

Sumitomo Mitsui Banking Corporation (Europe) (SMBCE), the European division of a top five Japanese bank with over US\$850 billion in assets, recently implemented a new solution for Politically Exposed Persons (PEPs) and caution list screening to better support its anti-money laundering operations. The firm jointly developed the solution in partnership with another company after finding no suitable platforms in the marketplace that met its particular requirements. The firm developed the solution to meet two separate objectives. First, the solution needed to address regulatory compliance through ongoing screening of its 7 million customer information files. Second, the solution needed to provide market and customer information to the business, specifically the relationship managers. In addition, because of the robust and comprehensive approach being undertaken, the firm developed the solution with the intent that its efforts could result in a commercial offering for other financial institutions and organisations. Critical for meeting Know Your Customer (KYC) regulatory requirements, the firm sought to integrate a data file of PEPs as it screened and built customer profiles.

KEY CHALLENGES

The firm was utilising a PEP look-up tool from another vendor and expecting to move forward with integrating that same provider's data file to support screening under the newly developed solution.

Prior to file integration, Sumitomo Mitsui Banking Corporation (Europe) compared its current solution against Accuity's Politically Exposed Persons Due Diligence Database, powered by WorldCompliance.

Through consultation with Accuity's sales team, the firm identified several challenges it would encounter if it moved forward with the current provider, specifically:

- > The PEP database was not as well structured as Accuity's and, thus, would not be as easily integrated within the solution
- > A significant volume of matches requiring research and disposition would occur

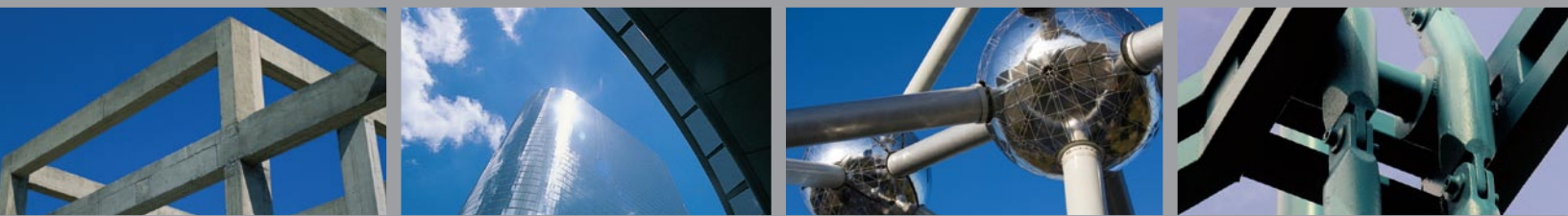
- > The research function would be significantly hampered by two aspects of the solution:
 - > The file did not include links to the look-up tool, requiring additional time and effort to disposition a match
 - > The online tool did not visually depict the data structure or provide the easy translation or photo quick view that are part of the solution provided by Accuity

SOLUTION

Accuity demonstrated its solution's superior data quality, structure and functionality via a live demonstration and by providing both the file and Web-based look-up solution for an evaluation period.

In addition, Accuity's sales team suggested that the structure of the Accuity PEP Due Diligence Database could easily support limiting the file to jurisdictions where the firm had possible risk exposure, thereby reducing the number of matches requiring disposition.

Streamlined PEP Screening



RESULTS

After review, SMBCE felt the Accuity PEP Due Diligence Database and online look-up tool offered the best fit within its newly built compliance solution. The firm identified the following features as key in its decision to integrate Accuity's PEP Due Diligence Database:

- > **Superior database structure** – allows for easier integration and use within the filter, select records within countries where risk exposure existed, more granular categorisation within the left-hand navigation panel in the Web-based look-up tool
- > **Critical source information** – source links included within the data file to facilitate research and unique sources such as Mutual Legal Assistance Treaties (MLATs)
- > **Quantity of entity relationships** – key relationships of an entity are documented in a family-tree structure
- > **Translation feature** – Web-based solution allows for translation of source detail at the click of a button to and from 12 languages
- > **Research-friendly Web site** – user can “mouse over” an entity name to view a summary and photo prior to selecting the record to get full detail, researcher can easily create an audit trail with one click to either e-mail, print or export results to a PDF
- > **Commitment to clients** – inquiries to the Accuity research team receive responses within 72 hours

BENEFITS

The firm felt that the benefits that could be derived by changing its current provider were very clear and integrated Accuity's PEP Due Diligence Database into its compliance platform for internal use. The superior database structure allows for subsequent file updates to be easily incorporated. Implementing Accuity's solution is expected to have immediate benefits for the research function within the firm's compliance team:

- > Significant reduction in the number of matches requiring review and disposition due to the customised file input, which appropriately limited particular geographies with risk exposure
- > More informed and quicker decisions by the compliance team, while allowing for efficient documentation of its work

SMBCE is confident of deriving ongoing benefits from its decision to use Accuity's PEP Due Diligence Database and believes Accuity offers the same advantages to other organisations that will utilise its compliance platform and desire to screen for Politically Exposed Persons.