Know Your Customer
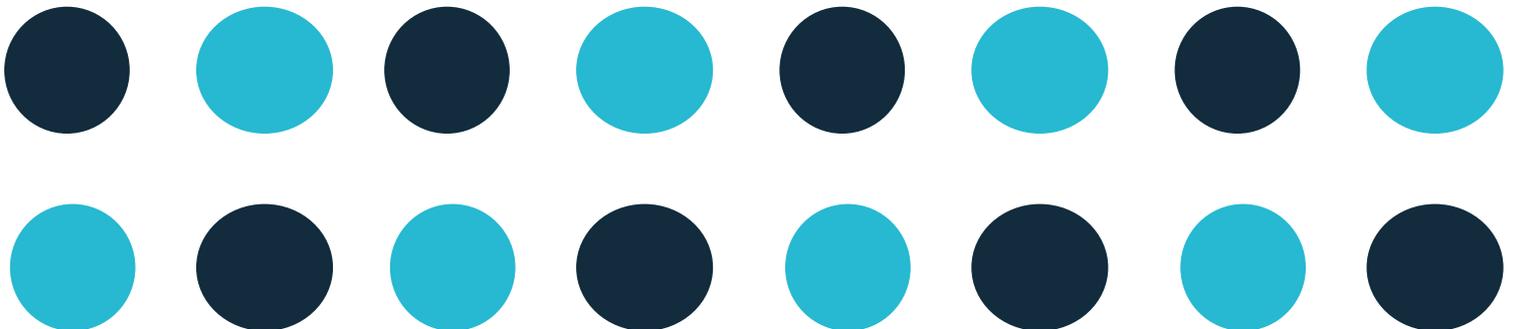
Turn compliance regulations into simple configuration with SPARKL Clear Box®

SPARKL® Solution Brief

Standard KYC Process

Customer requests new account

Customer must provide name, age, address, photo ID and any other additional documentation.

Bank verifies request

Bank performs an exhaustive review of the information provided by the customer and cross-checks it against sanctions lists. This process can take up to several weeks.

Begin onboarding process

If approved, the bank stores the information in a potentially insecure system - sometimes even in an Excel spreadsheet on an employee's desktop.

Monitor changes

Bank manually updates the documents when changes are requested by the customer.

Challenges

Complexity

Siloed IT systems use your infrastructure in ways that are impossible to track and test, making your systems fragmented and inflexible to the changing regulatory requirements of the financial services industry.

Cost

The process may be 'automated' but the vast majority of your resources are devoted to manually scrutinising new accounts and suspicious payment transactions on a daily basis.

Compliance

Manual reconciliation is often a result of poor due diligence required for regulatory requests. Banks often have to prepare suspicious activity and currency transactions reports for the authorities as well.

Introducing SPARKL®

SPARKL is powerful technology for managing the behaviour of your distributed applications, systems and machines. It provides financial institutions with a new way to build compliance directly into the development workflow.

Clear Box® lets you define compliance regulations as simple, high-level configuration, as opposed to the usual black box code which plagues your IT infrastructures.

The lightning fast SPARKL Sequencing Engine uses Clear Box to then plan, execute and enforce the required sequence of events. For example, a developer could configure SPARKL to ensure KYC data was not released to Bank B without a digital signature from Bank A.

Turn your compliance regulations into simple configuration with SPARKL

As a result, SPARKL provides a perfect record of every individual event that takes place within the process, complete with cause. You can use any blockchain to tamper-proof the audit trail.

Designed to work with in-house and multi-party enterprise systems, you can integrate SPARKL with your favourite technology stacks - including your existing systems for analytics and business reporting.
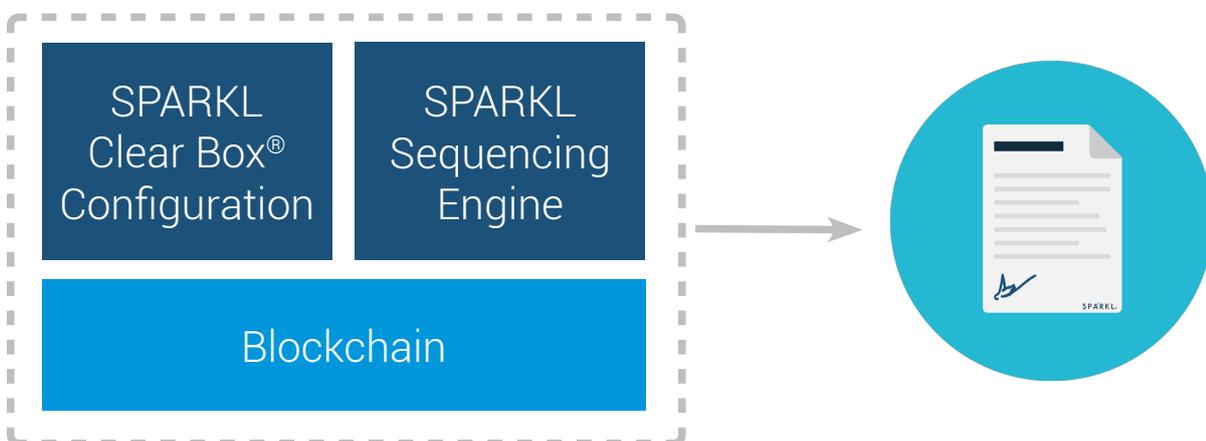
Secure KYC Workflow

