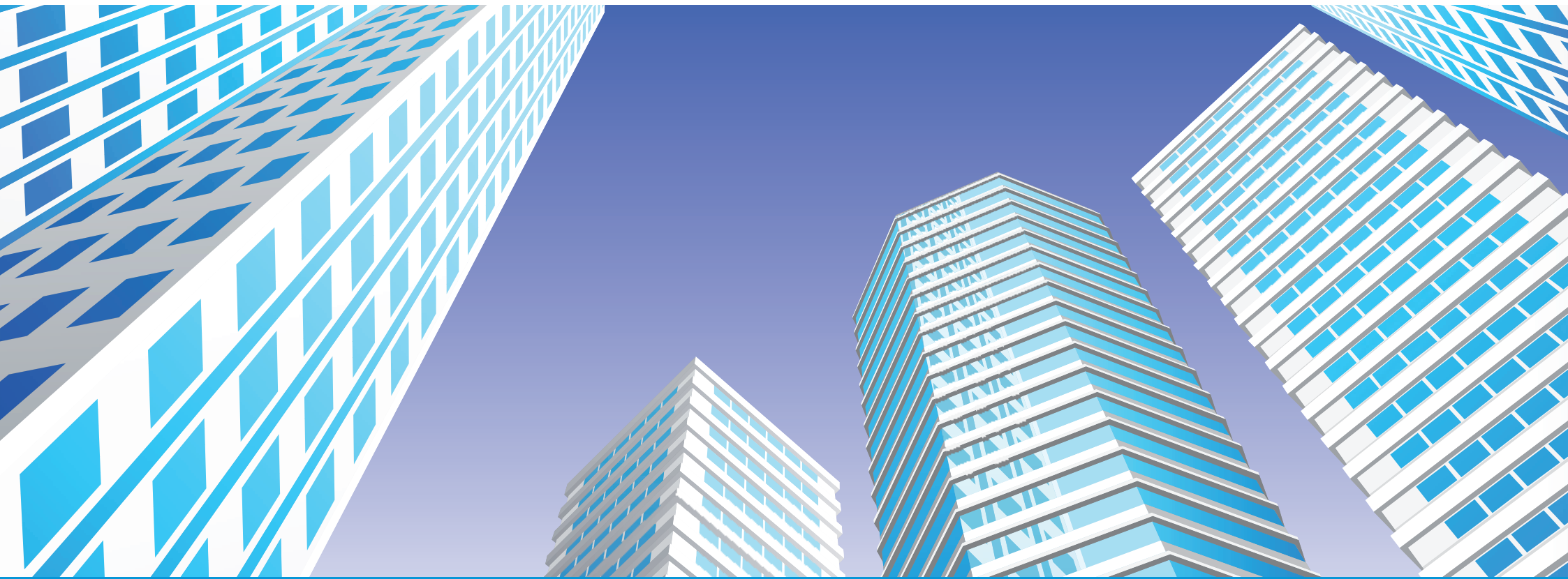# Efficiently Handling Regulatory Requests

Dealing with large electronic data volumes in investigations related to Competition, Antitrust, Financial, Bribery, Fraud, Environmental, Healthcare, Data Privacy, Consumer Protection, Food & Drug Safety, and other requests from regulators or internal investigators

Complimentary eBook offered by **ZYLAB**

WHAT ARE WE TALKING ABOUT?

Regulatory requests are the number one reason for eDiscovery worldwide. These requests for information and documentation from regulatory bodies or external auditors are unannounced and can be very disruptive.

Traditionally, competition and antitrust violations are a major cause of such investigations.

In recent years, (new) regulators are conducting similarly disruptive requests and investigations related to Financial, Bribery, Fraud, Environmental, Healthcare, Data Privacy. Consumer Protection, Food & Drug Safety, and many other regulated fields.

Source: Wikipedia

WHAT CAN THEY DO?

- Such regulatory agencies set regulations, perform inquiries, investigations or audits, and other may fine the relevant parties and order certain measures.

- In some cases, they also instruct organizations to perform (independent) internal investigations or instruct shareholders to replace the current management.

- As a result, regulators, courts and law enforcement authorities worldwide have developed an apparently insatiable appetite for access to data held by corporates.

WHY SHOULD YOU CARE?

