

Email: [REDACTED]

From: James Gladwin

Sent: 16 May 2018 15:19

To: Martin Zeman <[REDACTED]>

Cc: Kareen Johnson <[REDACTED]>; Daniel-A Klyashtorny <[REDACTED]>; Nina Tona <[REDACTED]>; Xavier Avila <[REDACTED]>; Davide-A Sferrazza <[REDACTED]>; AMLUK Reviews <[REDACTED]>; Devshiji Odedra <[REDACTED]>; Ian Salters <[REDACTED]>; Simon Nall <[REDACTED]>; Ricky-x Patel <[REDACTED]>; Jesse-J Cruz <[REDACTED]>; Zack Bunimovich <[REDACTED]>

Subject: RE: Escalation: ONB-1135648 / LKYCGB-160049 / Southern Financial LLC [I]

Classification: **For internal use only**

Hello all,

After liaising with Global CDS teams and specialist colleagues, UK AFC have identified the key barriers and now duly approved the Extension request.

I am happy to confirm that a BRG approval will NOT be necessary for this Extension.

For the sake of clarity and knowledge sharing it would be prudent to share a brief summary of the cause and resolution of such. I am more than happy to discuss and expand further via telephony should it be requested.

- i. Extension request was received by UK AFC and upon our initial review of the request it was apparent that there was no UK adoption within the dbCAR system, therefore AFC queried the requirement of a BRG review
- ii. Post investigation identified UK products had been booked WITHOUT a UK adoption – a never seen before scenario
- iii. Escalations to local policy colleagues and global CDS teams had also never seen such a scenario. Two cause theories were presented;
 - a. KCP clients had migrated from dbCLIENT to dbCAR, potentially the migration did not complete correctly (this will continue to be investigated SEPERATELY to this Extension request)
 - b. At the very first adoption of the client/extension to UK GM products, this was not correctly booked within our internal systems
- iv. Fixes to the dbCAR profile were discussed between Global CDS teams, of which the latter was chosen due to time constraints and the impact upon our first line colleagues ;
 - a. LKYC-US to be reviewed and approved by US colleagues which would subsequently updated the LRD/NRD dates, subsequent leverage could be used off of the LRDs to create an NCA to book the client correctly (US CDS colleagues advised that they did not believe the LKYCUS was to be further actioned)
 - b. LKYC-GB to be approved to kick start the NCA & LRD/NRD dates within dbCAR
- v. Following the LKYC-GB being approved, the file was immediately reviewed and was deemed that the UK adoption location had been fixed
- vi. Subsequent Extension request was approved

Many thanks to all that shared their knowledge, I will be looking further into KCP clients with UK adoptions to ensure that such scenarios do not become a recurrent theme.

As always, please give me a shout if you have any questions.

Kind regards,

