



With BlackBerry Spark Communications Services, DSS has Created a Game-Changer for Financial Services

At a Glance



Industry Financial Services/
Technology

Locations New York,
Turks & Caicos

Products BlackBerry® Spark
Communications Services

<http://semosancus.com/>

A financial technology company geared towards promoting financial inclusion, Domus Semo Sancus (DSS) is best known for SafetyNet, a powerful compliance-as-a-service tool capable of running rapid enhanced due diligence checks on virtually any subject. Recently, the organization identified a communications bottleneck between regulators and financial services organizations. To help address this challenge, DSS turned to BlackBerry® Spark Communications Services.



The Organization

Several years ago, E. Jay Saunders noticed that the global unbanked population seemed to be stuck at 2 billion, and despite efforts by many organizations, it wasn't dropping. As the world moves rapidly towards a cashless society, these people are being left behind. In 2014, seeking to address the issue, Saunders left his position as CEO of Digicel Turks & Caicos Islands to found Domus Semo Sancus (DSS).

"Today, the unbanked number stands at about 1.7 billion adults globally," explains Saunders. "When you're unbanked, it's difficult to pull yourself out of poverty. With the world becoming cashless, an e-commerce divide is developing and it's creating far more problems than most people realize."

The company initially set out to create Wowlet, a pre-paid digital wallet that can be funded with cash. Saunders envisions Wowlet as a means to encourage global financial inclusion and to help bank the unbanked. There was just one problem: in order for Wowlet to be a reality, DSS would need to address the matter of regulatory compliance, particularly the requirements around Knowing Your Customer (KYC).

"After the 9/11 attacks, an inter-governmental body known as the Financial Action Task Force (FATF) was created to combat money laundering and terrorist financing," says Saunders. "The FATF's guidelines, which over 200 countries have agreed to support, make it very difficult to open up a bank account and engage in financial services. FATF's KYC and anti-money laundering regulations require financial organizations to perform extensive background checks on an individual before accepting them as a client."

In order to ensure Wowlet could meet the FATF's KYC requirements, DSS set out to develop another solution known as SafetyNet. An AI-driven, cloud-based platform, SafetyNet is capable of performing rapid in-depth background checks on any subject-of-interest. Upon being given a search term related to an individual or organization, it searches the surface web, deep web, and dark web using a complex combination of data mining, pattern recognition, and natural language processing.

"Within a few seconds, SafetyNet can pull together most of the information that's in the public domain about a subject-of-interest and create a Risk Profile from it," says Saunders. "SafetyNet looks at everything - public posts made about and by the subject-of-interest, public records, newspaper articles, court records, and so on. All this information makes it easier for a human expert to understand the level of risk a subject-of-interest represents."

"I personally think that integrating BlackBerry Spark Communications Services will be a game-changer for us. Nothing else on the market has the functionality now offered by SafetyNet, and the industry has never had anything like it before."

E. Jay Saunders,
Founder & CEO,
Domus Semo Sancus

The Challenge

Realizing there was a significant market for a tool like SafetyNet, DSS spun it out into a separate product. Financial institutions, law firms, accounting firms, public sector agencies, and many others can all use SafetyNet for enhanced due diligence and regulatory compliance. However, as DSS began rolling the platform out to these clients, it uncovered a communications bottleneck – one that's incredibly common throughout the financial services sector.

"There are a few tools on the market that help companies comply with KYC and anti-money-laundering requirements," explains Saunders. "A major issue that the industry struggles with is the process of how reports are filed with the regulator, particularly where confidentiality is concerned. Let's say someone comes into a bank with a large amount of cash. The cashier is required to check the source of funds to ensure legitimacy. If there is anything that appears questionable, the cashier must alert a compliance officer."

"If the transaction appears suspicious enough to indicate money laundering or terrorist financing, the compliance officer must submit a Suspicious Activity Report (SAR) to the regulator," he continues. "Currently, this involves printing out the relevant document template, filling it out, signing it, and submitting it to the regulator by post, fax, or an online system. Not only is this process incredibly time-consuming, it runs the risk of the person-of-interest being tipped off, which is itself an offense."

KYC and money laundering compliance lapses have resulted in global banks being fined over US\$320 billion between 2008 and 2018.

With this in mind, Saunders began looking for a way to bake secure messaging functionality directly into SafetyNet. Clients should be able to seamlessly and securely send documents and data uncovered by SafetyNet to the relevant regulatory agencies. He also wanted to provide clients with the capacity to communicate both internally and externally from within the application.

Security was paramount for this functionality, but usability was no less important.