Year	Amount in € *
1990 - 1994	539 691 550
1995 - 1999	292 838 000
2000 - 2004	3 462 664 100
2005 - 2009	9 414 012 500
2010 - 2014	7 921 947 674
++2015 - 2017++	5 091 156 000
Total	**26 722 309 824**
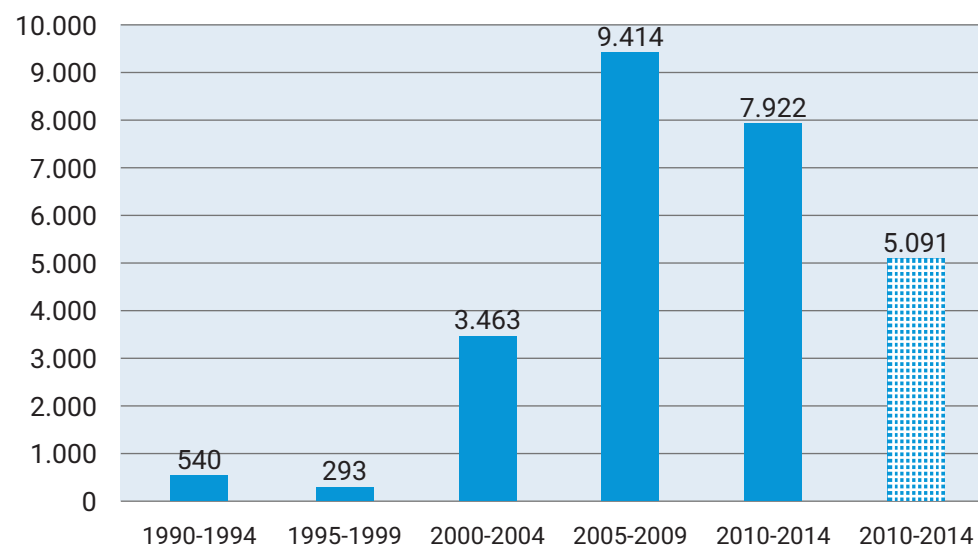
* Amounts as imposed by the Commission (incl. corrections following amendment decisions) and not corrected for changes following judgments of the Courts (General Court and European Court of Justice) and only considering cartel infringements under Article 101 TFEU (previously Article 81 resp. 85 of the Treaty). Wherever prohibitions and fines concern infringements of Article 101 TFEU and of Article 102 TFEU (previously Articles 81 resp. 85 and Article 82 resp. Article 86 of the Treaty), only those amounts have been considered which concern the Article 101 TFEU.

THE NUMBER OF FINES IS ON THE RISE AND THESE ARE JUST THE CARTEL FINES!

Source: Cartel Statistics EC

WHAT BANKS HAVE PAID IN FINES TO US REGULATORS

BNP PARIBAS

$8.9bn

Location: France
Year of fine: 2014
Sanctioned Countries:
Cuba, Iran, Sudan

HSBC

$1.9bn

Location: UK
Year of fine: 2012
Sanctioned Countries:
Burma, Cuba, Iran, Libya, Sudan

Standard Chartered

$667m

Location: UK
Year of fine: 2012
Sanctioned Countries:
Burma, Iran, Libya, Sudan

ING

$619m

Location: Netherlands
Year of fine: 2012
Sanctioned Countries:
Burma, Cuba, Iran, Libya, Sudan

CREDIT SUISSE

$536m

Location: Switzerland
Year of fine: 2009
Sanctioned Countries:
Iran

ABN·AMRO

$500m

Location: Netherlands/UK
Year of fine: 2010
Sanctioned Countries:
Cuba, Iran, Libya, Sudan

BARCLAYS

$298m

Location: UK
Year of fine: 2009
Sanctioned Countries:
Burma, Cuba, Iran, Libya, Sudan

clearstream

$152m

Location: Germany
Year of fine: 2014
Sanctioned Countries:
Iran

RBS
The Royal Bank of Scotland

$100m

Location: UK
Year of fine: 2013
Sanctioned Countries:
Burma, Cuba, Iran, Sudan

J.P.Morgan

$88.3m

Location: US
Year of fine: 2011
Sanctioned Countries:
Cuba, Iran, Sudan

ANSWERING REGULATORY REQUESTS

- Answers have to be complete
- Answers have to be acute
- Answers have to be timely

Accidentally withholding and not providing information can lead to dawn raids and on-premises investigations.

Information obtained by regulators from your competitors or whistleblowers can also lead to unexpected dawn raids and information seizures.

TIME IS OF THE ESSENCE

Information seizures vary from mandatory information productions (collected and prepared by your organization) to complex cross-border dawn raids:

- You need to indicate what is responsive, not responsive or privileged within a short time range (often around 10 days).
- The sooner you know what really happened, the sooner you can plan your own strategy:
  - Start your own investigation with your own outside counsel
  - Prepare for additional investigations from other countries, other services and claims of disadvantaged (customers, consumers).

