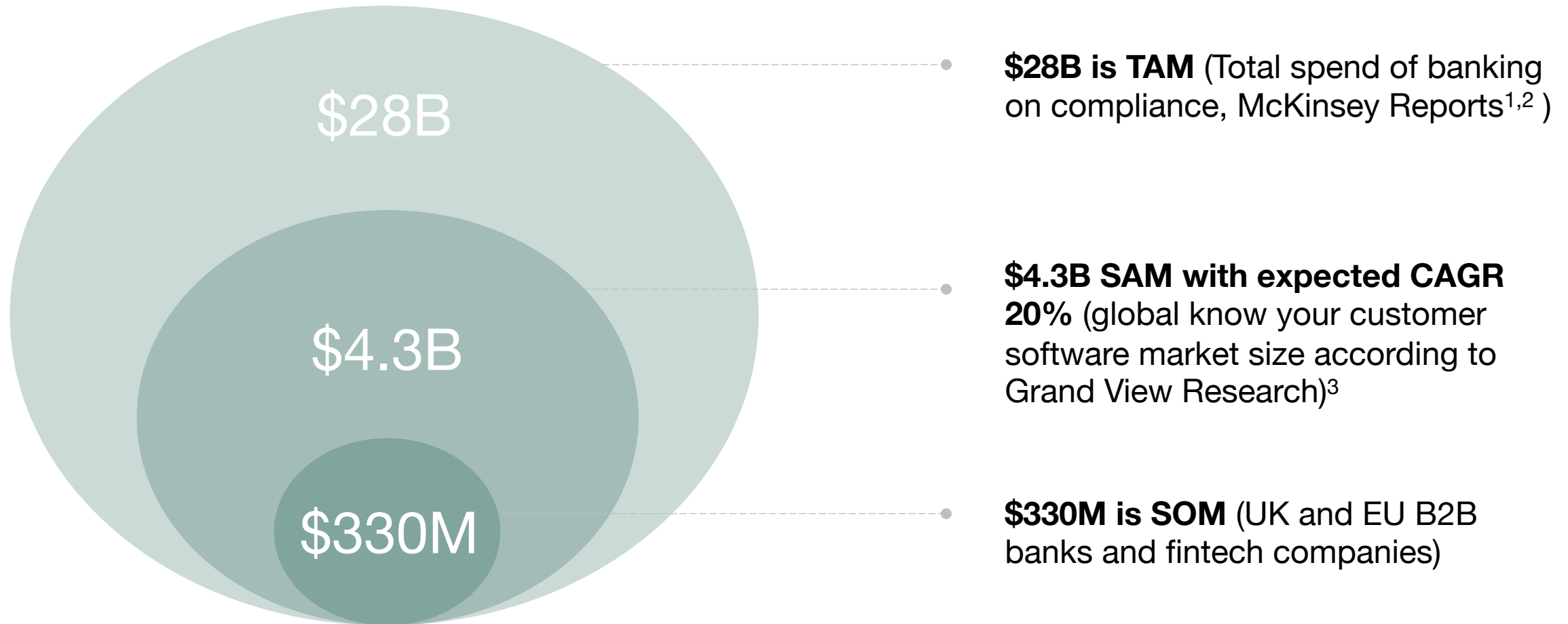


Implementing GenAI in a banking context: A hands-on approach

Deniss Skokovs, Chief Product Officer
Mar 31, 2024



Serviceable Addressable for banking Compliance is \$4.3B



(1) <https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/the-economic-potential-of-generative-ai-the-next-productivity-frontier#industry-impacts>
(2) <https://www.mckinsey.com/capabilities/risk-and-resilience/our-insights/the-compliance-function-at-an-inflection-point>
(3) <https://www.grandviewresearch.com/industry-analysis/know-your-customer-software-market-report>