"What we wanted was a way for our clients to communicate directly and securely with regulators without having to leave SafetyNet," says Saunders. "We wanted our clients to be able to pass along information without having to contact anyone on the phone, print things off, jump between different apps, or fill out physical documents."



Already familiar with BlackBerry's portfolio, Saunders began his search there. He already knew BBM® Enterprise provided the functionality he sought and was curious if there was some way to implement that functionality into SafetyNet. It was through that curiosity that he came across BlackBerry Spark Communications Services.

The Solution

A platform that allows developers to snap rich chat, voice, video, and data transfer into their applications and smart devices, Spark Communications Services turned out to be exactly what Saunders was looking for. With a flexible API, end-to-end encryption, and peer-to-peer data streams, it not only supports secure messaging, but also the Enterprise of Things, which DSS is evaluating for future products. Saunders and his colleagues immediately set to work integrating the platform into SafetyNet.

"Implementation was very quick for us," Saunders recalls. "I spoke with BlackBerry around August, and my team started digging into what Spark Communications Services could do in September. Within about two weeks, we had a working prototype."

"With our Spark Communications Services solution, all users within a company are automatically set up as each other's contacts," says Saunders. "This ensures that organizations need not add users one by one, and enables them to setup quick, effective internal communications. Through Spark Communications Services, financial institutions can add a regulator as a contact and then seamlessly engage in secured communications with it."

Currently, DSS has rolled the Spark Communications Services messaging system out to several of its financial services clients, and feedback overall has been highly positive. DSS has plans for extending SafetyNet's functionality to create more use cases in law enforcement, supporting connected tech like CCTV cameras, dashcams, drone cams, and smart glasses. This will, explains Saunders, be part of a special law enforcement version of SafetyNet called Safe City.



"One of the things we'll eventually be doing is rolling out the Spark Communications Services solution to our law enforcement customers," says Saunders. "Officers will get all of the rich communications functionality of Instant Messaging, but within a highly secured environment. Spark Communications Services will also allow officers to remotely connect to next generation technologies such as drones and smart wearable devices."

The Results

Reduced Fines: The most immediate benefit of Spark Communications Services is that it allows financial services companies to better meet the FATF requirements around KYC and anti-money laundering.

"Augmented by Spark Communications Services, SafetyNet is now better-equipped than ever to help financial services companies avoid getting fined," says Saunders. "It's definitely a game-changer."

Faster, Easier KYC Compliance: The primary reason DSS integrated Spark Communications Services was to address the communications bottleneck surrounding KYC compliance. With messaging functionality now fully integrated into SafetyNet, this goal has been fully realized. There's no longer a delay when a financial institution needs to communicate with the regulator, and there is a significantly reduced risk of someone being tipped off.

"When financial institutions must contact a regulator, they no longer have to print and scan documents" Saunders explains. "They can speak immediately and directly to the regulator. Not only is it quicker, it's much more secure than the way they did things before – and it can be done from anywhere."

Perhaps more importantly, Spark Communications Services allows SafetyNet to offer a superior user experience to the other RegTech solutions on the market.

"In most cases, the user experience where regulatory reporting is concerned is horrible," recalls Saunders. "Users need to jump between several different applications and systems. They need to manually file paperwork with the regulator and then wait for a response. It's less than ideal – Spark Communications Services allows us to change that."



Unmatched Security: “The fact that BlackBerry is such a strong name in security inspires a lot of confidence,” says Saunders. “The certifications held by the company indicate that even the most sensitive data is in safe hands. Moreover, the level of security offered by Spark Communications Services is above and beyond what’s required in financial services, which is why we selected it as the integrated communications platform for SafetyNet.”

Future Plans: In addition to integrating Spark Communications Services into SafetyNet as a regulatory reporting tool, DSS is also promoting it as a platform for enterprise communications.

“Let’s say a businessperson is traveling and he/she needs to communicate and share documents with colleagues back in the office,” Saunders says. “Currently, the businessperson would have to get in touch with his/her colleagues and have them email the documents. The other option would be for the businessperson to access the documents through a VPN. It’s a choice between poor security and poor usability – VPNs are not generally user-friendly on handsets.”

“With Spark Communications Services, businesspersons on the road can communicate with their offices and exchange documents from within a secure, user-friendly, integrated communications client that supports voice and video calls,” he continues. “It’s one more way Spark Communications Services takes SafetyNet to the next level.”

About BlackBerry Limited

BlackBerry Limited is an enterprise software and services company focused on securing and managing IoT endpoints. The company does this with BlackBerry® Secure™, an end-to-end Enterprise of Things platform, comprised of its enterprise communication and collaboration software and safety-certified embedded solutions.

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