HOW TO PREVENT AN INVESTIGATION

- Proactively prevent non-compliance. Search for risks, deviations, compliance violations and address these risks and prevent them in the future by:
  - Compliance runs: for example during take-overs and unexplainable economical situation.
  - Regular (independent) audits by a lawyer (interviews and data investigation). These are protected by legal privilege.
- Use of technology is essential:
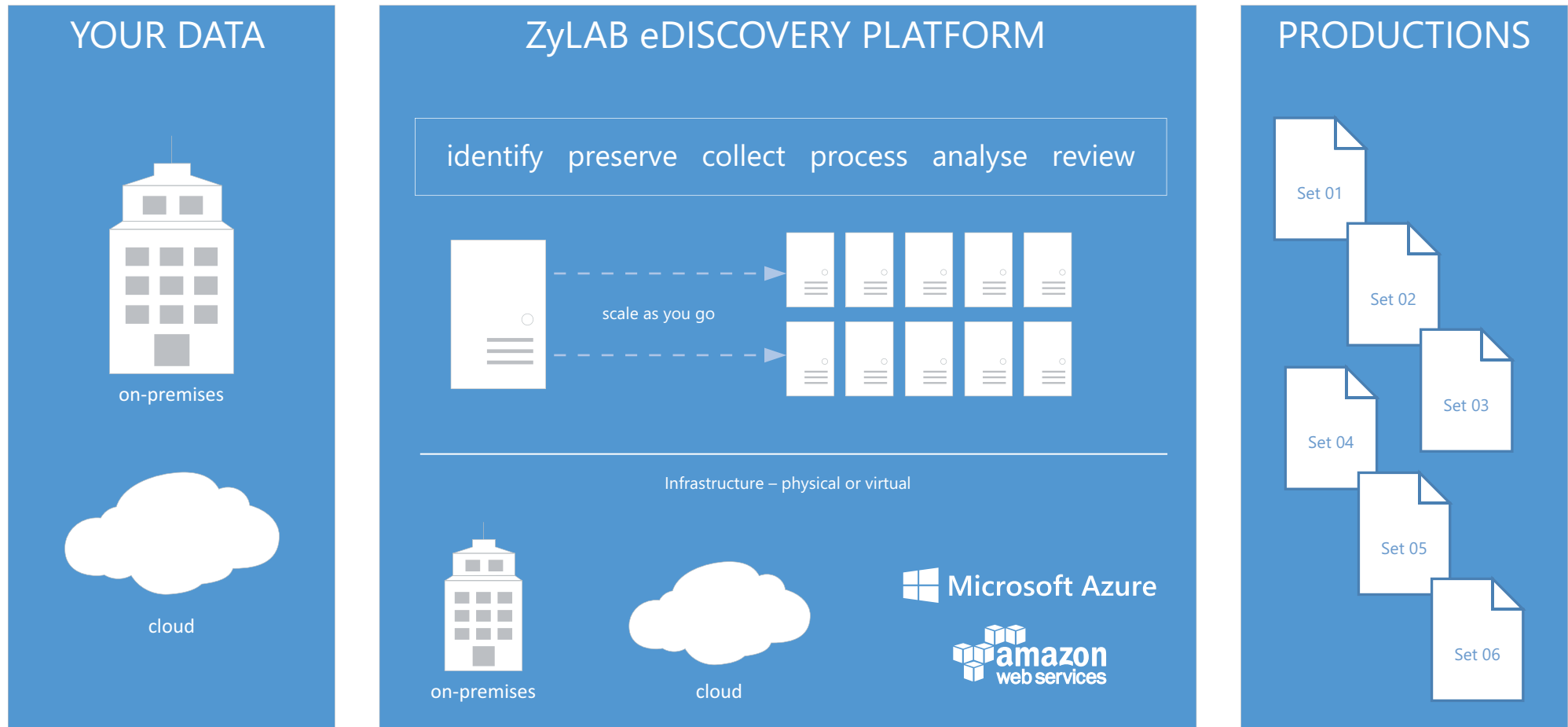 - Better results;
  - Faster insights;
  - Cost efficient.

WHY YOU NEED TO AUTOMATE

- Too much data, too many hits (regardless of your brilliant query), no relevance ranking scheme works best, all the time;
- You never know what you get or what you miss;
- Too many languages;
- Too many spelling variations;
- More and more nontextual formats;
- Data in too many geographically spread locations.
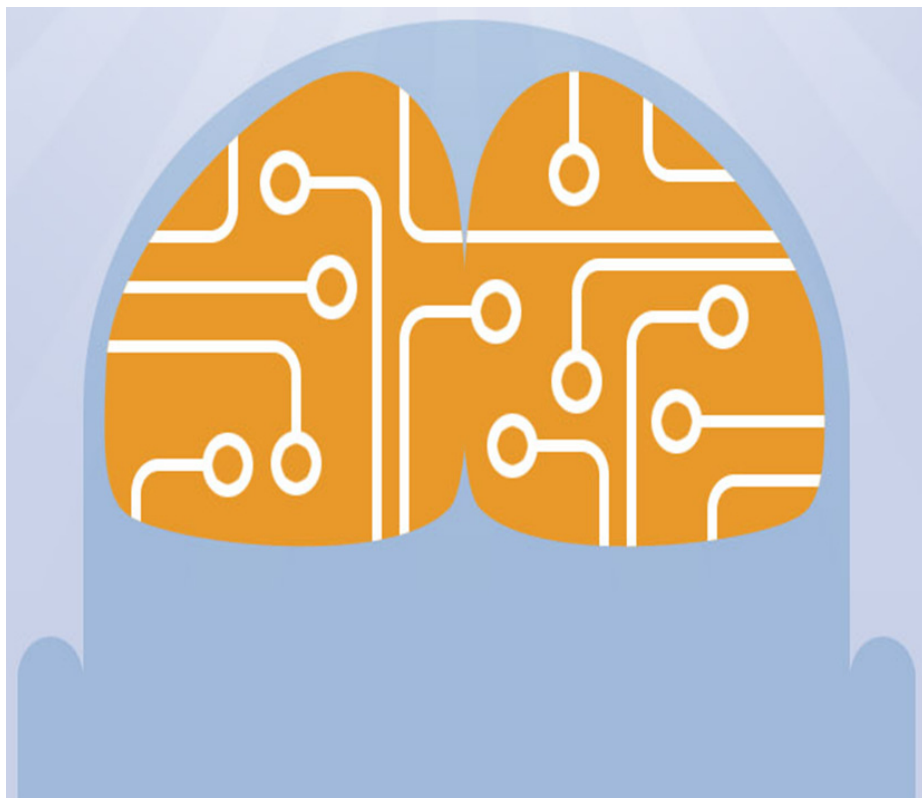
HOW AI CAN HELP

