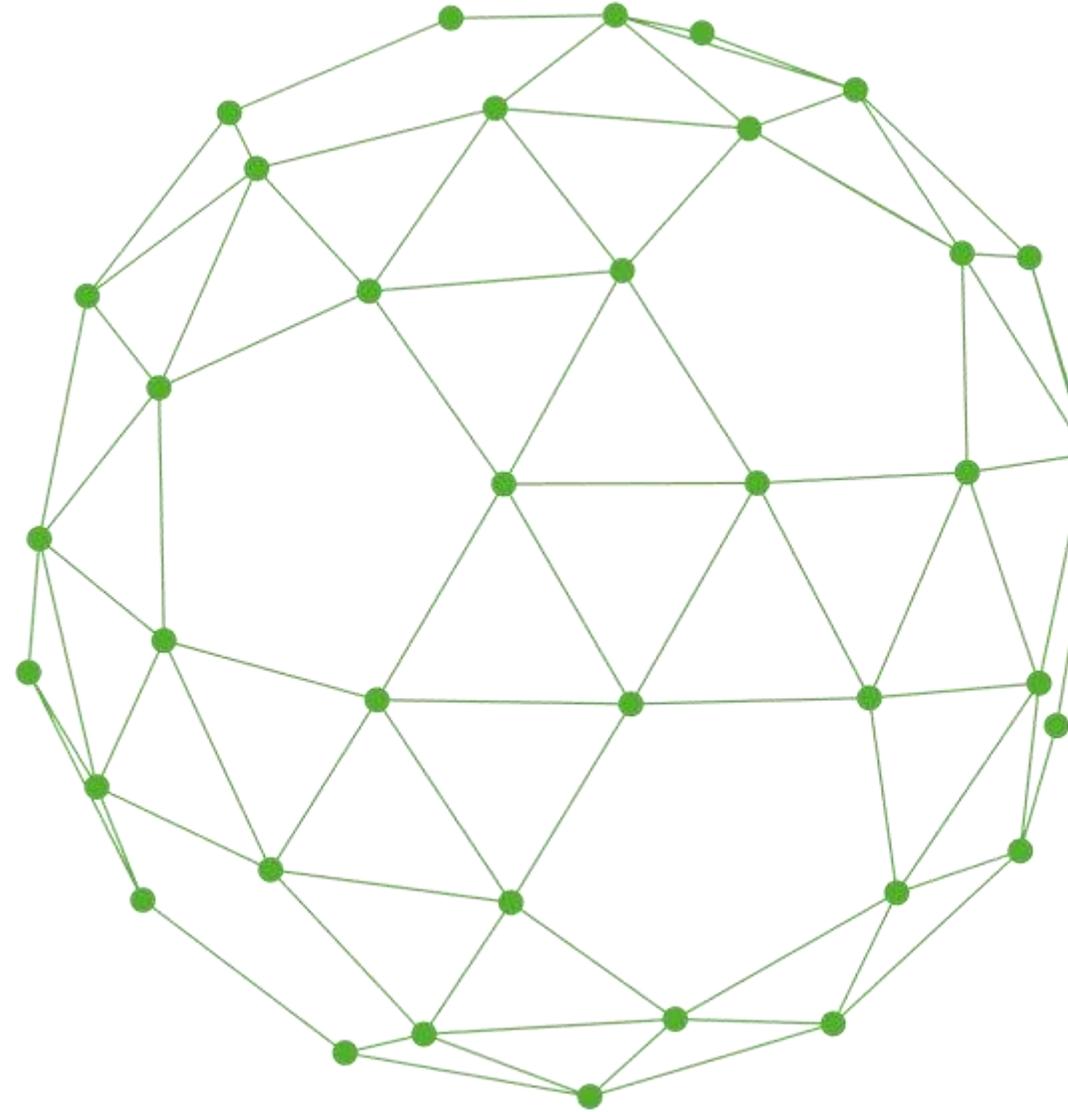


"Regulatory Use" of Commercial Register Data

CRF 2022



Who we are.

