



Financial Services Technology

# EMBEDDED COMPLIANCE:

A New Approach to Containing Rising  
Compliance Costs and Improving Results

# Our Focus of Conversation



**Ronny Chapman**



President  
Compliance Systems



**Kevin Polinsky**



Managing Director  
Compliance Systems



**Tom Hill**



Director  
Cornerstone Advisors



**Sam Kilmer**



Senior Director  
Cornerstone Advisors



**Erin Simpson**



Chief Risk Officer, EVP  
Encore Bank

## AGENDA

- Encore Bank's Experience
- The Shifting Landscape: The Rocket Effect
- Embedded Compliance: Cornerstone Research

# Erin Simpson, Encore Bank



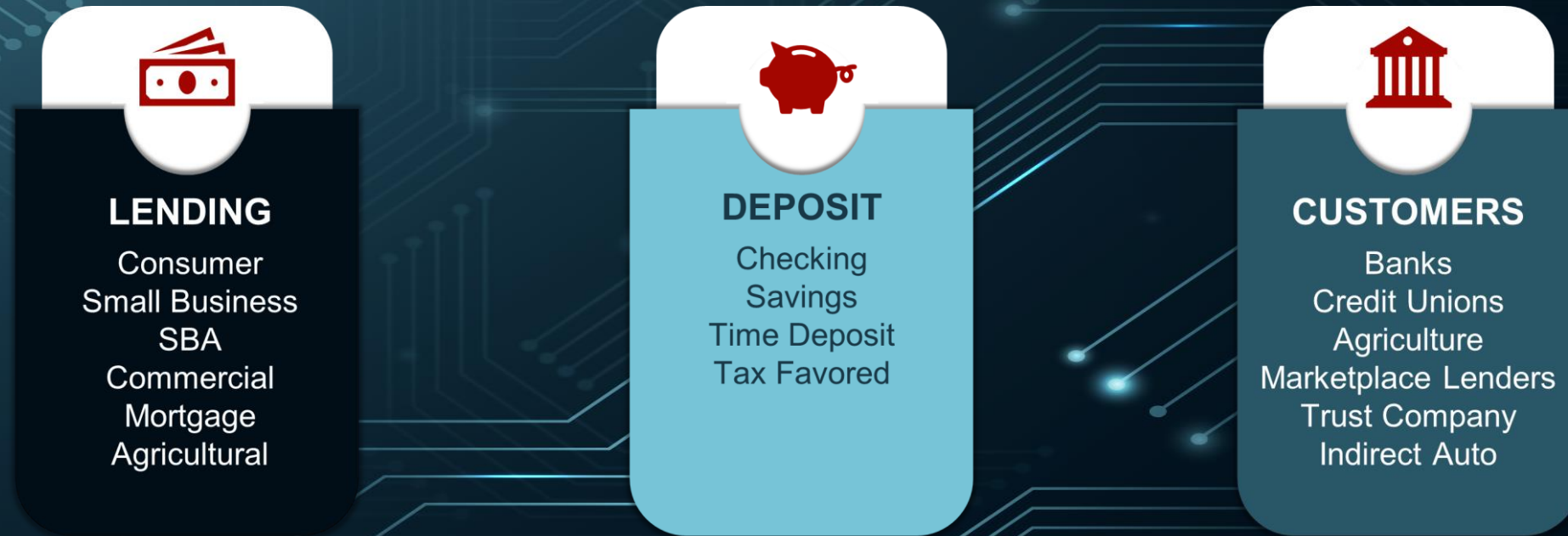
Erin Simpson



Chief Risk Officer, EVP  
Encore Bank

- Encore Bank: who and why.
- The technology and compliance journey.
- Staff and customer impacts.

# About Compliance Systems



- > 1500 financial institution clients
- Streamlining customer-centric embedded compliance as part of a digital solution
- Content configuration and compliance management

