DRIVING AI TRANSFORMATION FOR INVESTMENT COMPLIANCE

INDUSTRY CHALLENGES

In recent years we have seen companies shift away from spending to meet regulatory needs to a focus on aligning compliance with growth initiatives. Companies are also taking advantage of technology innovations, such as Artificial Intelligence, to automate some of the more basic compliance functions to reduce processing time.

Compliance in investment companies typically involves expensive, manually-driven processes which requires long completion time and for each transaction to be compliant and consistent across all different sales agents' activities.
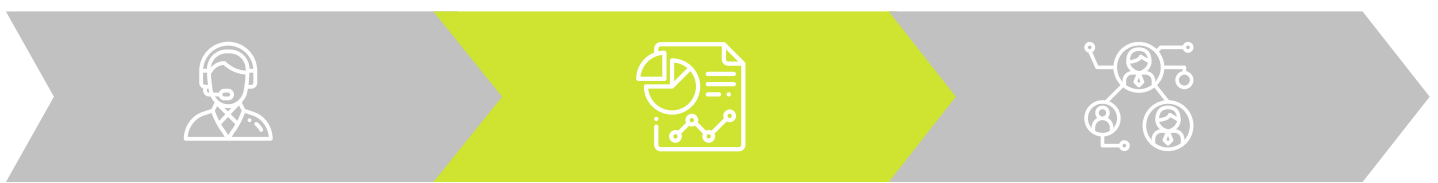
OUR SOLUTION

With automation using **Machine Learning** , we can offer:

▶ **A model that can achieve 90%+ accuracy to minimize the risk of mis-compliance.**
▶ **Greater consistency across all activities of the sales agents.**
▶ **Increased compliance checkers' capacity to handle more transactions with the reduction of time for checking.**
▶ **Maximization of compliance checker's capacity to review agents' activities.**

USE CASE

BROKER COMPLIANCE IN WEALTH MANAGEMENT

AS IS PROCESS

SITUATION

▶ **30 calls/day recorded conversations**
▶ **Company stands the risk of losing their operating certificate if the brokers fail to meet compliance regulations**

REQUIREMENTS

Compliance checkers are required to listen to the call and check emails to check if their brokers:
▶ **Adhere to predefined scripts**
▶ **Follow stringent investment regulations**

KEY ISSUES

▶ **2 officers (~$100k/year) take approximately 5 hours/day to listen to the calls & check emails of each broker**
▶ **Current process is not scalable for growth**
▶ **Compliance resources increase as the company operations expand**

EXPENSIVE . **LABORIOUS** . **TIME CONSUMING** . **ERROR PRONE**

TO BE PROCESS

ISSUES

▶ **Manual and expensive work of the compliance checkers**
▶ **Long completion time**
▶ **Unthorough checks, prone to errors**

SOLUTIONS

Automation using Machine Learning:
▶ **Transcribe call records using Natural Language Processing method; convert email exchanges to PDFs**
▶ **Deep Extraction technology allows "human understanding" capability to extract exact data from those documents**

RESULTS

▶ **~90% reduction of time for checking**
▶ **100% compliant operation**
▶ **Compliance checkers can focus on handling complex & non-standard transactions**
▶ **Expanded compliance capacity without the corresponding costs, making it scalable as the business grows**

LESS COSTLY . **EFFICIENT** . **INCREASED SPEED** . **COMPLIANT**

ABOUT **NEXUS FRONTIERTECH**

Nexus FrontierTech is an AI solutions firm specialising in modernising data-intensive processes within the regulatory and compliance realm (Regtech). Whilst industry agnostic, many clients are in the financial services space and are seeking to streamline their operations.