Industry experts with first-hand experience in the management of due diligence processes, AML and KYB.

Award winning RegTech platform

Headquartered in Vienna, Austria

International team

Founders from USA, Austria & UK | Team size 65+ | 25+ languages

Clients in 100+ countries

FIs, FinTech, BaaS, AML Compliance Platforms, Payment Network & LOUs

Government licensed

Clearing House Licenses across the globe

Part of the Moody's Analytics Family

March 1st, 2022



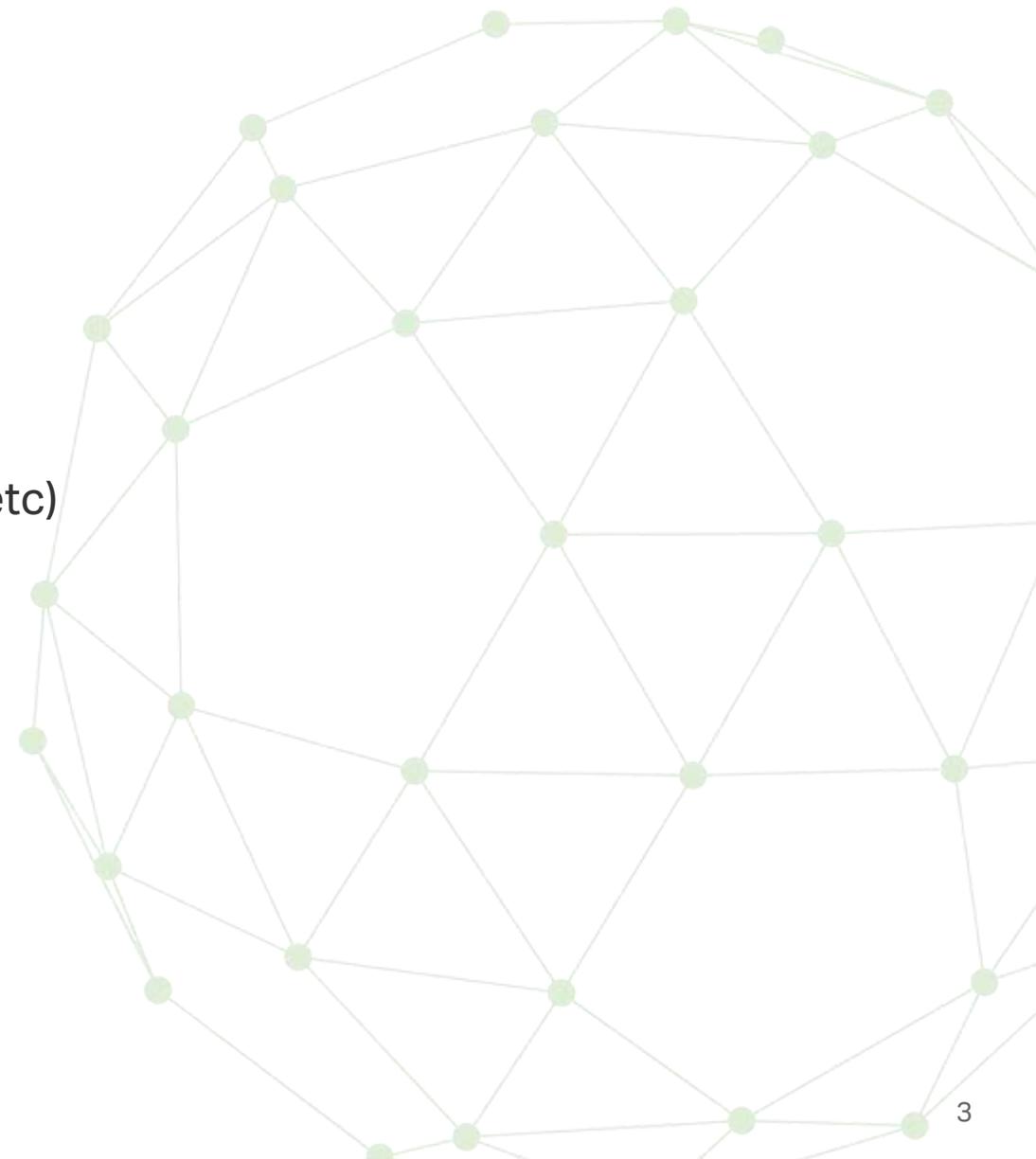
What is Regulatory Use?

