



## Protegent Surveillance: Helping you comply with FINRA Regulatory Notice 17-40 (FinCEN CDD) and FINRA Rule 3310 (AML)

FINRA issued Regulatory Notice 17-40 which provides guidance to member firms regarding and FinCEN's CDD Rule and FINRA Rule 3310. FINRA Regulatory Notice 17-40 adds a "fifth pillar" to FINRA 3310 (AML Compliance Program) requirements, presenting a series of additional challenges to member firms – from numerous procedural and data requirements to a mandate to develop and maintain a customer risk profile for identifying high-risk customers and suspicious activity. Building such a risk profile is particularly challenging as the data can be held in multiple disparate systems. Moreover, developing methods and systems to effectively and consistently identify customer risk can involve a significant degree of complexity.

For more than 15 years, FIS' Protegent has helped firms comply with regulatory challenges. Protegent Surveillance gives you the tools that you need to identify suspicious activity and to profile the customer. And we have adapted Protegent Surveillance to simplify how firms can meet these new FINRA requirements.

Our anti money laundering (AML) functionality includes analysis to detect transaction patterns indicative of potentially suspicious activity in conjunction with a customer's profile (KYC) and based on the USA Patriot Act and Bank Secrecy Act guidelines. With this functionality, compliance and supervisory personnel have the tools to automate surveillance of accounts, positions, balances and transactions to identify suspicious activity.

Building on our AML functionality, Protegent Surveillance aggregates information about each customer or legal entity and calculates a risk score utilizing customer KYC and suitability information. This risk score provides supervision and compliance groups a more holistic understanding of customer risk and can be leveraged throughout the application for better monitoring and surveillance. The risk score calculation is based on parameters that are configured according to your preferences.

- Support for Compliance with FinCEN CDD and FINRA AML requirements
- Consistent and effective customer risk profiling
- Flexible solution to meet your firm's specific needs
- Configurable according to your firm's parameters
- Risk scoring operable on day 1

Protegent Surveillance includes a number of data elements out of the box so that risk profiles can be delivered on day one:

- Age
- Country
- Income
- Investment objective
- Net worth
- Occupation
- Risk tolerance
- Firm-provided CIP Data

The risk profile functionality also supports a customer and account Watch List, including allowing clients to import results from existing CIP processes.

And because Protegent Surveillance is designed to be flexible and extensible, you can quickly add additional data elements and rules based on your specific needs and data requirements.

Moreover, Protegent Surveillance will continue to be adapted to keep up with evolving regulatory requirements.

Discover how the power and flexibility of Protegent Surveillance can help you better identify your high-risk customers and ensure compliance with FINRA's AML Compliance Program rules.

### About FIS

FIS is a global leader in financial services technology, with a focus on retail and institutional banking, payments, asset and wealth management, risk and compliance, consulting and outsourcing solutions. Through the depth and breadth of our solutions portfolio, global capabilities and domain expertise, FIS serves more than 20,000 clients in over 130 countries. Headquartered in Jacksonville, Florida, FIS employs more than 53,000 people worldwide and holds leadership positions in payment processing, financial software and banking solutions. Providing software, services and outsourcing of the technology that empowers the financial world, FIS is a Fortune 500 company and is a member of Standard & Poor's 500® Index. For more information about FIS, visit [www.fisglobal.com](http://www.fisglobal.com)



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