



“Traditional boundaries of risk are not applicable... extended enterprises must anticipate the potential risks related to every alliance they establish.”

Deloitte

ComplyChainSM is the premiere web-based service for empowering merged or acquired organizations to collaboratively lower business and regulatory risks and costs in their joint information processes interim to the integration of their IT systems and applications.

Merger & Acquisition

M&A Brings Reward—and Risk—in Today's Networked Economy

Merger & Acquisition (M&A) is an effective strategy to expand technology, distribution and market share while achieving economies of scale. But a successful M&A effort requires the effective integration of people, processes and IT governance.

Your M&A Risks?

Organizations that are being merged or acquired usually have different IT priorities and practices. Aligning them in support of one business can greatly reduce the risk and cost of mergers. Yet if IT priorities and practices are not aligned, the impact on your business could be staggering:

- Business failure due to unavailability of timely or quality information
- Sarbanes-Oxley exposure due to invalid transaction processing that can corrupt your financials
- Regulatory exposure because of unauthorized disclosure or access to personal, financial, or health information
- Brand damage and loss of customers due to lost or corrupted information
- Soaring costs and damages as you manage an M&A crisis on a reactionary and time-delayed basis

ComplyChain Manages Information Service Level Compliance

Extending and automating your oversight of Service Level Agreements (SLA) and other IT governance, information stewardship, and security service terms to protect shared information assets is called Information Service Level Compliance (ISLC). ComplyChain automates the on-going negotiation and management of ISLC controls between organizations in order to reduce business and regulatory risks that increase operational costs and risks and endanger earnings.

Without the real-time continuous audit of the ISLC terms and conditions of an acquired organization's information practices, operational integrity cannot be achieved. Periodically conducting service level audits happens well after potential damage to your business has already occurred. ComplyChain delivers real-time continuous accountability.

ComplyChain Rewards for the M&A Manager

- Protect your brand and your customers by reducing information and business failure
- Minimize the business impact of service level failures by enabling a real-time response
- Enable proactive compliance to regulatory mandates for information accuracy, security, and privacy
- Improve the quality of your inter-organizational information service levels
- Reduce the risks and costs of M&A crisis management
- Increase the efficiency, effectiveness and speed of managing complex or multiple M&A opportunities
- Motivate partner compliance through real-time continuous accountability

How does ComplyChain work?

STEP 1:

A ComplyChain Certified Partner™ reviews existing information service terms to determine where our patent-pending ISLC service can help you gain control of the business and regulatory risks and costs associated with your inter-organizational information-based activities:

Compliance Issues	Information Service Risk	ComplyChain Control Solution
Performance & Quality	Either organization changes their application (i.e. information processing routine) without proper testing or approval. Your information is now corrupted.	Jointly monitor software change management and recovery practice vital signs.
Security & Privacy	An M&A organization is infecting and exposing your network and systems to viruses and intruders.	Monitor application of system security patches for compliance to a reasonable time-based standard. Monitor network security availability. Pre-define a joint temporary “suspension” response for violations.
Regulatory & Certification	A file containing your customers’ personal financial or healthcare information is left unprotected, leading to unauthorized access.	Monitor backup, security and configuration activities. Immediately notify key personnel when security requirements or information controls are violated.
Personnel & Training	An M&A company’s key employee with access to sensitive information on your systems is promoted or leaves the company, and your organization is not notified to update passwords or system access.	Systematic or email monitoring of an M&A company’s critical employees for immediate notification to changes in their job responsibility or employment status, thus enabling you to perform a timely security profile update.

STEP 2:

ComplyChain helps you quickly and easily work in a collaborative manner with merged and acquired organizations to establish and manage, over time, an efficient and effective set of ISLC controls for each new relationship:

- What are the business issues that require Information Service Level Compliance?
- What are the resultant systems, data and personnel that require controls?
- How can an ROI be achieved quickly?
- What constitutes an incident/violation, and how will both organizations coordinate the responses?
- Which existing performance or security tools can be re-purposed to monitor, test and improve system, network, security and change management “vital signs?”

STEP 3:

When the initial collaborative effort is complete and the controls are deployed, ComplyChain real-time continuous monitoring, joint incident response and settlement, control testing, and continuous improvement processes begin to automatically work for you. Now you can have the confidence that, post-M&A, all organizations are **in compliance** with the terms and conditions set forth in your agreements and that your Information service Level Compliance requirements are being met.

When a violation is detected, a ComplyChain **“Joint Incident Response (JIR)”** coordinates a response so that all organizations can quickly minimize the impact on business operations. ComplyChain processes also continually ensure proper settlement, testing, and improvement of ISLCs within the new organization.

Let ComplyChain help you Collaborate with Confidence.