

CASE STUDY

Leading Trade Finance Platform Comprehensively Covers Risk to Open New Asset Classes

Platforms Help to Assess Risk Associated to Partners in High Risk Geographies. Offer New Asset Classes for Investment Post Assurance

QUICK SUMMARY

Company:

- Large technology Based Lender in North America

Requirements:

- Screen existing and new partners in high risk geographies
- Mitigate language and regional nuances
- Manage with small compliance team
- Current solution was inadequate

Outcome:

- 50% reduction in Time and Cost deployed on screening
- Ability to review results in native languages including but not limited to Chinese, Portuguese and Arabic
- Thorough check on all partners

Featured Products:

- RZOLUT Screening
- RZOLUT Diligence
- RZOLUT ContentStream

Leading Structured Trade Finance Provider Needed to Assess Risk Associated to Partners in High Risk Geographies

A leading structured trade finance provider, with partners situated in high-risk geographies, encountered formidable challenges in evaluating anti-money laundering (AML) risks due to severe manpower constraints and the inadequacies of its existing technology solutions. The organization found itself unable to effectively assess the AML risks associated with its partners in these regions, creating a significant barrier to making billion-dollar investments with confidence. Compounded by language search and translation challenges inherent in its previous technology provider, the company struggled to conduct thorough risk assessments, leaving it vulnerable to substantial regulatory scrutiny, financial losses, and reputational damage.

The task of assessing 5000 partners in detail required a significant amount of time and effort, further exacerbating the challenges faced by the organization in ensuring compliance and risk management. This extensive workload not only strained the company's resources but also heightened the risk of oversight and errors in the assessment process, potentially exposing the organization to increased compliance risks and financial liabilities.

Possible Impact

- Heightened regulatory scrutiny due to failure to effectively assess anti-money laundering (AML) risks associated with partners in high-risk geographies
- Increased risk of non-compliance with regulatory requirements, leading to potential fines, sanctions, and legal consequences
- Damage to reputation and erosion of stakeholder trust resulting from inadequate risk assessments and potential breaches of compliance standards
- Financial ramifications, including potential loss of revenue and increased operational costs, as a result of non-compliance penalties and regulatory interventions

Considerable Time and Cost Saving While Comprehensively Covering Risks

RZOLUT's advanced screening technology played a pivotal role in addressing the challenges faced by the structured trade finance provider. Through RZOLUT's cutting-edge screening technology, the organization achieved a 50% reduction in the time and cost deployed on screening activities. The implementation of RZOLUT's innovative algorithms and automation streamlined the AML risk assessment process, facilitating efficient and accurate screening of partners.

Moreover, RZOLUT's platform offered native language support, including Chinese, Portuguese, Arabic, and others, ensuring that screening results could be reviewed comprehensively in the partners' native languages. With RZOLUT's language search and translation features, the finance provider gained the ability to assess AML risks globally, overcoming linguistic barriers and enhancing its risk assessment capabilities significantly.

Additionally, powered by RZOLUT, the structured trade finance provider conducted thorough checks on all partners, including those in high-risk geographies. RZOLUT's advanced data analytics and risk assessment methodologies enabled the organization to identify and evaluate potential compliance issues comprehensively, thereby ensuring robust risk mitigation measures were in place.

By leveraging RZOLUT's solutions, the structured trade finance provider strengthened its compliance efforts and effectively mitigated the regulatory, financial, and reputational risks associated with AML non-compliance.