- Intelligent search
- Intelligent analysis of document content
- Identification and extraction of relevant information
- Classification of information
- Learning and storage of knowledge of contract clauses and typical due diligence problems (Machine Learning)
- Automatic translation
- Automatic identification and redaction of sensitive and personal data.

HOW ZYLAB TECHNOLOGY CAN HELP

YOUR DATA

on-premises

cloud

ZyLAB eDISCOVERY PLATFORM

identify   preserve   collect   process   analyse   review

scale as you go

Infrastructure – physical or virtual

on-premises

cloud

Microsoft Azure

amazon web services

PRODUCTIONS

Set 01

Set 02

Set 03

Set 04

Set 05

Set 06

Highly scalable and secure platform in your own jurisdiction.

USING ZYLAB ONE EDISCOVERY HELPS YOU TO

- Analyze the data sent to or seized by the regulators and know what they know.
- Communicate to the regulator what is privileged or confidential information within the legal time frames.
- Start an internal investigation (interviews and additional data collections) to find out what really happened.
- Answer completely, accurately, truthfully and timely to the regulators.

DIRECTLY COLLECT INFORMATION FROM ITS ORIGINAL LOCATION

Upload extra information of the investigation yourself (PST, Disks, USB)

EXPORT LISTS OF PRIVILEGED AND CONFIDENTIAL DIRECT FROM ZYLAB TO THE REGULATOR

AVOID DUPLICATE WORK
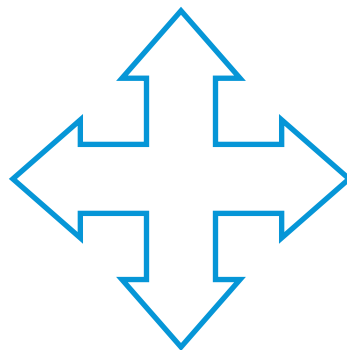
ADVANCED AND FAST SEARCH

Structured and unstructured information (and all combinations)

Competition - Price Fixing

Filter

- 3 OF {(withdraw), (pull w/10 back), (stop w/10 deliver*), (illegal), (antitrust), (competition), (block), (infring*), (breach), (partner AND behavio*), (parallel AND (trade or import)), (pric* w/10 policy), (pric* w/10 actual), (pric* w/10 discretion), (pric* w/10 aggressi*), (pric* w/10 fix*), (pric* w/10 maint*), (pric* w/10 align*), (pric* w/10 deviat*), (pric* w/10 track*), (pric* w/10 adjust*), (pric* w/10 action*), (pric* w/10 deci*), (pric* w/10 monitor*), (pric* w/10 communic*), (pric* w/10 follow), (your pric*), (system AND alert*), (RPM), (resale pric*), (public pric*), ((undercut AND action) and not (m3np)), (undercut AND online and not (m3np)), (commercial policy AND rebate), (CP AND rebate), (commercial policy AND online), (rebate AND online), (CP AND online), (pric* AND pure player), (pric* AND hybrid), (pric* AND brick*), (online partnership program AND price), (partnership program AND price), (OPP AND price), (PPP AND price), (partnership program AND online), (PPP AND online), (selective distribution AND online), (selective distribution AND pric*), (threat) OR ((1 OF {ted*, (Tender database), *ted?europ*.eu*}) OR (1 OF {tender*, Bid, price*}) w/100 (1 OF {win*, loose, get, awarded, reward*, arrang*, compens*, earn*}) OR (1 OF {tender*, Bid}) AND (1 OF {chat, call*, visit, see*, speak*, work}) W/50 (1 OF {tonight, home*, private, outside, mobile, office hours, VPN*, TOR*, (between w/10 oursel*)}})) OR (1 OF {price, tender, bid, rais*, lower*, financial}})}

