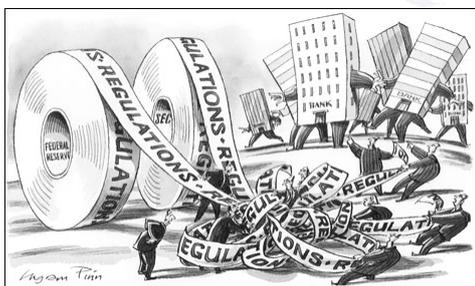


Compliance Service

In today's world, particularly within the financial services industry, more and more regulations, rules, laws and legislation are being introduced, in a global effort to enforce appropriate ethical conduct by firms and individuals alike. Both the sheer volume of such regulatory requirements, as well as the speed of change in existing regulations, create the ever present and increasing risk of non-compliance by the firm and its staff. Many firms have responded by establishing dedicated compliance functions, either as a sub-set of the operational risk function or as a standalone discipline.

At the same time, in order to function efficiently and in an appropriate business manner, most organisations establish formal policies, guidelines and frameworks to govern the manner in which various business activities are performed, supported by detailed procedures which describe exactly how specific tasks aimed at supporting the policy are carried out. Ensuring that the business both has the necessary policy, procedures and instructions and that staff adhere to policy, procedures and instructions has become part of the responsibilities of the compliance function, both at group or holding company level and within each business entity.



To support the compliance function, the RiskBusiness Compliance Service has been designed to both document all compliance requirements and to raise awareness of such compliance requirements across the organisation, as well as to facilitate the ongoing assessment of the degree to which the firm remains compliant with both internal and external rules, regulations, policies and guidelines. The Compliance Service can be used either as a standalone tool or as an integrated component of the RiskBusiness RiskIntelliSet™.

When used with the RiskBusiness Regulations Library, the specific external rules, regulations and legislation can be associated with the resultant non-compliance risks, then mapped against the typical business processes where the rules and regulations apply, taking into account client type, product type, distribution channel and geographic location. Similarly, internal policies and rules can be applied in the same manner, resulting in a pre-defined set of external and internal compliance requirements for each business entity. These requirements can also be depicted within the RiskBusiness Compliance Service as a "compliance profile", with the option to rate each compliance point as compliant, partially compliant, not compliant or not applicable. Where relevant, specific key risk indicators can then be applied to each such compliance point, then using the RiskBusiness KRI Monitoring Service, statistical data on compliance can be collected, analysed and monitored. Actual regulatory sanction, internal remedial action, actual loss events or loss events which have affected either peer firms in the industry or members of a loss data consortium to which the firm belongs, can then be represented on the compliance profile, along with specific compliance findings or audit findings, as part of providing management with ongoing information on its compliance obligations.



The RiskBusiness Compliance Service allows you to schedule different types of compliance assessment, based on location, product, rule/law/regulation/policy, theme (such as KYC, AML, CTF, etc.), legal entity, regulator, etc. Specific facility is provided to create compliance questionnaires, to collect supporting documentation and evidence, to prepare compliance reports and to establish and manage compliance findings, including the management of remedial or corrective action plans.

In addition to compliance reviews, detailed compliance-specific assessments can be defined and used by the compliance function in measuring and monitoring policy, procedure and instruction compliance by business function/process on an ongoing or ad hoc basis. These compliance assessments allow for user-defined questions to be included into the assessment and for user-defined compliance assessment rating scales to be used for the assessment. Assessments can be undertaken on either an inherent or residual risk basis and facility is available to include the effectiveness of compliance-specific controls. Reports are provided reflecting compliance assessment results, overdue assessments and assessments which have not been signed off.

The RiskBusiness Compliance Service also has the option to include specific compliance-related attestation by various management areas, such as an attestation on compliance with health and safety requirements, employee-related attestations and attestations as to compliance with specific rules and regulations. All attestation requests are generated to the nominated manager electronically, they can be required to submit supporting artefacts or simply to make a pre-defined declaration as their attestation.

Where the firm defines strategic, business or personal objectives within the RiskIntelliSet™ Core Module, the Compliance Service can be used to measure the degree to which such objectives have been met and to raise both findings where objectives have not been met and remedial actions to resolve the failure. Objectives can also be linked to specific internal policies and procedures.

The RiskBusiness Compliance Service is web-based and uses PKI-technology to safe-guard the organisation's data. The Compliance Service also accepts file uploads in XML and csv formats for data interchange.

For more information on the RiskBusiness Compliance Service, please contact RiskBusiness Services Limited through our website or email us at info@RiskBusiness.com.

