



# NICE PROACTIVE COMPLIANCE SUITE

For Consumer Protection

# CONSUMER COMPLIANCE REGULATORY REQUIREMENTS AFTER DODD-FRANK

Consumer compliance has always been an important element of contact center risk management. However, the formation of the Consumer Financial Protection Bureau (CFPB), its regulatory activity and the over half a billion dollars of imposed penalties within a few months on leading financial institutions have put a spotlight on consumer protection.

“Today’s action puts \$140 million back in the pockets of two million customers who were pressured or misled into buying credit card products they didn’t understand, didn’t want, or in some cases, couldn’t even use. [...] We are putting companies on notice that these deceptive practices are against the law and will not be tolerated.”

CFPB Director Richard Cordray - July, 2012

It’s become imperative for financial organizations to ensure that all customer interactions, including marketing and other promotional programs, are fully compliant with regulations. Also, they must be able to easily identify compliance infractions and take corrective action in order to avoid disputes from escalating into litigation.

## Contact Centers as a Major Area of Concern

When analyzing recent penalties imposed on leading financial institutions and identifying potential risk areas within the individual organization, the contact center is the organization’s weakest link. The contact center is the function that has the most interaction with customers and is more inclined to have the most consumer compliance infractions. Contact center agents need to correctly apply relevant policies according to the context of the interaction, drive through overlapping regulations, read the appropriate disclaimers and capture the customer’s consent while providing the best service. In addition, new regulations and company policies are constantly rolled out, posing a challenge to keep agents up to date with compliance training. While human errors occur in any business, financial services contact centers are prone to make more mistakes than other functions in the organization, and are subjected to federal enforcement and extremely high penalties. The moment of customer service lies in the ability to manage the full lifecycle of the interaction: shaping it in real time, preparing the workforce, and continuously improving by analyzing improvements across the enterprise.

## Compliance Management – A New Market Need

Among many requirements in the consumer compliance domain, the Consumer Financial Protection Bureau mandates financial institutions to implement an effective compliance management system (CMS) to capture and address consumer complaints and to ensure that compliance violations do not recur. According to CFPB guidelines, the CMS must enable the financial organization to collect data, keep historical records, retrieve and analyze historical calls, and provide reports of corrective actions taken.

“the CFPB’s non-public supervisory actions [...] caused the affected financial institutions to correct illegal practices, adopt effective policies and procedures to ensure that violations do not recur, and implement robust compliance management systems (CMS). [...] An effective CMS is a critical component of a well-run financial institution.”

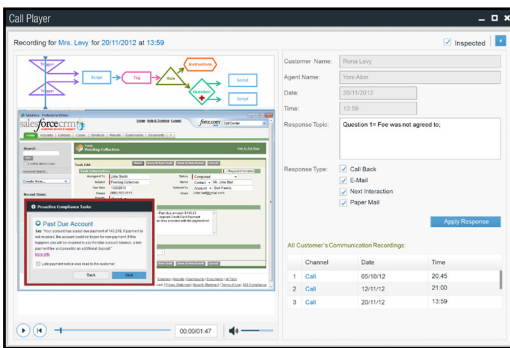
CFPB Supervisory Highlights: Fall 2012

# ENSURING CONSUMER COMPLIANCE WITH A UNIQUE SET OF TOOLS

Today, financial institutions can leverage NICE's expertise and state of the art solutions to ensure compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act relating to contact centers transactions and interactions. The NICE Proactive Compliance Suite for Consumer Protection is comprised of three main components:

## 1. Recording

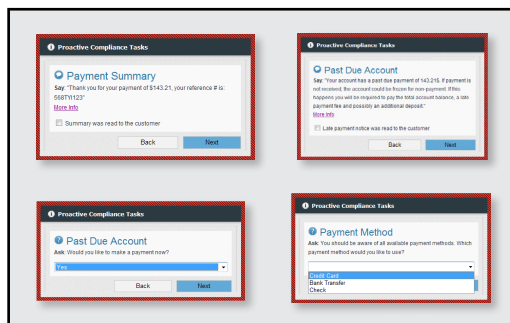
The NICE platform enables 100% recording, wide search criteria easy call retrieval and replay for dispute resolution, secure storage including archival to local or remote media, and easy access in case of investigation or litigation. The NICE Proactive Compliance Suite for Consumer Protection can also integrate with any recording system and reduces potential migration costs.



