

Basel II Compliance

Identify, control and audit the flow of customer or portfolio data to ensure confidentiality, and demonstrate BASEL II compliance



OVERVIEW

The Basel Capital Accord (Basel II) issued by the Basel Committee on Banking Supervision, creates international standards that banking regulators can use when specifying how much capital a financial institution needs to maintain in cash reserves to cover the amount of risks that the firm incurs. The amount of required reserves impacts the flexibility and profitability of each bank.

In Basel II, risks are classified as credit, market and operational risks. In particular, operational risks are “the risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events.” While a bank’s financial organization manages credit and market risks, its individual operating units manage operational risks.

One operational risk is information risk, which is generally handled by the bank’s IT or the Compliance functions. Information risk is a critical factor affecting a bank’s operational risks, which in turn influences its capital requirements and, consequently, its profitability. Without robust data protection, banks risk costly information loss, leading to higher operational risk and lower profits.

SOLUTION HIGHLIGHTS

- Reduces operational risks by identifying information risks and the likelihood of occurrence to guide implementing policies and controls.
- Defines a consistent, enterprise-wide set of fine-grain policies, standards and procedures.
- Reduces the business impact of incidents with proactive controls to detect, prevent, remediate information handling policy violations and data loss or leakage.
- Gain enterprise-wide visibility through real-time monitoring of implemented controls for effectiveness and integrity
- Achieves compliance fast through pre-built policies and reports, while leveraging IdMS, CRM, and document management systems, for high scalability.
- Streamlines compliance audits. Tracks and audits information use. Log and track exceptions. Provides auditors with attestations of proper entitlements and proof of controls over regulated information.

THE SOLUTION

NextLabs’ Basel II Compliance solution manages information risks by preventing inappropriate access and the protection, sharing and communication of sensitive or confidential information. It persistently protects confidential information wherever the user is located, ensures user adherence to policy, and educates users on the correct usage of confidential information. This is accomplished in a non-intrusive and intuitive way.

The solution is an integrated data protection solution that combines multi-channel communications control, information rights management, virtual information barriers, and host-based data loss prevention technologies with application, document, and device control capability. It performs real-time policy evaluation on or off the network.

This is the only solution that controls information sharing across multiple communication and collaboration channels to consistently and comprehensively monitor and manage the information risks that contribute to the operational risk of a financial services institution.

The solution makes internal and external collaboration among users safer and more secure, automates safe handling of sensitive information, and ensures proper access to and protection of applications and data. By tracking and controlling internal and external information risks and modeling them to analyze the impact of potential losses on the business, financial services institutions can manage and control their level of capital charge.

The NextLabs Basel II Compliance solution scales to meet information protection requirements and works seamlessly with all applications.

Identity-Driven Policy Controls

Fine-grain policies are evaluated based on end-user identity, data content and business process context. The solution integrates with existing IdMS systems or other services to leverage attribute information that precisely identifies when and where specific users attempt to improperly disclose confidential information, and to whom.

Automated Workflow to Reduce Risks

Unique integrated user assistants integrate transparently at the desktop to alert and educate users of policy violations, highlight errors, and provide remediation that prevents data loss, without slowing productivity.

Many tasks, such as encryption, tagging, approval, etc., are automated to ensure safe information handling and compliance. Companies can now optimize productivity with safe e-mail communications while avoiding data loss or inadvertent disclosures that damage business integrity, and compromise client confidence.

The Solution includes Pre-Built Policy Applications

NextLabs' solution is a set of applications which include a comprehensive set of pre-built policy libraries and pre-built reports to help banks control risks to critical information, from personal client data to the sensitive portfolio information. Policy sets can be easily customized to the environment or used as templates to create new policies. The solution can help prevent:

- Internal Fraud - Assures integrity of information and data by preventing access by unauthorized persons. Provides document histories detailing access and usage of critical information.
- External Fraud - Mitigates insider risks, including information theft, and prevents data leakage.
- Clients, Products, & Business Practice - Prevents fiduciary breaches like conflicts of interest, via information barriers that reduce opportunities to leverage material non-public information.
- Business Disruption & Systems Failures - Automatically archives and controls the flow of information to guard against environmental disruptions, software or hardware failures
- Execution, Delivery & Process Management - Automates many information-handling procedures to prevent mistakes and mishandling of critical information. Provides timely generation of reports to meet any mandatory reporting requirements. Enforces use of secure communications channels to prevent negligent loss of client information or assets.

The NextLabs Basel II Compliance solution secures confidential and non-public client and corporate information to comply with Basel II requirements, and reduces banks' operational risk estimates, thereby lowering reserve requirements and leading to greater profitability.

SOLUTION DEPLOYMENT: HOW TO GET STARTED TODAY

NextLabs implements the solution by using expert product knowledge and a services best practices methodology. NextLabs can also assist clients with identifying their controlled data, as well as defining information control policies.

Step 1: Requirements Gathering

NextLabs works with you to understand your infrastructure, and security and policy requirements.

Step 2: Risk Assessment

We help you to discover and identify your current risks to help prioritize solution requirements.

Step 3: Policy Configuration

Policies are designed and electronically codified using Enterprise DLP™, along with any custom Policy Assistant automation.

Step 4: Install Policy Enforcers

Policy Enforcers are deployed across applications and systems, if applicable to requirements.

Step 5: Knowledge Transfer

Finally, NextLabs helps train your team to maintain the solution.

NEXTLABS ENTERPRISE DLP™

Enterprise DLP is a comprehensive data protection software suite delivered on a single policy server platform. It provides a common way to control data loss, unauthorized applications and devices, data sharing, and document access and use. With Enterprise DLP, highly collaborative organizations can address the challenges of confidentiality, compliance, and data loss with a single solution.

ABOUT NEXTLABS

NextLabs®, Inc. provides data-centric security software to protect business critical data and applications. Our patented dynamic authorization technology and industry leading attribute-based policy platform helps enterprises identify and protect sensitive data, monitor and control access to the data, and prevent regulatory violations – whether in the cloud or on premises. The software automates enforcement of security controls and compliance policies to enable secure information sharing across the extended enterprise. NextLabs has some of the largest global enterprises as customers and has strategic relationships with industry leaders such as SAP, Siemens, Microsoft, and IBM. For more information on NextLabs, please visit <http://www.nextlabs.com>.