

Pega Know Your Customer for Financial Services – Regulatory Rules Engine

Rules and standards for Financial Institutions – Coverage, maintenance, and automation

A Pega Financial Services Datasheet

Pega Know Your Customer™ (KYC) for Financial Services delivers the industry's best solution for streamlining compliance during all types of customer journeys, from onboarding to periodic reviews and offboarding.

This unified platform automatically enforces KYC regulations and common best practices, while dynamically supporting unique policies and procedures based on factors like geography, customer type, line of business, and product.

Financial institutions can easily automate the steps required to comply with multiple AML/CTF regulations, as well as CRS, FATCA, DFA, EMIR, FINRA, IROCC, and MiFID regulations.

With Pega, every customer journey can be compliant and faster.

- **Extensive regulatory coverage**

Pega provides KYC global common standards and country-specific regulations, for Corporate and Investment Banking and Retail. The out-of-the-box rules also include the CRS and FATCA tax regulations as well as product-driven regulations, such as DFA, EMIR, FINRA, IROCC, and MiFID.

- **Broad geographic footprint**

Rulesets cover 60 countries across six continents, including Canada, USA, Mexico, Argentina, Brazil, all EU member states, Switzerland, Turkey, Russia, United Kingdom, South Africa, Saudi Arabia, United Arab Emirates, China, Hong Kong, India, Japan, Singapore, South Korea, Australia, and New Zealand.

- **Manage regulatory risk effortlessly**

Leverage Pega's rich rules library, which is developed and updated by the Pega Internal Regulatory Affairs team together with law firms that have expertise in the AML/KYC space, or connect your own rules library if you prefer.

- **Implement rapid change across processes and regulatory rules**

Changes to rules can be made quickly and efficiently with Pega's low-code approach – so you can respond to market and regulatory changes within days, rather than weeks or even months.

Challenge

As regulations broaden and deepen, financial institutions feel the enormous pressure to consistently meet increasingly complex regulatory requirements, making it a challenge to stay continuously compliant.

Identifying and managing compliance risk does not only stretch resources – it is also dependent on the right technology and automation, which is key to support the financial institutions in their adherence to regulations.

Solution

Pega offers an industry-leading application that helps financial institutions to comply with regulations through automated rules enforcement within a flexible framework.

The KYC Regulatory Rules Engine is the "one-stop shop" that assists Pega clients in staying continuously compliant in an ever-changing regulatory space, offers best-practice solutions to regulatory challenges, accelerates the customer due diligence processes, and reduces the costs of operations and compliance.

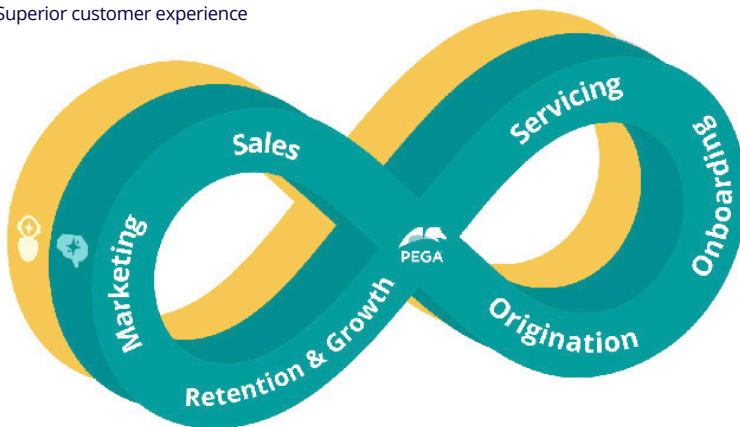
Ruleset configuration, maintenance, and updating that ensure future proofing

Pega offers:

- Zero-code configuration of out-of-the-box rulesets to ensure the financial institutions meet their specific needs from internal policies and interpretation.
- Monitoring of evolution in the covered regulatory regimes.
- An internal Regulatory Affairs team working with the law firms to keep the rules engine up to date with upcoming regulatory changes.
- Ruleset changes and logic delivered in an easily configurable format and automatically rendered in the User Interface.
- Ongoing collaboration in the regulatory landscape with Pega KYC clients.

The Pega KYC regulatory rules engine delivers a framework to create and foster a culture of compliance and delivers the following key benefits and outcomes:

- Simplified and streamlined compliance
- Effective, transparent approach to regulatory risk management
- Holistic view of the customers across business lines, jurisdictions, and products
- Faster Time to Revenue
- Superior customer experience



Automation with Pega KYC

Pega provides:

- Quarterly Regulatory Rule Updates that can be implemented directly into Pega KYC delivering updated rulesets and versioning in minutes.
- Custom rulesets for financial institutions that can be easily configured in the KYC Rule Manager Studio and updated directly in the system.
- The ability to update only the delta in existing due diligence information on the introduction of new rules/rule changes.
- Auditability of all rule changes and versioning.

Stronger Compliance, Governance, and Risk mitigation

Pega offers:

- KYC requirements driven by booking jurisdiction of the product, product type, customer type, risk profile, line of business and other configurable drivers, applying only “what’s required, when required”.
- A master profile of customers and all their related parties (e.g., beneficial owners, majority shareholders), across all lines of business, products, and geographies as well as complex direct/indirect and parent/child relationships.
- Comprehensive dashboards.
- Full integration with Pega Client Lifecycle Management (CLM) front-to-back office, ensuring efficiency and transparency.
- Ability to scale across jurisdictions and all lines of business.

Onboarding

- Regulatory Compliance (KYC, Tax, etc.)
- Client Lifecycle Management (CLM)
- Product set-up/Fulfillment