

Daimler Financial Services Mexico Implements Experian AML suite of products

Background

Automotive lending and financing in Mexico is a challenge that companies such as Daimler face every day. These challenges range from being able to identify and validate good prospects as well as to screen-out individuals trying to funnel questionable proceeds through their financial backbone. These tasks place a heavy burden on all institutions doing business in a country with a population of 21 million people just in their main capital, Mexico City. For Daimler that operates in more than 50 countries, reputational risk and efficiency in their process is an integral part of their daily operations worldwide.

Goals

Daimler needed to improve their Know Your Customer (KYC) and Anti-Money Laundering (AML) program by adding the following elements to their process:

- To establish an Anti-Money Laundering risk rating integrated into the onboarding process.
- To provide easy of access to the credit officers so they can help evaluate the risk of money laundering when capturing the information of a prospect client.
- To search clients/prospects in the different designated sanction lists including PEPs at the onboarding.
- To allow the compliance team to interact with their credit officers and evaluate the result of the automated risk evaluation and sanction lists screening results.

- To institute a continuous process of evaluating the risk of the client that will include its transactional activity.
- To generate transactional alerts specific to their automotive lending business.
- To create an automated process to report Suspicious Activity Report (SAR) to local authorities.
- To establish an ongoing batch search process against the designated sanction lists for the central unit and its lending officers.

“The integration of Experian and KYC’s product mix into our process will allow us to make decisions more quickly, and allows our credit analysts to use their resources efficiently by evaluating the most risky applications.”

- Francisco González - Local Compliance Manager
Daimler Financial Services Mexico.

Solution

Daimler looked to Experian for help developing a strategy to meet their goals. Experian's consultants proposed ASSIST//AML suite of software product that included a KYC front-end connected to the Watchlist and customer risk rating module. The integration of the different modules would improve Daimler automation of credit underwriting and reduce its exposure to money laundering.

KYC customer risk paired with the Watchlist screening module allowed Daimler to customized their onboarding forms to include AML specific regional risk factors and international and local sanctions lists screening. Sanction lists such as the OFAC, European unions and PEPS to name a few were added to the risk model as detonating factors in the risk evaluation of a prospect client. This created efficiencies in the onboarding process while mitigating their AML risk.

KYC customer risk and Watchlist screening are part of our AML suite of software products that use ASSIST//ck as the foundation to create custom specific solutions for different type of businesses. Our ability to define ongoing monitoring scenarios allowed Daimler not only to establish targeted risk models but also to automate suspicious transactional behavior and alerts applicable to their automotive lending business. To close the cycle, our Suspicious Activity Report module, tailored for the Mexican market, allowed Daimler to automate the reporting of alerts; therefore, saving valuable resources, time, and eliminating possibilities for human error.

"The implementation of ASSIST//ck and its suite of modules creates a very useful data repository for Daimler and its operations ..."

Mario Soto - Systems Analyst - Daimler
Financial Services México

Results

Experian Software solutions allows Daimler to apply advanced Anti-Money Laundering risk rating models during the automated KYC onboarding process. These customized models merge geographical customer-specific factors and sanction Watchlist screening and provides a near real time AML risk evaluation of a prospect client. Combined with a powerful rule engine and an ongoing risk evaluation, our solution provides Daimler with cost effective access to a suite of products to establish an integrated AML program.

Daimler has implemented the suite of AML products for the entire life cycle of its client. In the end, the solution enables Daimler to improve operational efficiencies, decrease operational expenses, and approve more loans for its members while mitigating their AML risk.

"Daimler Financial Services Mexico came to Experian because it required a robust and rapid response solution to solve a series of regulatory requirements. We present our product and the scope for the Mexican market competing against Oracle Mantas, as well as a SAS solution. ""

Alejandro Tinajero - Head Sales - Experian México

For more information about Experian's AML suite of products, visit <http://www.experian.com/aml>