What: Real-Time Commercial Register data and documents access

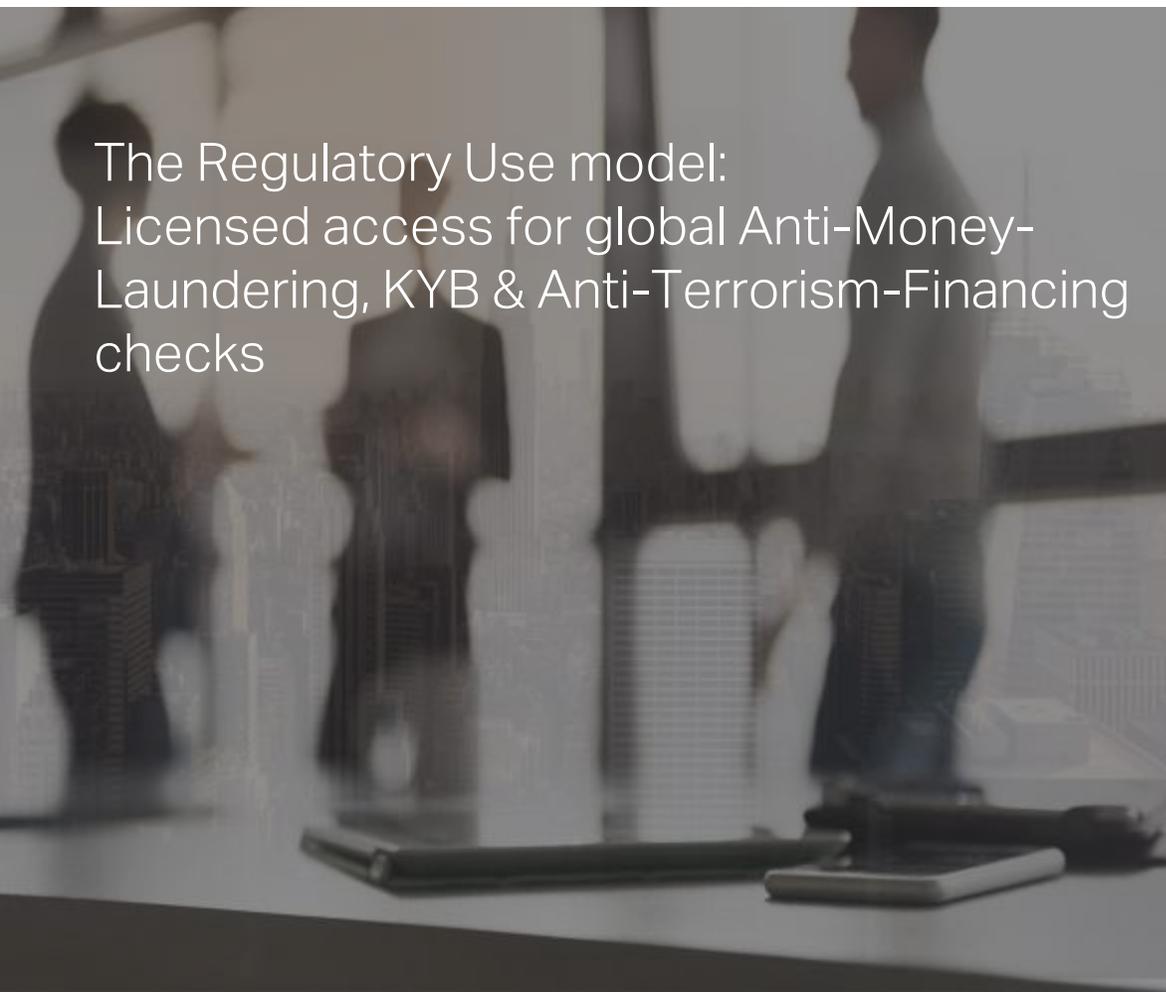
Who: Obligated entities
(Banks, Payment, Insurance, Real Estate, Art Dealers, etc)

