

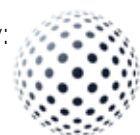
An Industry Briefing Prepared by:



# THE MISSING PIECE OF THE CLIENT ONBOARDING PUZZLE: HOW TO MOVE SEAMLESSLY FROM ONBOARDING TO TRADING

March 2015

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## The Fast and Seamless Approach

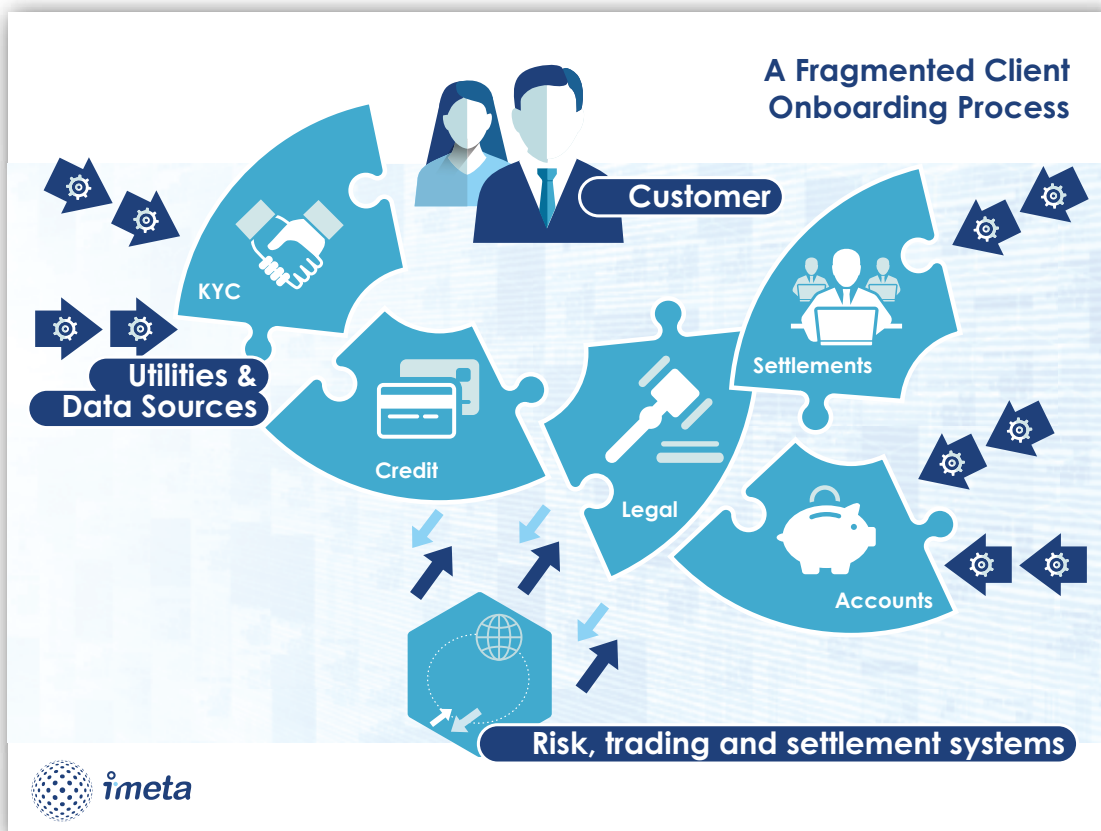
What if you could move seamlessly through client on-boarding to trade readiness in one harmonised process?

Ideally, when the front office brings in a new client and initiates the onboarding process, this process - from document gathering, to compliance, to credit and legal checks – will be managed in a single harmonised process. This kind of end-to-end approach can bring many benefits as the more progressive financial institutions are finding.

But many client onboarding solutions available in the marketplace are missing a crucial element: integrating account and settlement data. This is what would enable them to seamlessly move from onboarding to booking, confirming and settling trades.

To truly reap the benefits of a single holistic approach to onboarding, account and settlement data for all the products and geographies required by the client relationship must be integrated to enable firms to book, confirm and settle trades – moving quickly from initiation to trade readiness.

Without this final step, the client onboarding process is in effect incomplete, raising the prospect of additional delays and costs, regulatory risk and reputational risk.