Remove Edit

HIPAA - Medical Condition

Filter

- 3 OF {asymptomatic, autoimmune, benign, catching, chronic, clinical, clinically, communicable, congenital, contagious, crippling, curable, degenerative, depressive, disabling, epidemic, febrile, first-degree, focal, fungal, generalized, inactive, incurable, incurably, infantile, infectious, infectiously, infectiousness, inflammatory, inoperable, invasive, involvingmentalillness, life-threatening, low-grade, malignant, malignantly, mild, morbid, mortal, multiplesclerosa, nervous, neurodegenerative, niggling, non-invasive, non-specific, notifiable, operable, opportunistic, pandemic, parasitic, pathological, pathologically, perforated, possibletocure, primary, prolapsed, psychiatric, psychiatrically, psychosomatic, quiescent, refractory, rheumatic, second-degree, self-induced, self-inflicted, seriousenoughtocausedeath, severe, sporadic, strangulated, stubborn, suspected, systemic, terminal, terminal, third-degree, traumatic, treatable, tubercular, unresponsive, untreated, viral, virulence, virulent, virulently, wasting, waterborne, zylab} AND NOT (TERMINAL W/2 SERVER)

Remove Edit

financ* ? | Text ▾ | 🔍 Search

Email Sent Time ▾ ≥ 14-7-2016 ▾ ⊗ Email From ▾ = Daniel.Schuuring@ZyLAB. ▾ ⊗

Tag = 🏷 Hot Document ⊗ Review Status = REVIEWED ⊗

+ Field + Tag + Review Status Combine with: ● AND ○ OR Clear Saved Queries / History Save Query

WHAT YOU MAY SEARCH FOR WITH ZYLAB

- Privileged information: long queries with all names and email addresses of lawyers
- Individual names of suspects, partners in crime, related companies, etc.
- Find "one-on-one" emails also to personal email accounts.
- Identify communication at odd times.
- Locate communication with emotions: anger, cursing or threats.
- Was there guidance to commit fraud from management?
- Identify code words and hidden communication methods (Snapchat, WhatsApp)
- Analyze expenses, phone records and other data to find out where secret meetings took place.

EASY TO FIND PRIVILEGED INFORMATION

Edit Saved Query   [x]

Query: (sendersdomain=?minterellison.com*.* OR sendersdomain=?kwm.com*.* OR sendersdomain=?allens.com.au*.* OR sendersdomain=?freehills.com*.* OR sendersdomain=?claytonutz.com*.* OR sendersdomain=?mccarthy.ca*.* OR sendersdomain=?fidal.fr*.* OR sendersdomain=?noerr.com*.* OR sendersdomain=?boekeldeneree.com*.* OR sendersdomain=?loyensloeff.com*.* OR sendersdomain=?nautadutilh.com*.* OR sendersdomain=?stibbe.com*.* OR sendersdomain=?debrauw.com*.* OR sendersdomain=?houthoff.com*.* OR sendersdomain=?akd.eu*.* OR sendersdomain=?allenovery.com*.* OR sendersdomain=?cms-dsb.com*.* OR sendersdomain=?

Name: attorney client communication

Shared With: 👥 local\Domain Users ⊗   ⋯

                                                    [Save]   [Cancel]

COMPETITORS IN THE EMAIL OF THE SELLER

Account Managers

John Doe	Craig Dean	Judy Townsend	Matt Motley	Susan Pereira
7851 Documents	1616 Documents	374 Documents	373 Documents	284 Documents

Competitors

Bonneville Power Ad...	Electric Power Supply ...	Minnesota Power Syst...	California Power Exch...	Duke Energy Consolidated Edison FPL Pinnacle West	ERCOT System Calpine Power Service...	Green Mountain Power
9 Documents	5 Documents	3 Documents	2 Documents	2 Documents	2 Documents	2 Documents
MWH West Power Gas Posit...	Nevada Power Company	New Mexico Montana Power Co.	Oklahoma Municipal P...	PALO VERDE El Paso Power Service...	PJM-Western Hub Bonneville Power Ad...	PJM-Western Hub Carolina Power & Ligh...
2 Documents	2 Documents	2 Documents	2 Documents	2 Documents	2 Documents	2 Documents

