

IBM Financial Crimes Insight for Entity Research

Streamline customer processes and counterparty review with cognitive analytics and robotic process automation

Highlights

- Automate data aggregation and routine tasks
- Improve the level and certainty of regulatory compliance
- Apply machine learning and cognitive accelerators
- Monitor high-risk customers

Financial institutions are challenged on two fronts: they must spend large amounts of time and effort understanding the risk a customer, counterparty or related entity represents, both during on-boarding and periodically. They must also keep those same customers happy by accelerating onboarding and service provisioning.

Legacy due diligence systems fall short of aggregating internal and external data to provide a holistic view of customer risk. Analysts are left to complete this herculean task manually. Lack of standardization, consistency and integrity between disparate legacy systems increase compliance risk and operating costs.

IBM® Financial Crimes Insight (FCI) for Entity Research can help financial institutions more effectively and efficiently perform the research and review activities related to Know Your Customer (KYC) and Customer Due Diligence (CDD) regulations. The solution can reduce compliance costs and accelerate customer onboarding by augmenting current anti-money-laundering (AML) and KYC systems without the need to replace them. Harnessing the capabilities of IBM Watson® artificial intelligence (AI) and trained by experts from Promontory Financial Group, FCI allows you to:

- Automate data aggregation across structured and unstructured data sources and improve accuracy of collected customer data and risk assessment.
- Identify beneficial ownerships and associations with high-risk entities through entity and relationship resolution techniques.
- Gain insights into entity risk based on accurate negative news screened and sourced by advanced content analytics.
- Standardize highly manual and subjective investigations, creating faster onboarding decisions.

IBM Financial Crimes Insight for Entity Research leverages an array of capabilities to improve efficiency of KYC



Automate data aggregation and routine tasks

- Prepopulate entity identity and verification information, including beneficial ownership and corporate hierarchy from authoritative, third-party sources.
- Screen, aggregate and extract relevant concepts from unstructured negative news.
- Correlate the data and automate operations by integrating disparate processes and standardizing the output in a consolidated dossier.

Apply machine learning and cognitive accelerators

- Apply intelligent robotic process automation (RPA) for investigation steps, such as search, extraction, comparison and analysis of data.
- Find accurate, negative news associated with the entity using natural language processing (NLP) analytics in multiple languages.
- Provide context and set priorities to reduce analyst effort. Improve the level and certainty of regulatory compliance.

Improve the level and certainty of regulatory compliance

- Apply a standard approach for consistency and completeness across user groups.
- Enable policy-based prioritization and filtering so analysts can focus on the most relevant information.
- Produce a packaged and portable dossier of gathered customer information that can be integrated within existing processes.
- Retain and track all actions and results for a clear audit trail.

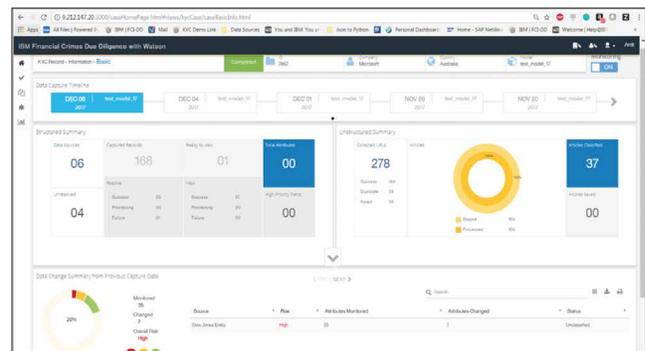
Monitor high-risk customers

- Apply data analytics, entity resolution and link analysis to holistically appraise the risk posed by customers.
- Monitor for material change events and risk associated with high-risk customers.
- Use a configurable set of fields and sources to monitor customer risk bank policies and procedure changes.
- Highlight the changing risk in customers' profiles with each subsequent database refresh.

Drive better outcomes

- Reduce compliance costs and risks by streamlining and automating elements of your entity review process.
- Improve the customer experience by expediting the onboarding process.
- Reduce risk exposure by monitoring the customer risk rating.
- Improve investigative productivity through automation and AI capabilities.
- Satisfy regulatory requirements with more accurate and thorough KYC documentation.

Figure 2: Aggregation of internal and external data for a holistic view of each entity



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