather than needing to interact via emails or phone calls. The Covid-19 pandemic has only accelerated this shift towards more flexibility and as customer experience continues to be a major focus of financial institutions, many have started to leverage these platforms.

Dima Gutzeit, founder, and CEO of LeapXpert, said this move to messaging apps is no longer a choice. Firms need to incorporate alternative communication channels in their operations. "Financial institutions who do not offer these services will be at a disadvantage, because clients can see other financial institutions offering those convenient, secure communication channels so why can't their financial institution. It's

not a matter of if financial institutions will adopt these communication channels, it's a matter of when. And the financial institutions who do it faster will have the upper hand."

However, communication monitoring regulations mean firms cannot simply start using them, they need to ensure compliance can be maintained. Gutzeit explained if financial institutions fail to implement compliance processes for these alternative communication tools, they could risk big fines for failures in their communication monitoring. It could even force employees to use their personal devices to interact with customers, which adds even more compliance challenges to the financial institution. Instances of this has forced firms to terminate infringing employees. Another serious impact on a firm is reputational damage caused by breaches reported in the media.

It is not just the financial institutions at risk, so are the customers, Gutzeit added. If communication is happening through an unmonitored way, customers will not know who is reaching out to them and exposing them to fraudsters and scammers.

With so much risk present, it is essential financial services look for compliance tools that can let them use these communication tools, without obstructing their compliance capabilities. LeapXpert's solution does just this. Once implemented, it onboards clients on WhatsApp, WeChat, Signal, Telegram, SMS, and other messaging services, and will provide full transparency so both the financial institution and customer know who they are talking with. Due to this, financial institutions can have peace of mind that all communication between clients and customers is securely recorded, he said.

The messaging space is continuing to evolve, and more services are being released every year. Applications can suddenly surge in popularity and others can suddenly become abandoned. Financial institutions need to be ready for the changing environment. Gutzeit said, "Once implemented in the financial institution and integrated with their enterprise systems, we future-

proof the communication choices of the employees and the clients. No matter what new popular channel appears on the client side, it can be swiftly added to the existing integrated platform.”

One area that is posing new challenges is the cryptocurrency space. A reason for this, Gutzeit stated, is they use different communication channels than those involved with traditional financial services. For example, Discord is often a preferred collaboration tool for those interacting within the crypto space, but not used by financial institutions. As the cryptocurrency sector continues to grow and more people get involved, financial institutions might need to start using Discord to engage with customers, whether it is for crypto-related products or traditional financial services. To do that, they will need a communication monitoring tool that can adapt to support the app.

Another recent development Gutzeit has noticed is a rise in voice notes through messaging apps. Monitoring voice channels within a text-based chat is not something all systems will be ready for, but they need to be. LeapXpert knows how quickly things can change and is always looking at market trends to see what customers need. For example, this year it has released support for Telegram, Signal and Microsoft Teams, because they became very popular services with its clients.

As the communication space is changing so rapidly, firms cannot simply implement a tool as a short-term fix, it needs to be a tool that can scale and adapt with the market.

Rising regulatory requirements

The pandemic accelerated the shift towards remote working that needed alternative communication methods. Companies were forced to digitise their operations and incorporate the use of services such as Microsoft Teams and Zoom, regulators were understanding at first. In March 2020, European Securities and Markets Authority relaxed video communication requirements under MiFID II as firms adjusted to new remote working parameters. It stated there could be scenarios where a firm cannot record a conversation and, in this event, they should be taking alternative steps to mitigate risks.

However, nearly two years have passed since the pandemic induced lockdowns, regulators are ramping up pressure to ensure firms maintain compliance regardless of the platform they use. The US Securities and Exchange Commission is reported to have opened an inquiry into the monitoring and record-keeping of digital communication channels, particularly if staff were using personal devices to interact with customers.

Gutzeit added, “What we see from the field is that regulations are only intensifying, and more regulations are coming into place. The reason it is being amplified

is because the amount of communication flowing through these channels is increasing.” As more firms utilise multiple engagement channels, it is likely to bring more regulation with it.

Why LeapXpert

Gutzeit has been a pioneer in the space. After a decade working within the messaging space, Gutzeit noticed that firms didn’t have the tools in place to monitor discussions on messenger apps. In 2017, LeapXpert was created as the solution to this. The team spent two years building the solution and launched it in 2019 to much positive feedback from top tier Financial Institutions. “We were the first mover in the space, and since then, we are becoming the standard of how communication over consumer messengers should be enabled,” he said.

The communication market has transformed dramatically in such a short time, and so have the opinions of financial institutions. Gutzeit explained that in 2018 many would say the service is interesting but would be something for the distant future. However, with clients’ increasing demand to communicate on their preferred chat app now, firms are eager to onboard the solution. “Right now, everybody is coming to us and saying, ‘let’s do something.’ It is because regulations are intensifying, and financial institutions are pressured to implement our solution. They can also see other financial institutions adopting these communication tools, and nobody wants to be left behind.”

LeapXpert has years of experience in the field, with a team that boasts over 20 years of experience within messaging. This makes it a great partner to have for firms. Gutzeit stated the company understands the needs of the clients, employees, and counterparties, as well as the risk capacity within firms. Through this, it provides a usable and compelling offering to all parties.

Gutzeit concluded, “With our solution in place, our customers are getting peace of mind. They know their preferred communication channel is enabled, which means the business is happy, and they know it’s enabled in a way which helps meet risk and compliance requirements.” ●



“We were the first mover in the space, and since then, we are becoming the standard of how communication over consumer messengers should be enabled.”



COMPANY RESEARCH PROFILE



PRODUCT NAME:
MyComplianceOffice

ESTIMATED REVENUE IN 2020:
\$10M - \$20M

Founded 1998
 New York, United States
mco.mycomplianceoffice.com
advance@mycomplianceoffice.com
 1-866-981-1558
 Employees: 101-250
 Regions of operation: MCO has clients all around the world, but has operations in the US, Ireland and Singapore

KEY EMPLOYEES:



Brian Fahey
CEO

Value Chain: **Monitoring, Detection, Surveillance, Disclosures, Third Party Risk management, Reporting, Processing & Control**

Subsectors: **Transaction Monitoring, Onboarding Verification, Conflict of Interest Management**

Regulation/Legislation: **SEC, FCA, APRA, ASIC, MAS, Financial Services Agency, MAR, MIFID, FSB, SFC, FCPA, UK Bribery Act**

OFFERING

MCO is the creator of MyComplianceOffice, a best-of-breed compliance monitoring solution used by hundreds of compliance teams worldwide to reduce the risk of misconduct.

PROBLEM BEING SOLVED

The MyComplianceOffice platform has extensive compliance management capabilities to monitor and manage conflicts of interest in a centralized manner across the organization.

TECHNOLOGY

Available as a unified suite or a la carte, MCO's easy-to-use and extensible SaaS-based solutions get clients up and running quickly and cost-efficiently.

PRODUCT DESCRIPTION

The MyComplianceOffice platform facilitates the surveillance and monitoring of potential conflicts of interest, across multiple legal entities, business lines, and affiliates operating under different regulatory bodies. The inclusion of third party and firm transaction data in the identification of potential misconduct sets the solution apart from its competitors. Without transparency into the activities of employees, third party relationships and firm transactions, comprehensive discovery of potential conflict is impossible. On one fully integrated platform, compliance teams can demonstrate they are proactively managing the regulated activities of the company, employees and third-party vendors. All modules leverage the powerful platform capabilities which enable comprehensive monitoring, workflow-directed task management, real-time alerts to exceptions, sophisticated hierarchy management and integrated data sets, such as global company and security master of public and private companies.

MCO has built a worldwide base of customers in 100 countries. Compliance teams choose MyComplianceOffice because of its unique integrated platform which addresses:

- Employee compliance monitoring & conflicts of interest
- Third party due diligence and risk management
- Trade surveillance and suitability monitoring, including a transactional conflict of interest module that detects the conflicts that occur during the life cycle of an investment banking or private transaction deal

PARTNERSHIPS

MCO has a business outsourcing partnership with a range of compliance consulting firms

TRACTION/GROWTH

- **Client acquisition numbers:** 500+ clients globally
- MCO is expanding rapidly in the APAC region
- **Expected Revenue in five years:** \$20m - \$50m
- **Expected staff numbers in five years:** 250+

MANAGEMENT BIO

Brian Fahey - CEO

Brian Fahey is the Chief Executive Officer of MyComplianceOffice. He has been delivering complex technology solutions for the capital markets industry across US, Europe and Asia for over 30 years. He combines his deep knowledge of GRC for the capital markets industry with his extensive technical experience to deliver industry leading Risk and Compliance IT solutions to the capital markets industry that can adapt to rapidly changing business and regulatory environments. Prior to joining MyComplianceOffice, Mr. Fahey ran a Consulting practice for Access Data, a firm that specialized in technology solutions for the investment industry. He also managed investment systems at John Hancock Funds and was CTO for a smaller institutional asset manager. Brian has a Bachelor of Commerce and Master of Management Science degrees from University College Dublin and has an MBA from Northeastern University.

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Why integrated compliance systems are crucial in today's environment

MCO (MyComplianceOffice) CEO Brian Fahey, who began his career as a computer programmer, details how an integrated compliance system built with a long-term vision in mind, is a worthwhile investment.



Founded in 2008, MCO is an integrated platform designed for firms, primarily financial services, operating in heavily regulated markets with extensive enforcement.

It was formed as a “spin-out” from a US-based multinational financial services corporation in which Fahey was a vice president.

He noticed the company was building compliance systems that were reactive to specific enforcements or the latest new regulations. “As a result, the firm had disparate compliance systems that had the same functions, like workflow, document management, assurance of completion of actions, but they were all in separate systems that did not talk to each other.

“So, we set out to build a different kind of system – a ‘long term integrated compliance platform,” Fahey said.

It is a common problem that compliance programmes are often support by various isolated systems that do not communicate with each other, due to firms

typically buying a new system when a new regulation appears, rather than expand an existing one.

This approach only works in the short term, Fahey warned. The long-term result is a patchwork of separate point solutions, leading to excess cost, data gaps, employee turnover and potential blind spots.

The regulatory rigor of the market environment in which MCO caters to, requires a comprehensive, configurable, integrated software that creates an audit-ready record of their compliance programme.

Integrated compliance systems can help firms avoid hefty fines, regulatory sanctions, criminal charges and the risk of reputational damage.

“More than ever, compliance automation is crucial, and firms need a centralised integrated solution that is flexible and effective to better manage conduct risks and monitor conflicts of interest,” Fahey said.

Today, MCO supplies conduct risk systems for over 500 client firms across 105 countries. The software company is headquartered in Dublin, with offices in the US, Singapore, and India.

In fact, MCO said it has been continuing to expand its global footprint. North America, accounts for 70% of its clients, but it is seeing strong growth in the APAC region, which has grown from 1% of its clients in 2017 to 16% in 2021.

Eyes on the future

MCO proved unflappable to the effects of the global pandemic. Its core markets continued to perform strongly, and the delivery of its services to customers was not impacted. The company actually enjoyed even stronger growth in 2020 and 2021 than in previous years.

Despite its upward trajectory of growth, Fahey explains that MCO's objectives are the same today as they were in the company's infancy.

Firstly, ambition. MCO has its eyes set on becoming the leading conduct risk platform in the world. Its

second objective, continuous innovation, will likely be fundamental to achieving this. The compliance needs and the surrounding technology are continuously changing, hence MCO must keep innovating to meet those needs, Fahey stressed. Lastly, MCO adopts a long-term attitude to its work. All of its products, software, and solutions, Fahey explained, must be part of the long-term vision for the platform.

MCO's single integrated platform hosts several products and modules. At its core is the MyComplianceOffice platform. Fahey explains, "The same components here are used across all products and modules. Things like rules, workflow, document management and task completion. It also uses the same centralised data, so that the different modules can compare and do conflict of interest checks across different data sets."

Our software integrates with our clients' data, which provides a central compliance dashboard, with real time control across all data.

Fahey also went on to note that the technology is not only easy to use, but SaaS based, which makes it inexpensive to buy and install.

Building on a successful year

MCO had an excellent year and is showing no signs of slowing its mission to expand its technical and compliance capabilities.

In September this year, MCO acquired Governor Software, a leading technology in compliance governance and oversight solutions.

Rising from an extended partnership, the acquisition brought compliance oversight innovation with visual mapping of global regulations. The deal also saw Governor Software founder Richard Pike, join the company and adding his significant GRC expertise to MCO.

Pike has extensive experience working with financial institutions and technology companies throughout the world, assisting companies in managing enterprise risk more efficiently while addressing local regulatory guidelines and standards.



"The integrated nature of our solutions not only cut the cost of compliance processes but also improve effectiveness, to make them quicker and more reliable."



"More than ever, compliance automation is crucial, and firms need a centralised integrated solution that is flexible and effective to better manage conduct risks and monitor conflicts of interest."

At the time of the acquisition, Fahey was optimistic about the take over, "I am excited about the expansion of MCO's technical and compliance governance capabilities as well as the addition of GRC expert, Richard Pike, to the MCO team."

With the acquisition of Governor Software, he continued, MCO can help firms significantly enhance their compliance governance practices. "The goal is to increase governance in a compliance program to significantly improve the assurance of compliance across an organisation control in an affordable and efficient manner."

MCO seems to be adhering to its objective of continuously innovating to keep up with client needs. Earlier this year, it launched a new addition to its employee compliance suite, the Role Monitoring and Assurance (RMA) solution.

Role assurance regimes and regulatory guidelines on individual accountability, such as the Senior Managers and Certification Regime (SMCR), are part of a global trend to support a change in culture at all levels of financial services. MCO launched RMA to help firms comply with SMCR and similar regulations.

RMA is a solution for firms to capture relevant employee functions, responsibilities, and activities in compliance with role assurance regimes and regulatory guidelines on individual accountability. It offers a new and effective way for financial services firms to comply with SMCR and similar regulations.

Fahey expanded, "We designed the Role Monitoring and Assurance module to work alongside all products in the MyComplianceOffice suite, taking full advantage of the robust MyComplianceOffice platform and breadth of compliance management functions.

"The integrated nature of our solutions not only cut the cost of compliance processes but also improve effectiveness, to make them quicker and more reliable." ●


 Founded: 2013

 Employees: 11-50

 Regulation/Legislation: **EMIR, MiFID II, RTS 27/28, Best Execution Monitoring, CRS, FATCA, KYC/AML, Market Abuse, SFTR, ASIC, DAC6**
 Subsectors: Reporting, Transaction Monitoring, Identification/ Background Checks, Compliance Management, Taxation Reporting, Best Execution Monitoring, Trade Surveillance

 Regions of operations: Europe, Australia, America, Africa

MAP FinTech is a leading and award-winning regulatory technology provider to the financial services industry that takes pride in its mission to help its global clients meet the regulatory obligations that arise from a number of complex and challenging international regulations such as EMIR, MiFID II/ MiFIR, SFTR, ASIC, FATCA, CRS and DAC6. MAP FinTech also provides innovative and comprehensive solutions for Best Execution Monitoring, RTS 27/28 reporting, AI Transaction Monitoring and Screening (AML), Trade Surveillance (Market Abuse), and eKYC (Screening, eIDV, Document Authentication). All solutions are delivered under the company's powerful Polaris Platform. The Polaris Platform is a centralized solution that allows for the configuration, management and monitoring of all of its products via a single user-friendly web portal. At the back end of its platform, MAP FinTech has developed complex algorithms that facilitate the integration of its clients' systems with the various Competent Authorities (Trade Repositories, ARMs, Regulators, Taxation authorities, etc). Furthermore, the Polaris platform is also equipped with advanced Best Execution Monitoring capabilities, which help investment firms achieve extensive control and transparency over their order execution practices.


 Founded: 2012

 Employees: 11-50

 Regulation/Legislation: **MiFID II, MiFIR, AML, KYC, Capital Markets laws globally**
 Subsectors: Onboarding Clearances & Verifications (KYC/ AML/CFT/CDD/EDD), Compliance Management, Regulatory Reporting

 Regions of operations: Globally. Especially Europe, parts of Asia, Middle East, United States, Australia, New Zealand

Muinmos' award-winning, AI powered client onboarding platform onboards any client – retail, professional or institutional – globally within 3 minutes. Muinmos' platform is a complete onboarding solution, automatically and instantly performing all parts of the onboarding chain, from Client Categorisation and Suitability and Appropriateness, through all types of KYC/AML checks via built-in connectivity to multiple data-sources, to comprehensive client risk assessments. The platform also performs constant monitoring, keeping up-to-date with changes both in regulation, client's details and risk profiles. Muinmos' platform is a ready-to-use SaaS product, which can be easily integrated within as few as several days, or can be used as a fully white-labelled, stand-alone system. All these and more make Muinmos the technology leader in client onboarding platforms, empowering financial institutions to onboard more clients, faster, at lower costs – without compromising on customer experience or compliance.


 Founded: 2015

 Employees: 101-250

 Regulation/Legislation: **KYC, AML, Predictive analytics and behavioural profiling**
 Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Compliance Management

 Regions of operations: Global

Napier is a compliance technology specialist which helps financial institutions to fight financial crime more efficiently and effectively. Founded on broad experience and deep expertise, Napier's cutting-edge platform increases efficiency and minimises risk by successfully combining big data technologies with AI. Its intelligent approach to financial crime compliance underpins organisational policy, process and procedure, so financial institutions can focus on being more effective at detecting suspicious financial activity in a more cost-efficient way. The company builds cutting-edge compliance technology to help companies in any sector comply with anti-money laundering regulations, detect suspicious transactions, screen potential customer & business partners, and help analysts predict customer behaviour. The Napier platform is fast, scalable and easily configurable. It rapidly strengthens financial crime defences while meeting compliance obligations and challenges in any sector. Napier's tools dramatically reduce both false positives and false negatives and empower compliance teams to make validated decisions with unprecedented speed and accuracy.

How Muinmos became a key global player in financial services client onboarding

Muinmos was founded back in 2012 after Remonda Kirketerp-Møller saw a big gap in the market for making client onboarding simpler and more efficient in financial services. With a rapidly growing global client base of banks, investment firms and asset managers, the company is emerging as a major player in key global markets.



Muinmos is the only RegTech firm on the global market which can provide complete automation and centralisation of the entire onboarding process. The company has developed a comprehensive solution that includes not just the normal KYC / AML checks, but also a one of a kind Regulatory Onboarding Engine that uses algorithmic rule-based AI, machine learning and neural nets to help financial institutions to fully and compliantly onboard any client type in under three minutes and instantly alerts financial institutions of any regulatory changes or sales opportunities.

According to Muinmos CTO Emil Kongelys, the automated system is designed to help compliance teams to easily keep track of the fast-changing regulations across countries and regions and is also able to provide connections to the best data providers globally in order to ensure any client in any country is onboarded correctly.

The company's onboarding platform comprises of three unique product modules - mPASS™, mCHECK™ and mRX™. mPASS™ is the aforementioned AI-based Regulatory Onboarding Engine which instantly and automatically performs client categorisation, suitability & appropriateness checks amongst other things. mCHECK™ performs all KYC/AML checks instantly and automatically via numerous data sources and keeps monitoring clients throughout their lifecycle. To give a complete onboarding solution, Muinmos also developed the mRX™ module which creates instant and automated client risk assessments based on all relevant factors including jurisdictional, client type and category, product and service offered, transactional and customer risk, and KYC/AML parameters.

Automation is Key

What sets Muinmos apart from competitors in the space? Founder and CEO Kirketerp-Møller said, "The automation. All the parts of client onboarding, from client categorisation, suitability & appropriateness, cross-border clearance, to identity verification, PEPs, sanctions, UBO identification etc. – they're all covered by the platform, and fully automated. Other solutions don't offer, I believe, a solution that is both complete and automated. It's usually one or the other. Also, our mPASS™ module is one of a kind – there's no other regulatory onboarding engine similar to it out there on the global market."

Another key differentiator for Muinmos is its ability to offer its three products on a global scale, simplifying regulatory challenges for financial institutions. Kirketerp-Møller continued, "You will find many companies that are hooking up to a number of different providers - for example, they are having to work with two or three or even more companies to be able to fulfil their KYC/AML needs across different regions, so the fact that our products span all key jurisdictions is definitely a huge selling point for us compared to our competitors. We minimise the number of different systems that the compliance function needs to use."

Tech apprehension and trends

Whilst the pandemic has forced the majority of the global workforce to adapt to new technologies to continue working, there is still considerable apprehension amongst some workers in using platforms they are unsure about. This is no different in the RegTech sector, with traditional regulatory compliance companies having to face up to the new challenges posed by in-person restrictions and unease.