We leverage GenAI to solve two problems for banks

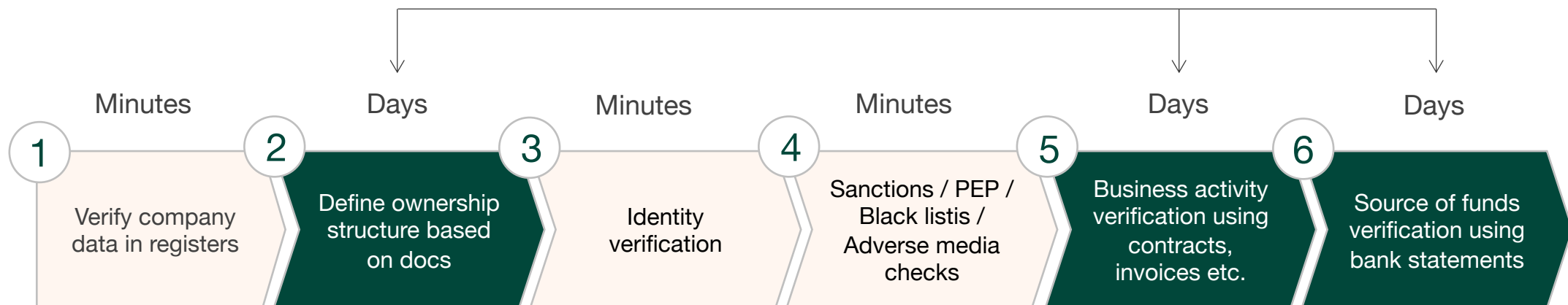
- 1 Long and expensive **KYB process** for new business customers (usually one KYB is 7 days and £400⁽¹⁾ OPEX)
- 2 Long and expensive **transaction monitoring and KYB refresh process**

(1) Source: Fenergo 2022 global survey. N=1003. <https://resources.fenergo.com/blogs/the-cost-of-kyc-compliance-in-finance-how-digitalization-helps>



Delays are caused by **back-and-forth communication** and **manual doc review**

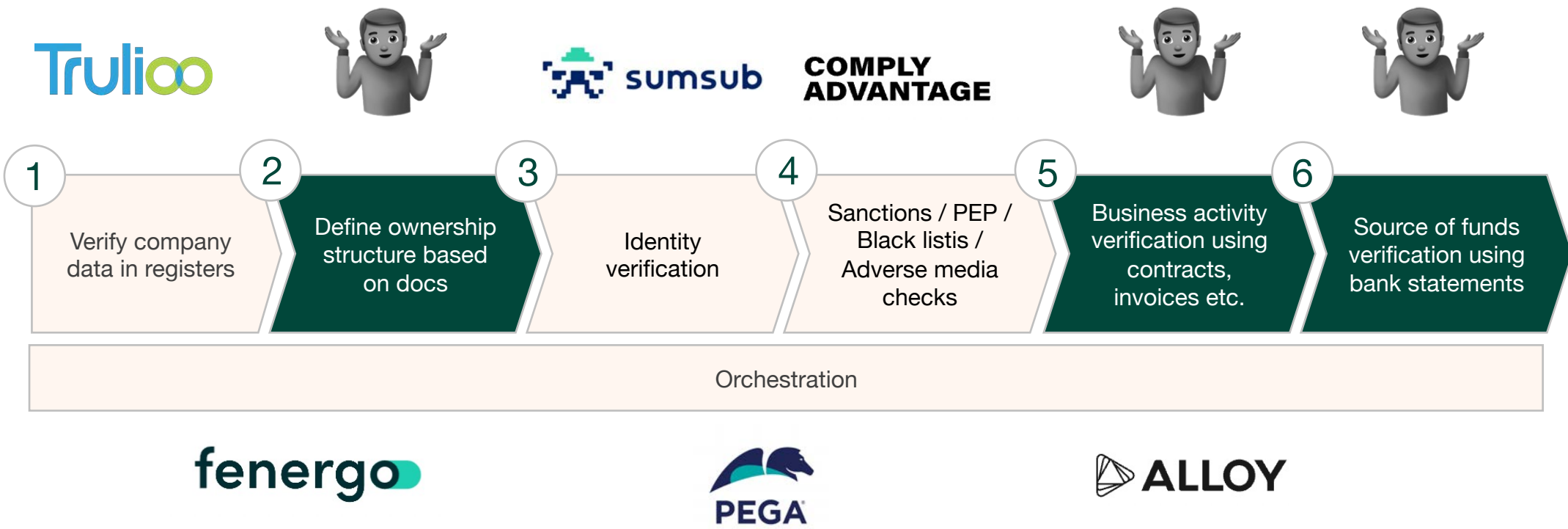
- **3 times** managers return to clients with questions
- **20+ pages** of documents are checked manually