Why: Legal obligations for

- Anti-Money Laundering (KYC, KYB)
- Anti-Terrorist Financing
- TAX/VAT Regulation
- Supply Chain Regulation



Industry need: Commercial Registers as partners & Regulatory Use



The Regulatory Use model:
Licensed access for global Anti-Money-
Laundering, KYB & Anti-Terrorism-Financing
checks

Key needs

01

Live access via API

Licensed access
Agreed service levels
Cost-recovery model

02

Registers as partners

establish technical working
groups, coordinated approach to
parliaments and regulators

03

Regulatory use

Anti-money laundering
Know Your Business

Key factors

01

Part of Economic Infrastructure

Key component of a functioning
economy and cross-border trade
and investment

02

Source of Truth

Registers are the golden source of
information vital to meet the
requirements of industry

03

Global Stability

Countering money laundering and
terrorist financing. Changing role of
business registers.

Recognized Data Sources for Entity Verification ...

The EU's 5th AML Directive updates and clarifies the definition of acceptable "data sources" for KYB

"Regulated, recognised, approved or accepted by the relevant national authorities with documentary evidence and clearer requirements." - AMLD5

AND: Obligated parties must know about, and be responsive to, any changes in a timely fashion (Perpetual KYB)



Why registers?

Business Information is not Entity Verification

Business Information

Static / Bulk

Understanding fundamental information about clients via:

- Researched or 2nd hand business profiles
- Financials
- Group structures
- PEP/Sanctions/Adverse Media
- Beneficial owners (BO)

Entity Verification

Real-time

Determine current existence, location, status, D&Os and other filings with:

- **Time stamped, golden source data**
- **Certificate of good standing**
- Documentary evidence
- Signatory rights (Entity)
- Monitor and react to changes (Perpetual KYB)

Today's challenges...

Companies Law & Legislation are often decided in isolation.
Little regard of technical dependencies or industry need.

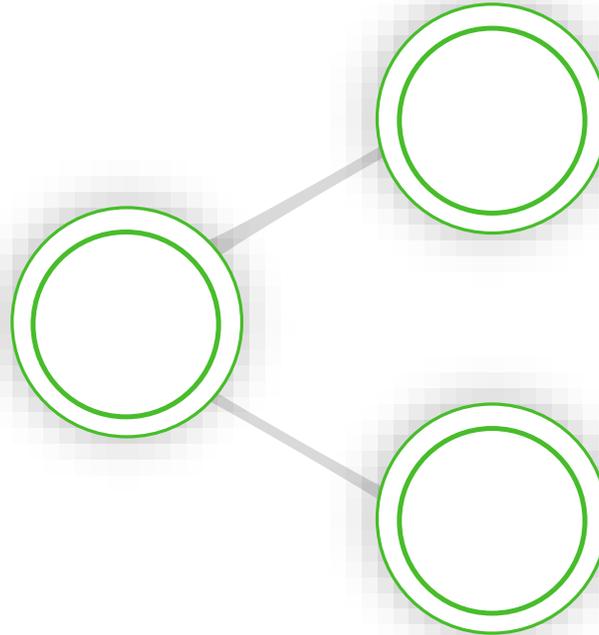
- EU initiatives
 - BRIS = citizens & Gov't (WEB)
 - EBR Network = industry and commerce (API)
- AMLD5 requires reliable and recognizable entity information and implies "must know":
 - Push notifications are essential
- Automation and efficiency of service:
 - Humans on websites typing into Compliance Systems is not scalable



The takeaways.

