



Proven Efficiency.
Superior Protection.
Smarter Risk Management.

Newsletter

April 2013



On The HORIZON for 2013

Spring is a time for renewal, for looking forward—and the AML world can't move past 2012 fast enough. Massive fines, ubiquitous and challenging regulatory actions, and never-ending audits do not make for fun times. But let's stay with the spirit of the season and look forward. What does the crystal ball say about 2013?

Covering Your Vulnerabilities and Managing Your Risks.

There are four critical components that every data and application provider must have.

- Comprehensive coverage –Sanctions, PEPs and High Risk Media.
- Personalized configuration across all risk bases and a comprehensive scoring method to tailor customer needs to improve the efficiency of the due diligence process.
- Configurable segregated processing according to risk preferences.
- Continuous monitoring of all accounts pursuant to a customized risk paradigm.

Integrated Aggregation

"Similar risks must be treated similarly." A risk management maxim coming back into vogue, especially as it relates to enterprise-wide uses and assessments of the vast amounts of risk relevant data sitting in various risk silos. Two trends are emerging.

- A fundamental need for a singular AML risk assessment that aggregates input from all material risk disciplines in the firm and scores outcomes in a manner fully consistent with the methodologies and outcomes in similar risk silos.
- Incorporating publicly reported events into transaction monitoring systems. Outside events, as much as internal transaction patterns can drive significant changes in risk profiles.

Let the Data Do the Scoring

Over the last year, regulatory demands for more advanced scoring systems have increased. Regulators now expect mathematical precision--statistical precision is now the rage.

- Diligence teams must structure their data to provide surgical dissection of key points for tracking across your client base.
- These teams also must aggregate and analyze relevant public data to travel side-by-side with these core variables.

Future-Size Your Remediation

Look beyond the immediate remediation challenge to consider the ideal ongoing state to avoid reverting back to the way things were before the remediation occurred. Before you start, consider what the post-remedial world will need. Staffing, technological capabilities and vendors should all be selected with this in mind. A number of vendors, especially RDC, have staff to supplement their services to both complete the remediation and help pave the way to a new and better future.

It Flows Downstream

There is no better truism. Most regulatory action is premised on deterrence. Through public disciplinary actions on the big players with historic fines and remedial directions, regulators hope prevention will flow throughout the industry to quickly remedy perceived problems. But in my experience, regulators act long before any social engineering takes hold.

This is certainly the case today. What regulators have dictated for the big guys in 2011 and 2012 is now being felt by the mid-size and smaller firms. Regional banks, community banks and foreign banks with a small U.S. presence are now feeling the pressure. RDC is here to help. RDC will stand with you through thick and thin, and we bring over a century of experience walking in your shoes to help with your exams, audits and remediations. We will continue to innovate and deliver industry-leading solutions to meet your needs and make your life easier, today and into the future.

Here's to Spring. Tom Obermaier, CEO

IN THE NEWS

CEO Tom Obermaier recently addressed the 18th Annual Int'l AML & Financial Crime Conference at the Westin Diplomat in Hollywood, FL. Tom Obermaier was invited to speak at the Global AML Compliance Session "Increasing Data Quality and Refining Your Due Diligence with Enterprise Wide Processes." RDC was also the Gold Sponsor for this event. For more information, check out Moneylaunderingconference.com.

RDC leadership team expands naming Clare Hart to its Board of Directors, Stephen Rooney as Executive Vice President of Global Sales and the recent appointment of Anthony Capon as Vice President of Data Strategy. For more info check out www.rdc.com/about/management-and-board

IN THIS ISSUE

- ⇒ **On The Horizon for 2013**
- ⇒ **Products Updates**
- ⇒ **The Full Range of Services**
- ⇒ **Tech Support**
- ⇒ **Company Newsflash**
- ⇒ **Professional Development**

PRODUCT Updates

RDC's industry-leading innovations continue, and thus far in 2013 we've added enhancements to our core offerings and new solutions to offer you the broadest protection, enhance your efficiency, and simplify and optimize your AML/KYC needs.

The latest enhancements to **PEP Connect™** reduce costs and challenges of anti-money laundering and anti-corruption programs. RDC's Politically Exposed Persons (PEP) product contains the world's largest collection of PEP data, fully embedded with position risk, corruption risk, and event risk markers. Innovations include:

Detailed coverage of 240 countries, with a special emphasis and drill-down on the key countries and emerging markets that pose the greatest risk to our clients.



A PEP classification algorithm that incorporates entity risk, position risk, country corruption ratings, and any event risk, including breaking news events. All attributes of PEP Connect are filterable and configurable based on your unique preferences

RDC has added the largest listing of U.S. PEPs, covering more than 200,000 individuals for clients that choose enhanced and comprehensive coverage of domestic politically exposed persons.

AMLxp™ introduces advanced CIP and entity ID validation capabilities to the adverse media screening, a robust scoring engine to provide a holistic, consistent score, and delivered in a decision-ready due diligence report that can be accessed via a portal or web services. It leverages our relationships with several third-party data providers, and can be easily extended to add additional providers as required.

The Full Range of SERVICES

RDC Analyst Review – Our ACAMS-trained analysts have been helping clients eliminate false positives and immaterial alerts, reducing noise and workload, improving efficiencies, and allowing their teams to focus on only those alerts that matter. Customers of the service have seen a significant reduction in workload and have been able to manage significant growth in their portfolios without the need to increase headcount, while focusing efforts on items worthy of their review.