# THE ROCKET EFFECT



Faster digital-leading delivery



Faster shift to marketing & tech



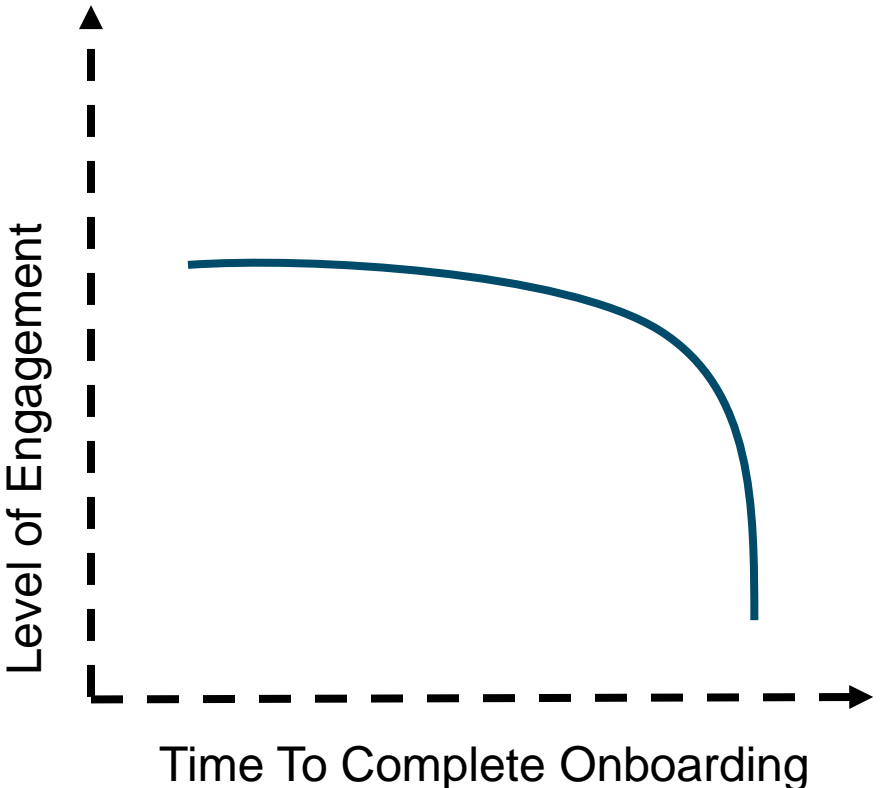
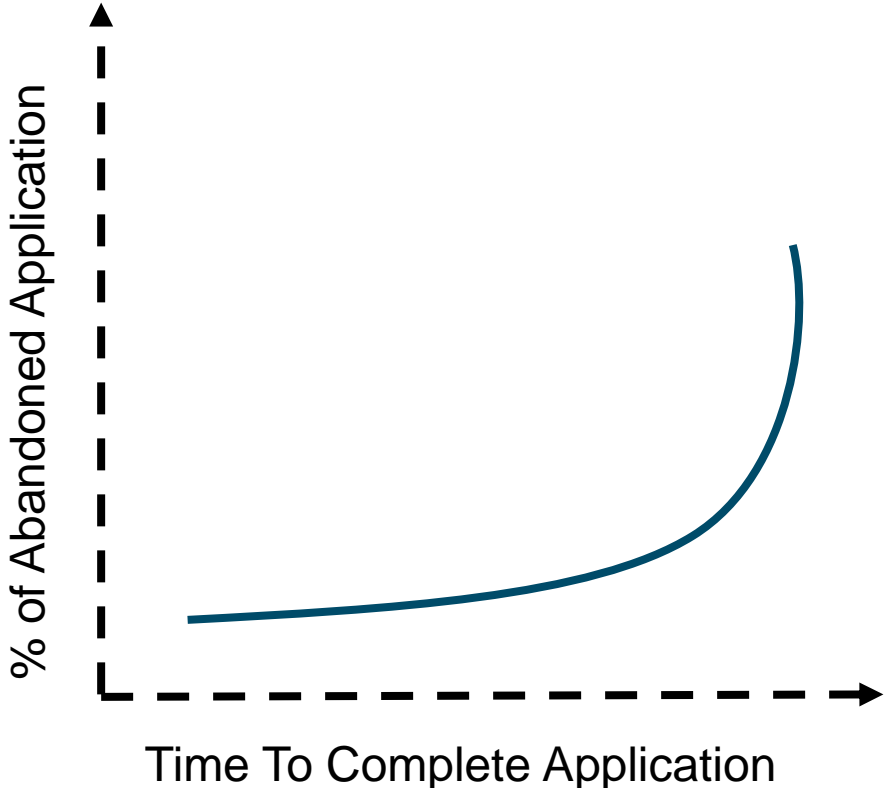
Faster enablement