Call Player - Retrieve calls, listen to relevant segments and apply specific responses

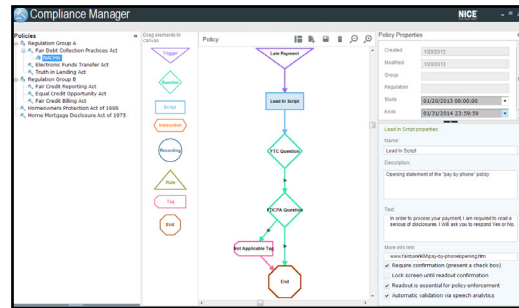
## 2. Real-Time Compliance

Real-Time Compliance ensures contact center agents' adherence to company regulations and policies during customer interactions. Real-Time Guidance is presented to the agent within context-driven, up-to-date informative callouts, enforcing the agent to properly disclose terms and conditions and captures consent. A sophisticated real-time decisioning engine determines the correct callouts to present according to a workflow-based configuration, making it easier for the agent to navigate through overlapping regulations and thoroughly follow the right policy. In addition, speech is analyzed in order to identify steep deviations from mandated scripts.



Real-Time agent guidance call outs

Workflows are easily created and managed by the Compliance Officer via an intuitive drag and drop Compliance Designer tool.



The drag & drop designer tool

## 3. Compliance Assurance

The Compliance Assurance component analyzes all agent and customer interactions, validates compliance adherence and alerts when exceptions or discrepancies occur, such as missing disclosures, missing customer consents, abusive practices and disputes. All exceptions are automatically reported to the Compliance Officer and are accessible through a user-friendly dashboard to easily retrieve calls, listen to relevant parts and manage corrective actions. The Compliance Assurance component also supports internal and external audits and investigations exploring specific lines of business, regulations, policies and phrases. It also enables to produce reports and export segments and other supporting materials needed for litigation or audits.



The compliance Control Room dashboard



# THE NICE PROACTIVE COMPLIANCE SUITE FOR CONSUMER PROTECTION

## Drive Compliance

Comply with regulation requirements and drive the organization, knowing you are fully compliant with consumer compliance regulations. Within hours, Compliance Officers can easily set-up relevant regulations and policies in the system using a graphical Policy Designer. From that moment on, the entire organization is totally aligned and in adherence.

## Prove Compliance

Demonstrate compliance by easily searching, retrieving and accessing evidence and any other supporting reports and materials. Export functionality enables sharing evidence trail with layers or auditors as needed.

## Future Ready

New regulations are frequently mandated by the authorities. NICE Proactive Compliance Suite for Consumer Protection enables quick roll-out of new organization-wide policies and regulations without needing to make further technological or other investments.

## WHY NICE?

NICE has over 25 years of contact centers and Financial Crime & compliance NICE has over 25 years of contact centers and Financial Crime & compliance domain expertise. We've optimized contact center interactions at over 550,000 contact center seats worldwide, ensuring compliance at ~5,000 trading floor seats, and performed AML surveillance of 150 million accounts and over 100 million transactions per day. NICE was chosen by 10 out of 10 of top US banks and 10 out of 10 of top global banks as their trusted partner. Contact a NICE representative today to learn how your organization can benefit from the NICE Proactive Compliance Suite for Consumer Protection and proactively manage consumer compliance.

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## ABOUT NICE SYSTEMS

NICE (NASDAQ: NICE) is the worldwide leader of software solutions that deliver strategic insights by capturing and analyzing mass quantities of structured and unstructured data in real time from multiple sources, including, phone calls, mobile apps, emails, chat, social media, and video. NICE solutions enable organizations to take the Next-Best-Action to improve customer experience and business results, ensure compliance, fight financial crime, and safeguard people and assets. NICE solutions are used by over 25,000 organizations in more than 150 countries, including over 80 of the Fortune 100 companies. [www.nice.com](http://www.nice.com)



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