

FUNDSDLT REDUCES COSTS BY 70% WITH NEXTGEN SCREENING & MONITORING

CASE STUDY

Overview

FundsDLT is a next-generation fund administration business that enables all actors of the investment fund distribution chain (asset managers, asset services, distributors, and advisors) to sell funds through a next-generation, decentralised platform, significantly reducing administration costs and the time to process transactions. It streamlines a range of repetitive fund operational activities by using blockchain to automate several processes in a secure manner.

FundsDLT worked with Napier AI to bolster its blockchain technology to serve global asset managers, by automating and centralising the fund distribution onboarding process, increasing efficiency and reducing complexity when making customer due diligence checks on investors.

Summary

FundsDLT provides one of the most innovative financial services infrastructures in the market, addressing the growing demand for transparent fund distribution. It makes fund distribution easier, cheaper, transparent, and digital for asset managers and their clients with Distributed Ledger Technology (DLT). By partnering with Napier AI, it has centralised customer onboarding and AML due diligence checks across the investor and fund distribution chain. The integration of anti-money laundering (AML) technology with ground-breaking DLT is reshaping how asset managers and investors interact, significantly reducing operational costs.

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We chose to work with Napier AI as it has the flexibility to meet our needs, with fast deployment, while delivering tangible results in terms of financial crime compliance effectiveness. By applying next-generation AML technology to ground-breaking DLT, FundsDLT is changing the way asset managers and investors interact to reduce operational costs and increase transparency.

Olivier Portenseigne
Chief Executive Officer at FundsDLT

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Opportunity

Asset managers and distributors are increasingly demanding faster and more convenient ways to transact. They also demand more digital friendly solutions, that help automate transactions through an omni-channel distribution model. This translates to a better CX (client experience) and improved transparency at a better price point.

Meeting regulatory demand across the fund distribution chain is currently complex and a drain on resources. Customer due diligence checks are duplicated across the intermediary chain, as the same information is often needed over several stages. Additionally, cross-border clearing and settlement have a lack of harmonisation, resulting in the draining of significant resources.

FundsDLT was looking at simplifying the possibilities for asset managers to grow their market-base, with an AML solution with flexibility and scalability to match the dynamic sector, improve efficiency and reduce complexity for investor onboarding.

Solution

FundsDLT worked with Napier AI to implement its Transaction Monitoring, Client Activity Review and Client Screening modules in the Napier AI Continuum platform. Napier AI's flexible and speedy deployment options meant the solution could be deployed in FundsDLT's private cloud, due to jurisdictional requirements within Luxembourg.

FundsDLT enhanced its operations with the introduction of Napier AI's integrated sandbox for post go-live screening configuration testing. This feature refines processes using real data before making changes in the live environment. Transaction monitoring has bolstered FundsDLT with robust rulesets, analytics, and a user-friendly sandbox environment, facilitating audit trail review and the efficient reduction of false positives and negatives.

Napier AI's Client Screening and Client Activity Review modules were implemented to meet regulatory requirements, ensuring customer due diligence, including screening against PEPs and sanctions lists. This enhances regulatory compliance and streamlines the onboarding process.

Napier AI worked with FundsDLT to enable sophisticated name matching engines at the core that can be tuned even more accurately to cover all the cultural contexts in which an institution transacts, reducing risk globally.

Results

With the right AML technology, FundsDLT is helping asset managers to change their operating model by achieving the usually complex challenge of digital transformation, with ease, and low risk. By providing an interoperable digital platform via a managed service to clients, FundsDLT enables them to go directly to investors, providing an efficient fund distribution platform. The right AML strategy is key to having an efficient and compliant business in fund distribution, built with trust, and in line with regulatory demands.

Financial products become much more accessible, and a way to achieve this is by reducing costs inherent in distribution. This project enabled FundsDLT to reduce points of friction and limit operational redundancy throughout the value chain, starting at the base of a distributed register, all so that actors in the chain can more easily share information.

70%

With the right platform in place for clients with effective AML controls, FundsDLT can reduce 70% of the management fee for asset manager products.

About Napier AI

Napier AI is a new breed of RegTech delivering anti-money laundering and compliance software to financial institutions, payments organisations and buy side firms.

Trusted by over 200 institutions worldwide, our platform, Napier AI Continuum, is transforming financial crime compliance from a legal obligation to a competitive edge.



Discover how Napier AI can transform your compliance processes

For more information on Napier AI's award-winning AML solutions, please contact us at info@napier.ai or book a demo online at www.napier.ai

Email us

Book a demo



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