




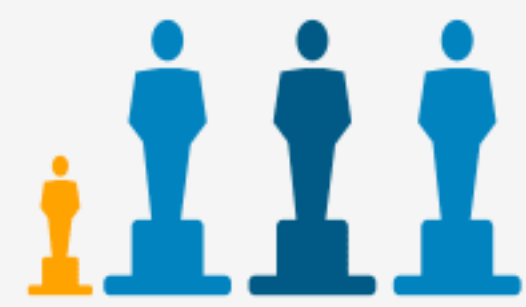


OVERCOMING KNOW YOUR CUSTOMER (KYC) COMPLIANCE CHALLENGES

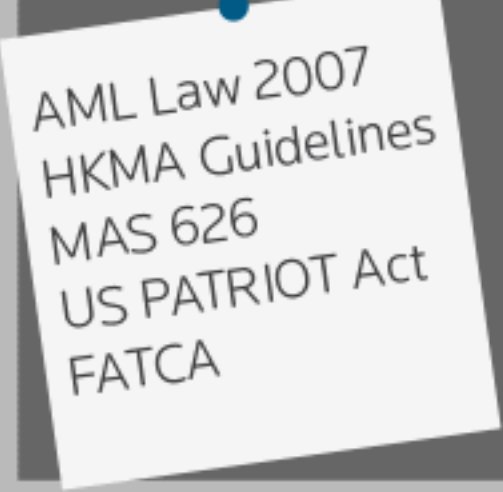
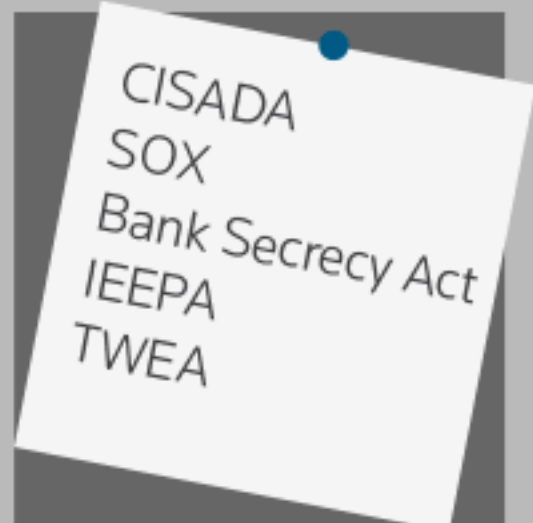
When conducting business with new (and existing) customers; regulated industries are required by law to know who they are doing business with.

CHALLENGES ORGANIZATIONS FACE:

 <p>Amount of risk to which the market is exposed</p>	 <p>Governments trying to hold onto their tax revenue</p>	 <p>Big focus on Counter Terrorist Financing (CTF/ CFT)</p>	 <p>The time it takes to verify new business relationships and on-board new clients</p>	 <p>Increasing workload for compliance teams</p>	 <p>Investment in activities that do not give organizations the competitive advantage</p>
--	--	--	---	---	--

Organizations are required to understand their customers':

- Risk profile
- Business type
- Source of funds and wealth
- Purpose of specific transactions
- Location and country from which the customer originates
- Expected nature and level of transactions
- ...And ensure client information is maintained, current and valid – implying that organizations revisit KYC documentation regularly...



Determine client risk classification in accordance with regulations



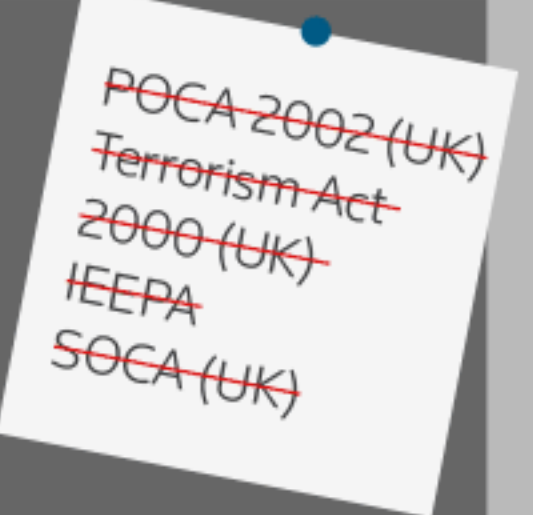
Perform additional KYC and further due diligence as required



Customer identification; simplified & enhanced due diligence



Impact of non-compliance: fines, reputational damage, share price drop, profit loss, prison sentences, legal fees, black listed, sanctioned entity



SOLUTION TO KYC COMPLIANCE:

Due diligence procedures need to be adopted and based on the perceived risk that the customer poses. Thomson Reuters offers a holistic solution to third party risk that embraces a risk based approach to compliance.

We help our clients adopt a risk based approach by:

- Understanding risk and identifying opportunity
- Taking actions informed by industry-leading intelligence
- Helping navigate industry regulation
- Unwrapping complex legal entities
- Continuously updating the knowledge of the customer
- Implementing best practices that drive value
- Maximizing operational efficiency and reducing costs
- Improving efficiency and effectiveness of existing KYC and KYS programs



✓ OFAC

✓ BSA

✓ CISADA

✓ US PATRIOT Act

✓ EU Money Laundering Directive

✓ AML- KYC - CFT/CTF