14 top items shown (128 match filter) Show More power ×

FREQUENCIES OF PATTERNS RELATED TO PRICE FIXING

QueryName	FullTextQuery	Document count old	Document count new
E01	stop w/10 deliver*	2406	157
E02	price policy	306	306
E03	communic* w/5 pric*	7630	545
E04	actual w/5 pric*	4722	304
E05	resale pric*	75	75
E06	your w/5 pric*	10256	765
E07	public pric*	27	27
E08	*legal* w/15 competition	89523	109
E10	discretion	588	588
E12	pric* w/5 deci*	8208	614
E13	pric* w/5 aggressi*	3246	1424
E14	block* AND (discount* OR aggressi* OR fight*)	6335	1321
E15	breach*	660	660
E16	align* w/15 (behavio* OR pric*)	19033	1397
E18	delet* w/10 (*mail OR message OR immediately)	6392	4977
E18	destroy* w/10 (*mail OR message OR immediately)	85005	84628
E21	pric* w/10 maint*	5605	923
E22	partner w/10 behavio*	1820	310
E23	pric* AND deviat*	1432	1432
E24	pric* w/5 track*	5766	368
E25	pric* w/5 adjust*	4851	1121
E28	pric* w/5 increa*	9675	3008

ONE-ON-ONE COMMUNICATION TO PRIVATE EMAIL

Email Category: Single Recipient

Search in text documents in scope of Single Recipient ?   Scoped ▾ ▦ Text ▾   🔎 Search   Advanced Search

