

What's New in

Regulatory Compliance

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| Release Highlights



Financial Crime Mitigation

Screen » New Functions in AAE to Reduce False Positive Hits

The Screen Auto Alert Evaluation (AAE) rule is enhanced with AreaFromSwiftField and MorphologyMismatch functions that provide more flexibility to set up targeted AAE rules in transaction screening to reduce false positive hits. These functions support enhanced free text parsing and morphology mismatch and are used to auto-evaluate and discard more false positive hits detected in transactions.

The topic related to this feature is given below:

[Enhanced Free Text Parsing](#)

Knowledge Manager » Currency Transaction Report and Questionable Activity Report

The Suspicious Activity Report (SAR) page is now enhanced to generate Currency Transaction Report (CTR) as per the US Financial Crimes Enforcement Network (FinCEN) regulation. CTR is a report that U.S. financial institutions are required to file with FinCEN for each deposit, withdrawal, exchange of currency, other payment, or transfer, by, through, or to the financial institution which involves a transaction in currency of more than \$10,000. FCM provides financial institutions the ability to download CTR as an XML file and edit it.

Questionable Activity Report (QAR) functionality allows users to report any suspicious activity instantly by using the QAR Case Creation API to generate a case from third-party systems. It also provides the ability to generate a SAR report from the case page. If a user wants to take a case further or report it to



FinCEN as a suspicious activity after it has been completed, a SAR report can be generated from the case investigations page.

The topics related to this feature are given below:

[Currency Transaction Report \(CTR\)](#)

[Questionable Activity Report](#)



Regulatory Compliance

PSD2 Account Information/PSD2 Payments » Housekeeping Service to Clear Unprocessed PSD2 Requests

The PSD2 Account Information (PZ) and PSD2 Payments (PX) modules are enhanced to clear unprocessed PSD2 payment and consent requests after a defined timeframe, using a housekeeping service. This service applies, when a user has not successfully logged in, confirmed or cancelled the request.

This functionality reduces the risk of PSD2 requests being processed accidentally and provides an automated mechanism to clear unprocessed PSD2 requests.

The topics related to this feature are given below:

[Housekeeping Service](#)

[PZ.PARAMETER](#)

[Retention Period](#)

[Introduction to PSD2 Payment Initiation](#)

Qualified Intermediary » Support 871(M) of IRS Derivative Contracts

The Internal Revenue Service, USA (IRS) regulation 871(M) aims to collect tax on dividend-equivalent payments (DEP) for derivative instruments referencing US equity instruments. The transactions executed in US equity-linked derivative instruments are in-scope for withholding and reporting.

The QI module is enhanced to support section 871(M) of the Internal Revenue



Service, USA (IRS) for derivative contracts.

- The Securities module is responsible for processing the US Income Transaction and Tax Processing as part of the QI module. This feature is now enhanced to handle the income and tax computations for IRS 871(M) Derivative contracts.
- The Customer and Portfolio QI Status Identification and US Tax Database features within the QI module now support the 871(M) derivative contracts.

The topics related to this feature are given below:

[RT.REGULATORY.RULES](#)

[Updating the Database for IRS 871\(M\) Transactions](#)

[Inquiring of IRS 871\(M\) Reporting Information](#)

[QI 871M Synthetic Derivative Contract Details](#)

IT Technical Notes



| Regulatory Compliance

FATCA Client Identification/FATCA Reporting » Merging FATCA Aggregation and FATCA Reporting Jobs for COB Efficiency

The following are the changes in the COB jobs related to FATCA aggregation and FATCA reporting:

- The FATCA.TAX.UPDATE batch job is changed to run as a COB scheduler.
- The jobs within the FATCA.BUILD.AGGR.BAL batch that run at the start of day are moved to run along with the jobs in the FATCA.TAX.UPDATE batch.

Since the batch must run for both FATCA Client Identification (FA) and FATCA Reporting (FE) modules, the FATCA.TAX.UPDATE batch is moved to a common regulation table (common to both modules) in the RT module.