## Regulatory Pressure Driving Change

Whilst many financial institutions have a decentralised and often fragmented approach to client onboarding and entity data management – splitting tasks and technology platforms between many groups across front office, operations, reference data and compliance – regulatory, client service and cost pressures are now forcing them to address this defunct approach.

Regulations like EMIR, Dodd-Frank, MiFID II and FATCA, which have been driving change and investment in the client onboarding space for some time, are considered by many to be ‘coming to the end of their grace period’. With this, we expect the regulators to start enforcing the rules more vigorously.

Getting your onboarding house in order is essential to ensuring you stay on the right side of regulatory compliance, and reduce the risks of incurring costly regulatory penalties.

But addressing these client onboarding functions in isolation isn't enough!

To be truly efficient, firms must consider the true end-to-end approach; from initiating the new client onboarding process, performing checks and documentation, through to product set up and settlements information, then back to the front office to be ready to trade seamlessly. In this way they will lower onboarding costs and times whilst realising revenue sooner and enhancing their customer experience.

## Reducing Regulatory Risk by Leveraging a Joined-Up Approach

Taking a joined-up approach where account and settlement data is integrated early in the onboarding process, especially for those financial institutions dealing with larger investment manager clients, offers real advantages in reducing regulatory risk.

When setting up new clients and their accounts, it is essential that you correctly identify the parties you are dealing with both as agents and underlying principles. This is especially true with OTC products which have enhanced risks from a credit and regulatory compliance perspective.

Accessing and pre-populating client records with this data early in the process – particularly integrating industry sources such as settlements data from Omgeo ALERT or entity data from DTCC's Avox – will enable you to ensure you have correctly identified both the agent and underlying principle as you set up the funds and their related accounts.

You will also benefit from reduced manual work, as much of the data collection can be automated, reducing keying time and risk. Additionally, you will benefit from a much-reduced likelihood of account duplication. But crucially, you will greatly improve your ability to comply with regulatory requirements and reduce your risk of incurring penalties and fines.