⌃ Email Recipients Domain

@hotmail.com ▤
■ 9 Documents

1 top items shown (1 match filter) Show More   hot ✕

⌃ Email Senders Domain

@hotmail.com ▤   @hotwire.m0.net ▤
■ 13 Documents   ■ 6 Documents

2 top items shown (2 match filter) Show More   hot ✕
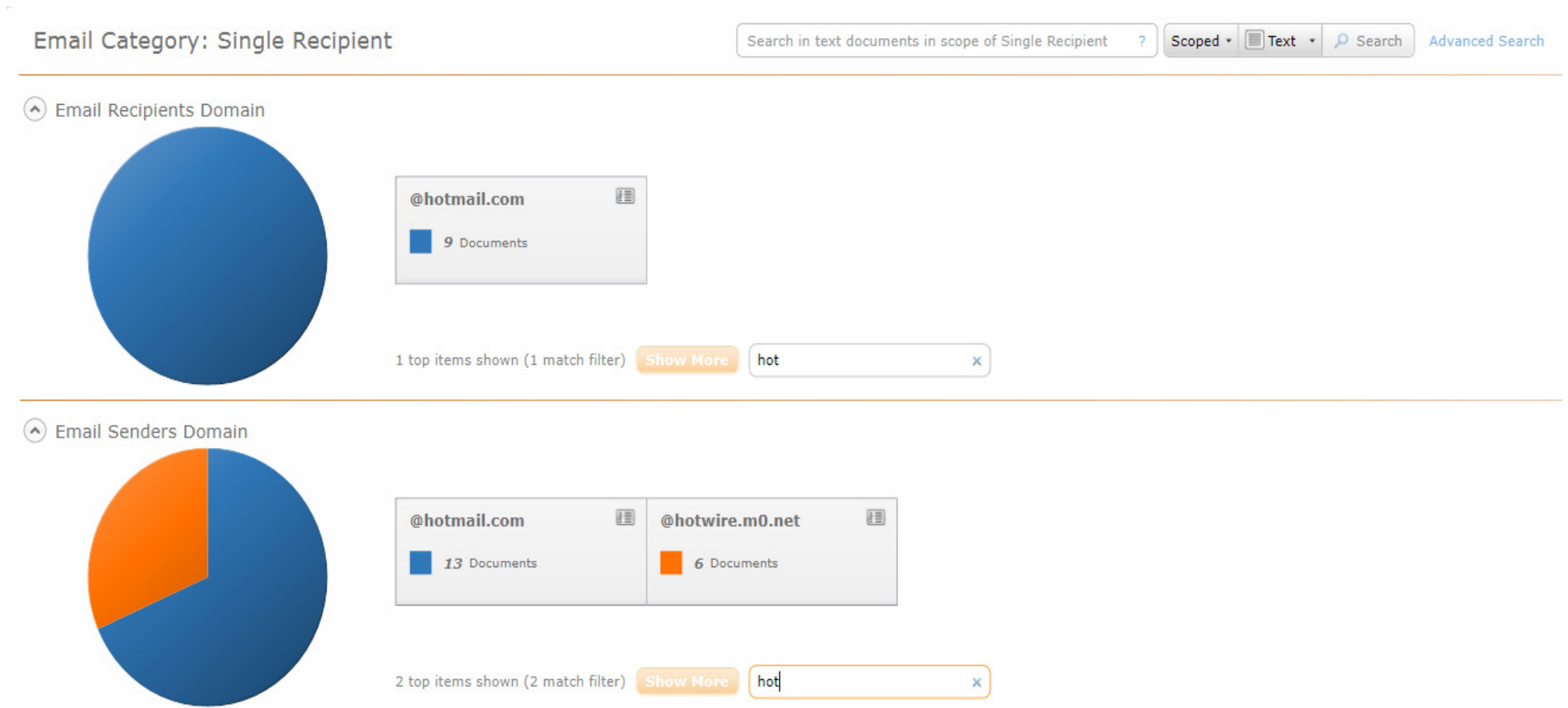
SEMANTIC ANALYSIS OF CONTENT
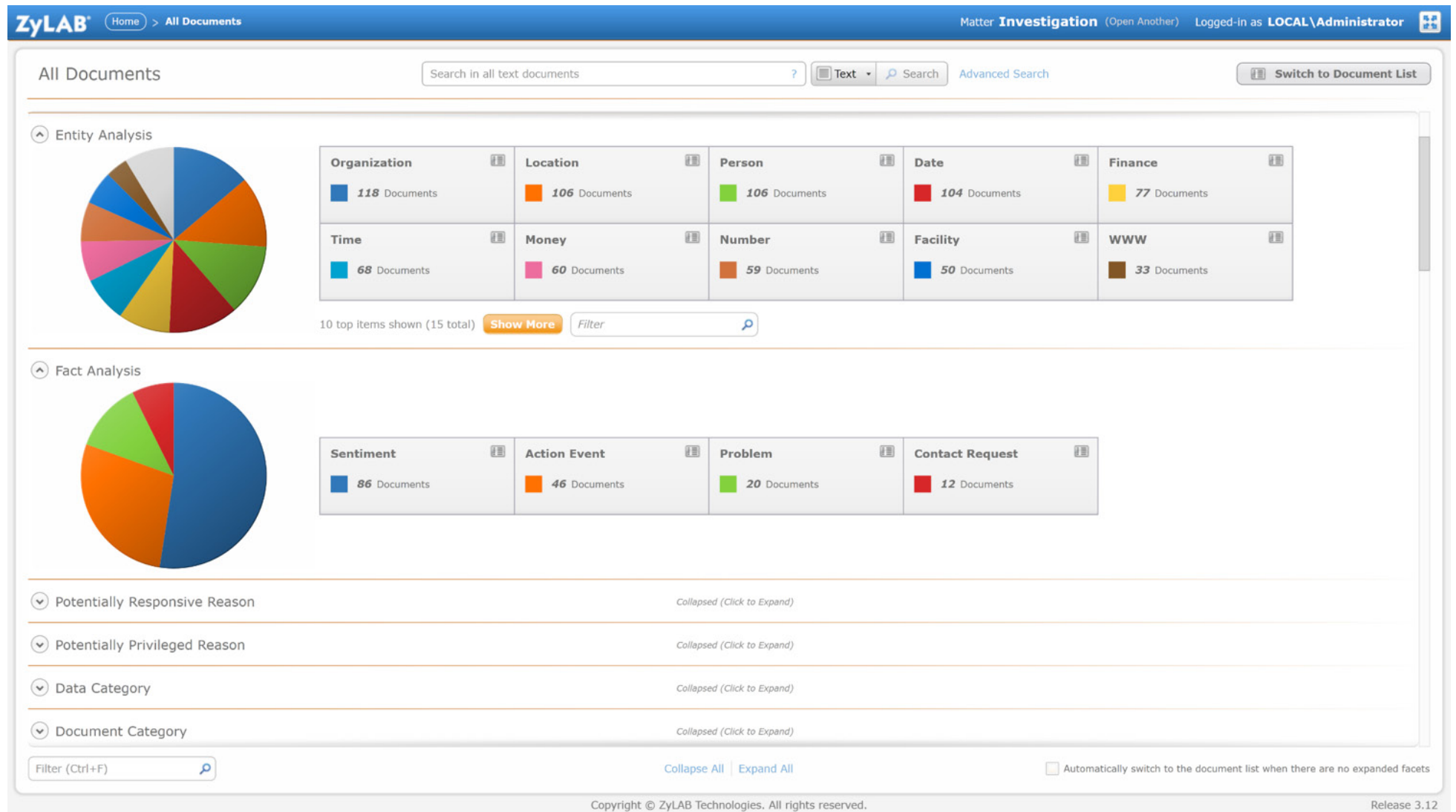
SENTIMENT AND DETECTION OF EMOTION
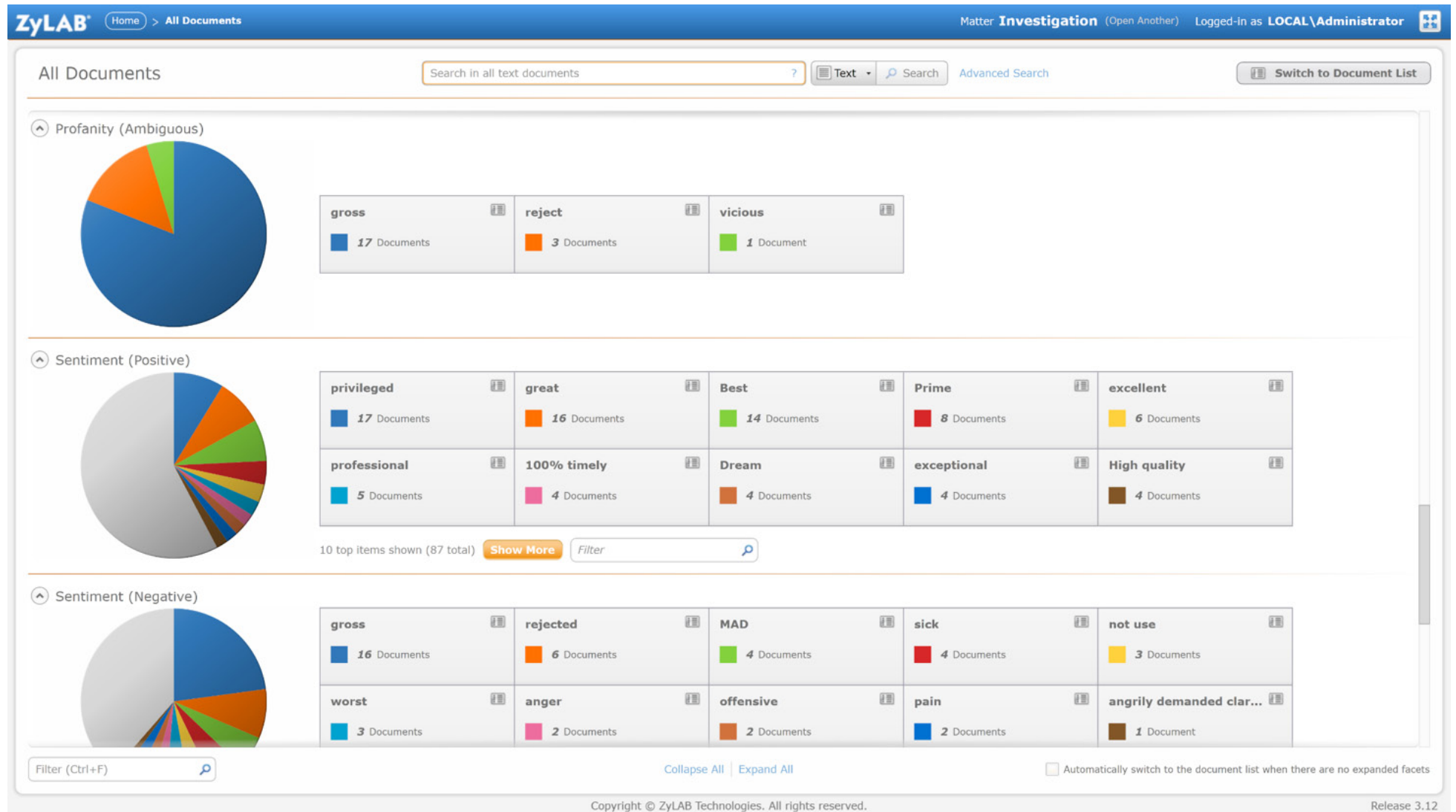
FREQUENCY ANALYSIS OF MONETARY AMOUNTS MENTIONED IN COMMUNICATION

