

Helping clients stay compliant during the coronavirus crisis

Lynsey Magee, Head of Compliance - UK and Channel Islands, considers how the global lockdown has caused significant disruption among different industries, but for the Anti-Money Laundering and Compliance teams within the Aztec Group, in most respects, it's business as usual

The phrase 'Keep Calm And Carry On' was introduced by the British government in 1939, as a way of raising the morale of a general public that was preparing itself mentally for World War II. A more effective version of the phrase in 2020 would be 'Keep Calm And Stay At Home', although finding new ways to carry on with business requirements during this global pandemic has become equally important. This is particularly true within the world of fund and corporate services, where the Anti-Money Laundering (AML) and Compliance functions are essential to enable businesses to continue to demonstrate regulatory compliance.

For the Aztec Group's AML and compliance teams, the past two months have presented an opportunity to bring even more value into our client relationships. At a time when we're all getting more adept at social distancing, it's become apparent that the best relationships are those where communication happens often, between two sides that have a genuine interest in looking out for one another. That's the kind of deeper relationship that our compliance and AML professionals aim to build with all our clients.

A business model that builds deeper relationships

Within many administration businesses, the client is supported by a centralised compliance function. This approach bears quite a resemblance to a bank call centre, with each 'call' handled by someone different who's previous dealings with the client may be limited, or non-existent.

At the Aztec Group, we have an approach that our clients find to be far more inclusive and meaningful. With our model, each client has its own dedicated

compliance professional that sits within the relationship team. Our clients recognise that this helps them build close, constructive relationships, even if everyone in the team is working from home. Being 'embedded' with our clients gives us an in-depth understanding of their needs – based on day-to-day working knowledge – of the business, and of the client's specific circumstances. It turns our compliance professionals from mere service providers into integral members of the client's team. That's better for everyone all-round.

Continuity during a crisis

And, during times of great uncertainty, the benefits of having designated client/compliance relationships are there for all to see. Ever since businesses were instructed to close their doors and keep employees at home, we've been able to continue with a 'business as usual' mindset rather than one of business continuity. After all, our clients expect continuity, consistency of service and seamless access to the depth and breadth of our expertise – regardless of outside events. So that's what we've been giving them.

Identifying customers and keeping abreast of regulatory updates

For example, we have continued to work closely with clients, developing solutions to ensure they can continue to demonstrate compliance with AML and Know Your Customer rules even in a time of social distancing and stay at home orders. We've also been working hard behind the scenes, not only to ensure minimal disruption to the services we provide for our clients, but also to keep them fully up to speed with the latest regulatory notifications – and any actions that may be required of them to ensure regulatory requirements are met.

From a regulatory perspective, we've been careful to assure our customers across different jurisdictions that while regulations haven't changed by and large (although most regulators have been showing flexibility in areas where needed), communications have focused on offering helpful reminders and ensuring our clients are aware of any necessary considerations and actions that should be taken as a result of the COVID-19 pandemic.

Reporting requirements

Naturally, while COVID-19 has brought great disruption to society, companies are still expected to continue to meet their reporting obligations. It is part of our responsibility to make sure that all our clients remain fully informed and apprised, so that they can make the best decisions for their customers, their employees and their business.

Over the last two months, we've seen an increased amount of communications from regulators across different jurisdictions, most of which has covered emergency guidelines to help companies adapt to a prolonged period of employees working from home, and also to help business share their contingency planning, in areas such as:

- Financial resourcing concerns
- Insurance requirements
- Preparing worst-case scenarios

Having a dedicated compliance resource on-hand, one who is not only able to share information but is also able to apply their knowledge of the business to scenario planning, gives our clients a significant knowledge advantage, at a time when it's needed most.

As you can imagine, the coronavirus crisis continues to present a unique set of challenges for businesses to deal with. Our job is to help firms continue to meet the requirements of regulation and to maintain business as usual with minimal disruption. 'Keep calm and carry on' is definitely the way we like to do things at Aztec.