

CASE STUDY

LexisNexis® Risk Solutions helps a global business network effectively screen businesses within a trusted ecosystem

AT A GLANCE

CUSTOMER

A financial platform for SMEs that helps them to rapidly build their credit reputation and gain market confidence in their business, making it easier for them to obtain debt and equity financing

REQUIREMENTS

- Deliver high-quality credit, operational and compliance data on its member network
- Screen and monitor members for global regulation compliance
- Reduce risk for any entity doing business with members on its network

SOLUTION

LexisNexis® Risk Solutions provides compliance data that is used to evaluate members on its network, which ensures that they are not connected to financial crime risk and helps them to build trusted business profiles for better access to capital.

BOTTOM LINE

With LexisNexis® Risk Solutions, the financial platform has created a highly trusted ecosystem that benefits alternative lenders, venture capital funds and other funding sources.

A business financing platform pioneering alternative credit data on small-to-medium enterprises (SMEs) and start-ups requires up-to-date compliance data.

Business overview

Many SMEs and start-ups struggle to gain access to capital—both in terms of debt and equity financing—due to their lack of credit reputation and operational history. A new business financing platform empowers these companies to build a trusted business profile in near real-time that improves upon established industry standards.

The platform tracks loan repayments and contract performance to store both positive and negative data attributes powered by blockchain technology. It allows small-to-medium enterprises and start-ups to rapidly build their credit reputation and to gain market confidence in their business.

In addition to matching lenders, borrowers and brokers, the platform is a clearinghouse and gateway of information that integrates with other business-to-business-to-consumer (B2B2C) digital platforms. Members can search through the crowd-sourced database to find new business partners and can, therefore, solve not only their funding needs but also create new business opportunities. These opportunities can then be funded as well.

Business problem

The financing platform aims to be a one-stop resource and solution provider for business growth and sustainability. To be effective, it requires current data about SMEs and start-ups, including but not limited to credit, operational and compliance data. While the credit and operational risk of businesses are evaluated in near real-time based on an active digital engagement between companies using the platform, it is also crucial to incorporate reputable third-party data.

The platform needs to screen SMEs and start-ups before they are accepted on the platform. No entities, understandably, would want to do business with financial criminals. In addition, many SMEs and start-ups are unequipped to screen for sanctions that can result in costly Office of Foreign Assets Control (OFAC) enforcements. The platform seeks to also fill that void.

The ability to streamline and de-risk doing business with any member company or individual is at the heart of the platform's business model. Its objective is to

facilitate stronger B2B2C relationships. But to do so, it requires a fully integrated way to screen businesses and ensure they are not connected in any way to financial crime risk.

How does LexisNexis® Bridger Insight® XG and WorldCompliance™ Data solve this problem?

LexisNexis® WorldCompliance™ Data is the most comprehensive database in the world for sanctions, enforcements, adverse media, politically exposed persons (PEPs) and state-owned entities. Bridger Insight® XG helps organizations conduct due diligence and comply with government regulations, including those related to the Bank Secrecy Act, anti-money laundering (AML), foreign corruption and terrorist financing.

With this solution, the financial platform is able to put a wealth of U.S. and international individual and business structured-risk profiles at the fingertips of its members. It provides simple and streamlined screenings that can inform decisions about who to do business with and who to avoid. Batch capabilities allow for regular rescreening of entities so that status changes are captured in real-time. Given that financial criminals often use new companies or companies with minimal history to hide their business operations, the ability to access continually updated information is essential.

Long-term success

- The financial platform's ability to provide current business information on its member network in real-time is a unique value proposition.
- Additionally, with WorldCompliance Data, all members on its network can be confident that their counterparties are not known to be involved in financial crime, thus reducing their business risk even further.
- As a financial platform operating in an age of distrust, integrating with data-driven solutions aligns with its goal to empower businesses to grow globally with trust.



For more information, visit risk.lexisnexis.com/BIXG-EN

About LexisNexis Risk Solutions

LexisNexis® Risk Solutions harnesses the power of data and advanced analytics to provide insights that help businesses and governmental entities reduce risk and improve decisions to benefit people around the globe. We provide data and technology solutions for a wide range of industries including insurance, financial services, healthcare and government. Headquartered in metro Atlanta, Georgia, we have offices throughout the world and are part of RELX (LSE: REL/NYSE: RELX), a global provider of information-based analytics and decision tools for professional and business customers. For more information, please visit www.risk.lexisnexis.com and www.relx.com.

Our financial services solutions assist organizations with preventing financial crime, achieving regulatory compliance, mitigating business risk, improving operational efficiencies and enhancing profitability.

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