To Kirketerp-Møller, not only is the transition to RegTech mostly unstoppable, but not adapting to it could be hugely detrimental to a financial institution. She said, "The majority of financial institutions know that they have no choice but to make that switch, and those that don't simply will not survive. And if they do survive, they're going to be wiped out by fines because it's just not possible to remain compliant using a couple of checklists and a couple of humans, even in a small setup, let alone a large one.

"I also think investors have become more in tune with what is going on. For example, if I am a person committing fraud, I'm not going to tell you that I slipped through the net. But if I know that you onboarded me without paying attention to the regulation and mis-sold a product to me, I will make sure you know the second I am done with my trade. You could say we could thank or maybe not thank social media for that, because there is a lot happening with regard to social media in people sharing their tactics – if they get compensated or if they know something is wrong, they share it and it can go viral very quickly."

Even though there is still considerable apprehension around RegTech solutions with some traditional companies, Kirketerp-Møller believes a key trend that has developed within the industry over the last year has been an increased focus on digitising datasets. She commented, "There's a lot happening everywhere, not just in our part of the world but also in other places. When we first founded the company, we would be insanely lucky to be able to pull anything through APIs, now that has almost become the norm in most jurisdictions."

While datasets are being digitised, Muinmos' CEO believes the digitisation of regulations – another growing trend – may be a little further off, "That is going to be at least a good decade from now. We would love



"We minimise the number of different systems that the compliance function needs to use."



"Other solutions don't offer, I believe, a solution that is both complete and automated."

to see it happen earlier but there is a lot that needs to happen first. Before digitising regulations (meaning, making them machine-readable and even machine-executable), there is a more urgent need to cleanse the existing databases. Of course, that task is not ours, to cleanse datasets, but in order to make it useful for our clients we sometimes have to do that exercise."

Potential roadblocks

As the company looks towards the future, Kirketerp-Møller stated that the company sees Europe as a key market but is also seeing more happening in both Asia and the US as well as Canada. While it is going from strength to strength, do any roadblocks lie in the way for Muinmos?

Muinmos CTO Kongelys detailed that a key roadblock lies in the countries that are not digitised enough, and this is why he says the company is trying to work with local data sources when it comes to the matter in order to expand the data as they see it.

Kirketerp-Møller added, "What we try to do is find really talented local people that are doing exactly that [sourcing data] for a living and they focus purely and simply on their local markets. In addition, in some jurisdictions you simply cannot get in them yourself to extract any data if you are not local or registered locally or you're not running with local people. For example, in some offshores the barriers to getting data there are not rooted only in matters such as secrecy, but it's simply that the local registers don't hold on to these datasets and if they do they are not digital."

"These markets are harder to break into because they haven't really seen this technology yet – it is a new thing for them and they are worried. You instantly see them asking whether their regulator can approve you, and of course regulators don't approve software, otherwise that would leave too much room for almost removing all sorts of competition from international coverage.

"However, I think that even though the process is slow, it is certainly progressing, and a lot more markets realize that this is the way forward. Markets are evolving and countries are getting better and better in data storage and availability, and that in turn allows regulators to start pushing for more RegTech solutions, and we're seeing in many parts of the world that regulators are actually pushing for RegTech solutions. This can only be a good thing – for the financial institutions, for the investors and, of course, for Muinmos." ●

The 5 main onboarding threats in 2022 and how to protect yourself from them

Here are the 5 main sources of onboarding-related threat to your financial institution in 2022, and here's what to do about them.



Michael Thirer, Commercial Director, Muinmos



THREAT NO.1 Boredom

SOLUTION Poka-Yoke

You might scoff, but boredom is the enemy of productivity. A whopping \$1.8 trillion is estimated to be annually lost to repetition in the US alone, according to data from [CIO Insight](#), as “workers spend on average 520 hours a year (over one day of work each week) on mundane tasks that could easily be automated.”

Repetitive tasks do not just waste employees' time; they also make them prone to mistakes. In financial services, especially in the client onboarding stage, even a single mistake can be very costly (ask NatWest, who is bound to pay up to GBP 300 million for mishandling one client).

Japanese car-giant Toyota had the same problem with mistakes in repetitive processes in the 1960s. To tackle the problem, it developed a method called Baka-Yoke, or “idiot-proofing” (the name was later toned-down to Poka-Yoke, which derives from a term that means “avoiding a bad move” in Japanese board games).

The goal of Poka-Yoke is simple: minimise the possibility an employee will make a mistake. The methods for

achieving this goal vary greatly, from designing a process that does not allow the worker to continue to the next step of manufacturing, to creating cross-checks laden, redundancy-plentiful processes to ensure task completion.

But the absolute best method to ensure a human will not make a mistake due to repetition is to automate that task.

This is true of all jobs that have repetitive tasks; and it is also true when it comes to client onboarding, which is filled with such tasks due to the strict regulations obliging the collection of certain documents, answering of certain questions etc.

Contrary to what many compliance officers and onboarding teams may sometimes fear, automating the repetitive part of their work does not make them redundant. On the contrary – it actually allows them to concentrate on the more interesting and fulfilling sides of their roles – the ones they simply didn't have time to do before, when they were drowning in paperwork.

Or, as McKinsey & Company put it in their paper “[Five actions to build next-generation know your-customer capabilities](#)”, automation creates a new state of affairs in which “relationship managers can focus on the moments that matter instead of chasing documents,” and adds “enormous value across a wide spectrum: cost, risk effectiveness, revenue, customer experience, and employee experience.”

Meaning, when you improve the process, you improve everything connected to it, including the employees' experience. And the way to improve on bored, swamped with repetitive tasks and therefore mistakes-prone employees, is to save them the handling of those repetitive tasks, by automating them.

THREAT NO.2 “Professional Retail Clients”

SOLUTION Don't Hurry to Upgrade a Client

Short positions can sometimes be a part of a long-con.

Think of the following situation: a client, who is by all definitions a retail client, is classified as a professional client. This situation, one would think, is to the detriment of the client – as they now generally lose some important legal protections, and also, in many cases, end up dealing in instruments which are not suitable for retail clients.

However, there are some clients – we call them “professional retail clients” – for whom this situation can actually be a benefit. This very specific type of investor knows how to manipulate compliance officers into categorising them as professional investors (a not-so-difficult task, considering some compliance officers’ keenness to do so), even though according to MiFID (or similar legislation), they shouldn’t be classified as such.

Once such a client is mis-classified as a professional investor, they’re basically “playing with house money”, and can invest in the riskiest of instruments. After all, what do they care – if their investments turn out to be profitable, they will get to keep the profits; and if they fail, they will initiate a complaint process, at the end of which they are almost certain to be granted their money back.

It’s a growing trend, and investment firms can only blame themselves if they find themselves in such a pickle. All one needs to do to avoid this situation is categorise their clients correctly – a task that also can be performed automatically by Muinmos’ regulatory onboarding engine, mPASS™.

THREAT NO.3 Falling Behind in the Arms-Race

SOLUTION Outrunning the Other Guy

In the famous joke about the two men walking in the jungle and all of a sudden spot a lion running towards them, the one man starts running away from the lion. The other man turns to him and says: “What are you doing, there’s no chance you’ll outrun the lion!” To which the first replies: “I don’t need to outrun the lion, I only need to outrun YOU.”

This is the perfect example of a race, a person loses simply because of not being aware of participating in one. We see many financial institutions who do that – fail to appreciate the importance of getting a head-start of several minutes / hours / days that a good client onboarding solution can provide them.

And that’s surprising, given the fact that onboarding has become such an important part of the user experience it’s even one of the main parameters online trading platforms are judged upon on trading platforms comparison sites. It’s even more surprising as there’s an actual arms-race out there, a race in which online trading platforms are competing to see who will arm themselves with the best onboarding tools and provide the smoothest, fastest customer experience.

And this also brings us to the solution to this threat – having a smooth, fast client onboarding process. This can be achieved, of course, by use of a client onboarding platform, which is as automated and centralised as possible, allowing the onboarding teams to always move forward in the process, rather than sideways between different platforms, websites and systems.

THREAT NO. 4 Whistle-blowers

SOLUTION Stay Compliant

This one is a no-brainer.

Quite recently Deutsche Bank paid a \$2.5 billion fine for illegal manipulation of the Libor. No less than \$200 million of that went not to the authorities but to a whistle-blower who provided “timely original information” that significantly contributed to the “already ongoing investigation”, as the CFTC put it.

This came shortly after the SEC awarded \$110 million to another whistle-blower, breaking the previous record in this area, held by the SEC, of \$114 million, set at the end of 2020.

All in all, in 2021 over \$1 billion were distributed to whistle-blowers in the US, but the trend isn’t limited to the States. In March this year the FCA launched a [campaign](#) called “In Confidence, with Confidence”, which includes a “digital toolkit” designed to help whistle-blowers come forward. Yes, exactly – the FCA is digitizing its online onboarding of whistle-blowers.

Now, unless you intend on remunerating all your employees in the millions of dollars, the only real solution for this threat is to simply comply with regulations. RegTech tools that automate onboarding, and keep a neat audit track, can help you with that.

THREAT NO. 5 “MiFIDation” of Crypto, Payments

SOLUTION Set the Infrastructure Already Today

Earlier this year the EU published a briefing by the name “[Updating the Crypto Assets Regulation and establishing a pilot regime for distributed ledger technology](#)” in which it briefed, among others, that “the markets in crypto assets (MiCA) proposal intends to adapt to the latest technological trends in the fintech sector and to address the problem that all crypto assets do not fall within the existing markets covered by financial services legislation in the EU (also known as MiFID II).” Under the “range of options considered” by the EU, according to the briefing, were also “options for crypto-assets qualifying as financial instruments under MiFID II”. One of these options was even “legislation free”, meaning, that certain crypto assets will be classified as securities by power of the Commission and ESMA communications and guidelines alone.

This is another clear sign that onboarding regulations in the crypto sector – and possibly the payments sector as well – are likely to tighten in the near future.

This requires organisations to lay the foundations for a MiFID-like onboarding process. This should affect, of course, the choice of providers already now – no point choosing a client onboarding platform that does not have the capability to perform MiFID II like onboarding, because it might require replacing in a year or two. ●

How Napier is set to win the war against financial crime

The application of AI, machine learning and NLP to AML systems is still in its infancy. However, as we step into an increasingly digital era, adopting these technologies will become imperative to achieve significant gains in efficiency and productivity, and will play a potentially huge role in the field of financial crime compliance, says Napier CEO.



The war between the financial sector and money laundering has never been greater. Financial institutions are being increasingly confronted with criminals and with regulators who are imposing severe sanctions for noncompliance. As criminals are continually becoming more sophisticated with the methods they use to launder money like ePayments, crypto and PSPs, financial institutions too are expected to set up technologically intelligent weapons.

More money is changing hands, faster, enabling criminals to hide dirty money more easily. Given the escalation of financial crime in the past few years, there is a need for constant transaction monitoring, sorting based on suspicious activities, and reporting as per the required regulatory norms. This involves sifting through voluminous data culled from global databases in real-time, which can longer be achieved through legacy technologies.

The complexities of tackling the scourge of money laundering

As every country has its own AML/CTF regime and every regulated entity a different set of rules for compliance, the process is far from easy. The key challenge, according to Napier CEO Julian Dixon is that, "Compliance teams face immense pressure just to keep up with complex, constantly evolving AML regulations and with bad actors who constantly change their behaviour to avoid detection."

Furthermore, the AML industry is overrun with legacy tech and needs digitalisation if it is to face its most pressing challenges. A significant number of companies still struggle to adopt new technologies and are stuck in the past. While AI and machine learning are not new concepts, their use in combating money laundering is still in adoption.

Another roadblock is the strain on institutions of media scrutiny where negative news stories indicating a company being implicated in criminal activity and presents a risk of reputational damage.

To add on, money laundering risks are exacerbated with the rapidly increasing use of virtual assets such as cryptocurrencies. Consequently, regulators are struggling to respond to the money laundering threats digital currencies bring. Financial Action Task Force (FATF) recommendation 15 states that, "To manage and mitigate the risks emerging from virtual assets, countries should ensure that virtual asset service providers are regulated for AML/CFT purposes, and licensed or registered and subject to effective systems for monitoring and ensuring compliance with the relevant measures called for in the FATF Recommendations."

Indeed, cryptocurrencies are currently underregulated, effectively helping financial criminals to conduct their activities unrestrained. Major crypto thefts, hacks and frauds totalled \$432m just during the first four months of 2021, according to blockchain analytics firm Ciphertrace. Dixon said, "Where the

most significant risk lies is where crypto currency is transformed into or from more traditional forms of currency, like the US dollar. The due diligence should be the same – if not more – than that where any other form of payment is used.”

The silver bullet to boosting compliance

While criminals are increasingly looking to technology to carry out their schemes, financial institutions can keep up with futuristic innovations on their side. The obvious solution to boosting AML practices, according to Dixon, is for institutions to understand money laundering risks according to the geographic location of a business or customer.

More importantly, it's key to use sophisticated analytical technologies such as machine learning and artificial intelligence to combat financial crimes effectively. He said, automated AML powered by AI adds value to the tasks of the army of analysts and investigators, ensuring compliance. Capitalising on AI is important for reducing the number of false positives that are generated through traditional AML processes, Dixon said. AI and ML also provide deeper insights into customer and transaction data which companies can leverage to improve business viability. He added, “They enhance both the AML systems based on static rules and the capabilities of the human compliance officer, by increasing effectiveness at detecting suspicious behaviours and increasing operational efficiencies through automation.”

Automating the compliance process helps to reduce the cost of ownership of delivering compliance, in a time where there is far more pressure from regulators to do more, and more stringent rules and tighter controls are being applied.

While broadening the scope and sensitivity of AML/CFT programmes, automated software solutions also run the risk of increasing the amount of false positive alerts that they generate, misidentifying customers and incorrectly flagging transactions as money laundering or terrorism financing risks.

Napier's role in the AML space

When choosing a tool, it's important to ensure it provides screening, monitoring, and AI-powered insights into their customers. That's where Napier comes in. It offers full transaction monitoring capabilities that go beyond the traditional approach and allows for an understanding of client behaviour. Its solutions serve the two most important stages of a transaction – screening before and reviewing at the end. Dixon explained, “What sets Napier's Intelligent Compliance Platform apart from competitors is that it is sector agnostic and democratised to give power to non-technical users, something that other AI providers simply don't offer.”

Napier's solution empowers compliance teams to boost their efficiencies with the capabilities to



“What sets Napier's Intelligent Compliance Platform apart from competitors is that it is sector agnostic and democratised to give power to non-technical users”

respond quickly to the ever-changing AML landscape, so that compliance with regulations, and identifying and reporting crime is more efficient, effective and better value for money, all without the dependence on the tech provider, Dixon claimed. The company is indeed at the forefront in the AML ecosystem. He said, “We were the first to offer an integrated testing sandbox, and the first to combine and analyse different AML data sources and processes leveraging AI and ML through our Client Activity Review (CAR) solution.” Napier essentially puts the power and the control in the hands of the clients themselves.

How can companies future-proof themselves?

With the future obscured by increasingly sophisticated financial crime through cryptocurrencies and cyber fraud, as well as the regulatory noose tightening, current AML practices can no longer continue.

Regulators now encourage increased adoption of AI and ML, and the incentive for financial companies to digitalise their compliance and AML processes has never been stronger. Looking ahead, risks of sanctions and reputational damage will push companies to be more dedicated than ever in their efforts to combat money laundering and the financing of terrorism.

Dixon said, “Organisations should begin to prioritise digitalisation and AI implementation now, to enable real-time assessments, more robust risk assessment of customers, and improved data-sharing capabilities – between private/public sectors as well as within organisations.”

What Dixon hopes to see most of all is for compliance teams to be more empowered and effective, so we can collectively begin to increase the percentage of laundered money recovered from the appalling 1% figure to at least 2%. He concluded, “Organisations will undoubtedly start to understand not only the benefits that AI can deliver, but more importantly how to manage their data so that AI can work at full power and deliver the expected results.” ●

CASE STUDY

Surpassing regulatory requirements for Financial House

Our client

Financial House provides regulated e-money services to the FinTech industry, including white label digital wallets, payment gateways and gift cards.

The challenge

Following feedback from the regulator to substantiate the approval of transactions for high-risk clients, Financial House saw an opportunity to improve its anti-money laundering technology.

The solution

After extensive vendor research, Financial House appointed Napier to replace its existing transaction monitoring and screening systems.

Outcome

Financial House was able to meet its primary goal to substantiate the approval of transactions for high-risk clients.

“Feedback from the regulator made filing more documentation for high-risk clients especially important. We needed to provide evidence for high-risk transactions being approved. The Napier platform has achieved this. Analysts know exactly what is happening and can draw on data/evidence as needed, as well as matching polices and workflow within the system as our workflow dictates”, said Financial House MLRO.

“The transaction monitoring tool is really, really good. I couldn’t ask for anything better; I would definitely advise it to the compliance world.”

Metkel Asfaha, MLRO, Financial House

Platform features include:

- No-code rule builder
- Rapid rules test-and-deploy in the integrated sandbox
- Highly configurable dashboard
- On-demand monitoring or screening
- AI-enhanced insights

Integrated Sandbox delivers additional value for Financial House

The Sandbox environment allows the end-user to use a no-code rule builder to define, change, and test rules before deploying them to a live environment.

“It’s so important for me to demonstrate my rules have minimal false positives”

Metkel Asfaha, MLRO, Financial House



Discover how Napier can transform your compliance processes

For more information on Napier’s award-winning AML solutions, please contact us at info@napier.ai or book a demo online at www.napier.ai

Email us

Book a demo

norbloc

 Founded: 2016

 Employees: 11-50

 Regulation/Legislation: **KYC, AML, GDPR**

 Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Compliance Management, data sharing

 Regions of operations: UAE, Oman, Greece, Sweden, Finland, Norway, Malta, Portugal, Switzerland, United Kingdom, Belgium, and Chile

norbloc is redefining how customer data is handled and shared, making the lives of businesses, individuals, financial institutions and governments simpler. The company wants its clients to view KYC as an asset rather than a liability – an opportunity to build better relationships with their customers. To get there it is building a team that moves fast, with purpose and above all, with its customers top of mind. norbloc's platforms enable individuals, financial institutions and regulators to effectively manage and securely share verified KYC data across the globe to enhance customer onboarding, increase data security and mitigate systemic risk. Its technology powers the UAE KYC Blockchain Platform, live since February 2020 with 11 banks, such as HSBC and Emirates NBD and government institutions. This initiative was endorsed by Moody's who cited it as credit positive for participating banks.

OneTrust

PRIVACY, SECURITY & GOVERNANCE

 Founded: 2016

 Employees: 1,001-5,000

 Regulation/Legislation: **GDPR, ISO 27001, Irish DPC, Nevada Privacy, CCPA, CPRA, CDPA, Schrems II, LGPD, PIPEDA, POPIA, PDPA, CPA**

 Subsectors: Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management, Privacy

 Regions of operations: Global with offices located in Atlanta, London, Bangalore, Melbourne, Denver, Seattle, San Francisco, New York, São Paulo, Munich, Paris, Hong Kong, and Bangkok.

OneTrust is the category-defining enterprise platform to operationalize trust. More than 10,000 customers, including half of the Fortune Global 500, use OneTrust to make trust a competitive differentiator, implementing central agile workflows across privacy, security, data governance, GRC, third-party risk, ethics and compliance, and ESG programs. The OneTrust platform is backed by 150 patents and powered by the OneTrust Athena™ AI and robotic automation engine. Our offerings include OneTrust Privacy Management Software, OneTrust DataDiscovery™ AI-powered discovery and classification, OneTrust DataGovernance™ data intelligence software, OneTrust Vendorpedia™ third-party risk exchange, OneTrust GRC integrated risk management, OneTrust Ethics ethics and compliance software, OneTrust PreferenceChoice™ consent and preference management, OneTrust ESG environmental, social and governance software, and OneTrust DataGuidance™ regulatory research. In 2020, OneTrust was named the #1 fastest-growing company in America on the Inc. 500 with a 48,000% three-year growth rate.



