

# Birthday or Payday? Trading on Insider Information

## Company Profile

Financial Services Corporation

## Matter Summary

Riskcovery®, changes the outcome of a 4-week investigation by accurately identifying seemingly disconnected patterns of communication and behavior that uncovered insider trading.

## Services Utilized

- Riskcovery

## Client Challenge

A financial services corporate client completed a review of over 2 million documents as part of an internal investigation of potential insider trading among multiple custodians within its global network of traders. While senior management was convinced of an issue, the 4-week investigation using traditional eDiscovery tools, including a review team of 30 lawyers, did not uncover any evidence of wrongdoing. Riskcovery®, a patented, AI-powered, contextual analytics platform, changed the outcome by accurately identifying seemingly disconnected patterns of communication and behavior.

## Consilio Response

Using an insider trading taxonomy defined with the client as key search input, the platform ingested the same documents, including emails and text messages from the prior internal investigation.

## Results Achieved

Fewer than 75 documents that had previously gone unnoticed were highlighted as potentially responsive.

*The childrens' birthday parties that weren't* - The AI-powered solution detected irregular patterns of communication between two traders ostensibly discussing the timing of multiple birthday parties and the size of appropriate birthday gifts. Out of context, human reviewers disregarded the documents as unrelated to the insider trading investigation. By using contextual analysis, however, the pattern of speech was identified as similar to that used to describe insider trading. Once flagged, investigators traced the birthday party dates and gift amounts to specific stock trades made by the employees – who also, it should be mentioned, did not have children. The insider trading was proactively self-reported to the proper authorities before it resulted in litigation or regulatory penalties.

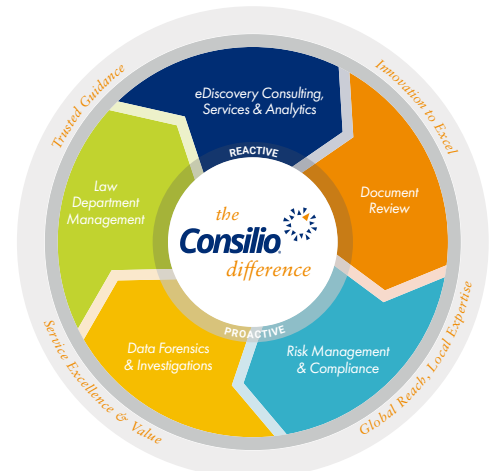
*A Riskcovery audit can proactively uncover potential investigations and compliance risks; and improve adherence and enforcement of standards, including:*

- Cartel / Anti-Competitive Behaviour
- FCPA
- Bribery Act of 2010
- EEOC Prohibited Practices
- SEC Securities Law
- Harassment and discrimination policies
- Regulations prohibiting
- Insider trading
- Policies intended to prevent
- Theft or breach of trade secrets
- Criteria governing deficient components, product liability,
- And more...

*Proven Solutions for Risk Management, Data Forensics, eDiscovery, Document Review, and Law Department Management*

Consilio is the global leader in legal consulting and services. Our worldwide team of professionals brings their expertise and a commitment to serve to every engagement, partnering with our clients to develop creative solutions for their most pressing challenges.

From our dedicated Solutions Experts and Project Managers—who hold over 300 Relativity Certifications—to our quality assurance, technology and security teams, every eDiscovery and Risk Management professional across our practice areas are focused on helping you find what matters when it matters<sup>SM</sup>.



**By the Numbers**

**4,000+**

**Team Members**, including eDiscovery, Cybersecurity, Data Forensics & Compliance Risk Assessments Experts

**9,500+**

**Matters** Currently Hosted **Globally**

**70+**

Regions with Consilio Presence **Spanning 11 Countries**

**2,500+**

**Active Review Professionals**

**Our Values**



**Serve as a Trusted Advisor**

*Guiding clients through their toughest challenges*



**Deliver Service Excellence**

*Setting the bar high and surpassing expectations*



**Right Solutions, Right Results**

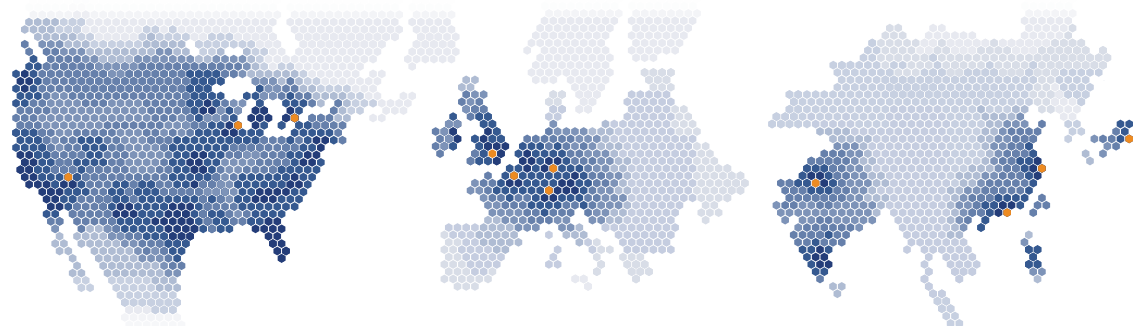
*Innovating to excel beyond the status quo*



**One Global Practice**

*Global reach, local expertise*

**Global Reach, Local Expertise**



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