Typical onboarding flow – 7 days



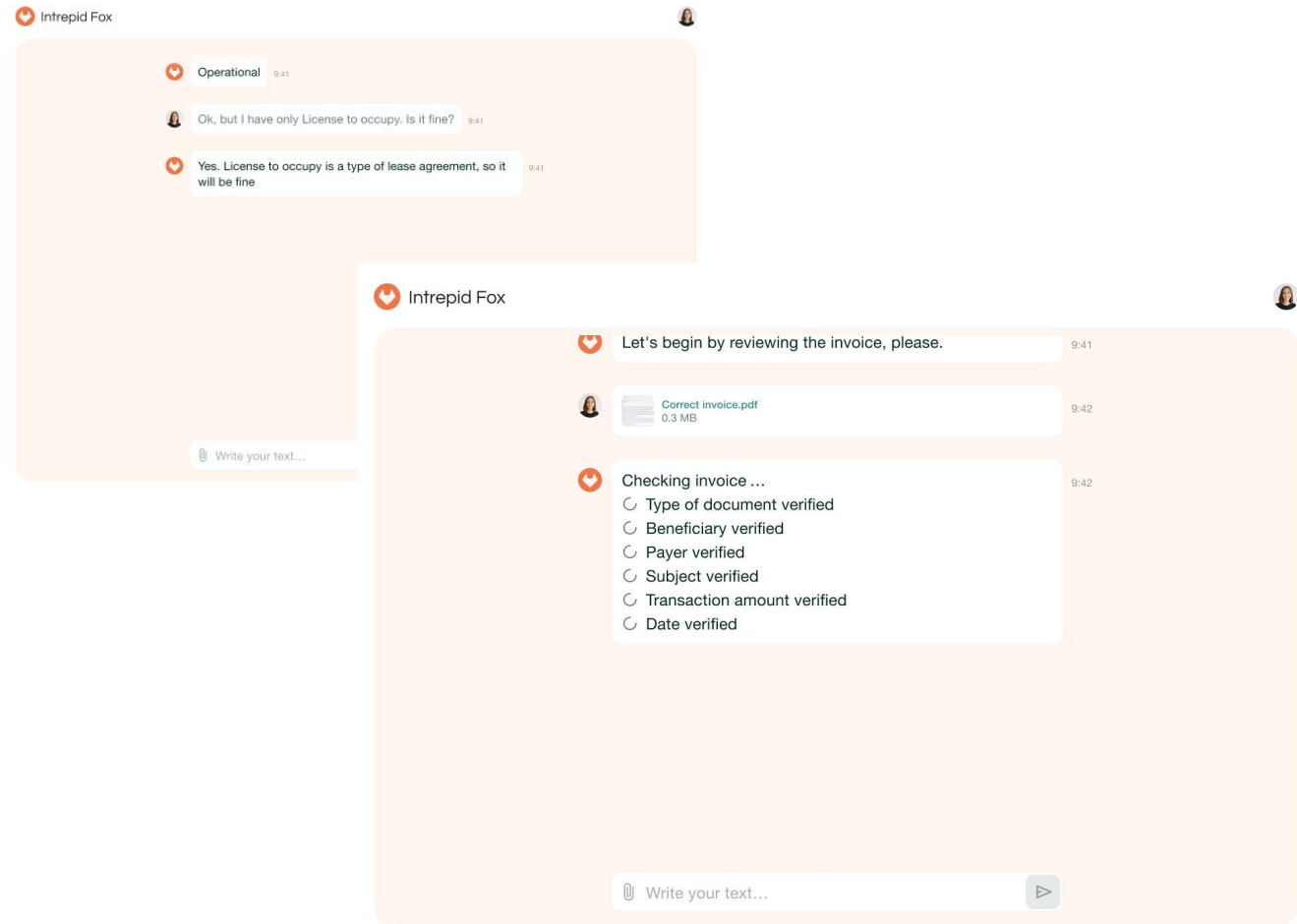
Back-and-forth communication and manual doc review are **not covered by market solutions now**





We launched Smart Documents Collections Solution

- 1 AI **speaks** to a client in a chat
- 2 **Collects** documents
- 3 **Extracts data** from docs online⁽¹⁾
- 4 **Makes** online compliance **checks**
- 5 **Collects clarifications** from clients
- 6 **Prepares compliance report** for a human



(1) Different format documents: Contracts, Invoices, Articles of incorporation, Shareholder registers, Bank statements etc.



Compliance Report with full case analysis



5 Collects clarifications from clients

6 Prepares compliance report for a human

Blue Water LLC

Onboarding Request

Client provided an invoice and a lease agreement. It seems there is an issue with the documents.