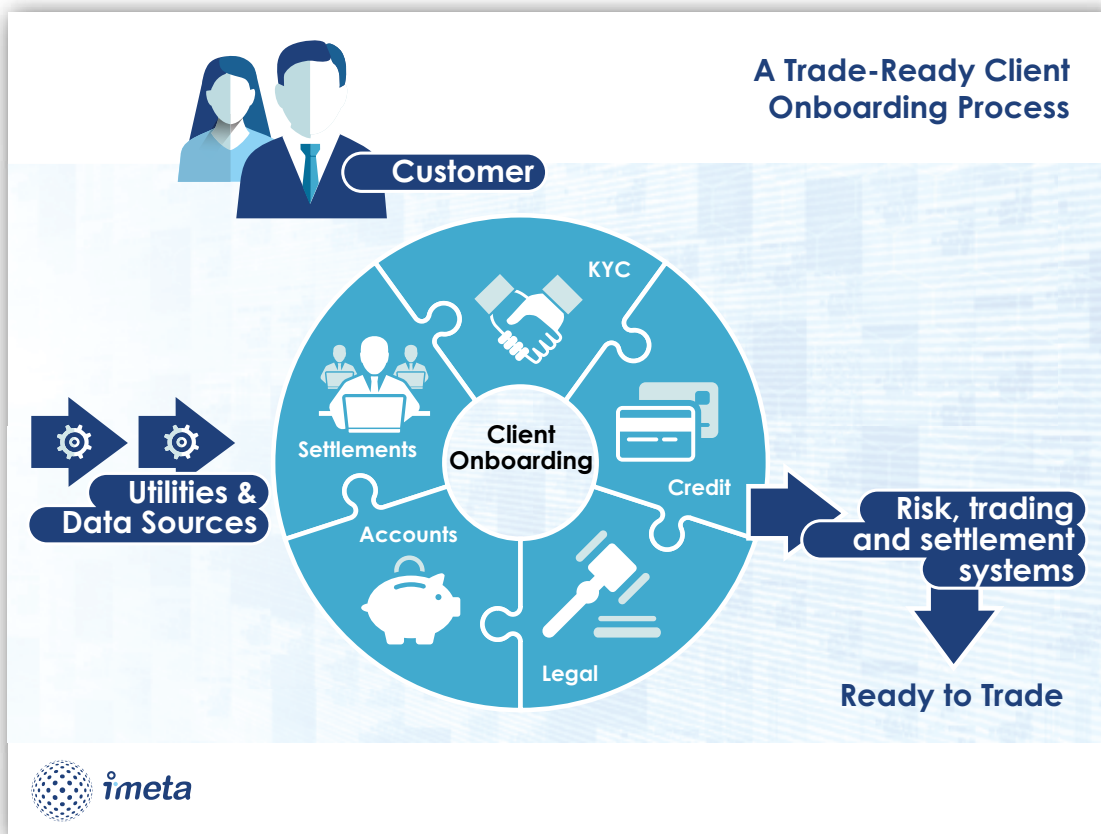
## Speed to Trade = Speed to Revenue

Moving from onboarding to being ready-to-trade in a single harmonised process will present a distinct advantage over competitors. This speed to trade will provide faster speed to revenue, which will in turn improve the profitability of each new client.

Inevitable delays in the decentralised and more manual approach that can lead to missed opportunities for revenue, client growth and cross selling will also be avoided.

As well as improved revenue opportunities, the reduction in the manual and decentralised functions of an integrated approach will significantly reduce the costs associated with client onboarding and KYC checks.

A reduction in the reputational damage that inefficient firms face through poor customer service, which ultimately leads to client attrition, will also be realised. No client wants to be faced with multiple data requests and forms to fill out, or a lengthy process before being officially on-boarded. The more efficient you are, the better your customer service and the better your reputation in the marketplace.



## The Benefits of a Truly Integrated Approach

Taking a broader, more holistic approach to end-to-end client onboarding – by including product and settlements information – will offer significant benefits to those forward-thinking institutions, such as:

- ✓ Increased speed of client onboarding
- ✓ Reduced cost
- ✓ Reduced regulatory risk
- ✓ Improved customer experience
- ✓ Reduced risk of reputational damage
- ✓ Enabling the front office to trade right away for faster revenue realisation

## Key Things to Consider When Purchasing a Client Onboarding Solution:

When considering a client onboarding solution here's a valuable checklist of capabilities to have on your list:

- ✓ Integration with industry data sources
- ✓ Configurable data model - how easily can you add data attributes as regulatory requirements evolve?
- ✓ Client configurable workflow and rules engine covering KYC/AML checks, credit checks, legal review and compliance
- ✓ Compliance management across tax, KYC, AML, FATCA, EMIR, MiFID II, and Dodd-Frank
- ✓ Linking identified client with product information
- ✓ Integrating SSIs (from Omgeo ALERT, internal sources, or directly from clients)
- ✓ Sophisticated document management
- ✓ Audit trail and transparency into processes
- ✓ Ongoing screening and review process



## About iMeta Technologies Ltd.

Founded in 2000, iMeta has a proven track record delivering Entity Data Management technology to some of the world's largest banks and financial institutions. iMeta's Assassin platform delivers a complete end to end solution for onboarding and managing entity data; and is capable of handling the complex regulatory and operational data requirements of capital market organisations. The platform offers a single view of the whole client lifecycle and supports compliance with regulations covering AML, FATCA, MiFID, DFA and EMIR.

The full suite consists of:

- Assassin KYC; for client onboarding and KYC data management
- Assassin Credit & Legal; to manage credit and legal workflows associated with onboarding products
- Assassin SSI; which automates SSI (standing settlement instruction) data management processes

Financial institutions require an accurate record of their client data. Assassin provides this via a central repository; delivering a single source of up to the minute, clean data throughout the organisation. iMeta uses appropriate, robust technology to create a solution that integrates with customer's in house technologies; providing clean, manageable data and seamless workflows. With a core team of experts in financial markets and a reputation for delivering true business value and feature rich technology, iMeta understands industry best practices; ensuring that product roadmaps are aligned to client requirements and priorities.

For more information visit [www.imeta.com](http://www.imeta.com).

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