catelas

It's who you know™

Holistic Surveillance
Linking people, messages & trades

RELATIONSHIP ANALYTICS & BEHAVIORAL SCIENCE
UNCOVER HOW BUSINESS IS DONE

The Catelas eComms Surveillance & Investigations suite helps companies identify compliance issues much more quickly and effectively than ever before - and get ahead of them fast. Without increasing resources, our customers operate a far more comprehensive and defensible compliance program, positioning them well with regulators.

Catelas helps Compliance become Smarter, Earlier by allowing the analyst to visualize Information Barriers, Control Rooms, Watch List networks, and Bloomberg Chat rooms, automatically guiding the analysts to where the risks are greatest. While the analyst can still linearly review all messages such as email, IM, social media and Bloomberg, our value across such processes like review, supervision, surveillance and investigation is to cut the time taken by 80% while isolating issues quickly.

PATENTED ALGORITHMS AUTOMATICALLY
UNCOVER COLLABORATIVE NETWORKS

Insider dealing, market manipulation, and the movement and sharing of Material Non-Public Information (MNPI) are activities conducted between individuals with strong trusted relationships. Catelas uncovers who matters and how they connect within these large collaborative networks. Our patented algorithms combine relationship analytics & behavioral science to present the compliance analyst with an unprecedented view into how business is conducted.

INTEGRATED WITH TRADES & NEWS
FOR HOLISTIC SURVEILLANCE

Holistic Surveillance is all about uncovering the risks in how business is conducted, in a single view. You need to understand people and what they say in conjunction with order flow and trades executed, and then synchronize that with market data and news. Only then can what you see make sense, and can you understand the sum total of risks inherent in how a firm is doing business.
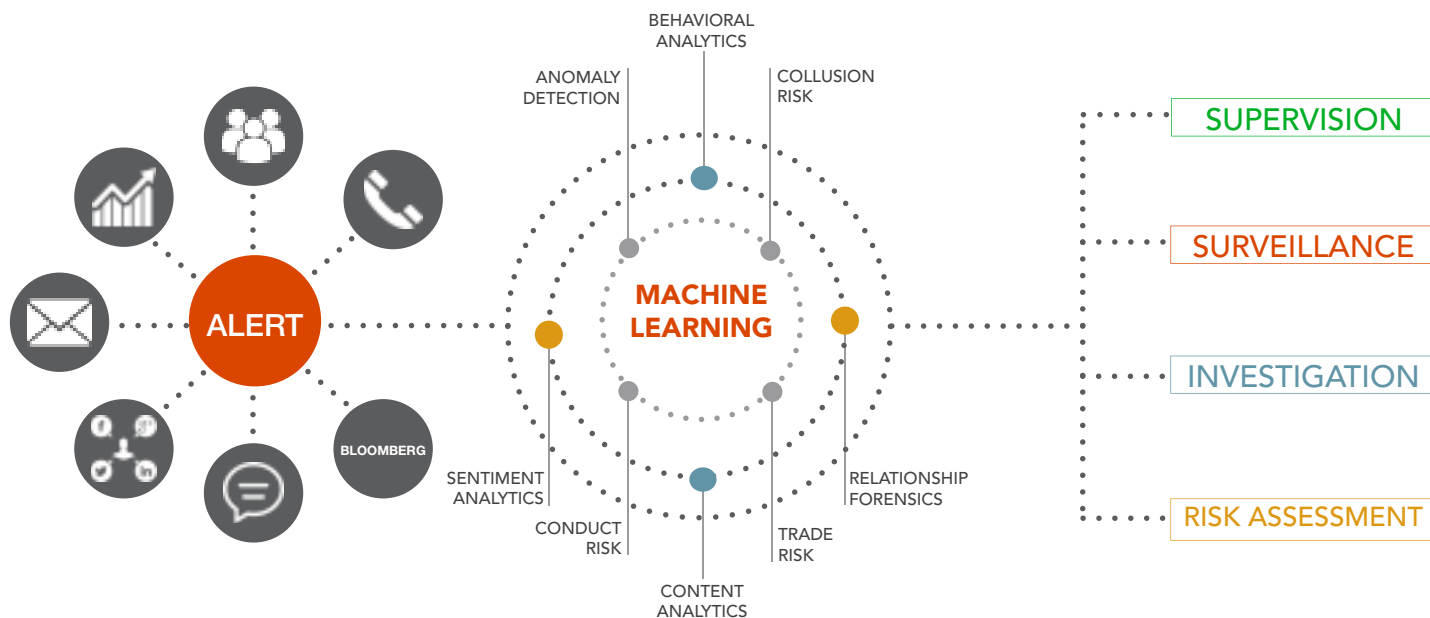
"This integration not only links trades with messaging, it uncovers the relevant parties, relationships, and possible collusive networks associated with each trade cluster. Each trader's risk is based on a complete picture – the people, the messages, the trades, and the news. This solution alleviates the risks and burdens associated with putting together results from disparate systems. We have replaced keyword searches with behavior science and 'if-then' rules with intent-based risk scores."