RDC's CVIP™ Filtering Engine – Market-leading advanced filtering technology allows you to systematically eliminate alerts based on your business rules and policies. Customers that have implemented CVIP have seen their alerts volumes reduced by an average of over 20% by eliminating immaterial hits. If you are not using this functionality, please contact Customer Support to get set up.

RDC's Remediation Expertise – Leveraging the tools and services above, RDC has helped clients perform one-time remediation efforts on specific client portfolios, such as those from M&A activities, as part of a renewal process, or as part of an audit requirement. As part of the service, RDC monitors the names on an ongoing basis and provides enhanced due diligence on specific entities as required.



Please let us know if we can help, and reach out to Customer Support or to your account executive for more details on how to access these products and services

Tech SUPPORT

Online Learning Is Just a Few Clicks Away

The customer portal is more than just a place to conduct due diligence screenings. It's also where you can view the latest product enhancements, learn best practices for searching GRID and watch video tutorials. Our online library houses a wealth of resources where you will also find information help topics, reference guides, and FAQs. Here's how to gain access from our website, www.rdc.com.



1. Click "Client Log-in" along the top navigation bar.
2. Log in with your RDC-issued user id and chosen password.
3. Click the Help or New Features! links.

That's all it takes to have e-learning at your fingertips! Contact support specialists who are ready to answer your questions at support@rdc.com.

RDC E-Learning Series

New to RDC? Need a refresher? Don't forget to register for our interactive training sessions with our Customer Support team. Learn how to get the best results, manage your portfolio, reduce processing time and use new features.

To register, please send an email to support@rdc.com.

PROFESSIONAL Development

Webinars

May 2013 High Tech Roundtable on FCPA Compliance

July 2013 Is Your FCPA/UK Bribery Act Program up to Standards and Real?

Check your inbox for additional information or contact us at info@rdc.com.

Upcoming Events

- June 3, Wolfsberg Group Forum in Zurich Switzerland.
- Sept 23—25, ACAMS 12th Annual AML & Financial Crime Conference at the Aria in Las Vegas, NV. RDC is the gold sponsor and speaker.
- Nov 3—7, IMTC Annual Money Transfer Conference, Miami, FL.
- Nov 17—19, ABA/ABA Money Laundering Enforcement Conference, Washington, DC.



COMPANY NEWSFLASH



RDC and Concur Add Compliance Screening to T&E Management.

RDC, which houses GRID, the world's largest database of open-source, risk-relevant records on individuals and organizations, and Concur, the leading provider of integrated travel and expense management services, have combined the power of their respective solutions to help customers comply with the requirements imposed by the Foreign Corrupt Practices Act (FCPA), UK Bribery Act, and other global regulations.

RDC Announces Dynamic Relationship with Dun & Bradstreet (D&B). This collaboration unites two powerhouse data development strategies and provides the most in-depth global coverage, helping financial institutions and other regulated organizations concerned with fraud to comply with AML/KYC regulatory requirements and further assist in efforts to identify suspicious activity. RDC, which houses the world's largest database of open-source, risk-relevant records, and D&B, with a global database of over 220 million business records, have combined the power of their respective databases to help customers identify banned or suspect entities, strengthen fraud protection, ensure regulatory compliance, manage supply and distribution risk, and protect their brand.

RDC Revolutionizes PEP Risk Management. RDC's PEP Connect solution ensures that financial institutions and other regulated organizations concerned with PEPs can fully comply with AML/KYC regulatory requirements by knowing which customer accounts require additional scrutiny. RDC's enhanced due diligence PEP solution is a powerful tool in assisting financial institutions with compliance obligations to safeguard against money laundering and avoid substantial penalties in the process.

RDC Announces Several Key Appointments.

- **Clare Hart** to its **Board of Directors**. Clare is an experienced executive leading global expansions in business and information services companies around the world.
- **Steve Rooney, Exec. Vice President of Global Sales**. Steve has a proven track record of building deep sales competency and a solid reputation for increasing revenues and profitability.
- **Anthony Capon, Vice President of Data Strategy**. Anthony is a leading information industry executive in data management, resourcing and research.

Kevin Ford, RDC's General Counsel/Chief Compliance Officer and a founding member of the Wolfsberg Group, recently received an **Interpol Medal of Honor** in recognition of his contribution to Interpol's anti-corruption efforts. Kevin is an internationally recognized AML professional and heavily sought after speaker for conferences and events globally. www.interpol.int/News-and-media/News-media-releases/2012/N20120202. He was also the guest speaker at Fusion 2013 in Las Vegas, NV recently. Kevin's incisive article on the UK Bribery Act and implications for all types of firms was published in BNA-Securities Regulation and Law Report, the widely read publication focused on the securities industry. Access to the article can be found on the RDC website. www.rdc.com/sites/default/files/UK%20Bribery%20Article.pdf

Darrin McLaughlin, CAMS, Managing Director of Strategic Client Solutions at RDC, was recently named **Chair of the ACAMS Greater Philadelphia Chapter**. He also delivers educational seminars at a variety of compliance and regulatory conferences throughout the world. Recently Darrin provided a compelling presentation at the ACFCS conference on "Unraveling beneficial owners of legal entities is no small task, but in-house data can help." www.acfcs.org/unraveling-beneficial-owners-of-legal-entities-is-no-small-task-but-in-house-data-can-help/

Anne Jablonski, RDC's Chief Data Officer, was **appointed to the Care.com Safety Advisory Board**, which is comprised of experts in technology, family care and personal data safety from leading non-profit organizations, corporations and service providers dedicated to improving sources for finding in-home caregivers. <http://www.care.com/press-release-carecom-announces-safety-advisory-board-p1186-q5353702.html>

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Difference

Learn more about RDC's
decision-ready intelligence

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