 Founded: 2014

 Employees: 51-100

 Regulation/Legislation: **KYC, AML**

 Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Identification/Background checks, Compliance Management

 Regions of operations: Germany (HQ), Poland, Austria, United States

Palturai addresses regulatory and risk management challenges by providing an innovative way to view customers and business partners not as isolated entities, but as interconnected nodes in a vast global network. This new way of looking at legal and business relationships can be applied to compliance, risk & fraud, research, sales, and data quality use cases utilizing trustworthy data from government and other public sources. The Palturai BusinessGraph connects all players in the economy to a large network based on public data. Powerful algorithms calculate relations between entities in the BusinessGraph and enforce/enlarge the network. The Graph Intelligence Engine enables users to interact with the BusinessGraph. Users match company business partners to the BusinessGraph and see in easy to use graphics how they are connected. Discover paths, structures, and cross-connections! Then use this newly-gained knowledge to enhance opportunities and reduce risks.



COMPANY RESEARCH PROFILE



Founded 2014
 Wayne, PA, United States
www.amlrightsource.com
www.quantaverse.net

Employees: 1,001-5,000
 Regions of operation: United States, Canada, United Kingdom, Hong Kong, Germany, Poland, India, Bulgaria, Brazil

PRODUCT NAMES:

QuantaVerse Financial Crime Platform

KEY EMPLOYEES:



Frank H. Ewing, Esq., CAMS
 Chief Executive Officer,
 AML RightSource



David McLaughlin
 QuantaVerse Founder and SVP Head of
 Technical Integration, AML RightSource

Value Chain: **Onboarding, Monitoring, Detection, Reporting, Processing & Control**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Compliance Management**

Regulation/Legislation: **KYC, AML, FCPA (Foreign Corrupt Practices Act) regulations**

OFFERING

QuantaVerse is the leading artificial intelligence (AI) and machine learning solution for identifying and investigating financial crimes. Validated and proven, the QuantaVerse AI Financial Crime Platform reduces financial crime risk by identifying patterns and discerning anomalies that current approaches and systems regularly miss.

The QuantaVerse solutions are proven to help regulated entities become meaningfully more efficient with their AML investigations and more effective at ridding organizations of money laundering and other financial crime related to drug trade, human trafficking, terrorism, and political corruption.

PROBLEM BEING SOLVED

QuantaVerse addresses all three of the big challenges that AML teams face:

- Reduce false positives that transaction monitoring solutions (TMS) would otherwise create, cutting the number of alert investigations that are required.
- Straight through automation of every step of the investigation process, eliminating the time investigators waste gathering data, switching between tools/screens, cobbling together research, and writing reports.
- Identify false negatives using AI that learns patterns and then finds the anomalies that indicate risk which is otherwise being missed.

TECHNOLOGY

QuantaVerse helps companies manage financial crime risks more effectively and affordably using powerful artificial intelligence (AI), machine learning, and data analytics tools. The company leverages both structured and unstructured data from internal and external sources to provide detailed, actionable insights that are flipping the tables on financial crime and the criminals behind it.

QuantaVerse uses RPA, AI, and machine learning to automate data gathering, analyze risk, identify financial crime, and document findings for consistent, streamlined compliance-related reporting.

PRODUCT DESCRIPTION

The **QuantaVerse False Positive Reduction Solution** stops false positives before they are created. Deployed ahead of the TMS, the solution uses artificial intelligence (AI) to clean and enhance transaction data so false positives, and related investigations, are cut by as much as 40%.

Unlike RPA and AI-enabled AML investigation tools that address individual steps within an investigation, the **QuantaVerse Automated Investigations Solution** automates straight-through the entire investigative process including entity profiling, network visualization, adverse media, economic purpose, and beneficiaries for entities and counterparties.

The **QuantaVerse Advanced Detection Solution** examines transactions for financial crime risks that a TMS has missed. The solution can query multiple years of entity transaction data, automate transaction analysis, and identify the undiscovered financial crime that represents risk to both the organization and their accountable employees.

The findings and analysis of the QuantaVerse AI platform are uniquely reported through **QuantaVerse Financial Crime Reports (FCIR)**. FCIRs are structured the way an investigator thinks through a case. The reports provide key details along with a scored risk analysis and auto-generated case narratives. With QuantaVerse FCIRs, investigators can accurately assess more cases each day, and use QuantaVerse narratives to quickly explain cleared cases or prepare SARs when required.

For challenging cases that require examining what is behind the information and risk assessments presented in the QuantaVerse FCIR, investigators seamlessly access the QuantaVerse financial crime investigation application. The QuantaVerse application serves as a single pane of glass for investigators to go deep without jumping in and out of multiple systems and databases.

TRACTION/GROWTH

- QuantaVerse solutions are used by leading financial institutions including Bci Miami and Cathay Bank.
- In August 2021, QuantaVerse was acquired by AML RightSource, the leading outsourced provider of AML, KYC, and Bank Secrecy Act compliance solutions.

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How QuantaVerse is applying AI and machine learning to improve AML program effectiveness

Innovations in anti-money laundering (AML) are leading to many businesses reenvisioning how they approach compliance. As financial institutions welcome modern technologies to better adhere to regulations, they realize other benefits from automating their AML practices, says QuantaVerse Founder David McLaughlin.



Anti-money laundering compliance can cost businesses huge amounts of money, time, and training—and despite this investment, not everyone gets it right. Improving AML efforts has become a universal concern for administrative organizations and associations like the Financial Action Task Force (FATF), Financial Conduct Authority (FCA), and Financial Transactions and Reports Analysis Centre of Canada (FINTRAC). What's more, according to Kroll's Global Enforcement Review, fines related to financial crimes such as money laundering, bribery, and sanctions totaled \$4.67bn in 2020 compared to \$3.75bn in 2019. With regulations becoming stricter and penalties for non-compliance becoming steeper, adopting advanced technologies is non-negotiable.

Admittedly, financial institutions face multiple challenges throughout the lifecycle of selecting, implementing, and maintaining their transaction monitoring system (TMS) where many financial crimes are obscured. One of the key reasons that so much crime continues to go without being caught is due to companies relying solely on these legacy technologies. As David McLaughlin points out, relying on TMS can

become a liability due to the high percentage of crimes it misses.

The numbers, indeed, don't lie. The United Nations estimated that around \$800bn to \$2trn is laundered every year – which is 5% of worldwide GDP. Unfortunately, about 90% of this amount remains undetected. "The amount of dirty money flowing around the globe was something that made us develop AML solutions using artificial intelligence (AI). If we could meaningfully reduce the financial crime being missed, it would be something to be proud of," McLaughlin said.

McLaughlin admits that "every financial services company, regulator, government and law enforcement agency knows that current systems are not finding and reporting on much of the illegal money flowing through the system. Players in the environment don't have the tools and bandwidth to be able to find more." Challenges hindering compliance efforts, according to FATF, include the "complexities and costs involved in replacing or updating legacy systems making it challenging to exploit the potential of innovative approaches to AML/CFT for both industry and government." This is where McLaughlin believes QuantaVerse has been on the forefront of the RegTech sector and a gamechanger since it was launched in 2014 as it applied modern technologies to the AML challenge when no one was.

The goal with QuantaVerse was always to create a measurable societal impact by being able to reduce financial crime, choke the pipeline of criminal money-moving around the globe and modernize the compliance landscape. To do so, QuantaVerse needed to holistically address AML solutions. "From the start, we saw we could not build only one part of the solution. We're not offering just a data cleansing capability or a link analysis capability. We're going to look at the entire AML landscape and build solutions that improve the entire ecosystem. We find risks and

crimes that traditional systems are never going to be able to catch," McLaughlin said. "We can essentially go to an organisation and confidently say, 'we can help you run the best AML compliance department possible.'"

Bringing technology and experts together

Business investment in AML procedures has escalated significantly in the last decade. By 2025, the market worth of the software for curbing the laundering of money is [expected to reach \\$2,717m from \\$879m in 2017](#). However, when it comes to reducing financial crime, no tool will be successful if it cannot be used efficiently by AML teams as part of a well-designed AML/BSA program.

The triad of compliance strategy, investigative expertise and technology solutions is what companies need to make sure that they're not at risk of reputational and regulatory damage. In August 2021, leading managed services firm, AML RightSource acquired QuantaVerse to bring together all the weapons companies need to effectively and efficiently fight money laundering and meaningfully improve BSA compliance. "There's more that the customer needs than just tech tools," McLaughlin notes, adding that with this merger, he is bullish about making greater waves in the sector. "Of course, we have the technology that improves your compliance department, but we also have the experts that know how to make the most of it. The marriage with AML RightSource and QuantaVerse being able to supply that technology with leading advisors and investigators is a unique proposition to the market."

How QuantaVerse is thwarting criminals through tech

Money laundering is not an easy crime to prevent as criminals are constantly improving the ways they hide and move dirty money. Illegal actors are always searching for processes to turn their proceeds into usable assets. In order to stay ahead of these criminals, it's important to reduce false positives and focus on risk. QuantaVerse does so by improving financial crime identification, automating investigations, and documenting investigation results. Essentially, the technology speeds through data-gathering and analysis and puts the pieces together. "This is where big data, AI, and machine learning are married together," notes McLaughlin.

Detailing the way it works, McLaughlin said, "We trained the platform to analyse the transactional entity data across three primary components." The QuantaVerse solutions examine the reputation of the people or organisations that are moving and receiving money. For example, it aims to find proof indicating whether their past actions might have illegal records. Secondly, the technology looks at the transaction for anomalies and if there is something about the transaction that is different from established patterns.

And thirdly, the technology analyses the intent behind the businesses and evaluates if it makes economic sense for these parties to do these transactions.

Roping in the regulators

While navigating through the increasing number of regulations is a herculean task, convincing regulators to allow companies to use AI and machine learning was once a roadblock. When McLaughlin was scaling QuantaVerse in its early days, the question was, 'what will the regulators think'. To tackle this, they created a "glass box" enabling regulators and AML teams to transparently understand how the platform works and how risk was analyzed. The company also had an independent third-party firm validate the technology.

These efforts came to fruition in 2019 when regulators went beyond just accepting new technology. McLaughlin recalled, "They said to the AML community, 'We now don't just accept use of advanced technology, we expect you will begin using it.'" This expectation has accelerated plans to adopt this technology across the industry. This was further codified by the AML Act of 2020, which was passed as part of the Defence bill in December of 2020. Financial companies are now required to establish streamlined programs, "including automated processes to, as appropriate, permit the filing of" of suspicious activity reports.

Business benefits of advancing AML technology

Relying on legacy technology is not only failing to find financial crime, it is also driving up compliance costs for covered institutions. For example, it is estimated that 95% of the alerts created by TMS are false positives that must be investigated – requiring the valuable time of AML investigators. "This is a direct result of the simple, rules-based nature of a TMS engine. False positives are created because perfectly legitimate transactions sometimes violate the rules programed into the TMS."

As the fast-evolving FinTech landscape works to automate AML practices and scale their business processes, McLaughlin believes QuantaVerse will continue to influence the marketplace to help other organizations in the ecosystem understand the power of technology. He said, "Our solution is a workable alternative to racking up costs associated with finding financial crime. This is going to help you make a better, more consistent process for managing your compliance department."

He concluded, "QuantaVerse evolved this AML industry with the technology platform we created. We're going to do it again because of the 'triad of effectiveness' that is now being offered by AML RightSource." ●

This interview was conducted by RegTech Analyst and published as part of the RegTech100

How QuantaVerse Helped a Forward-Thinking Commercial Bank Cut Costs While Reducing Risk



Financial institutions have for years banked on rules-based transaction monitoring systems (TMS) to root out money laundering and other financial crimes only to be served up false positives that result in paralyzing inefficiencies and runaway costs. Although an estimated 95 percent of TMS flags are legitimate transactions, false positives necessitate time-consuming and expensive human investigations.

Simultaneously, vast amounts of financial crimes go unalerted and are therefore unreported. These false negatives have the potential to cause significant risks to both the organization and their accountable employees.

A leading commercial bank sought an AI-powered financial crime platform to:



Decrease false positives and related investigations, clearing 70% of false positive alerts



Automate investigative processes, reducing investigation time by 75% while improving consistency



Handle growth without continuously adding to its compliance team

To begin, the QuantaVerse AI platform was fed and analyzed three years of transactional data as well as one year's worth of TMS alerts. The solution conducted a lookback analysis that examined transactions for risk observables such as related entities, economic purpose, adverse media, and transaction beneficiaries. After a complete analysis, the QuantaVerse solution was able to quickly clear a staggering 70 percent of alerts.

With respect to the remaining 30 percent of TMS alerts, QuantaVerse replicated much of the human investigative process that analyzes entities, transactions, and the intention of those transactions. This reduced the bank's AML case investigation time by an additional 75 percent.

The analysis of cases is clearly reported through QuantaVerse Financial Crime Investigation Reports (FCIRs). These AI-generated reports enable investigators to quickly and consistently adjudicate more cases, freeing their time and talent to focus on the most complex financial crimes. QuantaVerse FCIRs include reputation, monitoring, and intent observables with links that take investigators to the QuantaVerse application for deeper case reviews as needed. The FCIR helps investigators adjudicate and report a Level 1 case in just 15 minutes and more complex investigations in just an hour.



Why not try AI and see what it can do for you?



 Founded: 2015  Employees: 51-100

 Regulation/Legislation: **KYC, AML**

 Subsectors: Onboarding Verification (AML/KYC/CDD), Identification/Background checks, Compliance Management, Risk Monitoring

 Regions of operations: United Kingdom, Europe, United States, Brazil, APAC, MENA

PassFort is a SaaS RegTech provider whose platform automates financial crime and compliance processes. The company supports regulated financial services companies to rapidly onboard more than 4.5 million customers each year, in 197 countries, then manage risk and compliance standards throughout the customer lifecycle. Born in the cloud, PassFort's solutions are designed for the digital economy: hardware-free, affordable, flexible to configure and easy to use, with constant feature innovation and a choice of deployment options. Its low to no-code solution thrives on complexity, solving compliance challenges at scale without being costly to implement or evolve. PassFort supports multiple customer types and product lines, with effortless expansion across 211 jurisdictions. PassFort removes the compromise between compliance and customer experience in the fight against financial crime. More efficiency. Great customer experiences. No compromise.



 Founded: 2002  Employees: 11-50

 Regulation/Legislation: **MiFID II, EMIR, SFTR, ASIC, Finfrag, MiFIR**

 Subsectors: Trade/Transaction Reporting

 Regions of operations: Global

Point Nine is a team of industry experts that specializes in regulatory reporting, equipped with proprietary cloud-based technology designed to help customers fulfill their regulatory reporting requirements, streamline their processes for storing, processing and submitting data from various sources. Point Nine collaborates with both buy- and sell-side financial firms, service providers, and corporations to help them ensure high-quality and accurate reporting to remain compliant.



 Founded: 2016  Employees: 251-500

 Regulation/Legislation: **Basel III, Solvency II, KYC, AML**

 Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management

 Regions of operations: Global with offices in New York, Toronto, London, Melbourne, Singapore, Brussels

Quantexa delivers solutions into the marketplace that are transforming how its clients are using innovation to fight financial crime, especially when dealing with high-networth individuals and complex corporate structures, and in high-risk operations, such as correspondent banking, capital markets, and trade finance. Quantexa leverages real-time entity resolution, network generation, and advanced analytics to empower contextual decision intelligence that can drive better insight from data as well as enable faster, more informed, and more accurate detection, investigation, and decision-making. Through open architecture, its platform integrates with existing IT and data stacks, and it complements existing technologies.



COMPANY RESEARCH PROFILE



Founded 2010
 Cedar Park, TX, United States
 Employees: 11-50

www.redoakcompliance.com
sales@redoakcompliance.com
 Regions of operation: Global

PRODUCT NAME: Red Oak Software

KEY EMPLOYEES:



Stephen Pope
CEO



Richard Grashel
CTO



Cathy Vasilev
COO

Value Chain: **Financial Services Compliance Reviews, Books and Records Storage and Regulatory Reporting**

Subsectors: **Communications Monitoring, Risk Management, Reporting, Compliance Management**

Regulation/Legislation: **GDPR, SEC Rule 17(a)-4, MiFID II**

OFFERING

Red Oak Compliance Software, LLC is a privately held firm based in Cedar Park, Texas. The company is the global leader in providing advertising compliance review software for financial service firms, with clients having more than \$25 trillion in assets under management.

Red Oak's flagship advertising compliance review software is 100% Books and Records compliant and enables marketing and sales professionals the flexibility to securely submit material for review and approval by compliance, legal and other subject matter experts.

Red Oak was recognized in 2021 for the third consecutive year as one of the Inc. 5000's fastest growing private firms in the U.S.

PROBLEM BEING SOLVED

With the advent of electronic publishing and social media, firms are under pressure to approve advertising and marketing material faster than ever before, while at the same time reducing, or being mindful of, costs. With companies continuing to evolve their remote work environment expectations, compliance teams are relying on technology more than ever before to safeguard their firms.

Red Oak's software manages both these issues – creating a fast, easily accessible, technology-based solution to challenges in the advertising compliance review process. The software helps financial services firms improve their advertising review process and satisfy regulatory requirements for reviewing, approving, and retaining their marketing and advertising material.

TECHNOLOGY

Red Oak's software is an online subscription service (SaaS model) and is 100% cloud-based, requiring only a browser and internet connection to use. It is mobile responsive and designed to work on any device without the need to download and install an application. This keeps the security and support burden to a bare minimum and enables Red Oak to focus their resources on improving and supporting the core cloud application. It offers API integrations with many industry leading platforms.

Red Oak's Smart Review module leverages machine intelligence enabling firms to codify their policies, procedures and regulatory requirements for the disclosures/disclaimers required on marketing material.

Red Oak's Smart Registration module automates and streamlines the management of a firm's licensing and registration processes to minimize risk, reduce costs and increase efficiencies in their compliance processes.

PRODUCT DESCRIPTION

Red Oak's software is an online subscription service (SaaS model) delivering a comprehensive suite of SEC Rule 17A-4 compliant features. It is tailored to meet the evolving needs of financial firms small and large.

The company's advertising review software allows financial firms to minimize risk, reduce costs, and increase efficiencies in their compliance review process by helping them improve their advertising review approval and regulatory reporting processes. Red Oak's software clients often report a 35% faster time-to-approval and 70% fewer touches in the review process, with many experiencing even better results.

Red Oak's software is easy to implement and use, with many of Red Oak's clients going live in as little as two weeks. Implementation consists of three to five online sessions with Red Oak to configure the system to best meet client needs. Once the software is fully functional, financial firms are able to:

- submit, review and approve materials more effectively and efficiently
- manage the firm's risk instead of the submission process
- gain full transparency at all times by tracking the history of any submission from start to finish with automated tracking and record-keeping, creating an audit trail, resulting in great efficiency
- eliminate emails, spreadsheets, and the need for paper reviews

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Red Oak's standard software is unique because business users can easily modify their configuration as their needs evolve with zero risk to their books and records – no need for a new vendor statement of work, no waiting for IT or the vendor, and no additional budget. With Red Oak Software the firm's representatives, analysts, and management have full visibility into the compliance process. Unique features include:

- Lexicon which scans the text of uploaded documents for words and phrases previously identified as requiring attention and flags them for the submitter before submission.
- Enhanced annotations, which allows teams to annotate on PDF, Microsoft Word, Excel, and PowerPoint documents, as well as video and audio files.
- Smart Review, which leverages machine intelligence to streamline the disclosure review process. Smart Review also scans material to report any gaps when compared to the required disclosures.

PARTNERSHIPS

- Integration Partners:



TRACTION/GROWTH

- In 2019, 2020 and 2021, Inc. 5000 ranked Red Oak Compliance as one of the fastest growing private firms in the U.S.
- Over 1,800 firms are using the company's software, with clients ranging from single state advisers to many of the world's largest asset managers. As a firm with no debt or outside investors, Red Oak has been able to grow in a deliberate and controlled fashion since inception.
- That gradual pace has provided them the opportunity to remain laser focused on their clients, who are globally located, and the continued development of their software.
- Estimated revenue in 5 years' time: \$10-20m

MANAGEMENT BIO

Stephen Pope – Founding Member and CEO

Stephen brings a wealth of experience in developing mission-critical software applications for the financial services industry. With over 27 years of experience in software sales and development, sales management, marketing, and operations, Stephen's consultative approach is well-suited to working with independent advisers.

Stephen served as Director of Application Engineering at NFP Securities where he led a team of developers to create custom software for the broker/dealer and RIA. Stephen was the Managing Director of Operations for Perficient, Inc., a public company with 220 consultants. He is an entrepreneur who has owned several successful start-ups and has vast experience in project management and client relationship-building. He is also well-versed on the latest cutting-edge technology in the financial industry.

