



Managing Regulatory Compliance using Compliance 360 and Clear Report

REGULATORY ENVIRONMENT

Insurance, banking and other financial service organizations face a wide variety of regulatory compliance challenges at the Federal and State level. For Insurance organizations, Market Conduct Examinations imposed by each state's Insurance Department, as well as reviews by regulatory bodies such as state-specific worker compensation boards, all pose separate and unique compliance risks. Banking organizations face similar challenges especially with the scrutiny of the Consumer Financial Protection Bureau. In today's regulatory climate, with enforcement actions and sanctions on the rise, these individual regulatory risks combined pose a substantial overall compliance risk for any insurance or financial service organization. It is essential for to proactively demonstrate that their compliance and risk management programs are effective.

WHAT'S THE CHALLENGE?

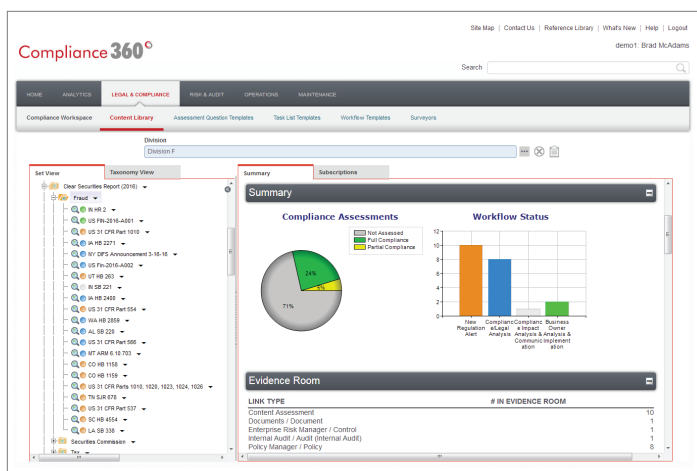
General tracking tools such as e-mail, spreadsheets and static documents, along with manual processes are still commonly used to facilitate compliance activities in regulated industries but this approach often creates challenges and risks including:

- Lack of a repository for maintaining laws and regulations, policies and procedures and other related compliance evidentiary documentation
- Lack of a central system for managing and documenting compliance assessments, gaps in compliance and remediation programs

- Limited ability to proactively manage updates to policies and procedures as regulations change
- Limited ability to collaborate internally and share best practices among separate divisions
- Incomplete, manual and labor-intensive effort preparing for regulatory audits

THE SOLUTION

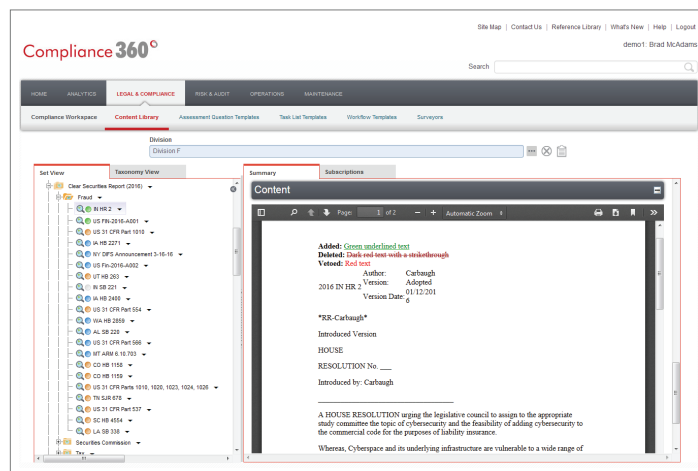
CLEAR Market Practices produces the CLEAR Report, a daily summary of newly enacted or revised laws, regulations, bulletins, directives, and Attorneys General opinions that impact insurance and financial services organizations. There are five reports (Health, Life, Securities, Property and Casualty, and Bank) which are organized by topics such as Claims, Consumer Credit, the Employment Law, and include the state or federal source, citation, issued/enacted/adopted date, effective date, brief summary, and suggested actions. Attached to each entry is the full text of the bill, regulation or agency publication. As a certified content partner with SAI Global, the CLEAR Report content is available through a subscription service. Subscribers receive automatic updates each day, feeding the latest regulatory information directly into the active content repository within the Compliance 360 platform. Using Compliance Workspace, a highly configurable application that helps automate regulatory compliance initiatives, organizations gain centralized control and visibility, and the ability to proactively manage compliance risks.



