

Ark Capital Management: Helping lower the risk of 'off-channel communication' with Symphony



Overview

Traditional modes of communication are being rejected by financial clients in favor of convenient messaging apps such as WhatsApp, WeChat, SMS and LINE. Without the right technology, regulators don't have oversight to these mobile messaging apps, therefore making them 'off-channel'. To satisfy commitments to both the regulator and demands of their clients, Ark Capital Management decided on Symphony's Federation product as its communications solution.

Symphony's Federation is the ideal off-channel communications solution for Ark Capital and our clients. I don't see a current alternative in the market that can do what Symphony does.

Akram Djaileb, Client Servicing Manager

Challenge

Ark Capital Management is an investment management and brokerage firm providing global market access and solutions to a client base that includes individual investors and wealth management professionals. Its main office is located in the Dubai International Financial Centre (DIFC), which has quickly emerged over the past few years as a leading financial hub in the Middle East.

The popularity of WhatsApp in the UAE, with [85% of the population](#) using the platform, has created thorny compliance challenges for Ark Capital and other financial services companies that operate in the region. With more clients preferring the ease and convenience of mobile apps for business communication, firms are confronted with a choice. They could ban the use of WhatsApp and similar apps with clients, with little real ability to prevent employees using it anyway. Or they could find a way to support this form of communication without violating regulatory rules on recordkeeping or data privacy and protection.

Alongside recent growth in the DIFC, there have been new regulatory actions by the Dubai Financial Services Authority (DFSA), the regulatory agency that monitors financial activities in the DIFC. [In December, the DFSA fined a brokerage firm \\$1.3 million for having inadequate systems and controls](#), including failing to ensure that the company maintained proper records of electronic communications relating to transactions. This action corresponds with those taken by the SEC and the CFTC in recent years. Since late 2021, the U.S. agencies have issued more than \$3 billion in fines for recordkeeping violations related to mobile devices; as recently as August 2024, [twenty-six firms were ordered to pay more than \\$390 million in fines](#).

Solution

Symphony is a communication and markets technology company powered by interconnected platforms: messaging, voice, directory and analytics. Its modular technology - built for global finance - enables over 1,000 institutions to ensure data security, navigate complex regulatory compliance and optimize business interactions. Its Federation product facilitates communication over WhatsApp, as well as other popular messaging channels such as WeChat, SMS, and LINE, while helping users to keep with recordkeeping and data privacy and protection requirements.

Client engagement is no longer restricted to the office or the confines of an inbox. Through Federation, Ark Capital employees are able to receive and respond to WhatsApp messages from clients in real time on their desktop or mobiles. Federation enables firms to not just 'check the box' of compliance but transform engagement with clients and offers various options to help simplify the onboarding process. For example, for "on-the-fly" onboarding that may occur when a potential new client is met at an industry event, a broker can simply provide the new client with a virtual number or QR code. Messages are automatically captured without disruptions to the client experience. This has transformed the client experience and provided a seamless user experience workflow for both parties involved and created efficiencies for Ark Capital. For existing clients already using WhatsApp, no additional onboarding is required. Brokers can communicate with them without disruptions to their daily workflows, improving the client interaction.

Ark Capital is now able to manage client communications through individual or group chat rooms, and use these rooms to share and access research files and other information. Federation also provides messaging controls (such as information barriers, file attachment permissions, disclaimers, and alerts) - all while helping to keep communications secure.

Outcome

The growing trend of using messaging apps in a business context has made finding a solution to off-channel communication an imperative for financial institutions.

With Symphony's Federation, Ark Capital Management is able to establish and strengthen its relationship with clients while effectively demonstrating its commitment to compliance with regulatory requirements. A broker can be in communication with a client virtually 24/7 and be assured that all information is being captured and stored in accordance with the requirements of the financial services industry.

Symphony's Federation product and Messaging platform allows our team to securely communicate with clients on their preferred mobile channels - strengthening relationships while helping us meet compliance needs.

Akram Djaileb, Client Servicing Manager

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