Stephen holds a master's of business administration degree. He is a member of the National Society of Compliance Professionals; a former member of the Project Management Institute; has both Microsoft and IBM technical certifications; and formerly held a FINRA Series 7.

Cathy Vasilev – Founding Member and COO

Cathy brings more than 25 years of compliance and supervisory expertise in independent broker-dealers, wire-house broker/dealers, and RIAs. Cathy served as the Assistant Vice President of Supervisory Systems and Controls at NFP Securities, an independent broker/dealer, and RIA. She was an Associate Manager for Prudential where she supervised 75 representatives, performing all compliance functions for the branch. She began her career as a stockbroker for Salomon Smith Barney and later moved to compliance and operations. Cathy holds a master's of business management degree. She is a member of the Association of Compliance Professionals; a member of National Society of Compliance Professionals; a member of Compliance and AML Professionals; and has FINRA Series 7, 24, 26, 63 and Life and Health licenses.

Rick Grashel – Founding Member and CTO

Rick has more than 25 years of experience leading enterprise software development and commercial software initiatives and is a key part of Red Oak's Advertising Review Compliance application.

Most recently, Rick was the Director of Hadoop/Big Data Solutions for Dell. Prior to Dell, Rick served as a Director of Software Engineering for Initiate Systems, which became the leading provider of master data management (MDM) solutions for the healthcare, government, enterprise, and financial services industries. Initiate Systems was acquired by IBM in March 2010. Rick also served as a consulting technical architect at Sony Pictures Entertainment where he led the technical implementation of a large-scale global application which handled all of Sony's global rights asset management. Prior to that, Rick was a Managing Consultant for Computing Information Services which was a leading best-of-breed vendor of ERP software for the publishing industry.

Rick is a patent holder and has a master's of science degree in engineering management from SMU with a secondary emphasis in operations research and mathematics.

How Red Oak is helping financial organisations resolve key compliance challenges

The seed for the creation of Red Oak Compliance Solutions was planted at the start of the new millennium when Stephen Pope – CEO of Red Oak – and his business partners saw an opportunity to help firms satisfy their compliance needs in the face of new challenges, especially regulatory ones.



At no period in recent history was the spectre of new regulation and compliance requirements more present in the financial industry than that following the financial crash of 2008, as regulators dug in to make sure a similar occasion would not happen again. Pope and his business partners saw an opportunity where many people and companies were feeling the bite from the crash.

He said, “We saw the burden on financial firms increasing specifically with the Dodd-Frank Act coming up. Then, when the global financial market crashed in 2009, we saw it as an opportunity to help firms by leveraging our expertise and starting our own business. We felt that anyone can start a company when things are going really well, but you have to be at the top of your game if things aren't going so well.”

Founded in 2010, Red Oak has developed advertising review and licensing and registration software for

compliance teams globally. They also offer expert compliance consulting to help companies meet regulatory requirements and increase return on investment. Pope defines the companies' technology as multi-tenant software-as-a-service with a microservices architecture, which he claims gives the company 'enormous horizontal scalability and performance where we need it.' Red Oak also has live data replication across multiple availability zones for redundancy and uptime.

The company's flagship product is Red Oak Software, a comprehensive suite of SEC 17A-4 compliant features tailored to meet the evolving need of both small and large financial organisations. The firm claims its software allows a company to cut costs, minimise risk and increase efficiencies in its compliance advertising review processes.

The Red Oak team also stays up to date with new regulatory rules, requirements and best practices in order to help firms evaluate, detect and resolve risks found in its compliance program, as well as custom designed programs for firms to prioritise, define and execute improvements.

What sets Red Oak apart from its competition? Pope listed a number of key differentiators, but one that he believes stands out is its philosophy, “We have a philosophy of being client-focused and hiring people with a high degree of empathy for clients and industry expertise so that they understand the problems faced, making them incredibly focused on delivering solutions. More specifically, however, I think our decision to embrace agile development technologies has been key, where we're always listening to clients and improving the product.”

The Red Oak CEO also professed that not having any on-premises technology has allowed the company to focus all its efforts on the current version of the product, meaning the firm doesn't have any old versions of the technology to support. Red Oak also builds all of its products in-house with its own

development team, which Pope claims has enabled the company to develop better products and implement them faster as they're able to remain fully in control.

RegTech apprehension and future trends

The pandemic has forced many companies who may have relied on traditional regulatory and compliance services to become more adapted to transitioning to a digital mentality – but this has not been without its challenges, with some companies being apprehensive about moving to a predominantly tech-based approach.

Pope remarked, “I think we need to empathise with the people that have this apprehension – it’s not unfounded. When we talk to our current prospects, one of the things they’re all concerned about is how much time and effort it’s going to take on their part to get up and running technologically, and so many of them have had bad experiences with previous implementations. We have some large prospects right now, and a common theme we hear amongst all of them is that a failed implementation or lack of adaption by their firm could be career-threatening.

“There is just a lot of apprehension about being able to adopt the technology and get it up and running – and it is not always necessarily the vendor’s fault. Sometimes these companies just have out-of-date practices, and they will often task an employee who is completely new to the team to manage and oversee the implementation with no knowledge about the problem or the business.”

“However, ultimately, the change in the environment creates a need, and that needs to be satisfied somehow. It can be challenging to ramp up staff at the moment, and we’re hearing that consistently – so companies are looking to do more with less, and that is enough of an impetus to get them to adopt some of the technology.”

As for trends within the RegTech industry, Pope pinpointed there has been a considerable amount of consolidation in the industry, “Many of these RegTech companies have either sold to a larger competitor or firm, merged with another company, acquired a product, and so on – there is a great deal of private equity money in the sector.”

“Part of the driver for this, I believe, is the market itself looking to deal with fewer vendors, and they wish some of us – or one of us - had a comprehensive suite of tools to do whatever it is they need to do, whatever the space they are in. Ultimately, we believe consolidation through merger will not be sustainable for many software firms, and they will struggle for their solution to keep pace with other offerings in the market.

“We think that many of these firms will spend a great deal of time and effort on the restructuring of their internal teams, what services can be outsourced, which products will be continued and discontinued, whether they need to restructure the products to make them part of a suite or if they will standalone. In the short



“We felt that anyone can start a company when things are going really well, but you have at the top of your game if things aren’t going so well.”

term, this is good for the private equity companies because they are able to bump up the annual recurring revenue quickly – but ultimately, it takes the focus off of their current mission.”

One question many companies in the RegTech industry may be asking right now due to the pandemic is how the sector will look in the near future. RegTech firms who previously had struggled to break through with their technology received a huge beneficial bump due to the restrictions put in place by the pandemic. What does Red Oak see in RegTech’s future?

Pope said, “I think for the RegTech products themselves, there is definitely desire in the market to have more robust scoring mechanisms in place to profile the risk on whatever it is they are doing. Therefore, the wheat can be separated from the chaff allowing their people to focus on what matters or more high-risk items.”

“So, I definitely see an increased use of artificial machine intelligence in the RegTech industry. However, I think there is a little bit of a trap there. Many companies need to look internally and determine their objectives and whether artificial intelligence is helping them obtain these objectives. AI is a buzzword, and it is overhyped, but at its root, machine intelligence is helping to solve problems.”

Present and future

Red Oak has had a very successful 2021. According to Pope, the company has continued to grow its client base at an accelerated pace and has increased the resources at its disposal. The company is reinvesting those resources to improve its current offerings, and leverage its books and records-compliant workflow software, continuing to offer additional tools that complement its advertising review solution.

Pope continued, “Our recently released Smart RegistrationSM module that has gained great interest in the market, with several clients already getting great value from it. As for 2022 and beyond, we will continue to invest in and enhance our existing software offering and build new solutions to help our clients create more efficiency and effectiveness in their compliance processes.” ●



-  Founded: 2009
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Sanctions/Watchlists
-  Regions of operations: North America, Latin America, Europe, Asia

Quantifind's Graphyte™ is a SaaS platform that leverages AI and data science to drive significant productivity and performance improvements in AML/KYC risk screening and investigations processes. It does so in part by extracting predictive risk signals from tens of millions of public and commercial data records and making them available in leading case management systems via pre-integrated synchronous and batch APIs. GraphyteSearch adds a feature-rich, web-based search application used by analysts to make investigations and reporting substantially more efficient and consistent. Graphyte is differentiated first and foremost by its accuracy in assessing risk and relevance, which it achieves by the unique way it brings together comprehensive data coverage, name science, and AI-driven entity resolution and risk typologies. Its patented data management and search techniques optimize search performance for best-in-class speed and scalability.



-  Founded: 2013
-  Employees: 11-50
-  Regulation/Legislation: **Advertising compliance regulations globally**
-  Subsectors: Communications Monitoring
-  Regions of operations: United States, Australia, United Kingdom

In any highly regulated industry, marketing and legal compliance teams struggle to keep up with evolving regulations and increased content from marketing. Using machine learning and natural language processing, Red Marker provides advanced compliance software to automate and optimize the legal review process for marketing content. Its AI-based technology scans and analyzes thousands of pages of marketing and website content to identify probabilistic risk based on industry-specific requirements. Reducing time spent in legal review and saving brands on operational costs, Red Marker gives marketing and legal teams the ability to control their compliance outcomes and create more efficient workflows with an extensive set of available integrations. Red Marker's AI-based platform reduces the time, effort, and cost of the traditional legal compliance process by transforming manual checklists to custom machine-readable rules and regulations. We analyze marketing and advertising content for compliance risk, fitting seamlessly into the legal review process.



-  Founded: 2019
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, PSD2, Basel III, AIFMD, Solvency II, KYC, AML, GDPR, SFTR, Basel III, EMIR, We help you monitor changes to all of the above.**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Communications Monitoring, Transaction Monitoring, Capital Planning/Stress Testing, Cybersecurity/Information Security, Risk Management, Reporting, Identification/Background checks, Compliance Management
-  Regions of operations: United States, India, Pakistan, Tanzania, Belize, Nicaragua, Philippines.

RegAlytics estimates there are over 25,000 regulators in the United States and 5 million globally, and it aims to get all alerts from them into one place where they can easily sort and search, change their mind, and build customized data feeds on topics they want. We scrape 100,000 regulator pages a night, get the delta of what wasn't there yesterday, edit it, cleanse it, and deliver it into proprietary User Interface where you can tap it via web, excel, API and more. We are like the Airbnb of regulations and provide an easy way to monitor regulations on topics you care about for over 5,000 regulators and counting.



COMPANY RESEARCH PROFILE



 Founded 1993
 Frankfurt, Germany
 www.regnology.net
 info@regnology.net
 Employees: 501-1,000
 Regions of operation: Global with offices in Austria, Germany, Ireland, Netherlands, Romania, Singapore, Sweden, Switzerland and United Kingdom

KEY EMPLOYEES:



Rob Mackay
CEO



Dr. Robert Wagner
COO



Dr. Maciej Piechocki
CRO

Value Chain: **Regulatory reporting, data management**

Subsectors: **Capital Planning/Stress Testing, Risk Management, Reporting, SupTech solutions (data management platforms) for central banks and regulators, Tax Reporting**

Regulation/Legislation: **MiFID II, Basel III, Solvency II, SFTR, Basel III, EMIR, MMSR, FMA/FinfraG and CSA reporting, IORP II, FATCA, AOEI/CRS, DAC6**

OFFERING

Regnology (formerly BearingPoint RegTech) is a leading international provider of innovative regulatory, risk, and supervisory technology solutions (RegTech, RiskTech, and SupTech) and services along the Regulatory Value Chain for financial services.

Regnology works closely with regulators and, as a member of standardization bodies such as XBRL, actively contributes to the standard-setting process. Regnology combines regulatory know-how with proven, reliable and forward-looking solution suite, advisory, managed services and training seminars.

PROBLEM BEING SOLVED

Financial regulation is vital for a stable, sustainable financial world. With Regnology's unrivalled experience in Risk Data Aggregation and Regulatory Reporting and its product and service offering across the Regulatory Value Chain for Financial Services, the company makes a decisive contribution to that. Regnology provides a full-service offering to the industry players across the globe. With their RegTech, RiskTech, SupTech, AEOI and tax reporting solutions they enable both regulators and firms regulated to increase efficiency of their regulatory reporting, risk and data management processes.

TECHNOLOGY

Abacus360 Banking is based on a three-tier architecture with a clear separation of the GUI, application logic and data management based on the distributed processing of Apache Spark. Apache Spark is a cluster computing framework with high market acceptance for big data projects. Apache Spark allows for the processing of very high data volumes (several 100 million data records) and has strong vertical and horizontal scaling possibilities.

PRODUCT DESCRIPTION

Regnology offers a unique combination of regulatory know-how, a proven and forward-looking software solution suite, and comprehensive services such as Regulatory-as-a-Service (RaaS), regulatory factories, implementation consulting, and training seminars. The company's products include:

- **Regulatory Reporting and Risk Management** - Abacus360 Banking is an integrated platform for 360° reporting, risk calculation and controlling regulatory KPIs. Abacus360 Banking offers financial institutions an off-the-shelf, strategic risk aggregation and regulatory reporting platform. FIRE is a tried-and-tested solution installed and successfully used for reporting by approximately 230 banks in Switzerland, Liechtenstein, and The Bahamas, making it the market-leading solution in regulatory reporting software in those countries.
- **Transaction Reporting** - Abacus Transactions is a solution for transaction-by-transaction reporting and enables our customers to fulfill their reporting requirements in accordance with MMSR to the NCB/ECB as well as EMIR II, MiFID II/MiFIR and SFTR.
- **SupTech Platforms for Central Banks, Regulators and Supervisory Authorities** - Abacus Regulator, Vizor AEOI, Vizor SupTech are award-winning platforms for central banks and supervisory authorities covering Data collection, integrated analytics, supervisory workflows and cross-border exchange of information.
- **Tax Reporting:** EasyTax has been developed to help banks support their customers in submitting their tax statements and fulfilling their filing obligations in their home countries. EasyTax covers 22 jurisdictions and is used by more than 90 financial institutions globally. FiTAX is our solution for financial institutions and intermediaries to produce tax reports required by tax authorities for QI, FATCA, CRS/AEOI and DAC6/MDR reporting.
- **Reporting for Insurers and Pension Funds:** Abacus Insurance offers an end-to-end standard software solution to support insurance companies and pension funds in meeting their reporting requirements under EIOPA's Solvency II (Pillar 3) and IORP II Directives.

 **TRACTION/GROWTH**

- Regnology products are used by over 7,000 firms worldwide including (among others): Volkswagen Bank, Revolut, Sweden's Finansinspektionen, CSL Corporate Services Liechtenstein
- The company enables more than 50 regulators and tax authorities on five continents to collect data from 34,000 firms in 60 countries.
- Until the end of 2020, the company was part of BearingPoint group and operated under the name BearingPoint RegTech. Since the sale of the RegTech business to private equity firm Nordic Capital, the company has been independent. In June 2021, the company joined forces with Vizor Software and recently changed its name to Regnology.

 **MANAGEMENT BIO****Rob Mackay – CEO**

Rob Mackay was until recently the CEO of Itiviti, a world-leading financial service company and technology provider for the capital markets industry.

Rob's previous experience includes the role as Chief Operating Officer for the Cross-Asset Trading & Risk business unit at FIS, the world's largest provider of banking technology. His previous management experience also includes positions as Chief Operating Officer of Hedge Funds & Risk and Managing Director of Alternative Investments.



-  Founded: 2017
-  Employees: 11-50
-  Regulation/Legislation: **Basel III, Regulatory reporting (data collection for supervisors such as APRA, RBA, etc.), IFRS 9**
-  Subsectors: Capital Planning/Stress Testing, Risk Management, Reporting, Compliance Management
-  Regions of operations: Asia Pacific, headquarters in Australia

RegCentric delivers innovative services and solutions that leverage the latest advances in technology to increase efficiency, provide insights, reduce risks, and ensure regulatory compliance. The company reimagines how regulators and regulated industry exchange information leveraging cutting-edge technology creating an efficient and safer financial eco-system. RegCentric supports financial institutions leverage regulation to drive strategic transformation. RegCentric's growing client base relies on our deep domain expertise and technology know-how to support the design and implementation of fit for purpose governance and operating models that drive operational efficiencies and insights. RegCentric team members come from various backgrounds: from regulators, the financial services industry and international software vendors. What has brought the team together is its passion to design and implement optimal solutions to improve business processes and deliver insights whilst ensuring regulatory compliance. The company's consultants have local and international experience in implementing complex regulatory data programs that have withstood the highest levels of audit scrutiny.



-  Founded: 2004
-  Employees: 1,001-5,000
-  Regulation/Legislation: **MiFID II, KYC, AML, MAR**
-  Subsectors: Communications Monitoring
-  Regions of operations: The Americas, APAC, EMEA

Relativity makes software to help users organize data, discover the truth and act on it. Its SaaS product RelativityOne manages large volumes of data and quickly identifies key issues during litigation and internal investigations. The AI-powered communication surveillance product, Relativity Trace proactively detects regulatory misconduct like insider trading, collusion and other non-compliant behavior. Relativity has more than 300,000 users in approximately 40 countries serving thousands of organizations globally primarily in legal, financial services and government sectors, including the U.S. Department of Justice and 198 of the Am Law 200. Relativity has been named one of Chicago's Top Workplaces by the Chicago Tribune for 10 consecutive years. Relativity Trace is a proactive communication surveillance platform that detects misconduct or non-compliant behavior within an organization. It's a trusted solution used by compliance teams at some of the largest global financial institutions, commodity trading firms, and life sciences organizations.



-  Founded: 2016
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Identification/Background checks, Compliance Management
-  Regions of operations: United Kingdom, MENA, International Finance Centres, Africa

RiskScreen is an award-winning AML & KYC technology provider dedicated to improving the effectiveness of compliance departments through intelligent process automation of risk-based customer on-boarding, screening and in-life monitoring. Our solutions are flexible, scalable and auditable. Crucially they are also fully comprehensible, allowing compliance professionals to clearly understand and explain the logic behind the decisions our technology helps them to make. Founded by compliance experts including the original co-founder of the International Compliance Association, RiskScreen is a trusted technology provider to thousands of compliance professionals globally and a partner of the world's leading data and CRM businesses including Dow Jones, Refinitiv and Salesforce. The RiskScreen product suite spans the full customer lifecycle, and enables companies of any size, jurisdiction or need to deploy a defensible risk-based approach to its customer engagement points, whatever form they take. Customers can select individual modules or use them together to build a complete AML risk management solution.



-  Founded: 2015
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML, AMLD6, AMLD5**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Compliance Management
-  Regions of operations: Europe, North and South America, Asia, Oceania

Specialized in crypto-tracking compliance tools, Scorechain provides AML & Compliance solutions for cryptocurrencies. Scorechain Blockchain Analytics suite helps compliance teams in crypto firms and financial institutions to meet regulatory requirements and to implement a risk-based approach to transaction monitoring by saving cost and time. As a leader in crypto compliance, the Luxembourgish company has helped more than 200 customers in 40 countries since 2015, ranging from cryptocurrency businesses to financial institutions with crypto trading, custody branch, digital assets customers onboarding, audit and law firms, and some LEAs. The company always remains at the forefront of cryptocurrency regulations by being involved in several cryptocurrency initiatives such as the Blockchain and Virtual Currencies Working Group, Infracchain, the LHoFT, or ADAN, and won several awards recognizing its product: the Luxembourg Finance Awards 2016, RegTech 100 2020, and the APSI Startup award.

shield.

-  Founded: 2018
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, GDPR, Dodd-Frank, REMIT, REG BI**
-  Subsectors: Communications Monitoring
-  Regions of operations: EMEA, North America, APAC

Shield is the world's leading AI-powered, advanced end-to-end Workplace Intelligence platform that allows organizations of any size to mitigate risks, escape the data silos, improve operational efficiency, and reduce compliance costs. Shield believes there is a more valuable and efficient way for organizations to stay compliant. Shield believes a platform should be open, custom-tailored, intuitive and cost-effective – all attributes of its own platform. Additionally, Shield makes record keeping, investigative search capabilities, monitoring, and reporting accessible through one unified platform which allows the company to provide a significant reduction in false-positives, something lexicon-based versions, that would take days to complete an investigation, would result in. Before platforms like Shield, manual compliance investigations would take weeks to investigate, gather all the details and make a final decision. However, with the vast amount of information that is out there among various channels, manual monitoring is deemed inefficient.

sigma

-  Founded: 2016
-  Employees: 11-50
-  Regulation/Legislation: **KYC,AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Investigations + Transaction Monitoring Alert Management
-  Regions of operations: United States, Czech Republic, Spain, Brazil

Sigma Ratings provides a new, smarter way to continuously evaluate risk and build trust in any relationship. Using advanced real-time risk analysis and monitoring technology, Sigma actively screens thousands of global data sources and puts essential compliance insights into a single platform, thereby reducing manual workflows, enriching existing client data, and helping teams make clearer, more timely decisions in onboarding, relationship management, and investigations. Sigma is the only compliance product on the market that automates the entire process of collecting, organizing and scoring publicly available risk-related data in one place. Because Sigma has brought all relevant risk data sources into its own cloud-based data lake, it is able to draw connections between different data sets - enabling a shift to dynamic analysis and interpretation of client data in an entirely new way from how it is done today (e.g., on an ad hoc basis).



