



Enhance the customer onboarding experience and centralize Know Your Customer (KYC) processes.

Dell KYC in a Box provides a comprehensive KYC solution enabling Financial Institutions to adhere to regulatory compliance



Focus on new customer compliance

Know Your Customer (KYC) as a business function has become increasingly important worldwide to prevent money laundering, terrorist financing, identity theft and financial fraud. By enabling banks to know or better understand their customers and their financial dealings, KYC improves risk management and reduces losses. Non-compliance can also be expensive; regulatory bodies have begun imposing high fines on organizations they accuse of insufficient anti-money laundering (AML) practices. Counterparty risk management and regulatory compliance is emerging as one of the most important priorities for financial institutions globally. In the next five years, according to a 2014 Celent report, more than 15 percent of IT budgets for banking are expected to be focused on financial crime prevention and risk management technology, primarily in the areas of authentication and identity management, fraud detection and management, customer onboarding and KYC, and transaction monitoring for AML.

While each of these areas is important, customer onboarding and KYC is quickly becoming a critical component of a bank's risk management landscape. KYC not only entails stringent regulatory oversight from a process perspective, but it also has an impact on the customer experience, especially as a financial institution embarks on its relationship with a new customer.

"In [2012–2013], fines from the five largest cases involving breaches of anti-money laundering (AML) and customer due diligence (CDD) totaled more than US\$3 billion."

— CEB TowerGroup, "The Price of Dirty Money," December 2014

Many banks have created a piecemeal approach to regulatory compliance around customer due diligence over the years — little more than checking compliance boxes — which makes KYC procedures inefficient, costly and inconsistent. Financial institutions are often faced with redundant onboarding and KYC processes across business units, leading to incorrect customer information, no single customer view, regulatory non-compliance and poor customer experience.

Dell's comprehensive customer onboarding and KYC solution, KYC in a Box provides end-to-end service to meet financial institution requirements, with a standardized approach across all

lines of business, through a centralized, utility-based model covering:

- Business process rationalization
- Remediation
- New customer onboarding
- KYC operations

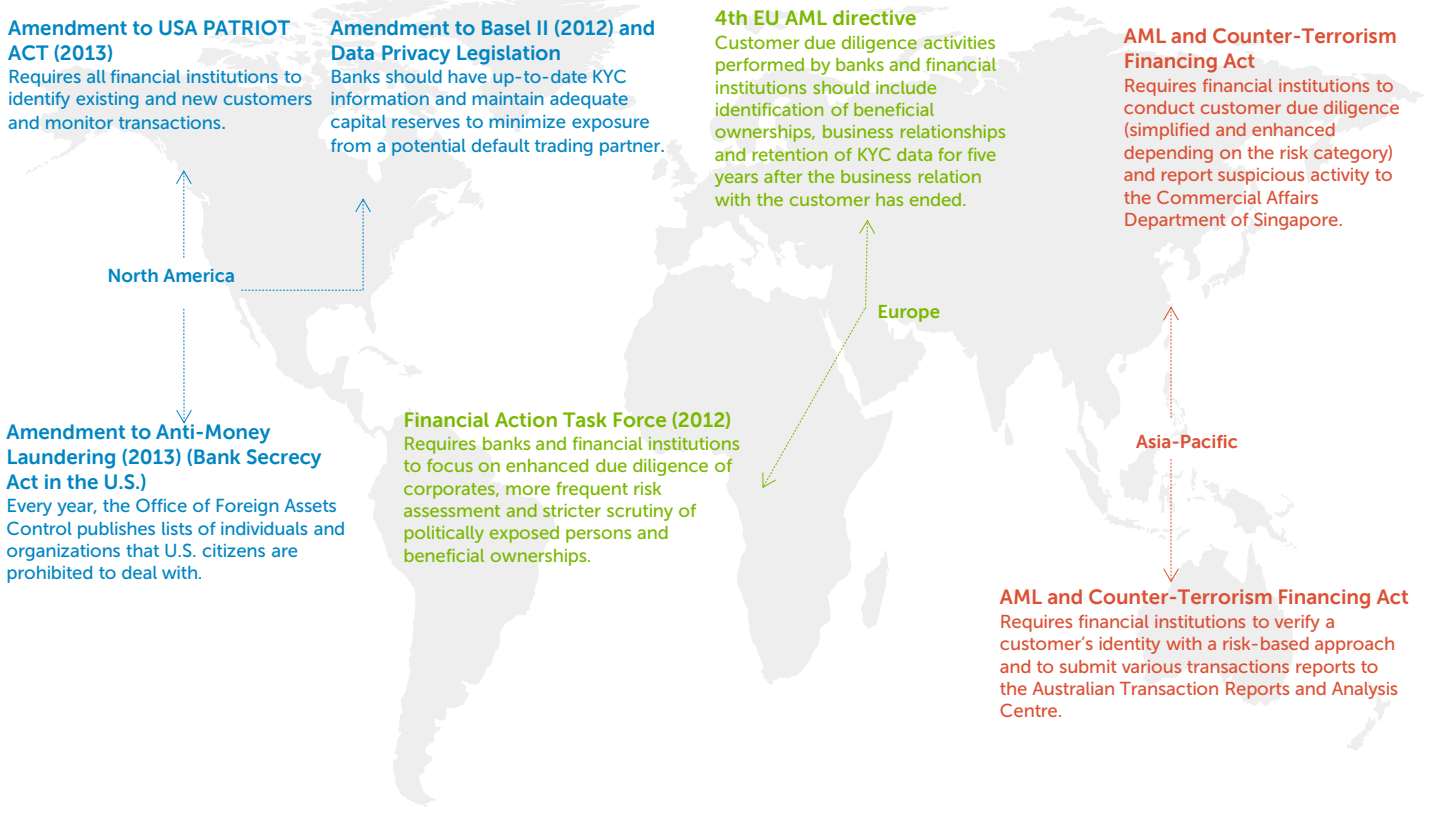
Key drivers:

Regulatory compliance: Across the globe, regulators and central banks have increased the focus on ensuring stringent processes in place pertaining to new customer due diligence, screening and AML to identify the real source of funds and overall risk exposure. More than 18 regulations — such as the Financial Action Task Force (FATF), Financial Crimes Enforcement Network Customer Due Diligence (FinCEN CDD) and the AML Directive —

have been introduced recently to ensure financial institutions follow stringent due diligence processes.

70 percent of global banks have had a regulatory visit from Central Bank for checking KYC processes and readiness, according to KPMG.

Global regulatory landscape pertaining to AML programs has compelled banks and financial institutions to strengthen their customer due diligence process



Lack of a single view of the customer:

Financial institutions are struggling to gain a centralized view of their customer information across product portfolios. This has resulted in credit teams not being able to understand a bank’s overall exposure to a customer as well as reduced cross-sell/up-sell opportunities.

Manual procedures/lack of automation:

The process and technology investments in KYC have proven inadequate for financial institutions, with the majority of processing still being done manually and often piecemeal. The overall complexity of these processes has increased with evolving regulatory mandates and product portfolio diversification.

Absence of risk-based approach:

The focus of KYC so far has been on gathering customer reference information with non-standardized processes for periodic reviews. Some large banks have incurred hefty fines from not having a proactive approach to managing such risks.

Lack of a comprehensive view of risk exposure across lines of business:

Many financial institutions lack a standard risk-rating mechanism across different product lines and business units, which results in a differentiated view of the risk exposure for the same client. Financial institutions need a single view of their institution’s risk exposure across its different lines of business.

Non-coherent KYC procedures:

Different lines of business often have their own KYC mechanisms to support the needs of AML and other regulations. Additionally, KYC procedures are largely based on geographies, products or lines of business and are often varied.

Dell’s comprehensive customer onboarding and KYC solution – a business function management service

Dell KYC in a Box utilizes our extensive experience, intellectual property and industry best practices to provide you with a best-in-class business process and technology platform that ensures compliance with regulations, reduces operating costs and ensures high customer satisfaction and superior experience.

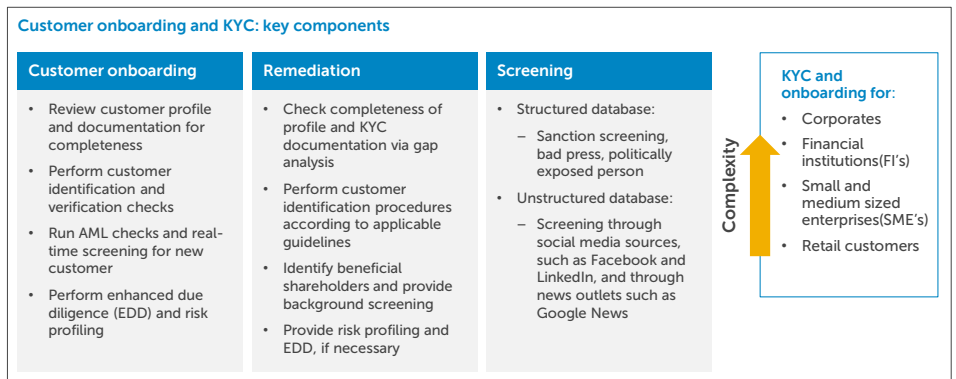
Our solution aims at centralizing all KYC operations into a single, shared environment for enterprise-level, ongoing customer onboarding, along

with the periodic screening needs of your financial institution. Our solution enables rigorous and accurate risk profiling of your customers.

Key components of customer onboarding and KYC:

KYC assessment: Most banks and financial institutions are faced with non-standardized business process and the absence of a scalable, flexible IT platform that caters to their global KYC needs across lines of business, products and geographies.