01   A customer requests a new account. The bank asks them to provide key KYC information and rules concerning who may have access to the information.

02   The rules set by the customer are captured as a SPARKL smart contract, which acts as a gatekeeper to the information on behalf of the customer.

03   A storage blockchain is used to store the KYC documents. It is encrypted.

04   The same blockchain is used to store hashes of SPARKL events and acts as an audit trail of transaction events taking place during the process.

05   Another SPARKL mix handles the KYC onboarding process itself and the proof of execution of the onboarding process is written to the underlying event blockchain.

06   When another bank requests access to the customer's KYC information, the authorisation rules mix processes the request.

07   The bank is authenticated and the rules set by the customer are evaluated.

08   The bank receives keys to access the required data from the blockchain and parts of the audit trail. Any attempts to make changes to the blockchain are detected by other users.

Why SPARKL?

Improves structural pain points in IT infrastructure

Using reasoned provisioning and distributed intelligence, SPARKL reduces inefficiency and latency in the black box swamp and improves understanding around IT systems at a high level.

Minimises paperwork and overhead

Don't rely on email chains. Sign and authorise your smart contracts on the SPARKL Developer Console, which can be accessed from any web browser.

Simplifies record-keeping and audit procedures

Storing account and payment information in a blockchain standardises data and reduces the number of "suspicious" transactions. SPARKL provides a complete audit history, visible to all parties.

Works with your legacy and external systems

SPARKL does not replace your current programs. Clear Box and the Sequencing Engine are agnostic and can integrate with your preferred technology stacks and third-party applications to mitigate corporate risk and investment.
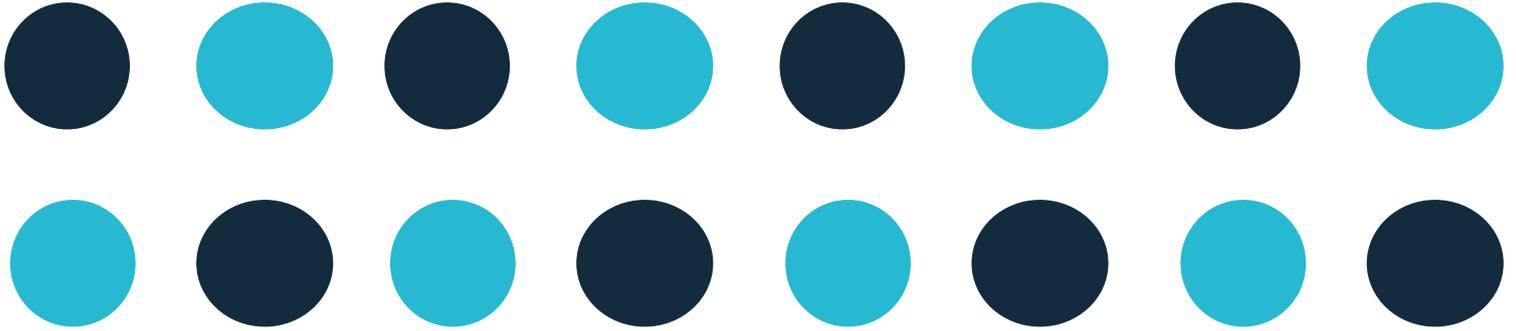
Want to talk tech? Drop the SPARKL team an e-mail at talk@sparkl.com or talk to us live on sparkl.com.

SPARKL® designs and develops the SPARKL technology in London, UK. We work with partners including Cisco and Intel to market the products to innovators and customers worldwide.