COMPANY RESEARCH PROFILE



PRODUCT NAME:
Smarsh Communications Intelligence Platform

- Founded 2001
- Portland, OR, United States
- www.smarsh.com
- info@smarsh.com
- Employees: 501-1,000
- Regions of operation: North America, EMEA and APAC

KEY EMPLOYEES:

- Stephen Marsh**
Founder
- Brian Cramer**
CEO
- Goutam Nadella**
Chief Product Officer

Value Chain: **Monitoring, Detection, Reporting**

Subsectors: **Communications Monitoring, Cybersecurity/Information Security, Risk Management, Compliance Management**

Regulation/Legislation: **MiFID II, AML, GDPR, SEC 17a4 and FINRA 4511**

OFFERING

Smarsh is the leading provider of advanced intelligent communications solutions for companies worldwide. The unique Smarsh platform, powered by artificial intelligence and machine learning, enables customers to turn oversight into foresight with world-leading electronic communications capture, archiving, and oversight solutions. Smarsh allows companies to reveal what is in their communications data – unlocking insights that allow them to operate at limitless scale while strengthening their compliance initiatives.

PROBLEM BEING SOLVED

A longstanding industry concern has been the ability to meet stringent compliance requirements regarding the monitoring and storing of e-communications data, particularly since each tool has its own unique messaging formats and capabilities.

Smarsh enables financial institutions to strategically future-proof their compliance as new communication channels are adopted, and to realize more insight and value from the data in their archive.

TECHNOLOGY

Smarsh offers support for 80-plus content types, so financial firms can capture all their communications data directly from the source with seamless API integration. Adding new channels to an existing deployment is quick and easy via a supplied software developer kit that features standardized APIs for custom integration with existing workflows, apps and third-party platforms. The Communications Intelligence Platform is the only SaaS platform that is AI-enabled, cloud-native, and built to scale to meet the ever-increasing number of communications channels.

PRODUCT DESCRIPTION

Communications Intelligence enables customers to capture, retain, analyze, and act on the “signals” in communications that are most critical to their business. Unlike many technology providers who convert archived content to an email format, Smarsh preserves all content in full context for each channel type. This allows firms to quickly reveal critical items with high-speed search and filtering capabilities.

Smarsh enables firms to capture data from over 80 different communications channels across email, instant messaging, social media platforms like Facebook Messenger or WhatsApp as well as video calls on Zoom or Microsoft Teams. Content is captured in its native, unaltered format with its original conversational context intact. Once archived, content is automatically indexed and made searchable. This ensures clients can confidently meet regulatory obligations from FINRA, SEC, IROCC, FCA, GDPR and MiFID II.

What’s incredibly unique to the Smarsh platform, is the ability to monitor 100% of communications data in a hybrid workplace and to find both risks and opportunities. For instance, the same platform that can spot instances of regulatory misconduct can also identify cultural misconduct -- like bullying, sexual harassment, and racism.

TRACTION/GROWTH

- Smarsh serves 6,500 clients worldwide that span the top banks in North America, Europe, and Asia, along with leading brokerage firms, insurers, and registered investment advisors.
- Customers include: NatWest Group SEQUOIA THE HARTFORD BBVA Deloitte.
- Smarsh currently has established product integration partnerships with over 80 companies including (among others):



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Smarsh: Future-proofing Compliance in a Hybrid Work World



Leveraging Communications Data as an Enterprise Strategic Asset

Electronic communications are undergoing a period of massive innovation and transformation. How people communicate has changed more in the past 20 years than the entire century before with the advent of remote work, high-speed internet, and innovative communications and workstream collaboration platforms, like Zoom, Slack, and Microsoft Teams. As a result, the workforce is more distributed and digitally connected than ever before.

“When we used to think of work, we thought of commuting to an office with managers who could simply ‘supervise’ their employees by walking around,” said Goutam Nadella, Chief Product Officer at Smarsh. “In many ways, we’ve traded a physical commute for a digital one. More people are working remotely and using a growing number of unmonitored digital channels, which has created more [regulatory and reputational risk](#). It has become imperative to provide a comprehensive solution that can analyze and understand the increasing deluge of data to provide insights that help protect companies and their customers.”

The result of hybrid and remote work is a massive uptick in communications data generation, by all measures – volume, variety and velocity of data have all increased significantly. What was previously a passing hallway conversation is now stored in the permanent record of corporate communications. These changes have profound implications on corporate responsibility, legal and discovery risks, and the operational viabilities of compliance programs.

“As an industry, we need to evolve, said Nadella. “Communications are a strategic asset for any company and warrant a comprehensive communications data strategy. Organisations can either invest in a comprehensive strategy to manage the risk inherent in the exploding volume and variety of electronic communications or fall behind. This divide will likely manifest across various aspects of a company in the years to come. While ESG is

making significant headway in many regards, corporate culture and negative surprises are a black box. We believe that there’s an opportunity to use technology for good to surface these sorts of issues to investors sooner and, in doing so, to create more meaningful work environments, better protect companies’ reputations, and strengthen their competitiveness.”

The Era of Communications Intelligence

The historical communications archive focuses on books and records and is ill-suited to meet the new demands of hybrid work. Fortunately, breakthroughs in natural language processing coupled with advances in cloud architecture provide the foundation needed to rise to the challenge. The result is a new market segment we call Communications Intelligence.

Communications Intelligence allows firms to capture, retain, analyze, and act on the “signals” in your communications that are critical to your business. It comprises the strategies and technologies used for the collection and analysis of human communications data, which helps enterprises quickly identify risks, recognize new business opportunities, and improve operational systems.

“The Smarsh [Communications Intelligence Platform](#) is a major step forward for regulated organizations, enabling them to illuminate risk and insights across petabytes of electronic communications generated by many different sources,” said Brian Cramer, Chief Executive Officer at Smarsh. “Regulatory scrutiny is only becoming more sophisticated, and data will only continue to grow in volume and complexity. The only way for these organisations to truly take advantage of their communications intelligence at a global scale is with artificial intelligence and the flexibility and performance of the public cloud — two core components of this groundbreaking platform.”

Today these include compliance and brand risks and may extend to include security threats, cultural indicators, untapped revenue opportunities and more. Every company can now fully realise the enormous potential of its electronic communications data. By understanding what is being said in any digital channel and any language, you can quickly identify things like fraud, racism, discrimination, sexual harassment, and other misconduct that can undermine your company’s culture, as well as uncover real opportunities to better serve your customers.

Until now, most companies have had no systematic way to surface these key indicators. With the Smarsh Communications Intelligence Platform, organisations can derive insights at unprecedented speed and scale.

Communications Intelligence Importance

Why is Communications Intelligence important to the financial services industry? It all starts with regulatory

obligations. “Most financial institutions are required to store and monitor communications data,” said Nadella. “If you don’t, you’ll get fined or possibly end up in a headline.”

Damage to a company’s brand is another case for Communications Intelligence. Nadella continued, “Reputational damage is hard to reverse. So, by allowing firms to capture, retain, analyze, and proactively act on communications alerts and insights in near real-time, firms can significantly reduce their regulatory and reputational risks.”

Communication regulations are nothing new. However, the number of communications tools and the amount of data available to companies is immense, providing the potential for change and innovation. Nadella mentioned that while companies need to provide up-to-date communication platforms to their workforce, they also need to keep up with the fragmentation in communication tools – which the Smarsh Chief Product Officer claims its platform does for its users.

Digital Reliance and Hesitancy

While the pandemic has sped up the move to a more digitally dominant society, the shift to a digital-first mentality amongst companies worldwide has been a long time coming. How can Communications Intelligence benefit the broader market?

Nadella said, “Communications Intelligence can benefit the broader market by keeping up with the explosion of data that is generated by a growing number of channels and platforms. Before, companies mostly monitored email communications. Now, some of these companies have upwards of 20-30 communication tools that their employees use. We are also doing this at an enormous scale; some of the larger companies store petabytes of data with us. Being able to deal with that scale and future-proof your entire compliance stack is important.”

“Also, with that explosion of data, you need to supervise it. You must monitor for misconduct that may happen in these communications. For example, take keywords – if somebody is saying they want to ‘move the market’ – that is an example of collusion. Instead of simply using analysts and lexicons, we have integrated AI deeply and at scale, to better monitor across every channel.”

There remains a hesitancy to technological change among some traditional financial firms. In the face of restrictions caused by the pandemic, it is becoming a sink-or-swim scenario for those who fail to adapt to a changing technological world.

Nadella said, “There is friction in the adoption of new technologies. For example, to scale with the explosion of data, you cannot simply deploy all software on-prem – that is just not going to work at scale. The only way to scale is through the cloud, but most companies have never moved their communications data out of their boundaries into the cloud. When we go to our customers and ask if they want to go from ingesting terabytes of data to petabytes, they have to be in the cloud; obviously, there is some friction. They are asking – is my data secure? How should I explain to regulators who come asking me about it? Part of the regulatory obligation for these firms is to protect that data,

not just to store and review it. So, if they are moving their data and trusting us to move their data to the cloud, they want to ensure it is secure.”

“The second area of friction is AI adoption,” Nadella said. “Suppose we tell customers that we have an amazing set of AI capabilities that allow you to be a lot more sophisticated in analysing the data. In that case, they need to explain that to regulators, as the explainability of what AI is doing is extremely critical in this space. Unless you can answer this question, it is unlikely to be adopted.”

The Next RegTech Frontier

What’s next for Smarsh? “Bringing all of this innovation into a single platform by applying AI to be able to analyze this data across all kinds of modalities of communication is a key aim,” Nadella said.

“You have regulators that are starting to ask – how do you analyse your voice data? Are you capturing all text communications? People are not going to type everything bad in an email, chat or text message; sometimes things may happen in voice or video – and I think voice will soon become extremely important. Storing voice communications and supervision and surveillance of voice communications and then delivering intelligence from all that data will become very important.

“While regulators are giving the industry the ramp-up time to analyze voice data effectively, I think a year from now it’s going to become a critical need. Beyond voice, video is also key. Are we sharing an attachment? Is there an information leak because of sharing that attachment? Who left the video conference call and when? Applying AI to the analysis of video is an area we’ll continue to explore and innovate.”

Future Plans

Smarsh is also putting a greater focus on InfoSec. Nadella commented, “Banks already have huge InfoSec teams, but now regulators are asking the same question to your small wealth managers — how are you protecting customer data? How are you protecting communications and securing devices? So, we acquired a company called Entreda that allows companies to keep tabs on their InfoSec and the risks.”

“I think information security risk is going to become a big focus for regulators. It already is in large institutions; it will be equally valid in smaller institutions now. We’re working hard to bring together a single dashboard to some of those smaller firms that give them a view of their compliance risk. What’s your information security risk look like? What is your insider risk? Is someone inside the company doing trading or something inappropriate?”

Furthermore, Smarsh is focusing on multilingual capabilities, a key compliance challenge, especially in global companies with many different languages being spoken, leading firms to struggle to scale their compliance programs across languages. Through an earlier acquisition of natural language processing (NLP) firm Digital Reasoning, the company is looking to build a policy in a single language and apply it across multiple languages. Nadella concluded, “I believe we are going to be the first company to bring that to the market.” ●



-  Founded: 2013
-  Employees: 51-100
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring
-  Regions of operations: Global

Silent Eight is a technology company leveraging AI to support financial institutions to identify, investigate and stop financial crime. Founded in 2013, its name, payment and monitoring solutions are deployed in over 150 markets. Silent Eight is headquartered in Singapore with hubs in New York, London, and Warsaw. Over the last several years, Silent Eight has experienced explosive growth in both size and scale, including a 2018 announcement that Standard Chartered bank became a global customer; a Series A and subsequent funding round in 2019 and 2020, respectively, led by OTB Ventures, Wavemaker Partners, Koh Boon Hwee, (Chairman and General Partner of Altara Ventures), and SC Ventures. In January 2021, HSBC announced it had signed on for a multi-year partnership with Silent Eight.



-  Founded: 2012
-  Employees: 251-500
-  Regulation/Legislation: **KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Customer Identification Program (CIP)
-  Regions of operations: North America

Socure is the leading platform for digital identity verification and trust. It has emerged as the preferred identity verification and fraud platform for the largest enterprises and is trusted by more than 750 customers across the financial services, gaming, healthcare, telecom, and e-commerce industries, including four of the top five banks, seven of the top 10 card issuers, three of the top MSBs, the top payroll provider, the top credit bureau, top crypto exchanges, top Buy Now, Pay Later providers, the largest online gaming operators, and over 100 of the largest fintechs. Through its proprietary AI and ML technologies, Socure has disrupted the market by significantly reducing fraud and customer friction for companies across multiple online industries. Its Socure ID+ platform uses numerous data sources, including proprietary data with over 700 million good and bad identities, as well as over 8 billion records from credit, utility, telecom, and other authoritative sources to deliver market-leading matching accuracy.



-  Founded: 2014
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, Basel III**
-  Subsectors: Communications Monitoring, Transaction Monitoring, Cybersecurity/Information Security, Risk Management, Reporting, Compliance Management, Operational Risk Frameworks and Operational Resilience
-  Regions of operations: United Kingdom, European Union, Hong Kong, Singapore, Australia, New Zealand

Starling is setting out to change how banks address the challenge of managing culture and conduct and how those impact performance and operational risk. For too long now risk management tools in the financial services industry have been reactive with an over-reliance on Detect and Correct approaches typified by intrusive and demoralizing surveillance and monitoring, and surveys that are more likely to reflect rather than reveal cultural problems. Meanwhile, regulators and other industry voices have raised the bar and are now calling for firms to Predict and Prevent bad outcomes from occurring in the first place. Starling's tools analyse internal company data sets to deliver this Predict and Prevent capability firmly into the hands of managers – making forward-looking precision management a reality.



COMPANY RESEARCH PROFILE



PRODUCT NAMES:

Workflow Manager, Case Manager, Transaction Monitoring



Founded 2012



London, United Kingdom



www.sphonic.com



info@sphonic.com



Employees 11-50



Regions of operation:

UK, Europe, US, Asia, UAE and rest of the world as required

KEY EMPLOYEES:



Andy Lee
Founder & General Manager



Terry Chow
Operations Director



Riten Gohil
Partner & Director



Michael Williams
Head of Professional Services

Value Chain: **Onboarding, Monitoring, Detection, Fraud Prevention**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Identification/Background checks**

Regulation/Legislation: **PSD2, Solvency II, KYC, AML, GDPR**

OFFERING

Sphonic is a London based RegTech formed by leading fraud, risk management and identity experts with experiences from the likes of Visa, Barclays, UK Finance, Cybersource, Lastminute.com and others. The company provides Identity Orchestration, the ability to augment digital insights e.g., Devices, Location, Email, Mobile, Behavioural Insight as part of the regulatory KYC process. In the remote customer onboarding space this level of insight provides the ability to eradicate bad actors early and ensure genuine customers get a better user experience.



PROBLEM BEING SOLVED

Onboarding customers in the digital age remains a constant challenge, whether it's the threat from data breaches where hundreds of millions of consumer/business credentials are in the hands of criminals ready for use, or the fact that a firm can't securely identify its customers and meet regulatory or policy requirements. Sphonic leverages its proprietary Workflow Manager product underpinned by over 85 of the world's leading data providers to provide a single API to clients to return onboarding decisions in circa 5-10 seconds.



TECHNOLOGY

Sphonic uses a number of technologies, such as the cloud for hosting its platform and have built a proprietary workflow engine with a combination of licensed and open-source technologies. The company's API can cohesively integrate with existing tools and platforms and allows for seamless upgrades without the need to schedule resource, time, and incurring costs.

PRODUCT DESCRIPTION

With the growth in digital commerce, alongside increasing concerns around financial regulation, Sphonic has created a suite of products to ensure its clients achieve the right balance in protection and customer experience.

- **Workflow Manager** enables access to innovations from more than 85 leading global vendors in areas such as global identity and verification, politically exposed persons and sanctions data, device fingerprinting, mobile profiling, email verification, geo-location, behavioural biometrics and many others through its agnostic platform.
- **The Portal/Case Management tool** allows a user to identify and action risk trends through real-time visualisation and optimise strategies based on workflow performance etc. The system is built on top of Workflow Manager. Any flags in the workflow process are identified immediately in the Case Management System, making risk management process easier and more efficient for fraud and risk teams.
- **AML, Fraud and Affordability transactional monitoring solution** that brings insight from the onboarding stage into downstream processes. With these capabilities to profile and action real-time triggers for KYC, AML, fraud management and affordability (BNPL, Responsible Gambling etc) via a single stream. It is ideal for Fintech's, Challengers, Payment Companies seeking a scalable, cost-effective solution without huge outlay

TRACTION/GROWTH

- Sphonic serves dozens of clients across the globe from banking, payments, lending, gaming, Crypto and acquiring industries. In addition Sphonic has a number of key channel relationships with enterprise and scaling platform providers leveraging their innovative suite of products

• Clients include: **Paysafe: nuvei** **Funding Circle** **ZOPA** **Allica** **New Day** **Tripadvisor** **crypto.com** **planet payments** **Avalara** **POKER STARS**

MANAGEMENT BIO

Andy Lee, Founder & General Manager – Andy Lee is the Founder and General Manager of Sphonic. He has 20+ years experience in Risk & Compliance, with a demonstrated passion for his field. Prior to forming Sphonic he was with the likes of E-KYC Consulting, IvoBank, Lastminute.com and WorldCom.

Terry Chow, Operations Director – Terry has 20+ years' experience in delivering innovative tech solutions in banking, Fintech, fraud prevention, and security. Prior to Sphonic worked in various project management roles in the banking space including RBS.

Riten Gohil, Partner & Director – Riten has a wealth of industry experience in payments, identity fraud, risk management, and RegTech. Riten is driven by a desire to solve identity solutions for SME and Enterprise clients across the globe. Prior to joining Sphonic, Riten was at Visa, APACS (now UK Finance), Flutter.com and the SFO.

Michael Williams, Head of Professional Services – As Head of Professional Services at Sphonic, Michael Williams is in charge of building the client implementation and onboarding process. He has 15 years of experience in fraud, risk, and onboarding processes across multiple sectors. Prior to Sphonic he was with e-kyc Consulting, Cybersource and Lastminute.com

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All your **regtech** in **one** place



For Practitioners, By Practitioners

Sphonic launched in 2012 as a pioneer in digital identity orchestration. We set out with the foundations that the ever evolving fraud and compliance technology landscape required a simple way to access and orchestrate data. Since then we have supported some of the largest digital brands in the world, with our tech and team of experts.



Identity, Fraud & AML Orchestration

01

Orchestration Excellence

We understand why Orchestration tech is the future to unlocking identity, having developed a market leading platform that enables access to growing innovations in KYC, KYB, Fraud and AML data through a single API. We enable optimal strategies to automate customer acceptance and kick out bad actors as early as possible

Transaction Monitoring

Identity doesn't stop at the point of being approved, a good 'actor' can potentially turn bad over-time. Sphonic's Transactional Monitoring System was designed for the growing digital economy, allowing fintechs, banks, gaming operators to monitor fraud, AML and affordability data (for responsible gambling and BNPL) in a single integrated platform. A real-time monitoring engine that sits alongside our onboarding solutions to enable a richer understanding of your customer's behaviour throughout their lifecycle.

02



AML Transactional Monitoring designed to scale

Trusted by





Sphonic has proved to be a strong business partner and one that is always willing to go above and beyond. In particular, their excellent subject matter expertise and strategic guidance ensures Paysafe is always able to find innovative solutions, and adjust our implementation as and when needed in order to achieve the best possible outcomes. We work very well together.