Dell uses its KYC Center of Excellence to assess your financial institutions’ current KYC process maturity to identify



Non-standard KYC policies and processes, and repeated requests to customers for the same information, lead to poor customer experience.

gaps and inconsistencies. This includes process definition/redesign, service definition, reporting mechanisms and target-state business, as well as a technology roadmap with an end-state target operating model.

Platform-led KYC services: Dell provides an industry-leading platform to perform your KYC operations in a well-defined, highly configurable workflow. In addition, our IT Infrastructure Library–based support methodology ensures seamless ongoing service delivery to the bank’s business.

Dell KYC in a Box spans the complete software development lifecycle, including implementation and ongoing support, and helps banks and financial institutions move away from a siloed approach to a functionally unified, customer-centric model.

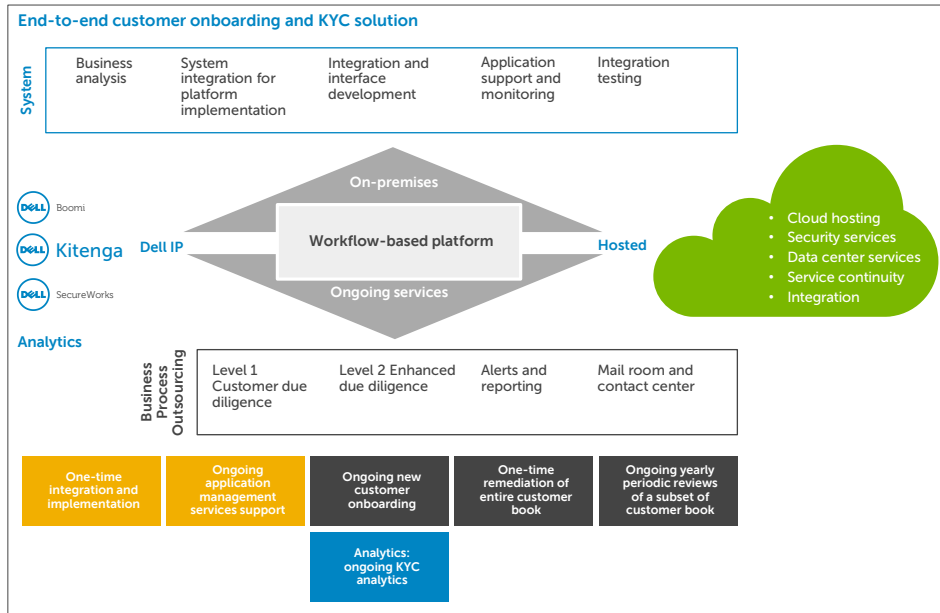
KYC operations: Dell's KYC operations involve end-to-end processing expertise to support your new customer

model to ensure maximum value.

KYC service assurance: Dell provides a managed service model with a single point of ownership. Driven by the service-level agreement, our service is enabled by robust governance across your organization's business and technology functions. We adopt a holistic approach, utilizing our business service management function to

by providing data-driven insights for regulatory reporting, customer profiling and risk scoring, predictive analytics (including customer segmentation by behavior) and smart decisioning for customer thresholds.

Ongoing security assurance: Financial institutions, especially banks, are typically concerned about security controls for transactions that involve banks' customers' personal information. Dell's security solution ensures complete adherence to your institution's security standards and policies, and establishes a mechanism for ongoing security assurance.



Benefits:

- Single view of a financial institution's risk exposure across its lines of business
- Significant reduction in customer onboarding time
- Increase in relationship manager productivity
- Streamlined business processes and improvement in time to market
- Reduced cost of regulatory compliance

onboarding, as well as addressing the recurring need to remediate customer information in an on-demand, scalable manner.

This includes identification and verification through trusted sources, customer due diligence (basic as well as enhanced) and screening against AML watch lists (such as politically exposed persons, sanctions and the Office of Foreign Assets Control) per country-specific regulations.

Our experienced KYC analysts have a comprehensive understanding of regulations across North America, Europe, the Middle East and Asia-Pacific, providing KYC services in a best-shore

establish strong KYC integration with the underlying IT service management.

KYC screening solution: Dell's KYC screening solution goes beyond traditional screening to enable your institution with a comprehensive view of the customer. Our web-based solution is largely agnostic to sources and can provide manual or API access to a host of structured/unstructured information providers.

KYC predictive analytics: Inadequate risk-based reporting and manual processes often make the overall KYC process more expensive and inefficient. Our analytics reduce the burden of compliance on your AML departments

Proven expertise:

- Dedicated customer onboarding and KYC Center of Excellence
- End-to-end, integrated service offering: KYC and customer onboarding in a box (applications, operations and security assurance)
- Experience across the global AML spectrum and due diligence regulations
- Proven product implementation and support methodology

For more information about any our Banking service offerings, please visit Dell.com/banking, or contact your Dell representative.



Scan or click this code to learn how Dell Services can help your organization.

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