

CASE STUDY

Reducing Non-Compliance Risk for an Australian Financial Services Firm

Technologies Used

DATA INGESTION



Semi-Structured
Data Parsing



Machine
Learning

PROCESSING & ANALYSIS



Categorization



Entity
Recognition



Low-Level NLP
Configuration

REPORTING & EXPORT



Export Connector
to Microsoft Excel

The Australian government mandates that financial Statements of Advice (SoAs) include **disclosures** covering conflicts of interest, own-product recommendations and more. Financial services providers doing business in Australia use SoA templates and frequent spot-checks to make sure that their advisors aren't modifying or deleting key disclosures.

The problem is that an average-sized firm produces hundreds of pages of SoAs each week. Manual review is costly and unreliable – and exposes the firm to **high non-compliance risk**. One such firm, unable to find an existing contract analysis tool that could solve this exact problem, turned to Lexalytics for help.

Rather than building a high-cost, high-risk "AI for disclosure compliance," Lexalytics focused on **improving the firm's existing audit process**. First, we trained our semi-structured data parser with machine learning to understand the underlying structure of the Statement of Advice document, such as where Scope of Advice and Duty of Disclosure sections begin and end.

Then, we built a custom natural language processing configuration to **extract** and **analyze** entities and other text elements, including recipients, needs, goals, product recommendations, risk attitude and the actual disclosure statements.

For this customer, we then **structure** and **export** the resulting data into a simple spreadsheet. The firm's auditors can **see at a glance** whether proper disclosures were made across hundreds of documents, and even where an advisor's recommendations may go against their client's stated goals and risk attitude. For other clients, we build more complex outputs, including **complete end-user applications** to integrate into their workflows.

Semi-Custom Applications: Summary

When you need to solve a data-related business problem with unique requirements, such as custom data processing, specific technology integrations, or internal database hookups, general-purpose data analytics tools tend to fall short.

Lexalytics draws on a unique combination of technology and experience to solve these problems. First, we sit down with you to understand your business, your challenges and exactly what you're trying to accomplish.

Then we customize our **natural language processing, semi-structured data parsing and machine learning** technologies with features and integrations suited to solving your exact business problem.

Through a staged Proof of Concept, we build you a “**semi-custom**” business **intelligence application** that delivers tangible outcomes across your organization, faster and with less risk than other providers.

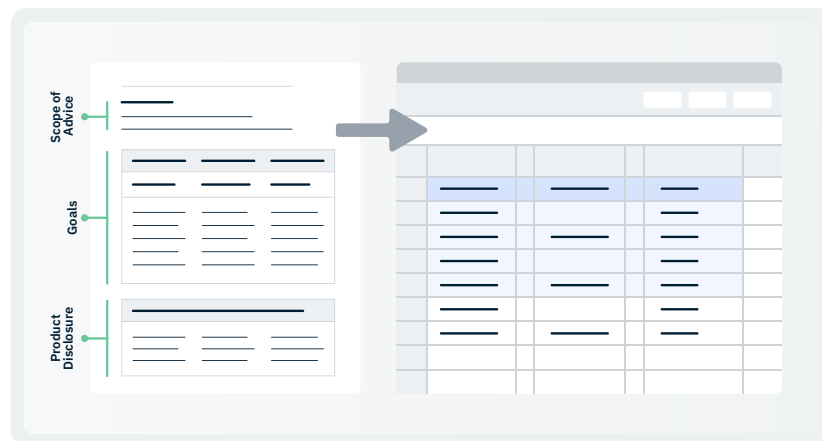


Figure 1 | Example of a semi-custom application: identifying, analyzing and structuring data from financial documents.

TECHNOLOGY COMPONENTS

Natural Language Processing Features



Sentiment Analysis



Theme Analysis



Entity Recognition



Intent Extraction



Categorization



Summarization



Semi-Structured Data Parsing



Machine Learning



Add-Ons and Integrations

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