Giacommo Austin
HEAD OF COMPLIANCE STRATEGY, PAYSAFE

04 Data Marketplace & Multi-use case

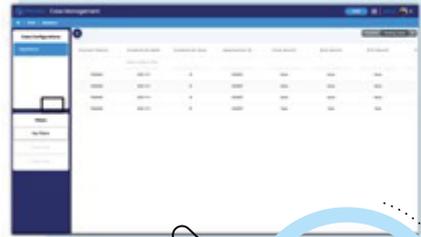
Leveraging a diverse set of some of the leading global risk management tools in our vendor marketplace, Sphonic makes it simple to access and orchestrate data from providers of Device Fingerprinting, Email/Mobile Profiling, Geo-Location, Address Validation, KYC, KYB, AML, Document Verification and many others. Any of which can be used for On-boarding, Fraud Management, Account Recover and Transactional Monitoring

04



Access over 90 vendors via a single API and Single contract

Real-time Case Management



Design, Configure, Test & Deploy within a few days

Utilising Sphonic's newly created Design Manager tool, a client can customise their rules, vendor choices, scorecard development, API schema and Case Management views all within a few hours - enabling a client to be able to test and go-live in rapid time



Driving onboarding efficiencies

03 Immediate ROI

- KYC consumers globally, improve uplift by over **10%**
- Reduce KYB On-Boarding times from 26 days to **20 seconds**
- Use Digital Insight tools to kick circa **6%** of bad actors before performing a KYC Check

Get in **touch** to learn more, or schedule a **demo**

✉ info@sphonic.com

🌐 www.sphonic.com

🐦 [@sphonic](https://twitter.com/sphonic)



COMPANY RESEARCH PROFILE

Symphony AYASDI

PRODUCT NAME:
SensaAML™

Founded 2008
 Redwood City, CA, United States
www.ayasdi.com
info@ayasdi.com
 Employees: 51-100
 Regions of operation:
North America, EMEA, APAC

KEY EMPLOYEES:



Daniel Bastin
Chief Revenue Officer



Warren Zafrin
VP of Engineering



David Mirfield
Director of Product Management

Value Chain: **Onboarding, Monitoring, Detection, Reporting**

Subsectors: **Onboarding Verification (AML/KYC/CDD), Risk Management, Reporting, Compliance Management**

Regulation/Legislation: **AML**

OFFERING

Symphony AyasdiAI is the world's leading enterprise platform for automated business value discovery and advanced AI-based insights. Financial services organizations rely on Symphony AyasdiAI to revolutionize the discovery of risk and profitability opportunities.

The company's AML solution provides unparalleled predictive insight into the exact criminal behaviours that put financial firms most at risk. This drastically reduces financial crime opportunities to occur while massively reducing costs for financial institutions by eliminating the time spent tracking down meaningless alerts.

PROBLEM BEING SOLVED

Today's financial criminals are ahead of the outdated rules and tools built to catch them. But by harnessing some of the most advanced AI techniques, Symphony AyasdiAI rises above the status quo to provide firms with a complete picture of criminal behaviour.

Firms can definitively pinpoint risk with full visibility, drastically cutting costs while protecting their standing with regulators and brand reputation with customers.

TECHNOLOGY

The advanced technology that powers Symphony AyasdiAI applications originated in a Stanford University laboratory by mathematics professor Gunnar Carlsson. This platform is a product of the company's ground-breaking AI and machine learning technology that has been developed over a decade and amassed 44 patents to date. Additionally, the company has the only commercial deployment of Topological Data Analysis (TDA) in the world.

TDA combined with unsupervised machine learning makes SensaAML™ the most powerful detection engine in the industry.

PRODUCT DESCRIPTION

SensaAML™ utilizes ground-breaking technology to combat financial crime by analysing, discovering, and interpreting financial data's shape and structure to identify criminal behaviours and laundering networks. The company's solution deciphers customer data to reveal more than double the information typically leveraged by other AML systems, leading to a greater discovery of nefarious behaviour and unknown criminal threats. This new application architecture can ingest billions of customer data points and applies advanced AI to explore the hidden relationships and patterns within the data, thus highlighting criminals' suspicious behaviour.

This technology is based on an event-driven architecture where data and analysis are processed as data is ingested and events are constantly changing. By combining the company's ability to process data when events change with an agile model that grows with the client's data, its AI detection solution extracts and analyses data to baseline normative behaviour while developing a map of risk based on the customer's financial transaction relationships.

The AyasdiAI approach is targeted at the key aspects below:

- **Anomaly Detection:** Unsupervised learning that targets customers displaying unusual activity. Over 500 behavioural features are used to determine groupings of customers who share similar behavioural, transactional, and other characteristics.
- **Change in Behaviour:** Understand the underlying patterns of all customers and spot when material changes in activity occur.
- **L3/SAR Similarity:** Supervised learning that focuses on the similarity of behaviour to historical L3/SAR investigations.
- **Tune and Prioritize:** SensaAML™ comes with several out-of-the-box detection models combined to provide enhanced coverage against known and unknown risks.

This document is being provided for information purposes only. It is not designed to be taken as advice or a recommendation for any specific investment or strategy decisions.

The end result delivers a virtual, risk-based view of a customer, represented in a simple to understand and easy-to-use business user environment. With seamless integration into case management and reporting environments, users can choose from a variety of visualization approaches. All of these are fully explainable to any regulatory or audit request.

The core platform differentiators are:

- **Fidelity:** high confidence explainability, focused on removing more than 60% of L1 and L2 alerts. L3 (high probability of crime) and SARs increased by 30% and discovered a large amount of new crime missed completely with current processes.
- **Efficiency and Productivity:** The false positive-to-L3 ratio went from 45:1 (old TMS) to 3:1 and an overall increase of more than 500% in FIU productivity. All results were achieved using the same data as the existing TMS.
- **Speed to Deployment:** From pre-deployment to production is three months.

FUNDING - \$106.3M

Symphony AyasdiAI is a wholly owned subsidiary of SymphonyAI, the leading AI company for digital transformation across the most resilient growth verticals including life sciences, retail, manufacturing, financial services and media.

TRACTION/GROWTH

- For one specific client, SensaAML™ discovered over \$45 billion in tax evasion and more than \$245 million in money laundering and associated employee corruption that the incumbent TMS missed.
- Ayasdi's applications are responsible for many of the operational deployments of artificial intelligence for leading global institutions in the Fortune 500.
- The Ayasdi Partner First Program enables solutions and technology businesses to meet the needs of global financial service customers who are rapidly adopting machine learning technology. Current partners include Sionic and Trelia.

MANAGEMENT BIO

Simon Moss - CEO

Simon is the chief executive officer of Symphony AyasdiAI with strategic and P&L leadership responsibility. He brings three decades of market-recognized business experience in financial crime, risk, and compliance, and patented leadership in financial services technology innovation in network and edge computing, cognitive analytics, and AI. Previously, Simon led Mantas, a firm that defined the founding phase of anti-money laundering (AML) and compliance behaviour detection, led multiple other firms as founder, CEO, or board director, and most recently was global head of AI and automation for Infosys Consulting. He delivers a unique balance of strong leadership, deep subject expertise, and focused technology knowledge.

The “inertia and orthodoxy” within banking is letting criminals win

Creating a successful business is not easy – it is why they say entrepreneurs need to have psychopathic tendencies. Symphony AyasdiAI is a company that doesn't go down easy and has managed to reinvent itself instead of crumbling.



Symphony
AYASDI

Most businesses fail. There are countless stats painting a grim picture of the situation. A statistic from Fundera estimates that 20% of companies close within their first year and 70% would have failed by their 10th.

But what happens when a company will not accept defeat? AyasdiAI did just that. Simon Moss, CEO at AyasdiAI, explained that modern businesses do not have a single lightbulb moment, they are formed after lots of conversations, mistakes and recalibration, as well as thinking on your feet. As a result of this mindset, Moss said the team “took AyasdiAI by the hand after it had tripped and focused it into an area where we knew its legacy in pharmaceutical, oncological and intelligence research breakthroughs would be transformative.”

AyasdiAI originally launched in 2008 and created a discovery engine based on topological data analysis and unsupervised machine learning to uncover hidden patterns within data and highlight those needing further investigation. One use case of the

platform was responsible for discovering a new subtype of Type II diabetes. Moss added, “This in itself was pretty cool, but with so many innovations, it was just another technology looking for a problem to solve.”

AyasdiAI was then acquired by SymphonyAI in 2019. A new team made the critical decision to move the business' focus into financial crime discovery, including money laundering, evasion, fraud, internal malfeasance and cyber. “What followed was a ridiculously secret, year-long collaboration to discover new indicators of complex and hidden attacks, previously unseen by traditional approaches using oncological and pharmaceutical research techniques - the financial crime genome project.” The intention of this project was to decode the genome and identify the malignancies and attacks on financial institutions typically missed by legacy solutions.

The result of this year-long discovery was Sensa, which the company has named as money laundering's “kryptonite.” Sensa launched in February 2021 and can identify the new indicators of complex, hidden attacks and malignancies firms face. The tool supports full integration with existing processes, technology and organisational preferences. To improve transparency, it can provide regulator calibrated explainability of how its models work. It has also been specially designed to ensure users enjoy interacting with the tool, rather than loathe it.

While AyasdiAI was comfortable to reinvent itself, the compliance space it moved into was not as prepared for change. Moss explained that many firms are stuck in the past and will stick with their legacy tools, despite them not being sufficient. This “inertia and orthodoxy” to repeating the same processes for 20 years without any innovation was a difficult challenge for AyasdiAI to help overcome. It required them to think outside of the box and produce innovation at scale and speed, but with the backing of “brave, mission focused customers and partners.”

Moss added, “The results are quite simply extraordinary – not some easy analytical tool that

can find a needle in a haystack. No, this is a system of intelligence focused at finding that one needle in a stack of needles. Finding the deliberately hidden, the innocuous yet malfeasant behaviour."

This mentality of sticking with tradition is holding financial institutions behind. Moss explained that firms are in a constant state of "catch up" in terms of compliance. Financial intelligence units are dependent on transaction monitoring systems that are two decades old and cannot meet the demands of today. Furthermore, traditional treasury management systems are rule-based that need to be administered by humans, to which, Moss believes are "ineffective at discovering the true crime and instead bombard investigators with unnecessary work." Simply put, Moss sees these systems as a financial drain rather than an effective tool.

This is what Sensa was built to correct. The team is trying to bolster the transparency within a financial institution's operating model and boost attack, risk and crime discovery. Not only does its solution improve the effectiveness but can solve cost and efficiency issues to stop compliance being seen as a cost sink.

Why AyasdiAI is the right answer to compliance

Financial crime will never disappear. However, with the right tools and mentality, financial institutions can help prevent it. Moss explained firms have a chance to make a big difference. "The corporate world has always been about itself, period. Now it can be bigger – a catalyst of change for the good," he explained. A spotlight has been shone on ESG in recent years and this is bringing people together to fight the wrongs in the world. AyasdiAI and its team is driven by the desire to cut out the darker parts of humanity, whether it is sexual exploitation, modern day slavery, paedophilia, terrorism and the narco-economy.

But the ethical drive of the team is not the sole reason companies should use the AyasdiAI platform. Its platform is better at discovering behaviours, actors and malignancies than any other solution in the market, Moss stated. "We do it more effectively, with a much lower TCO and with an implementation approach that is exceptionally light in time and cost. Other vendors are either rebranding and/or remarketing old designs, with some offering a "product" but really are just consulting firms building the product on the client's dime; the other options are well capitalised firms that say a lot but have yet to prove it. We demand that our customers prove our value before anything else. We expect to walk the walk. We'll leave others to do the talking." Sensa can be installed within an hour, with its record being just under three minutes, and shows a client what risks in their data have been missed by existing systems.

The boons of Sensa have been felt by many clients. One firm was able to uncover five distinct new groups of behaviours that were previously missed. The system was also able to uncover 57 new and very high-risk entities. Worryingly, 28 of these had previously been regarded as false positives by legacy systems.

Sensa was built to revolutionise anti-financial crime. As mentioned, the industry is stalled by old tools that are no longer effective. Institutions are exposed and lack the ability to discover crime. As a result, criminals have been outmanoeuvring institutions for over a decade, Moss explained.

"This is exactly why SensaAML exists. We don't demand any data edits or changes nor deploy like anyone else. Simply give us or connect us to exactly the same data you are using now, and you'll discover what malignancies are being completely missed. We are, in other words, automatically doubling the "informational yield and transparency" in the detection and discovery of criminal behaviour from the data you already have."

Moss stated there are countless ways Sensa is revolutionising the fight, but one unique way of handling the problem is by anonymising client data. Sensa does not want to know the customers or correspondent relationships. The reason for this is because this existing data has been used for the past 15 years and been "incredibly successful" for the use in identity theft, synthetic identity fabrication, passive account takeovers and embedded shell structures. This means ownership and name networking becomes expensive and a low return effort. Instead, Sensa uses a new set of biomarkers that its oncological teams have created to identify criminal behaviour.

Moss concluded, "The result is a revolution, but with all such things our competition is the inertia and orthodoxy of the past. We are cool with that. We have no short-term, breathless needs from large capital investments, and we have brave clients who know that success is needed in the battle and is defined as meaningfully protecting their shareholders from attacks that both reduce the profit of the firm (fraud) and the social gravitas of the brand (AML). These firms with us will indeed revolutionise a market desperate for improvement. ●

“

"The corporate world has always been about itself, period. Now it can be bigger – a catalyst of change for the good,"



Founded: 2018



Employees: 11-50

Regulation/Legislation: **KYC, KYB, AML, GDPR, Data Protection Act 2018**

Subsectors: Data Aggregation, Single Customer View, Automated Onboarding Verification (AML/KYC/CDD/EDD), Fraud Risk Management, Compliance Management, Automated Reporting, Third Party Supplier Due Diligence, Claims Validation and Fraud detection



Regions of operations: United Kingdom, Europe, United States

Synalogik was formed in 2018 by experts from law enforcement, military intelligence, national security and the criminal justice system who were frustrated by the amount of time it was taking to pull together information when performing investigations and compliance checks. The company developed, Scout®, a one-of-a-kind data aggregation platform for discovering hidden risk, capable of automating enhanced due diligence across ALL your chosen data sources - including third party, internal and open-source. Scout can transform operational efficiency for entire compliance, fraud, AML or RG processes, enabling analysts to be much more productive, efficient and make better decisions. Synalogik are now working across all areas of financial crime as well as third party risk assessment. Its clients include Entain Plc, The Natwest Group, Insolvency Service, Buzz Bingo, HCR Solicitors, Innovate UK and other Government Departments, FTSE insurers and banks, FCA regulated bodies and gambling companies.



Founded: 2016



Employees: 11-50

Regulation/Legislation: **FATCA/CRS/Chapter 3**

Subsectors: Onboarding Verification & Compliance Management (FATCA/CRS/QI Compliance)



Regions of operations: United States, United Kingdom, Switzerland, Canada and actively expanding into APAC region

TAINA is an award-winning regulatory technology company leveraging cutting edge technology to empower financial institutions globally to automate their FATCA, CRS and QI compliance. TAINA's fully-automated FATCA, CRS and QI Compliance Platform is being used at scale by Big 4, global financial institutions of all types to save costs, reduce risks and transform their customers' experience. TAINA is on a mission to revolutionize client lifecycle management step by step by building the best-in-class regulatory technology. TAINA, Regulatory Technology as a Competitive Advantage.



Founded: 2011



Employees: 51-100

Regulation/Legislation: **KYC, AML, GDPR, eIDAS, FIDO Standards, GAFI-FATF**

Subsectors: Onboarding Verification (AML/KYC/CDD), Communications Monitoring, Transaction Monitoring, Cybersecurity/Information Security, Risk Management, Reporting, Identification/Background checks, RPA/BPM - Certified Communication - Electronic Signature - Web Services - Point-of-Sale Software - PSD2 Authentication



Regions of operations: Europe, North America and LatAm

With over 10 years' expertise, 6 offices, customers in more than 20 countries, and first-class partners, Tecalis helps leading companies in all fields to solve their biggest technological challenges creating innovative business solutions that improve the digital experience and security of millions of users. Reinventing, optimising and simplifying the way users engage with companies. The company simplifies, optimises and innovates the way millions of users engage with now more efficient and productive businesses. It develops digital products that drive sustainability and growth, keeping its customers ahead of the curve. As a Trust Services Provider, the company's commitment to the highest technical and regulatory standards is its best guarantee. Its products are constantly improving thanks to the agile methodologies of its teams. And the company also creates new ones to adapt them to the future through innovation. Its solutions are ahead of market standards in terms of technology and functionalities.



-  Founded: 1999
-  Employees: 51-100
-  Regulation/Legislation: **MiFID II**
-  Subsectors: Communications Monitoring
-  Regions of operations: Global

TeleMessage enables regulated employees to communication over mobile channels such as WhatsApp, WeChat, SMS, MMS and Voice in a compliant manner. TeleMessage can capture and archive all popular forms of mobile communication. Its products support corporate-owned and BYOD devices, and offer employees with native interfaces for communication with customers and co-workers. The recorded mobile communication and metadata can be delivered to leading archiving and surveillance vendors, either On-Prem or in the Cloud – ready for search and eDiscovery. Let your employees communicate over modern mobile instant messaging channels, while addressing regulatory recordkeeping and monitoring requirements for communication archiving. Mitigate risk across a variety of industries, by capturing mobile content from BYOD and corporate phones. The TeleMessage Mobile Archiver products can be combined with its Mass Messaging and Secure Enterprise Messaging product lines.



-  Founded: 2017
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, GDPR, Dodd-Frank, FINRA, and more**
-  Subsectors: Communications Monitoring, Cybersecurity Information Security, Risk Management, Compliance Management
-  Regions of operations: North America, United Kingdom, EU

Theta Lake's multi-award winning product suite provides compliance and security for modern collaboration platforms, utilizing over 40 frictionless partner integrations that include Webex by Cisco, Microsoft Teams, RingCentral, Slack, Zoom, and more. Theta Lake can capture, compliantly archive, and act as an archive connector for existing archives of record for video, voice, and chat collaboration systems. In addition to comprehensive capture and archiving, Theta Lake uses patented AI to detect and surface regulatory, privacy, and security risks in an AI assisted review workflow across what is shared, shown, spoken, and typed. Theta Lake enables organizations to safely, compliantly, and cost-effectively expand their use of communication platforms. Find out more at [Thetalake.com](https://thetalake.com); [LinkedIn](#); or Twitter at [@thetalake](#).



-  Founded: 2014
-  Employees: 51-100
-  Regulation/Legislation: **MiFID II, KYC, AML**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Compliance Management
-  Regions of operations: Singapore, United States, United Kingdom and India

Tookitaki delivers compliance infrastructure software as a service to some of the world's leading banks and financial institutions to help them transform how they manage their regulatory obligations. Its compliance infrastructure harnesses artificial intelligence (AI) to support a family of intelligent specialist compliance applications that set new standards in accuracy, speed and resilience. Since its launch in 2014, the company has built four different compliance offerings including the Tookitaki Anti Money-Laundering (AML) Suite which is the industry's first operating system for AML that joins up processes across transaction monitoring, name & transaction screening, and customer risk scoring. Tookitaki is backed by institutional investors including Viola, SIG, Illuminate Financial, Jungle Ventures and Spring Seeds, an investment arm of the Singapore government.



COMPANY RESEARCH PROFILE



Founded 2011
 Vancouver, Canada
 Employees: 251-500

www.trulioo.com
info@trulioo.com
 Regions of operation: Global

PRODUCT NAME:
Trulioo GlobalGateway

KEY EMPLOYEES:



Stephen Ufford
Founder and
Chair of the Board



Tanis Jorge
Co-Founder



Steve Munford
CEO



Zac Cohen
COO



Leigh Ramsden
CFO



Matt Schatz
CRO



Hal Lonas
CTO

Value Chain: **Onboarding**
 Subsectors: **Onboarding Verification (AML/KYC/CDD)**
 Regulation/Legislation: **KYC, AML**

OFFERING

Trulioo is a leading global regtech company, providing real-time identity and business verification for 5 billion people and 330 million companies worldwide through a single API. Founded in 2011 by Stephen Ufford and Tanis Jorge, Trulioo is headquartered in Vancouver, Canada, with an office in Dublin, Ireland and team members throughout the U.S. The company provides bank-grade identity and business verification capabilities through its market-leading global identity verification service GlobalGateway.

PROBLEM BEING SOLVED

GlobalGateway is a ubiquitous, universal solution that helps combat financial crime and nefarious online activities. Trulioo is dedicated to building a framework of trust online, developing privacy best practices, mitigating fraud risks and advancing global financial inclusion. With Trulioo, businesses can quickly expand into new markets, adapt to regional verification requirements and scale their AML and KYC compliance processes.

