



Infosys helped one of the Big 4 banks in Australia to achieve total compliance with FATCA regulations, thereby eliminating regulatory risk

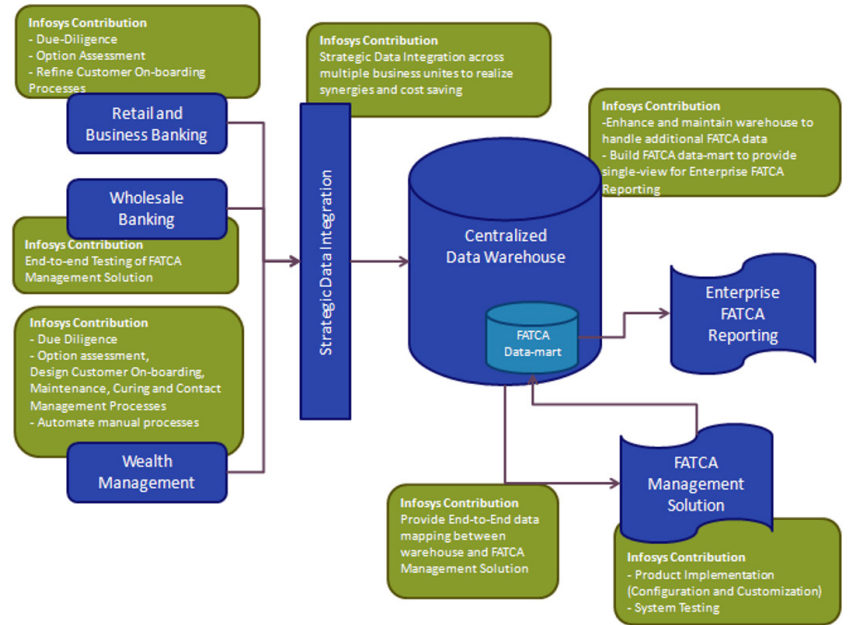
One of the Big 4 banks in Australia.

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Client Challenges

With Australia being a party to FATCA (Foreign Account Tax Compliance Act), a United States regulation, which mandates banks across the globe to identify and report U.S. clients to the IRS, the client was obliged to comply with FATCA stipulations.

However, FATCA implementation posed certain challenges, including the interpretation of regulations and designing of business rules that would be applicable across all business units. Another challenge was changing a number of front-end systems to capture FATCA relevant data, and integrating and standardizing data from various source systems to deliver a strategic solution which could be used as a framework for any future regulatory compliance initiatives.



Enterprise FATCA Management Solution

Infosys Solution

- End-to-end delivery of the FATCA management solution across the banking and wealth management divisions, starting with due diligence through regulatory reporting
- Management of overall program governance of the multiple project teams involved, namely, Infosys Delivery Team, Client Project Teams, External Vendors (Product Vendor - Norkom, Infrastructure Vendors – IBM, Telstra) etc.
- Implementation of Norkom Detica v6.5 for FATCA compliance within the Enterprise Release Cycle
- Additional customization of the product to meet the Bank's specific requirements and close identified gaps in the product with respect to regulatory requirements
- Design and implementation of all the FATCA related business processes in the Wealth Management division and integrating this division with the banking division to implement a common FATCA management solution
- Leading the data interfacing effort with the Warehousing Team

Quantifiable Benefits for the Client

- **Elimination of regulatory risk** – Total compliance with FATCA regulations, thereby eliminating regulatory risk.
 - **Initiation of strategy to provide enterprise-wide benefits** – Although the scope of the initial implementation was limited to certain geographies and LOBs, the Bank can extend the same approach – especially the data aggregation and data management part – to other geographies and LOBs in future.
 - **Process refinement** – The initial phase helped the Bank refine the customer self-certification process, both in collecting self-certification and plugging the gaps in this area.
 - **Strategic benefits of integrating different business units** – The project design presented the opportunity to integrate customer data across multiple business units, which was leveraged by eliminating the wealth division's existing manual solution and integrating it with the automated solution built initially for the banking division. This resulted in cash savings of up to AUD 2.5M.
5. Reduction in operational risk – Automation of the entire FATCA management process (financial aggregation, business rules processing, customer contact management) has significantly reduced operational risk.

