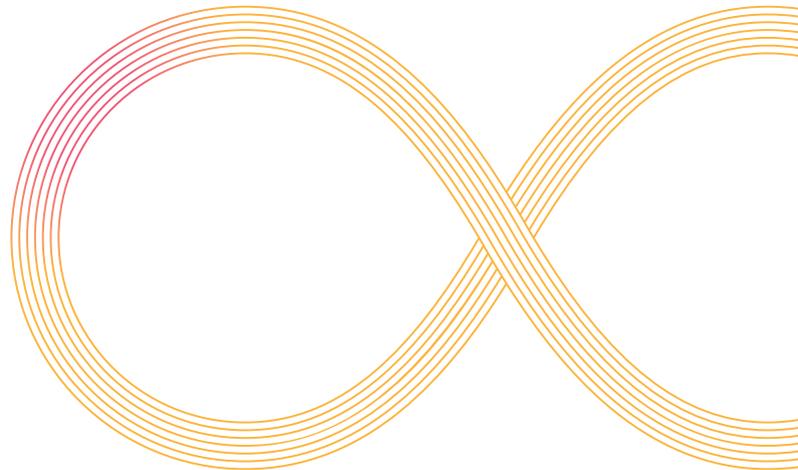


Overlay+ Reporting

Have the transaction data you need, when you need it, for right-first-time regulatory reporting.



Regulatory bodies around the world have issued stringent laws and regulations to combat ever more sophisticated forms of financial crime. These regulators, including AUSTRAC in Australia, require banks and non-banking financial institutions (NBFIs) to comply with specific reports in the effort to identify, disrupt and prevent money laundering and terrorism financing.

In particular, firms must comply with reporting around:

- ▶ Cross-border transactions - including Australia's International Funds Transfer Instructions (IFTI's), for when money or property is transferred into or out of the country;
- ▶ Transaction Threshold Reports (TTR), for both domestic or international cash transactions over a certain amount. In Australia this is A\$10,000.

Firms tend to view all regulation as a burden, but these two are proving to be even more challenging, for the following reasons:

SWIFT MT202 Cover Payments

MT202.cov payments have until recently enabled firms to send a single payment as cover for a number of underlying MT103 transactions. Regulators are cracking down on these .cov payments, for direct, third party and NBFIs, with all underlying transactions needing to be reported on individually.

Third party reporting relationships

Correspondent banking relationships mean sending and receiving banks must report on behalf of other institutions, whose compliance protocols they are not party to. It also means banks have limited visibility into when reporting

is done and must trust it is being done correctly by their counterparty.

A lack of visibility

Reporting and compliance teams struggle to get insights out of reporting systems, which often have no way to see a consolidated view of what should be, and is being, reported. This is compounded by local reporting requirements being managed via global reporting systems, where they are just one of many jurisdictions that need to be considered.

No single source of truth

Many banks have multiple systems that look after different aspects of their compliance obligations. From transaction monitoring systems, to sanctions screening tools and regulatory reporting tools. All of these produce valuable but separate data streams – making it difficult to identify the right information when it is needed.

Global Reporting Systems

Regulatory reporting systems are often managed centrally within a global organisation, with local compliance teams having to request updates and costly testing time when changes are made to reporting requirements. This increases the compliance burden, making it harder for local teams to keep up.

OVERLAY+

Introducing Overlay+ Reporting

Overlay+ Reporting helps reporting entities get regulatory reporting right, first time. It uses tokenisation to create a local source of truth for transaction data, enhancing existing payment and reporting engines to accurately identify if a transaction that has been processed needs to be reported, validate the required data is available and if not, remediate

missing information either manually or automatically, so it can be accurately reported to regulators, including AUSTRAC. It also lets you manage local regulations locally, improving visibility into reporting status and helping avoid costly and time consuming global testing and upgrades.

Why Overlay+ Reporting?

Overlay+ Reporting enables you to know reporting is being done correctly and be able to manage it at a local level.

✓ Faster

- Automate rules-based reporting processes to collect, map and report on transactions
- Reduce reliance on centralised, global resources and timelines

✓ Smarter

- Enhance existing payment and reporting systems with tokenisation
- Create a single view of transaction and reporting data
- Reduce exceptions, so internal resources can focus on high value tasks

✓ Future-proof

- Create a complete, local and auditable record of all transactions
- Standardise data and improve information flow both internally and to regulators

✓ Powered by Overlay+

Overlay+ is the foundation for all of Identitii's solutions, designed to empower financial institutions, regulators and corporates to collect, govern and securely share information either internally, or with trusted third parties.

- Overlay approach
- Permissioned access to all or sections of data as needed
- Secure and auditable data sharing
- Improve data integrity
- Create new, digital experiences for customers
- Trust in data
- Know Your Transaction

How it works

Have the transaction data you need, when you need it, to accurately report to AUSTRAC.



About Identitii

Identitii Limited (ASX:ID8) is using blockchain and tokenisation to connect banks and businesses with the data they need to process, reconcile and report on payments, reducing last mile hold ups. Founded in 2014 and headquartered in Sydney, Australia, Identitii is listed on the Australian Securities Exchange.