

CDD-X

Lowering the Cost of Compliance



Customer Due Diligence (CDD) Deficiencies Have Compounding Impacts on the Overall AML Program

The growing cost of compliance is not sustainable. Financial Service Organizations (FSOs) are challenged to meet the demands of today's evolving regulatory environment where customer due diligence processes are manual, inconsistent, and provide an incomplete view of the customer and the risks they pose.

The complexity of onboarding customers, data acquisition and aggregation, and high-risk customer management results in the high cost of compliance. Inadequate controls and manual processes can lead to increased regulatory scrutiny, reputational risk and potential financial penalties - all while damaging customer satisfaction.

A weak program at the start will slowly degrade the entire Know Your Customer (KYC) / CDD program and have a downstream effect that impacts other areas such as activity monitoring and watch list filtering.

CDD-X: Creating Operational Efficiencies and a Holistic View of Customer Risk

The next step in our Autonomous AML portfolio, Actimize CDD-X, uses the latest technological innovations to expand your risk reach. It simplifies all aspects of the entire customer lifecycle assessment – accounting for KYC application onboarding, ongoing CDD and enhanced due diligence (EDD) processes, for an integrated AML solution.

By combining intelligent automation, AI and machine learning with built-in KYC / CDD expertise, CDD-X creates operational efficiencies and provides a holistic view of customer risk so FSOs can rest assured their understanding of their customers is up-to-date.

- *KYC / CDD processes consume nearly 60 percent of the total costs spent on an AML program.*
- *There has been a major shift in regulatory views - five major U.S. governing bodies issued a joint statement on December 3, 2018 encouraging banks to take innovative approaches to meet their AML compliance obligations. It's only a matter of time until the application of artificial intelligence and its machine learning subset become a regulatory expectation in AML programs.*

[Get in touch to learn more about CDD-X.](#)

“KYC/CDD is both vitally important and frequently under-leveraged. Banks typically focus on the defensive, protective elements of KYC/CDD while ignoring the competitive advantage an effective KYC/CDD program can provide in the client onboarding process - potentially shortening the time from client win to new revenue by weeks when incorporated into an automated approach.”

*Andy Schmidt,
Research Director,
CEB TowerGroup*

Reduce Customer Review Times

CDD-X features a new analyst interface enhanced by Entity Insights™ for a graphical view, providing an easy understanding of related entities and investigations, and a single integrated view of the customer. Built-in intelligent automation simplifies tasks related to ultimate beneficial ownership (UBO), adverse media, and reviewing or annotating notes in customer relationship management (CRM) systems. These innovations combined can improve productivity and reduce customer review times by up to 40 to 80 percent.

Increase Accuracy with Better High-Risk Customer Management

Customer profiles are supercharged by bringing in additional third-party risk factors from our library of data connectors that simplify the acquisition and aggregation of data. Past decision data is then infused with AI and machine learning for an improved customer risk score that's not based on predefined rules. This means better identification of high-risk customers who were previously misclassified with a lower rating, and reclassifying customers that are incorrectly marked as high-risk, who do not require EDD. These improved insights for client data enable better customer relationship management with a lot less customer friction.

Reduce Overall AML Risk

As a core component in the Autonomous AML portfolio, CDD-X enhances the overall KYC-AML program. It augments transaction monitoring with better client risk attributes and enables integrated watch list filtering to screen and risk score all related parties. Its simulation feature supports easy impact analysis to the distribution of risk in your client population.

CDD-X is packaged with NICE Actimize ActOne case management system for a single output of consolidated, correlated and centralized data, providing actionable intelligence to manage work flows, support investigations and ensure oversight. It also leverages ActimizeWatch, the secure cloud-based analytics optimization service to apply outcome-based data-driven machine learning to optimize customer risk scores.

CDD-X helps you to be more confident in managing your client risk. Having a holistic, modernized, integrated set of solutions provides FSOs business agility and cost savings in the fight against financial crime.



About NICE Actimize

NICE Actimize is the largest and broadest provider of financial crime, risk and compliance solutions for regional and global financial institutions, as well as government regulators. Consistently ranked as number one in the space, NICE Actimize experts apply innovative technology to protect institutions and safeguard consumers and investors assets by identifying financial crime, preventing fraud and providing regulatory compliance. The company provides real-time, cross-channel fraud prevention, anti-money laundering detection, and trading surveillance solutions that address such concerns as payment fraud, cybercrime, sanctions monitoring, market abuse, customer due diligence and insider trading.

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