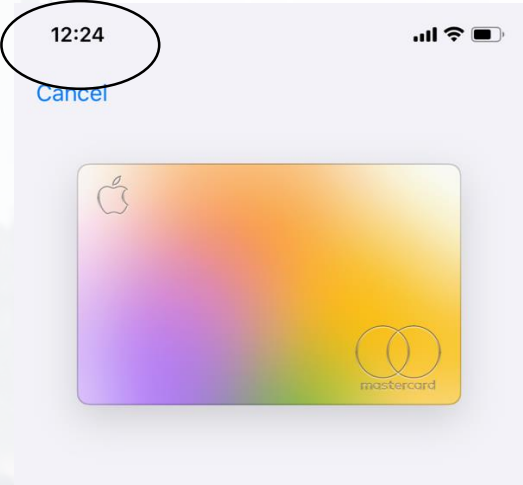
Faster strategic execution & alignment



# WHY THE ROCKET EFFECT MATTERS



# APPLE: ROCKET EFFECT STANDARD



## Apple Card

A new kind of credit card. Designed for iPhone and a healthier financial life with unlimited Daily Cash and no fees.

Issued by Goldman Sachs Bank USA.

[Get Apple Card](#)

Your application, account, and device use patterns and settings information will be shared with Apple, Goldman Sachs, and an identity verification service for application processing, identity verification, and fraud prevention. [See how your data is managed...](#)

[Continue](#)

[Rates and Terms](#)

12:24

Cancel Next

### Your Information

Confirm or update your legal name, date of birth, and your phone number. Your Apple ID "anthony.desanctis@yahoo.com" will be associated with your Apple Card account.

First Name 12:25

Cancel Next

Last Name

### Your Address

Confirm or enter your residential address. (No PO Boxes)

Date of Birth

Street 12:25

Phone

Cancel Next

12:25

Cancel Next

### Verify Your Identity

Please provide the last four digits of your Social Security Number (SSN) and your country of citizenship.

Street

City

State

Zip Code SSN 12:25

Cancel Next

Citizenship

### Annual Income

Please provide your estimated annual income, including all sources of income, to Goldman Sachs Bank USA.

Annual Income Required

[What does annual income include?](#)

12:26

## Apple Card Terms and Conditions

[View as PDF](#)

**IMPORTANT**  
Please read the following terms before applying for Apple Card. You apply, and agree to be bound by these terms and conditions, when you select Agree.

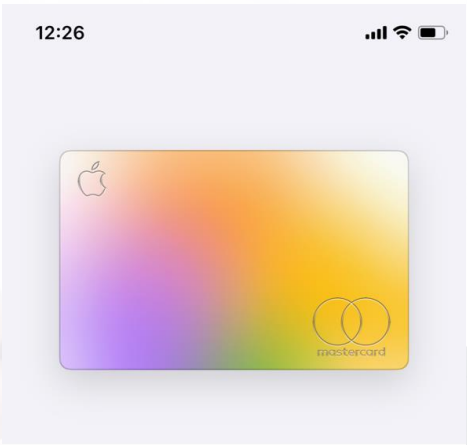
- [A. Apple Card Information and Terms](#)
- [B. Apple Card Privacy Policy](#)
- [C. Electronic Communications Agreement](#)

**Interest Rates & Charges**

**Annual Percentage Rate (APR) For Purchases**

[Disagree](#) [Agree](#)

# APPLE: ROCKET EFFECT STANDARD



## Your Apple Card

Credit Limit | APR | Fees  
\$ | 12.99% | None

Before accepting your offer from Goldman Sachs, view your Customer Agreement, credit score notice and APR details.

[Offer Terms and Conditions](#)

Accept Apple Card

[No Thanks](#)



## Adding Card 🌟

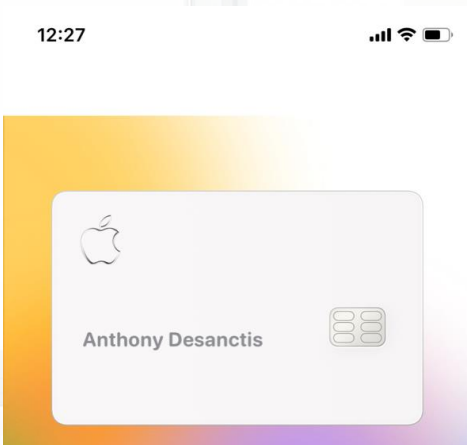
## Card Added ✓

Your card has been added to Wallet, Apple Watch, Safari AutoFill and your Apple ID.