TECHNOLOGY

GlobalGateway offers:

- API integration with a normalised set of data fields across all countries
- A low-code hosted solution for global identity verification and authentication
- SaaS/web portal access
- An image Capture SDK for web and native mobile applications for document verification and liveness detection
- Custom match-rule configurations based on the client's risk assessment
- Verification results matrix
- Automated watchlists screening, including sanction lists like OFAC, UN, HMT, EU, DFAT and more
- Transaction reviews (audits)

PRODUCT DESCRIPTION

GlobalGateway powers instant identity and business verification by accessing hundreds of reliable data sources through a single API. The global identity verification service helps organisations apply a risk-based approach to customer due-diligence processes. GlobalGateway offers an holistic identity framework that is adaptable to meet the compliance and fraud prevention needs of organisations serving customers worldwide. With GlobalGateway, organisations like financial institutions and marketplaces can verify more than 5 billion people and 330 million companies, and can:

- Customize rulesets to adhere to regional, international and industry-specific compliance regulations
- Build public confidence and trust by preventing fraud and identity theft
- Reduce drop-offs with a frictionless onboarding process
- Cross-reference extensive Trulioo watchlist sources to identify high-risk individuals
- Expand into new markets with the ability to verify individuals in more than 195 countries

TRACTION/GROWTH

- Trulioo is backed by leading investors and financial institutions, including **TCV, Goldman Sachs, BDC Capital, Blumberg Capital, American Express, Citi Ventures, and Mouro Capital.**
- Trulioo partners with trusted data sources, verification services and technology partners, including (among others): American Express, Experian, Mitek, Acuant, IDmission, TransUnion, TeleSign, CreditInfo and Equifax.
- Clients include major banking institutions, payments processors, cryptocurrency exchanges, marketplaces and financial services providers including:



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How GlobalGateway streamlines and optimizes digital identity services across the globe

The fight against fraud often feels unwinnable, but Trulioo GlobalGateway is making it a fairer fight.



GlobalGateway is a global marketplace for digital identity services that helps organizations simplify their onboarding processes and satisfy Know Your Customer (KYC) and Anti-Money Laundering (AML) compliance requirements. Organizations can leverage the service to access identity networks from around the world, including 400 data sources from over 195 countries, mobile networks, credit bureaus, banks, governments, consumer files, business registers, biometrics and much more.

Optimizing the onboarding process is crucial. While it might seem like a simple process, there are many facets that must be addressed. This process enables an organization to verify businesses and individuals and ensure compliance requirements are being met, including determining if the entity is on watchlists, involved with money laundering or terrorist financing, and much more. Making a mistake with onboarding carries the risk of hefty compliance fines, missing signposts for fraud, missed customers or suffering reputational damage.

As onboarding covers so many areas, it can be hard to find a solution that is able to handle everything. Hal Lonas, chief technology officer at Trulioo, explained that Trulioo provides that solution, "GlobalGateway streamlines the numerous complicated layers that go into global identity verification and provides a safe and efficient solution to meet compliance requirements, in nearly every country in the world."

One of the defining features of the platform is its worldwide coverage. Each country operates differently and has different forms of identity channels. For example, verifying an identity in the U.S. requires different information than what is needed to verify an identity for a person in Japan. As a result, the platform is designed to normalise data from hundreds of sources so it can be utilized to verify identities. This is what sets Trulioo apart - the company has verified the identity of nearly five billion people and 330 million businesses around the world - meaning companies can scale to new regions and utilize the same identity verification platform without risking interruptions, or drops in speed and accuracy.

This is made possible by the powerful technology driving GlobalGateway. It optimizes and normalizes data so quickly and efficiently that its customers are often surprised by how deep the solution is, Lonas added. "It's funny as our customers often look at the solution and say, 'well that's actually pretty simple.' We then have to explain that the underlying process is complex: natural language processing, AI and machine learning take all those inputs to match them to the right data source. They then gather up the responses and get them back to you in the space of a couple seconds."

Striking a balance between speed and security

There is no one-size-fits all approach when it comes to compliance workflows, Lonas explained. When it comes to mitigating risk and offering a positive customer experience, organizations must adhere to a risk-based approach. This means that the onboarding experience is carefully tailored based on user risk profile, and the customer's industry and jurisdiction.

In short, the organization is able to administer the appropriate level of friction based on an individual's unique risk profile. Ultimately, legitimate users can carry on without disruption while suspicious actors will be flagged for enhanced due diligence.

A risk-based approach helps organizations satisfy high consumer expectations, especially at the critical onboarding stage in the customer journey. Too cumbersome a process can cause abandonment, detrimentally impacting customer acquisition and revenue.

"Trulioo [consumer research](#) revealed that across marketplaces, online retailers and financial services, fewer than half of the respondents were satisfied with the process to open an account and three-quarters of people said that the online account creation process can be a deal-breaker for their future relationship with a brand."

Kiran Kumar, director of product at Trulioo added, "In this day and age, if anything takes over 10 seconds, they're walking away."

"Considering evolving regulations in different industries globally, organizations are keen to complete the first level of verification to quickly onboard users. Subsequently, they can monitor user activity for specific patterns or behaviours to derive insights for continuous verification," added Kumar.

A process that finishes too abruptly might lead individuals to question if it really was a legitimate verification process. Recent findings from FICO state that nearly two-thirds of respondents expect to have to [prove their identity](#) when opening an account online.

"Security is paramount in today's fraud climate," said Lonas. "If the gravity of the identity verification process isn't conveyed, a consumer might not feel secure in transacting or interacting with the company."

Building a digital identity network

It's no small feat that Trulioo can verify five billion consumers, but the company is on a mission to verify every single person's identity to help advance financial inclusion.

There are two billion people left without any form of digital identification, whether it's because of lack of



"GlobalGateway streamlines the numerous complicated layers that go into global identity verification and provides a safe and efficient solution to meet compliance requirements, in nearly every country in the world."

documents or they live in a place with lagging identity infrastructure. These individuals can't participate in the global digital economy, and Trulioo is up to the challenge to bring them into the fold.

The company continues to tackle this problem, working with more and more data sources in order to scale its solution. Lonas added, "It's like one of those old time shows where they spin the plates and keep them spinning in the air on the sticks and we have hundreds going today and we want to expand that."

This is why AI and machine learning technology is vital. Lonas explained that there are thousands of variables that go into the decision of the risk scale of a transaction or person. The AI can assess these variables within seconds and bring them to a human so they can make an informed decision.

The technology is continuously evolving, and able to spot patterns that may have previously been overlooked, and even become predictive. As it covers so many countries, it can build a 360-degree view of entities. An example Kumar provided is that if someone makes a train reservation to Paris and then makes an Airbnb reservation in the city, GlobalGateway can see this and provide a 360-degree identity posture to a company and help bolster compliance checks.

Trulioo is always looking to scale its services, but in tandem with its clients. It is always looking at the market and seeing where its clients may need help in the future. Kumar explained that Trulioo is "the perfect partner to help our customers to grow, because we want to grow with them." ●



TRAPETS

SURVEILLANCE & COMPLIANCE

 Founded: 2000

 Employees: 51-100

 Regulation/Legislation: **MiFID II, KYC, AML, AMLD**

 Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Reporting, Identification/ Background checks, Compliance Management, Fraud detection. Market manipulation and market abuse including outsourced surveillance services for financial crime

 Regions of operations: Trapets is based in Sweden with a development office in Hanoi and a visiting office in the United Kingdom. Trapets has clients and partners across the globe

Trapets is a leading provider of software and services for KYC, customer due diligence, securities trading, anti-money laundering, surveillance, and compliance. Professional services range from assistance in implementing compliance monitoring and advanced analytics programs, to fully outsourced trading surveillance. The company is one of the market leaders in Europe regarding securities market surveillance and in Northern Europe regarding AML, (anti money laundering surveillance). For almost 20 years, Trapets has developed the surveillance and compliance platform 'InstantWatch', which is one of the most modern, powerful, and user-friendly platforms for automatic surveillance and compliance, enabling automatic transaction analysis, screening, data analysis, case management and investigations.

UBO service

 Founded: 2020

 Employees: 1-10

 Regulation/Legislation: **KYC, AML, GDPR**

 Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Identification/Background checks

 Regions of operations: United Kingdom and Ireland focus, however many of the products are global offerings

UBO Service provides an innovative new onboarding service, specialising in providing Know Your Customer solutions through real-time ultimate beneficial ownership, corporate, and individual identity verification reports. The company accelerates customer onboarding, due diligence, and enhanced due diligence with access to official registries and primary sourced data within its UBO Dashboard and API. The company's clients can also add an additional layer of security to their due diligence process with a globally recognised Legal Entity Identifier (LEI). UBO Service was the first Regtech provider to be an approved Validation Agent by the Global LEI Foundation which means UBO Service is now able to leverage its comprehensive KYC compliance workflows to obtain LEIs when verifying client's during onboarding or client lifecycle management. Its comprehensive Anti-Money Laundering platform gives financial institutions the freedom to create tailored reports for all their KYC requirements. The company's solutions can onboard customers, safely and securely by using a combination of digital, physical, and biometric real-time technology.

upLexis

 Founded: 2005

 Employees: 101-250

 Regulation/Legislation: **KYC, AML, Brazilian Anti Corruption Law**

 Subsectors: Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Reporting, Identification/ Background checks

 Regions of operations: Brazil

UpLexis is a technology and data mining company that has developed an innovative solution for compliance optimisation, which uses more than 1,900 sources of information to bring better security and agility in your company's decision making. The company serves Compliance, Finance, Human Resources, Purchasing and Supply-Chain functions, among others with the best and most up-to-date data available in the market. Its solution is strong, consistent and accurate. That's because it has been built for more than 15 years, relying on the most demanding clients from Financial and Law Sectors. UpMiner is a SaaS platform developed for organisations to make the best decisions with minimum risk quickly and safely, minimizing losses, being the ideal platform for investigative work.



COMPANY RESEARCH PROFILE



PRODUCT NAMES:

Reis™ Risk and Compliance Suite (RCS)

-  Founded 2007
-  Paris, France
-  www.vneuron.com
-  hello@vneuron.com
-  Employees: 51-100
-  Regions of operation: Europe, Middle East, Africa

KEY EMPLOYEES:



Mahmoud Mhiri
Co-founder and CEO



Ghassen Hamrouni
Co-founder and CTO

Value Chain: **Screening, Onboarding, Automation, Monitoring, Detection, Reporting, Processing & Control**
 Subsectors: **Onboarding Verification (AML/KYC/CDD), Transaction Monitoring, Risk Management, Reporting, Identification/Background checks, Transaction Screening, Real-Time Transaction Monitoring, FATCA Identification, and Reporting**
 Regulation/Legislation: **KYC, AML, GDPR, 6AMLD, FATF**

OFFERING

Vneuron Risk & Compliance is a cloud-based RegTech offering a comprehensive AML solution to accommodate financial institutions in their compliance automation mission. Vneuron's AML compliance suite brings deep expertise and an unparalleled range of functionalities and customization capabilities. Vneuron's product offering covers the compliance requirements of banks, insurance companies, FinTechs, and other financial institutions with a modern and comprehensive platform.

PROBLEM BEING SOLVED

- Reis™ Risk and Compliance Suite (RCS) takes away the dilemma of choosing between legacy and comprehensive compliance solutions and more innovative niche products with its modern full customer lifecycle risk management and AML platform.
- Reis™ RCS helps compliance teams control customer acquisition and operational costs.
- Reis™ RCS helps financial institutions reduce false positives by at least 80% thanks to its comprehensive NLP algorithms and embedded advanced analytics tools.

TECHNOLOGY

Reis™ RCS is an all-in-one AML technology. Through its integrated capabilities, Reis™ RCS brings an immediate response to financial institutions aiming to deploy a comprehensive, modern, and customizable AML solution. We don't believe in a one-size-fits-all approach, Reis supports both on-premise and cloud deployment with Auto-updating, Clustering, and Multi-Tenancy.

Distinguishing features:

- Seamless integration with major transactional systems
- Best of breed & future-proof technologies (Supported platforms: ARM, and x86-64).

PRODUCT DESCRIPTION

Reis™ Risk and Compliance Suite is a cloud-based and award-winning all-in-one platform bringing an immediate response to financial institutions' KYC and AML compliance requirements.

Reis™ RCS is a one-stop-shop for all AML controls adopted by renowned financial institutions worldwide as it offers a complete and robust AML compliance technology. The platform presents modular components to cover the following regulatory requirements and needs:

- **Reis™ KYC** automates customer onboarding and due diligence controls including sanction screening, real-time risk assessment, and classification for individuals and organizations including relations and UBOs.
- **Reis™ AML** runs inclusive transaction monitoring simultaneously on all available transactional systems. It allows suspicious and unusual behavior detection based on intelligent segmentation and artificial intelligence. It includes a native case management system and facilitates a collaborative investigation.
- **Reis™ TFS** for payment screening has adequate technology to filter swift payments and non-swift payments.
- **Reis™ GTC** for US person identification and FATCA reporting generation.

TRACTION/GROWTH

- The company successfully has helped more than 100 customers in top-tier financial institutions so far across Europe, Africa, and the Middle East.
- Vneuron's clients include Banks, Insurance companies, Stock exchange brokers, Leasing companies, Asset managers, Private Equity, etc.
- Reis™ RCS platform screens daily more than 30 million customers and monitors annually \$10bn worth of transactions.
- The company has established partnerships with some of the world's leading data providers including Dow Jones and Refinitiv where Reis™ RCS natively integrates their feeds.

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A glimpse into the world of cyber money laundering

Making the case for a new AML approach.



Ghassen Hamrouni, CTO, Vneuron Risk and Compliance



The resurgence of money laundering and financial crimes in unregulated industries is yet another form of a never-ending cat and mouse game. Some recent events have drawn our attention to the extent of cyber money laundering activities and brought into question the current AML methods and tooling.

- According to the Independent, cybercriminals have been laundering money using Fortnite's in-game currency, V-bucks.
- Several Turkish Twitch streamers allegedly took part in a \$10 million money laundering conspiracy. Following the Twitch data hack, which disclosed the platform's highest-paid streamers, the plan was exposed.
- In October 2019, it was discovered that all Counter-Strike microtransactions are being used for money laundering.

Why do cybercriminals resort to online video games for money laundering?

Part of their attractiveness stems from the fact that few people use their real identities when creating a game account. Anonymity offers an attractive feature for money launderers because they can hide their traces more easily behind a virtual persona. Certain online video games have convertible in-game virtual currencies that are exchangeable to fiat currencies. Others have nonconvertible currencies that can only be traded in-game. Historically, the first kind has been used by criminals to launder money, invest in in-game assets and properties and

then exchange the virtual currency for fiat one. It should be noted that this kind of trading is regulated and certain game developers are considered as money service providers subject to AML regulation. However, in all of the examples cited above, criminals were able to avoid the use of fiat currencies by using transactions that are untraceable in financial institutions' ledgers. And they used nonconvertible game currency to launder money using secondary grey markets.

In digital worlds, uncovering real identities behind the users and linking them to true identities is challenging due to the anonymous nature of the internet. Moreover, the use of hacked accounts blurs the line between the actions performed by a user and the real identity behind the persona and provides plausible deniability for criminals.

All of this begs the question, how do we detect and uncover financial cyber crime in virtual games?

Unlike real-world financial transactions, in digital economies the game servers record the behavior of each player in every detail. We have real-time data on every single microtransaction that has ever taken place, including every price and amount. Furthermore, all the transactions take place in the same trading system within the game making it possible to observe all the phases of the money laundering process. The total observability of in-game microtransactions allows real-time detection of known money laundering scenarios. The detection can be more efficient than in traditional financial systems, but it must be performed in real-time to allow the game developers to put an end to a money laundering operation promptly and using automated scripts.

Even though the identification of the individuals behind the criminal activities is not always possible, detecting and stopping money laundering operations is possible especially for schemes with known modus operandi. To draw a parallel with the cybersecurity methods for attribution, modern AML techniques should rely on characteristics such as the tactics, techniques, and procedures used by criminal organizations and use attributes like IP addresses, timestamps of activity to link seemingly unrelated game accounts.

Combating mushrooming cyber money laundering crimes requires a paradigm shift that moves away from traditional methods that require lengthy KYC forms, manual investigation and regulation. ●

How Vneuron is flying the flag in risk management and compliance for financial institutions

Anti-money laundering (AML) technologies have massively evolved in the past decade enabling companies to spot illegal transactions easily. Irrespective of the scale of the company, data gaps and potential biases must be accounted for when tackling money laundering and, financial services firms must ensure they deploy a user-friendly RegTech tool to fulfil the ever-growing regulatory compliances.



With financial crime on the increase, detecting and mitigating fraud has become a priority for all financial services companies. Banks are increasingly looking at tools they can use to improve processes, use data more effectively and harness new technologies to enable better decision-making and reduce money laundering. And according to Vneuron Risk and Compliance executive partner Mahmoud Mhiri, while RegTech tools were just a 'nice to have in the past, more financial institutions are implementing technologies such as AI and ML to decide whether transactions are suspicious or not.

In today's environment, institutions have better access to advanced technology so as to analyze big data, both structured and unstructured. As a result,

companies offering technological tools can improve the speed, quality, and efficiency of measures to combat money laundering and terrorist financing while also helping financial institutions assess these risks in ways that are more accurate, timely, and comprehensive. Mhiri said, "It's important that financial institutions fight against financial crimes, take advantage of all the data they have. There's no doubt that modern tech tools will drive the future of combating financial crime, irrespective of the system you are using."

Companies dragging their feet with RegTech tools

While embracing technological innovation to stop financial criminals in their tracks is a no-brainer, some of the key challenges hindering compliance efforts include the use of legacy systems. In a report, the FATF attributed "complexities and costs involved in replacing or updating legacy systems" as the key concerns which make it challenging to exploit the potential of innovative approaches to AML/CFT for both industry and government.

For the industry, the "cost-benefit analysis to adopt new technologies continues to be an obstacle to greater uptake of innovative solutions for AML/CFT, based in part on a real or perceived lack of regulatory incentives to pursue innovation," the report said. Moreover, while the use of RegTech is "highly encouraged, manual reviews and human input remains significant nonetheless," it said. In addition, until recently, Mhiri said, "the tools companies including banks and FinTechs were using for fulfilling their compliance obligations were not collaboration-oriented and they did not include the operational efficiency dimension in the process." He said AI is the future of efficient AML, irrespective of the system you are using and no cost is too

high to pay to prevent financial crime. And that's when Vneuron Risk and Compliance, the spin-off of technology provider Vneuron was born.

Going beyond ticking boxes

There's no doubt that companies will inevitably require tech tools such as Vneuron Risk and Compliance to stay on top of their compliance game. The sheer scale of the risks financial institutions face from illicit players is immense. It is estimated money laundering costs the UK over £100bn a year, according to data from the National Crime Agency. This is just a small part of the criminal activity that plagues the financial sector. As Mhiri said, "It is not just about ticking checkboxes but it's about promoting sustainable and healthy financial systems across the world. While for some, it might be a social responsibility to go after the bad actors, reduce financial fraud, and prevent crimes related to smuggling, human trafficking, corruption, cybercrime, and bribery, for many it's still about the risk of hefty regulatory fines."

Another key road bump is companies still relying on legacy systems. Mhiri said, "There is a huge range of different AML solution providers promising to help companies with compliance. However, financial institutions and even FinTechs find themselves picking a legacy system, which is usually a comprehensive platform but far from user friendly and complex to integrate with new banking and financial services systems." This is where the attitude needs to change by a complete 180 degrees. He added, "The way to tackle this is by addressing what exactly is it that you want, have a very deep assessment of which regulation you are subject to and what are the controls that they should do."

Furthermore, the starting point to prevent money laundering and put the right kind of control barriers in place is by leveraging customizable tools which allow financial institutions to have a compliance system that fits its organization and they do not have to complement them by additional work or case management system for customer onboarding, or alerts processing, etc, Mhiri said.

It's important to include all the KYC data that you have about your customer when doing customer profiling for suspicious activity detection "because a transaction could be relevant for some type of customer but could be very suspicious and unlikely to happen for another," Mhiri detailed. Companies must combine all the data they have about the customer in our AML program to be able to contextualize their behavior regarding their bio, professional activity, location, etc to get the correct diagnosis.

