

Compliance: From Burden to Strategic Asset



Regulations Increase

The number of regulatory alerts issued by financial regulators

68 per day (2012)¹ **103** per day (2013) **155** per day (2014)



Dodd-Frank: Of the **390** rulemaking requirements set forth by the law:

- 63.3%** have been satisfied with finalized rules
- 15.4%** more rules have been proposed
- 21.3%** of rules have not yet been proposed²

“New regulations are expensive in terms of compliance, as companies need to transform data tracking and gathering systems, reporting functions and, in some cases, their organizational structures.”¹

Compliance Costs



Almost **90%** of survey respondents expect investment in compliance to increase in the coming two years³

66% of respondents expect workloads to increase as a result of regulatory changes⁴

44% of banks have been forced to reduce existing consumer products or services due to compliance or regulatory burdens⁵

36% of CPA executives said their company has used technological advancements to increase efficiency in fulfilling regulatory requirements

33% said they have outsourced work to outside contractors or vendors to handle the change

25% of respondents added staff to help manage the extra work⁴

Non-Compliance Costs More



The average cost for organizations that experience non-compliance related problems is nearly

\$9.4 million, more than twice the average cost of compliance (\$3.5 million)⁶

U.S. and European banks paid nearly **\$65 billion** in penalties and fines in 2014, up almost 40% from 2013

The way to overcome regulatory hurdles is to turn compliance into a competitive advantage by transforming the business model through a regulatory lens.⁷

Let Compliance Work for You



Remove siloes and integrate business data to enhance strategic planning



Use compliance data to gain deeper insight into customer needs and business opportunities



Improve risk management

Gain competitive advantage with the EAI Compliance Surveillance Technology:



- Record data quickly, accurately and securely, transaction after transaction.
- Manage broker/dealer risk and liability across multiple business lines efficiently, confidently, automatically.
- Directly integrate with business data.
- Aggregate data from multiple systems and sources and view on a single screen.
- Automatically red-flag non-compliant or unsuitable transactions for increased scrutiny and document compliance reviews at varying levels.

To learn more or request a demo, email marketing@eaiinfosys.com

¹ David Craig, "The peak of regulatory change may be some way off," Thomson Reuters, March 16, 2015
² Alessandra Malito, "Dodd-Frank Act's 5th anniversary: what's been done, what's left to do," Investment News, July 20, 2015
³ Accenture 2015 Compliance Risk Study
⁴ "How regulatory challenges are affecting financial services industry" CGMA Magazine
⁵ 2015 Key Banking Issues : American Bankers Association
⁶ The True Cost of Compliance
⁷ Kasia Moreno, "For the Financial Sector, Regulations are Here to Stay – Time to Make the Best of them," Forbes, October 2014