It will be automatically selected when you use Apple Pay.

Your card is ready for use.  
The terms of your Apple Card Customer Agreement will apply.

Continue



## More Ways to Pay

Get a titanium Apple Card to use in stores and restaurants that don't accept Apple Pay yet.

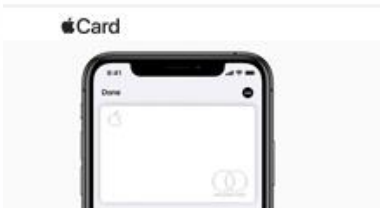
Get 1% in Daily Cash for every purchase you make with your card.

Continue

[No Thanks](#)



# APPLE: ROCKET EFFECT STANDARD



## Welcome to Apple Card.

Roll on the power of iPhone, you see Apple Card ready to use right away with Apple Pay. Every time you work, you get Daily Cash. That's a small bonus, but every day.



## Use it today with Apple Pay.

Apple Pay is accepted at places you shop every day. Whether your pickup appointment is at Target, meeting with a client, buying lunch at your favorite local spot, wherever. The reason other you check out with Apple Pay, you always get Daily Cash.



Watch how to make a purchase with Scan QR. Watch how to make a purchase with Touch ID.



## Get Daily Cash with every purchase. Without limits.

With Apple Card, you get Daily Cash on every purchase. No limits. You receive 2% Daily Cash on everything you buy from Apple. 2% when using Apple Pay, and 1% on everything else. Just start by giving your name every time you get Daily Cash. Or when you're standing with a friend and a friend, you'll get 1% when you use Apple Card with Apple Pay. And then you do it again.

Apple Card



## Your titanium Apple Card has been ordered.

We'll notify you when your card has shipped. In the meantime, get 2% Daily Cash\* on all purchases with Apple Pay.

Estimated delivery time: 5-7 days

Apple Card



## Get the most out of Apple Card — use your card number online.

Think of all the ways you use a credit card online today. Shopping on Amazon, buying tickets to shows, paying recurring bills — the list goes on. Each is an opportunity to take advantage of Apple Card. Just use your card number.



## Here's how to find your Apple Card number.

Go to your Apple Card in Wallet. Tap then tap Card Information. Copy and paste this info at checkout. Or use Safari's Autofill feature to write your Apple Card details.

[Watch how to find your card number.](#)

Apple Card



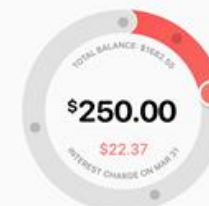
## Know exactly when your Apple Card bill is due.

Your Apple Card bill always due on the last day of the month — easy to remember and it just makes sense.



## Choose how often and how much you want to pay.

Schedule weekly, biweekly, or monthly payments, so you never miss a payment. Set up recurring payments based on when you get paid.