David Widerhorn, co-founder and CEO of Neurensic

NEW REGULATORY 'STANDARD' BECOMES CLEAR

Recent enforcement actions have demonstrated that the bar has been raised and a new 'standard' is emerging. "Failure to Supervise" rulings against firms operating traditional Lexicon based supervisory systems have demonstrated this. Also, supervisory gaps have been identified with such many to many networks as Bloomberg Chat rooms.

The regulators are talking about a new risk-based 'best practice' that few, if any, of the firms have in place. Expecting firms to have "… better targeted its supervision to the risks faced…" will mean a significant increase in resources or better tools.

NEXT GENERATION ECOMMS SURVEILLANCE

Catelas is the first company to approach compliance and risk from the perspective of 'Relationship Forensics'. Catelas provides compliance & counsel better insight into the risks associated with 'how business gets done'.

Catelas displays networks of 'who is communicating to whom about what', reducing the time taken to review hits by 80% while focusing Compliance on people and conversations that matter.

"Compliance is about having control over your environment and being able to prove it. Catelas uncovers high-risk relationships and pinpoints precisely who is talking to whom and why. These visual audit trails are essential."

Alan Morley, former Managing Director, Investment Bank

CURRENT CHALLENGES

**Key Word supervisory systems
are increasingly ineffective**
Employees are aware their email is monitored

Random sampling
Seen as 'unsuccessful' from a risk perspective

Costs are high, process is manual
And impact generally accepted as being unreliable
with very few 'successes'

**Social Media, SMS/MMS, IM, Bloomberg Chat Rooms
need to be viewed holistically**
We live in a many-to-many networked world

CASE STUDY

Our customer, a tier 1 hedge fund, needed a solution that would protect the firm from the latest known areas of risk – 'over the wall', 'around the wall', between firms and within chat rooms. While their analysts were focused on reviewing a 1% random sample, the regulators were looking elsewhere. Without the proper tools, they were left in the dark when it came to understanding the signs of insider dealing or market manipulation.

Catelas allowed our customer to visualize risk across Information Barriers, Watch Lists, Control Rooms, Transactions and Bloomberg Chat and holistically across email, Bloomberg, IM and voice. With the same level of resource, Catelas' patented relationship algorithms, guided analysts to where the potential risk was greatest. Who knew what & when and how information moved from A to B was now easy to visualize.

WHAT CATELAS DELIVERS

An Integrated View of your People, eComms & Trade Alerts

Supervise more communications
more effectively and in less time

Visualize your Controls
Information Barriers, Control Rooms,
Transactions, Watch Lists & Restricted Lists

Uncover high risk activities
using behavioral Monitoring rules

Conclude Investigations quickly and more defensibly