INVOICE

- The goods in the invoice are described as 'supply of various types of seamless pipes', while industry of your company is 'consulting services'. **[client: We are pipe industry consultants]**

RENTAL AGREEMENT

- Monthly rental fee 200 GBP seems too low for this type of office. **[client: We rent it from one of the owners who offers us a discount.]**

Invoice Data:

- Date: Dec 13, 2010
- Beneficiary: Blue Water LLC
- Payer: NOV TECH F.Z.
- Description: Supply of various seamless pipes
- Amount: USD 31,682.76



Benefits for banks

Up to
50%
cost reduction

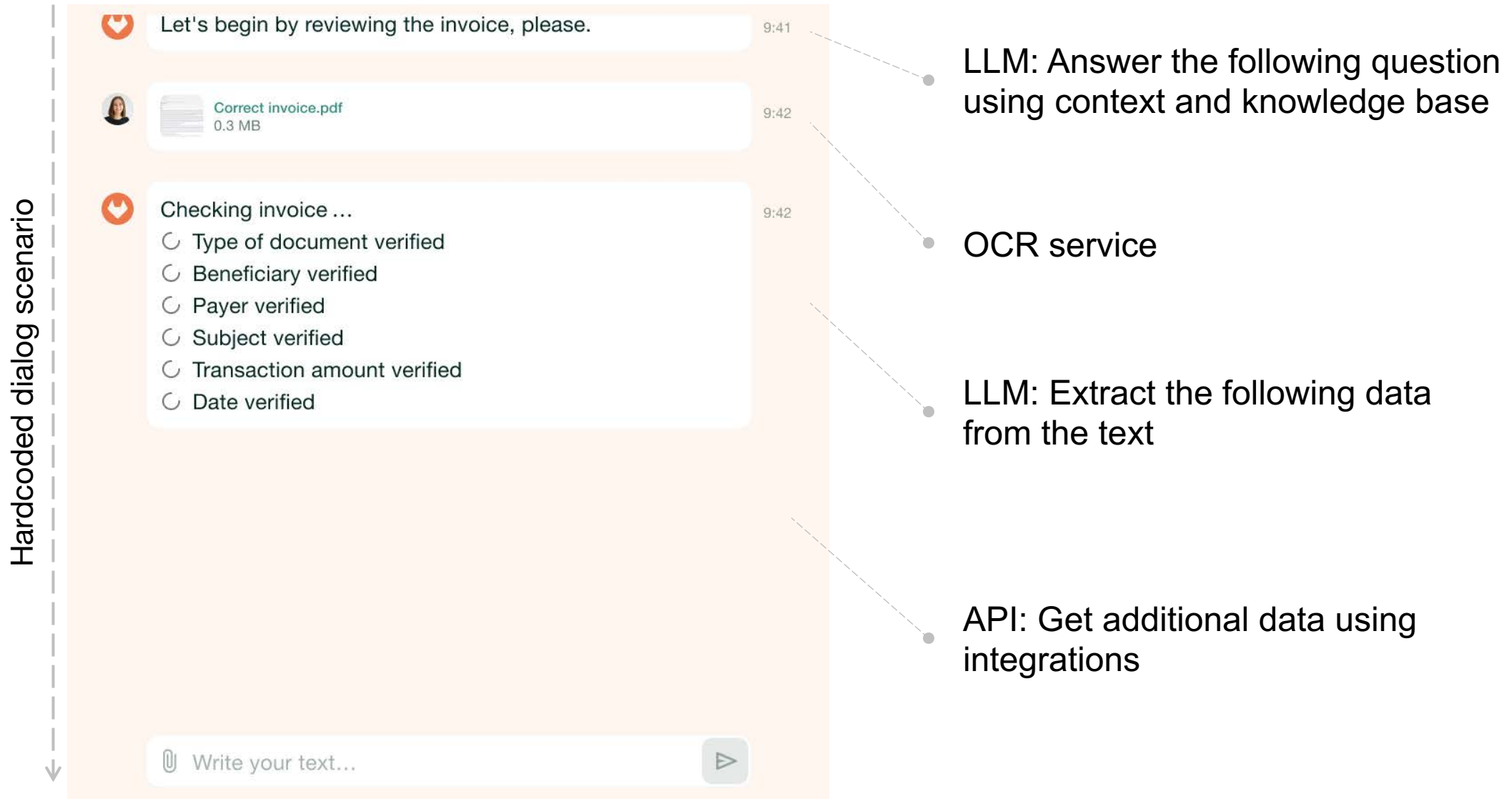
1 day
onboarding



clients

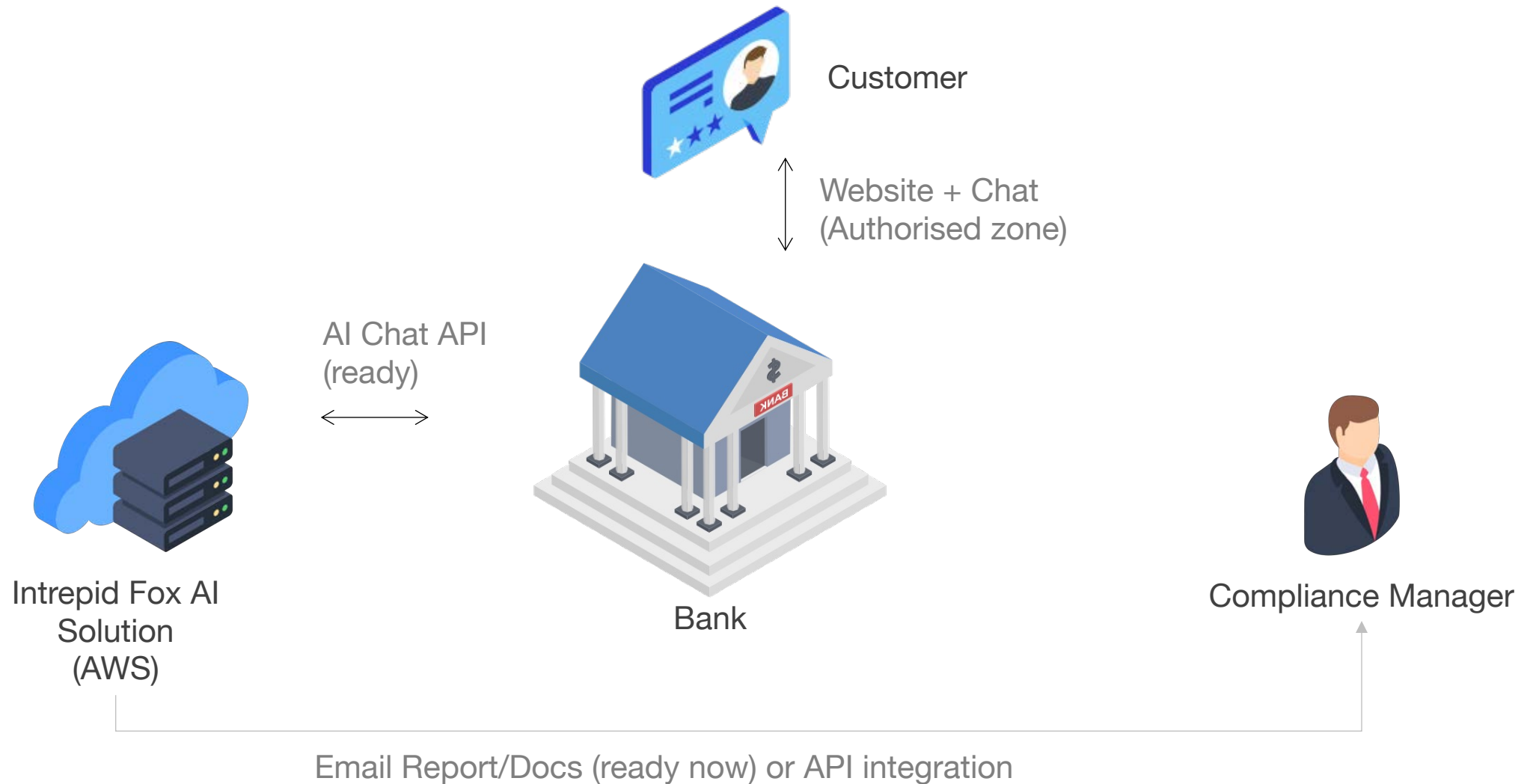


Approach at the back – mix of LLM and hardcoded logic





Fast integration approach





Typical bank's concerns and responses

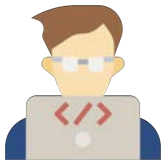
Concern	Response
Open AI use client's data to develop new models	This is not the case for the corporate API, where all data ownership remains with the bank.
Chatbots are considered unreliable	The dialog structure is rigid, limited to using an internal knowledge base
The quality of document extraction could be low	Support your case with extraction results and create a test environment for a bank to try with their own documents
Hard integration	There should be an instant integration project for PoC/strategic integrations with the largest CRM/case management systems



Mission Critical Roles



Data Scientist



QA with prompt engineering experience



Backend + Devops



Summary

- Compliance in banks is a **huge use-case for GenAI** with \$4.3 bn potential
- The main **'pain' is documents collection**
- Intrepid Fox created a chatbot which **collects and verifies documents** for the banks
- Most of the banks do not fully understand the opportunities and **overestimate risks**
- **Hints** to overcome the concerns: instant PoC and answers to the frequently asked questions

Thank you!

Human cognition with machine speed

www.intrepidfox.tech