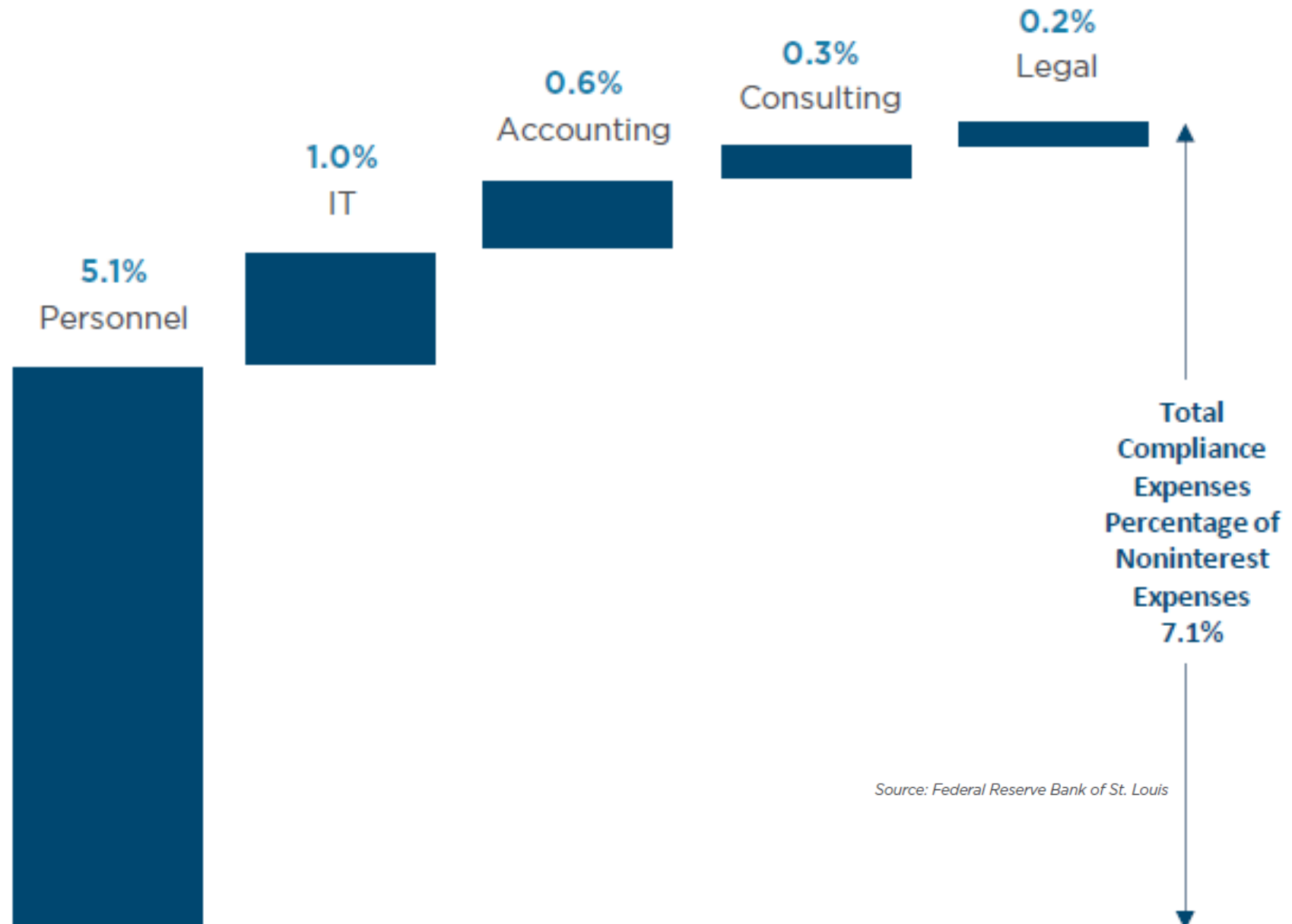
We think it's in your best interest to

# The Rising Cost of Compliance

“Banks spend \$270 billion per year on compliance. Some 10 percent or more of most bank operating costs can be attributed to compliance, and some estimates have regulatory costs doubling by 2022.”

Source: *International Banker magazine*

## Compliance Expenses Percentage of Noninterest Expenses



Source: *Federal Reserve Bank of St. Louis*

# The Benefits of Embedding Compliance

Organizationally - Operationally - Digitally



Improved Compliance



Lower Costs



Satisfied Customers

# Embedded Compliance in Action



- Compliance isn't a barrier. It's part of the process.
- The system does the work because it's built into the initial solution.
- Compliance on the front end: eliminating friction for our clients and staff.
- Why we benefit from failing fast in the customer experience.

# What's Next

Ask us questions

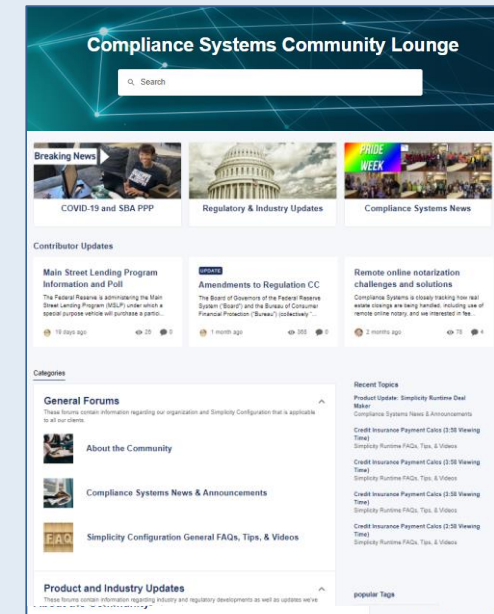
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Check out the report



Join the conversation



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