



FinXTech Connect Executive Briefings:

Mitigating Risk with Machine Learning: The Expanding Role of Data in Regulatory Compliance

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Mitigating Risk with Machine Learning: The expanding role of data in regulatory compliance

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Current Challenges for Banks & Fintech Lenders



- **Increased regulatory pressure** (SVB Collapse, 1071, CRA & HMDA Expansion)
- **Manual data collection processes across multiple systems**
 - Borrower docs, LOS, Core, Compliance Reporting Tools
- **Increased scrutiny around data integrity**
- **Margin compression environment → Financial pressure to reduce costs**

Encapture | Machine Learning for Banks and Fintech Lenders



- Founded in 1998
- Modern intelligent document automation platform
- HQ in Dallas, TX; all employees are US based



Tailored to your business
Solution, not just software



Deep industry expertise
Experience, not just promises



Long-term relationships
Partner, not just vendor

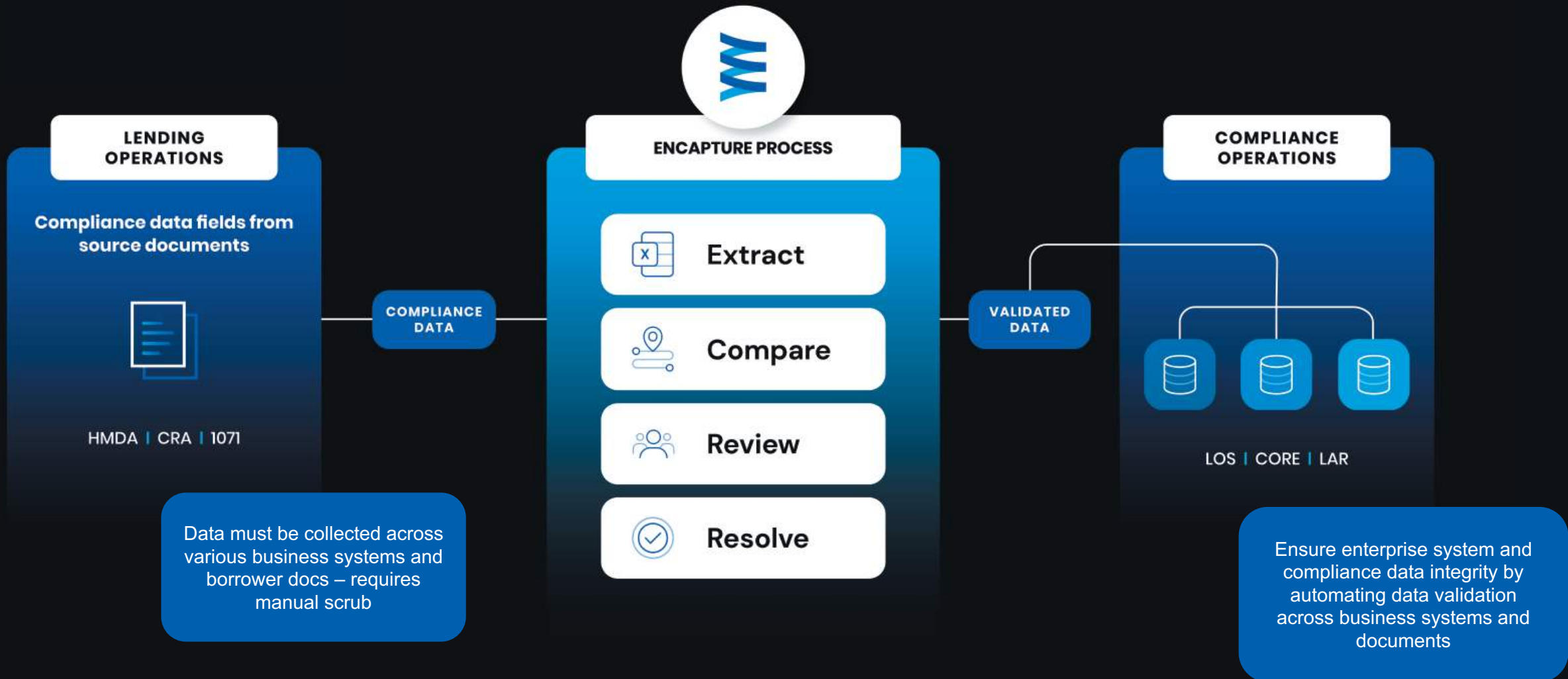


Arun Narayan
Chief Product Officer, Kapitus

“We’ve decided to be proactive about implementing compliance automation with Encapture. We owe it to our customers to be ready for the changing regulatory environment.”



Compliance workflow using Encapture's machine learning



Encapture automates regulatory reporting for \$37B bank



Problem

Prosperity Bank had been manually reviewing loan application data for HMDA LAR reporting which took on average 90 minutes per loan.

Solution

With Encapture, 110 data fields are now automatically collected on each application. Data is validated across supporting borrower docs and Loan Origination System resulting in a 90%+ time on task reduction and \$1m+ ROI.

Loan ID	Document Type	HMDA Datapoint	Match	Document Value	LOS Value
102515980	1008	Property Address	0	718 Dobb CT	718 Dobb Court
102515980	1008	Income	0	10	95
925425125	Closing Disclosure	Total Loan Cost	0	3678.50	3678
165254888	DU-LP Finding	Interest Rate	0	2.1250	2.1350
998588102	Loan Approval	Combined Loan to Value Ratio	0	75.000	70.000
125254222	Note	NMLSR	0	584101	5841
125254222	1003	Total Units	0	1	0

Flag differences between HMDA datapoints found in documents against the LOS

Thanks for your time!

Booth #29

Tyler Barron, CRO at Encapture