Mhiri believes the rising awareness around AML is pushing financial companies to regard this as important with respect to their social responsibility. He continued, "We live in a world where there is a lot of disparity in terms of maturity levels regarding

compliance and anti-money laundering processes. While financial institutions in western countries have strong AML programmes and policies and platforms, companies in emerging markets have still not used an AML platform. And that's where we aim to transform the market."

How companies can cut time and costs using Vneuron

As your business grows, your compliance software can grow with it. The effectiveness of an anti-money laundering and terrorism financing system is strongly correlated with the effectiveness of the various processes that make it up. Ongoing monitoring, real-time supervision, immediate verification, and other online checks constitute the primary bricks for an effective compliance management mission. However, these practices could not be applied unless the necessary digital tools are available and at the disposal of the AML/CFT compliance managers.

The Vneuron Risk and Compliance platform is a one-stop solution and covers the entire spectrum of regulatory risks for financial institutions. Mhiri explained, "We created the platform with a suite of risk and compliance tools built by a team of anti-money laundering experts."

The main USP is that users can make changes to the way that features and interfaces work without any coding. "Our vision is to ensure modern and comprehensive technology to transform the burden of AML duties into an efficient and streamlined process with no pain at all," Mhiri said. He claimed that thanks to Vneuron's 360 view and machine learning-based transaction detection, its customers were able to reduce by 80% the number of false positives.

Indeed, anti-money laundering best practices and regulation has been evolving every year since 2000, stretching to new domains and to new areas. AML providers and regulations are just trying to catch up on the delay they had on the development of such types of financial transactions. Therefore, it is our duty, as Mhiri said, "to halt financial crime and protect financial institution reputation with the adequate features and technologies." ●

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"Our vision is to ensure modern and comprehensive technology to transform the burden of AML duties into an efficient and streamlined process with no pain at all."



COMPANY RESEARCH PROFILE



 Founded 2011
 London, United Kingdom
 Employees: 101-250

 www.voxsmart.com
 sales@voxsmart.com
 Regions of operation:
 United Kingdom, United States,
 EMEA, APAC, LATAM

KEY EMPLOYEES:



Oliver Blower
CEO



Adrienne Muir
COO



Oliver Rooney
CTO



Alan Giles
CCO

Value Chain: **Monitoring**

Subsectors: **Communications Monitoring, Trade Reconstruction, Natural Language Processing**

Regulation/Legislation: **MiFID II, MAR, Dodd-Frank and any and all Regs related to Communication Surveillance and Recording**

OFFERING

VoxSmart designs, develops, and deploys mobile recording and communications surveillance technology for global financial institutions to manage their business risks and regulatory requirements.

Its rapidly evolving technology, with proven accuracy in financial voice transcription and real-time instant message capture supports over 100 clients with their regulatory requirements to monitor and reconstruct all trade communications from voice, mobile, email and chat.

VoxSmart has unparalleled expertise in unstructured data processing and indexing for complex technology environments and believes that by harnessing this data, a business will build a strong foundation for intelligent risk and control analysis.

PROBLEM BEING SOLVED

Regulated firms struggle with accessing, extracting insight and effectively monitoring their business data. VoxSmart provides a unique one platform approach to trade and communications monitoring that helps the market consolidate their surveillance assets and make better business decisions through having a single source of truth.

The company achieves this by providing a suite of capture, surveillance and reconstruction products that are scalable, cloud-ready and specialised for regulated firms.

TECHNOLOGY

VoxSmart have built the most accurate voice monitoring solution on the market by employing world-class AI technology, and advanced audio transcription, to treat, normalize and analyze financial communication data and trader chatter.

VoxSmart's technology is purpose-built for trading floor operations by using Machine Learning and Natural Language Processing algorithms that can differentiate between a name that refers to a counterparty or a stock.

VoxSmart also uses AI for Trade Reconstruction using powerful proprietary algorithms that can automate the correlation of all communications belonging to a trade or order.

PRODUCT DESCRIPTION

VoxSmart's unique offering provides unparalleled voice and eComms surveillance technology, enables compliant mobile communication as well as trade reconstruction via a single platform, eliminating trade and comms data silos for enhanced conduct risk management.

VoxSmart offers 4 distinctive products that make up its offering:

- **Mobile Capture:** Seamlessly records all voice and SMS communications and IM messages from WhatsApp, and Telegram between your employee's and your clients, safe in the knowledge that all recordings are archived, accessible in real-time and comply with global regulations.
- **Communication Surveillance:** Powerful technology providing seamless end-to-end surveillance of entire financial negotiations across all channels, electronic and voice. The platform supports more than 20 languages, dialects and variants, recognizing trading specific language such as asset class or slang.
- **Trade Reconstruction:** Instantly reconstruct trade records and communication data in minutes, giving you a complete picture of your trading activity. This increases efficiency by up to 90% and greatly reduces manual reconstruction time and effort.
- **Natural Language Processing (NLP):** Natural Language Processing (NLP), detects and highlights market and client insights from voice and chat conversations. This helps traders work more effectively, helping them avoid missed revenue opportunities.

 **TOTAL FUNDING - \$38.7M**

VoxSmart is backed by leading investors and financial institutions including:

TOSCAFUND  Deepbridge  NatWest

 **PARTNERSHIPS**

The company works closely with its strategic and technology partners across the globe to ensure VoxSmart offers the best service and products to our clients:

 twilio  FIRST STEP MEA
INTELLIGENT DECISIONS  EVENTUS  PHONEXIA  BlackBerry

 **TRACTION/GROWTH**

- VoxSmart currently services over 100 live global institutions and more than 7,000 users.
- In September 2021, the company announced the acquisition of GreenKey Technologies Inc., the industry-leading automated speech recognition (“ASR”) and natural language processing (“NLP”) provider, to further bolster its communications surveillance offering to global financial institutions.
- In May 2021, Apple approved VoxSmart Mobile Capture application for iOS to distribute the company's award-winning WhatsApp Capture application via the official channels used by Apple customers. The application sits in the background of an employee's mobile phone and records messages, rich media and voice notes sent directly through the native WhatsApp Messenger.

 **MANAGEMENT BIO****Oliver Blower – CEO**

Oliver started in early-stage, high-growth financial technology with Traiana which went on to exit in 2007 to ICAP PLC for \$252m before joining Barclays Capital and then Bank of America Merrill Lynch. He has nearly 20 years of global markets experience leading pioneering B2B SaaS technology development across communications capture and surveillance and multiple M&A transactions to facilitate growth and market consolidation. He is a recognized global ambassador of FinTech and holds bachelor's and master's degrees in Law as well as an MBA.

How VoxSmart's compliance technology is unlocking huge business potential for traders

Those on the trading floor need to be able to analyse a lot of information and act as quickly as possible, but inefficiencies in compliance and technology means traders are missing more opportunities than they capture!



Oliver Blower, Group CEO at VoxSmart, has garnered years of experience within the fixed income trading sector. Originally training to be a qualified barrister, Blower has served at post-trade processing and risk management company Traiana, which is now part of OSTTRA, and in fixed income trading for both Barclays and Merrill Lynch. Whilst serving at these two firms, he became frustrated about not being able to use his mobile phone to communicate, due to compliance restrictions, and not having access to communications data from his own trading floor.

Instead, Blower was on the trading floor being asked to travel around the world, from Milan, to Frankfurt, to Abu Dhabi and beyond, to discuss with clients about their derivative trades. At the time, he didn't have a laptop, only a Blackberry mobile phone that had no access to SMS, WhatsApp or other messaging services. "I realised just how handicapped I was in my ability to communicate with the outside world."

Unbeknownst to him at the time, VoxSmart was operating as a mobile voice recording platform,

which was helping brokers and traders record on their mobiles without breaching compliance rules. However, many users found this extremely nascent technology "very prohibitive and disruptive to the overall user experiences," Blower explained.

In 2014, Blower joined VoxSmart and helped transform how it worked. The first thing he did with the team was to build the ability to surveil any medium of communication, whether it is voice or text, and if it is a third or first-party application. The aim was to solve the issue Blower had faced on the trading floor. After its redesign, traders would be able to use WhatsApp, Telegram, Signal and other 3rd party messaging apps, to hold meetings, organise trades, confirm executions and more, without needing to fly around the world and ensure compliance procedures were maintained.

The VoxSmart platform proved so popular that clients wanted more. "Banks were saying to us, 'guys you do a great job of surveilling mobile, but what we do is we pull all that data into another system, in order to create alerts and rules and policies,'" Blower said. Keen to meet client needs, VoxSmart acquired the trading business from Spanish firm Fonetic, which gave it the capacity to ingest any kind of communication data and overlay it with relevant intelligence. An early example Blower offered is that it would let a firm know whenever an employee said the word "WhatsApp", because it means they are likely going off the compliance grid and it needs to be monitored.

VoxSmart has always been looking to bolster its product. In September 2021, it acquired GreenKey Technologies so it could take that intelligence layer a step further. The technology now leverages machine learning and natural language processing so it can understand everything from emails, instant messages and voice communications. It can show the firm instantly who is involved in the discussion, recognise the intent and sentiment as well as what product is being discussed and at what price.

Through its journey up the value curve, VoxSmart is not only helping traders keep compliant, but also capitalise on more opportunities. He explained the technology can monitor wrongdoings of traders but can help them find deals they have missed, maybe if they stepped away from their desk and missed a client saying they wanted to trade at a certain price.

How communication monitoring can drive more business

Unfortunately, compliance is often regarded as just a cost. But the way Blower sees it, compliance and business value “should be hand in glove.” There is a need for these sides to work collectively and collaboratively, but in Blower’s experience on trading desks, they are divorced and very siloed. Fortunately, times are changing and thanks to big tech companies breaking down those siloes, firms are understanding the benefit a connected compliance system can provide.

“Technology like ours encourages organisational structural reform because it says you don’t need to compete internally, whether it be for resources, talent, or air space, as you are one and the same business, and you should work together and should want to achieve the same thing. In providing the front office the ability to look across their data in an automated, real-time way, the by-product of that is the levels of compliance go up by probably close to 100%. And so, it’s a win-win for both the business and compliance.”

With a compliance solution like VoxSmart, which is capturing all communication, and then using this for compliance and for identifying missed opportunities, traders can act more. “The trading floor is possibly the most inefficient working environment on the planet,” Blower said. The reason for this is that on the trading floor, traders are essentially “waterboarded with information.” There is information from the various screens, the trade turret, Squawk Box, video conferencing and their mobile phone. This is way too much information for anyone to properly assess and make informed decisions on. “On an average trading floor and an average day, a trader or salesperson is missing more opportunities than they capture.” Simply by putting in a layer of technology that can track all communications they can become more exponentially more efficient and more productive.



“On an average trading floor and an average day, a trader or salesperson is missing more opportunities than they capture.”

VoxSmart’s solution is doing exactly this. It is enabling traders to use their various devices to improve communications and ensure compliance, both internally and externally. This ensures they are not bullying other staff members, harassing clients or using profanities, and are operating within regulatory boundaries. But it goes beyond that by understanding what was said. “Firms have already generated all this data. They are generating in real-time, quite literally terabytes of data, that within which there are nuggets of gold, and we need this sort of filtration to try and sieve for this gold to make these organisations way more compliant and a lot more efficient”



“The trading floor is possibly the most inefficient working environment on the planet,”

Why choose VoxSmart?

Having a real understanding of the problem a client faces is always going to lead to a better product. VoxSmart’s team is filled with surveillance, business and conduct risk specialists, including people that have served as traders their entire careers and know the problems first-hand. This experience allows VoxSmart to tailor a solution to meet a client’s needs. “Whereas, other vendors go in and say here’s the solution, here’s the features and here’s the benefits. You find yourself thinking ‘do they actually understand my problem?’. They’re trying to sell me a car, when what I really need is a boat.”

Another differentiator is how VoxSmart’s team is so internationally diverse. The company has offices in the UK, the US, Singapore, Spain, Australia and New Zealand. This global development model not only helps it reach more skilled talent, which is an increasingly finite and valuable resource in RegTech, but helps get different eyes on a solution and ensure it works for any market in the world. VoxSmart is still looking to grow its team, with it looking at the Latin America and Scandinavia markets as potentials for additional offices in the future.

Blower concluded, “As practitioners, we have managed these risks ourselves in these firms. That should give market participants incredible assurance and reassurance that we know what we’re doing and that this technology has been purpose designed, both in the experience of using the technology and with the user interface of accessing the data, for market participants, whether junior or senior. I would I have killed to have this technology when I was on the desk!” ●



-  Founded: 2016
-  Employees: 11-50
-  Regulation/Legislation: **KYC, AML, FCRA, FCPA, UK Bribery Act, Affordable care act**
-  Subsectors: Onboarding Verification (AML/KYC/CDD), Risk Management, Identification/Background checks
-  Regions of operations: Offices in the United States and Europe (Malta)

Vital4 is a woman owned and operated SaaS technology company founded by Kristin Stafford, Amy Barbieri and a group of veteran background screening entrepreneurs. Vital4 is a cloud software company that offers a globally accessible data search due diligence solution supporting Anti-Money Laundering (AML), Know Your Customer (KYC), FCPA (Foreign Corrupt Practices Act), and UK Bribery Act compliant global screening. Its software delivers quality and up-to-date data that will help your organisation save time, money and mitigate risk with customers, suppliers, contractors, partners, volunteers, and other risk associated third-party relationships. Vital4's risk and compliance technology solutions deliver accurate and high-quality data to protect against financial crimes, terrorism, bribery & corruption. Organisations across the globe use the Vital4 platform as a solution for FCPA mandated due diligence and AML/ KYC controls that mitigate risk across their enterprise.



REGULATORY CHANGE MEETS BUSINESS ADVANTAGE

-  Founded: 1995
-  Employees: 51-100
-  Regulation/Legislation: **MiFID II, Accountability regimes such as SM&CR, IAC, SEAR and FAR; the FCA SYSC rulebook; the FCA Complaints rulebook**
-  Subsectors: Compliance Management, Risk Management, Reporting, Identification/Background checks, The people and process related regulatory responsibilities of firms
-  Regions of operations: Global

The team at Worksmart are a group of established and experienced RegTech(ers), with more than 25 years' experience in supporting organisations through managing a wide range of people and process related regulatory responsibilities more effectively. With a focus on using well thought through product sets designed by team members with oodles of real operational financial services experience and backed up by deep regulatory knowledge, the company's products not only help organisations meet their regulatory responsibilities they also provide wide ranging operational improvements. Operating across Banking, Insurance, Consumer Credit and Investment, Worksmart is proud to support many of the largest financial services providers in the UK and globally. With more than 100,000 financial services professionals actively using its software on a day-to-day basis, its market credentials are second to none.



-  Founded: 2008
-  Employees: 11-50
-  Regulation/Legislation: **MiFID II, AIFMD, UCITS Directive, and all regulatory change including national implementation e.g., CP86, CSSF circular 18/698, SFDR, EU Taxonomy, PRIIPs, Solvency II, DDO, FinIA & FinSA**
-  Subsectors: Onboarding and Continuous Verification and Risk Assessment (AML/KYC/CDD), Legal Tech, RegTech, Document Production, Regulatory Reporting, Regulatory Knowledge
-  Regions of operations: Global

Zeidler Group is a technology-driven law firm that revolutionises legal, compliance and data services for the asset management industry. Zeidler streamlines the process of opening new investment funds, provides local counsel service of international funds, facilitates cross-border registrations, and takes care of ongoing fund governance, amongst other legal and regulatory compliance services offerings. Zeidler is a geo-neutral company and promises to deliver effective legal and compliance services globally, with over 50+ jurisdictions covered from one centralised hub. Zeidler Group combines innovative technology, automated workflows via a digital platform and legal and operational oversight from its dedicated team of multi-disciplined lawyers, data, and regulatory experts to provide a truly comprehensive end-to-end solution. Zeidler's clients include some of the largest, most respected names in the investment funds industry, as well as boutique operators. Zeidler Group champions fresh ways to work efficiently with their clients and redefine legal value. The company services more than 200 clients with aggregate assets under management above USD 1 Trillion.



ABOUT US

This summary was produced by RegTech Analyst.

The RegTech Analyst platform offers business intelligence on the RegTech, risk management tech and cybersecurity sectors. RegTech Analyst is the pre-eminent provider of data, research and analysis on the global RegTech market. We cover every trend, every investment and profile every company that provides a technology solution for compliance, risk management or cybersecurity. We deliver essential intelligence for mission-critical business decisions.

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www.RegTechAnalyst.com



ABOUT US

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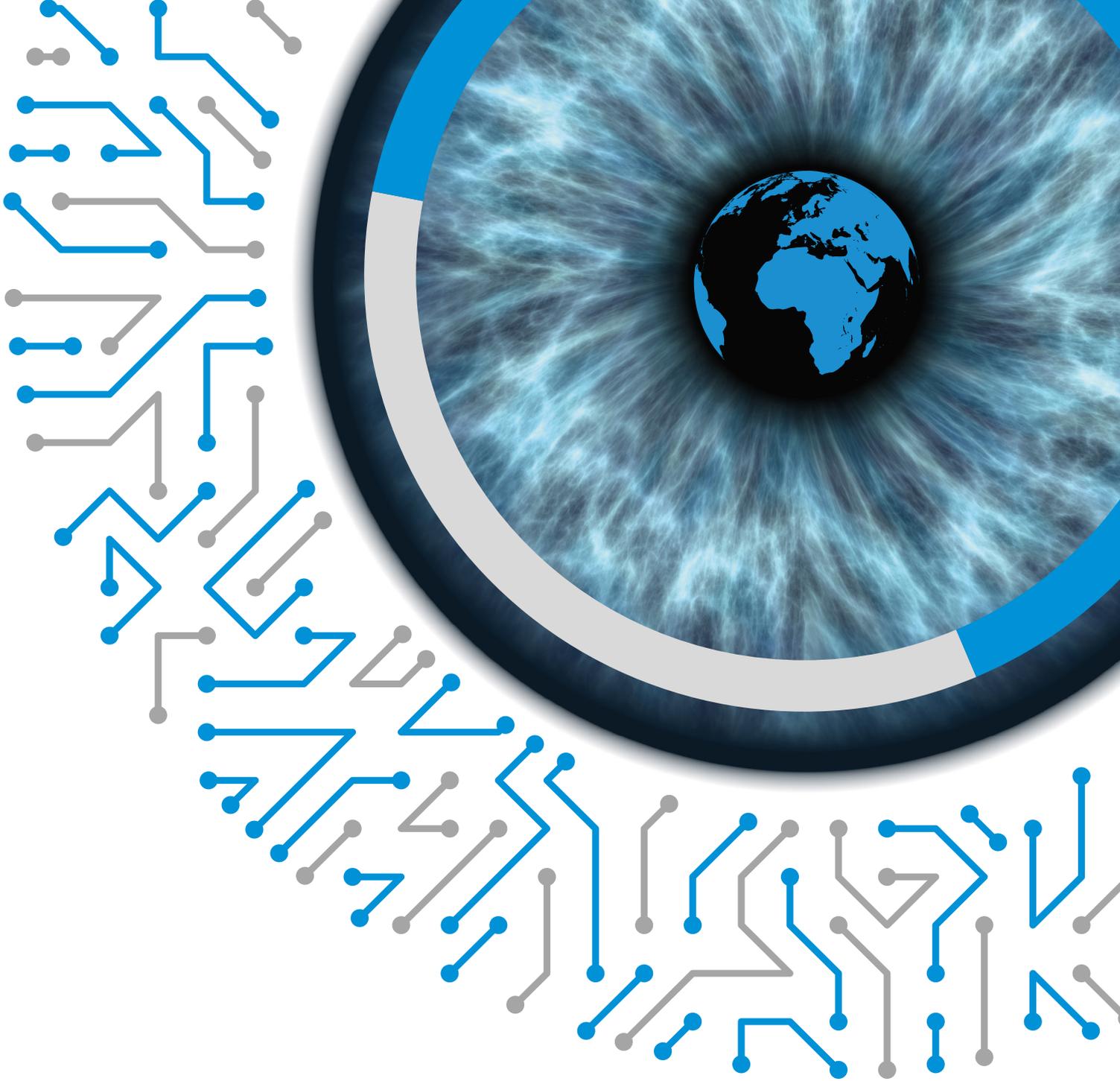
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We serve a network of over 300,000 FinTech professionals from market-leading organizations – financial institutions, technology innovators, corporate investors, venture firms and expert advisory firms. We enable them to get the information they need to make better business decisions and to connect and engage with the people and organisations they want to do business with.

For more information, please visit:

www.FinTech.Global





For more information contact info@fintech.global