Future-proof registers
Registers as the backbone of the digital infrastructure and economy – requires adequate funding

02



01

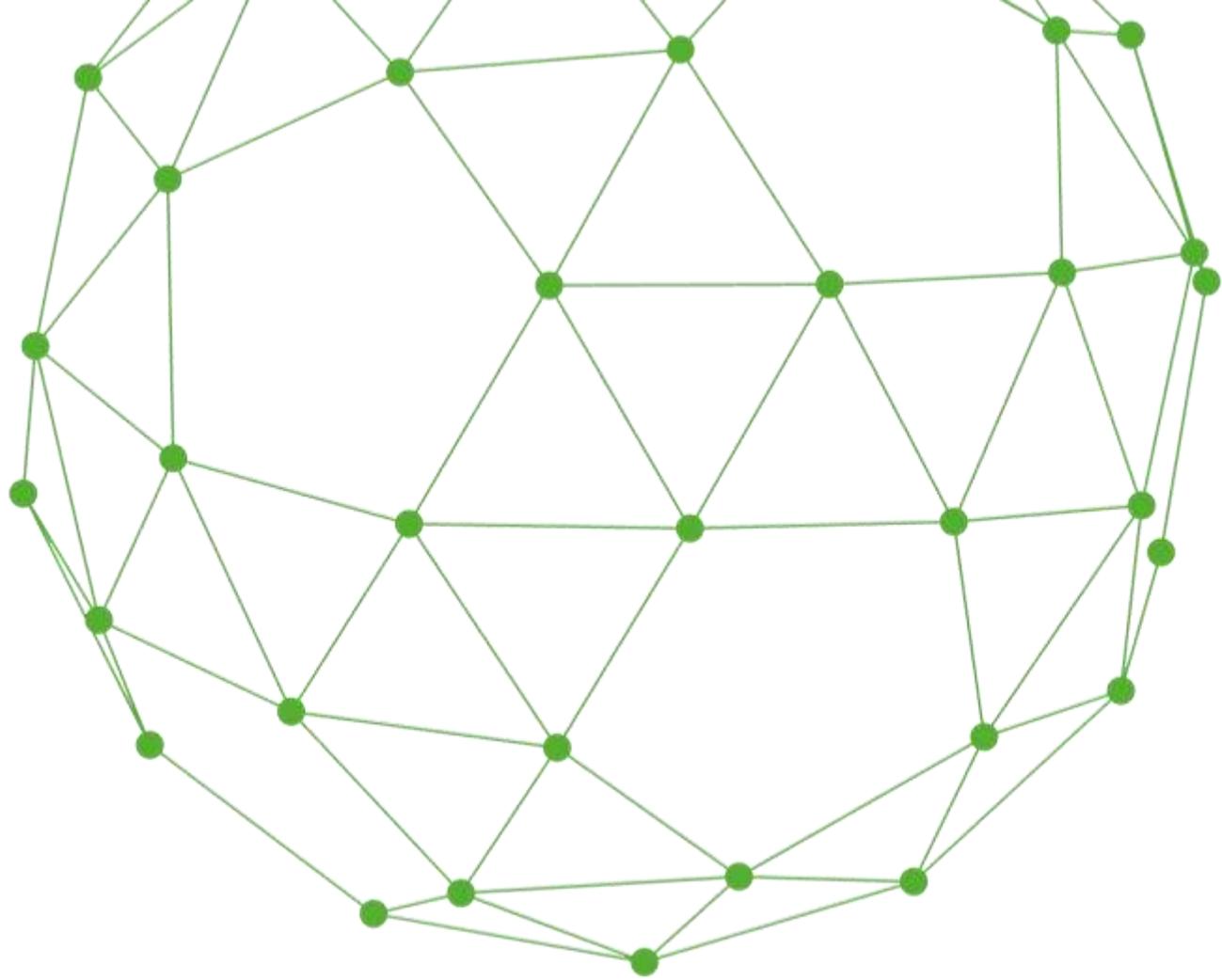
Changing role of business registers

It's critical to acknowledge and accept that the roles of business registers are changing

03

Regulatory use of register data

Retrieve once – use once
Data security through authorized and licensed access to protect the digital infrastructure



Let's talk!

support@kompany.com