Manage regulatory compliance risk using Compliance Workspace with automated updates from the Clear Report.

FEATURES

- Direct access to the CLEAR Report regulatory content stored in a central, dynamic repository that is automatically updated daily
- Automated alerts to ensure that the appropriate individuals are kept abreast of the latest updates
- Ability to link relevant evidentiary documentation such as policies and procedures to laws and regulations
- Built in workflow automates the distribution, review and assessment process
- Pre-configured workflow templates for standardizing the compliance management process with the ability to modify and create new, custom workflows to address specific needs
- Questionnaire-driven as well as free-form assessment methodologies with automatic distribution of assessments to multiple employees and business partners as needed. Configurable scoring methodology for each type of assessment is delivered



The CLEAR Report regulatory content is stored in a central, dynamic repository that is automatically updated each day.

BENEFITS

- Reduce the risk of noncompliance with regulatory requirements thereby avoiding costly penalties and protecting your organization's brand
- Reliably know what actions have been taken, the status of all pending tasks and the results achieved, to ensure compliance
- Elevate your compliance program from reactive to proactive
- Stay current on legislative and regulatory changes, identify compliance gaps, eliminate duplicate efforts and easily maintain the records needed to demonstrate full compliance

CUSTOMER EXAMPLE

A large, highly diversified property and casualty insurance organization operating nationwide sought a better solution for managing their regulatory compliance program. The organization was using manual processes along with email, spreadsheets and documents to manage a complex and dynamic regulatory environment. In light of the multi-state complexities and growing risks of noncompliance, the organization sought to automate their regulatory compliance initiatives and chose SAI Global. The comprehensive Compliance 360 platform with support for risk management, regulatory compliance and audit management, combined with the company's established track record of success in the insurance industry, made Compliance 360 a natural choice for this organization. Additionally, because the applications are provided as an online service over the Internet, there is no expensive hardware or software to install or maintain. The streamlined implementation and an overall reduced burden on IT made Compliance 360 a compelling choice.

The compliance team focused initially on facilitating their regulatory compliance assessments. The automated daily feed of updated regulations from the CLEAR Reports was used with the Compliance 360 solution. The goal was to automate as many of the processes as possible and ensure that assessments were proactively initiated by the system as changes were identified in regulations. Compliance 360 was also established as the 'compliance system of record' providing a consolidated view of the body of evidence of compliance for each regulation.

RESULTS

According to the Chief Compliance Officer, "We're using Compliance 360 and the automated feed of regulations from CLEAR Reports to streamline processes, promote timely responses and drive consistency. Spreadsheets and manual process are a thing of the past. When the auditor shows up for a Market Conduct Exam and wants to know specifically what we did in response to an updated bulletin, we use the system to show all the documentation of our assessment, the assignment of tasks and action plans as well as the changes to policies and procedures, the subsequent distribution to employees and compliance attestations. Preparation for regulatory reviews is a complex process, but with Compliance 360 and CLEAR Reports our anxiety is greatly reduced and our confidence is much improved."

ABOUT SAI GLOBAL

SAI Global helps organizations manage risk, protect reputation and perform better in an increasingly complex and interconnected ethical and regulatory environment. Through our trusted experts

and quality content and technology, we help you manage the entire life-cycle of risk. Our solutions include risk management software, standards and regulatory content, and ethics and

compliance learning. Our services include risk assessments, certification, testing and audits.

Let our experts help your business. Visit www.saiglobal.com/compliance360