Entity Frequency Analysis

ZY LAB

Name

CDV003 - Contract Discovery and VDR Preparation	✓
CMA002 - eDiscovery as a Service	
Data Cleanup	
DO Lvc ENDON	

TYPE

CURRENCY	✓
Action_Buy_Active	
Action_Buy_Passive	
Action Command Active	

STANDARD_FORM

83.9 %

Others

$5,000,000
$2,000,000
$500,000
$10,000,000
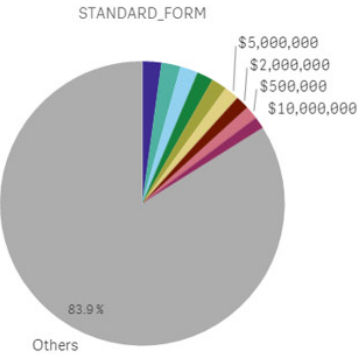
STANDARD_FORM ▼	Count
$326,022	1
$319,200	1
$317,400	1
$316,526	1
$307,307	1
$307,001.85	1
$305,000,000	1
$300,000.00	1
$300,000,000	4
$300,000	1
$300 million	4
$300	2
$298,356	1
$290,000	1
$289,666	1
$281,230	1
$280,000,000	1
$275,000.00	2
$275,000	3
$273,038	1
$270,555.00	1
$265,086	1
$257,365	1
$250.00	3
$250,000.00	3
$250,000,000	7

ANALYSIS OF COUNTRIES THAT ARE VISITED

Entity Frequency Analysis

ZY LAB

Name	
CDV003 - Contract Discovery and VDR Preparation	✓
CMA002 - eDiscovery as a Service	
Data Cleanup	
DO Lyc ENDON	

TYPE

COUNTRY	✓
Action_Buy_Active	
Action_Buy_Passive	
Action_Command_Active	
Action_Command_Passive	
Action_Communicate_Meet_Active	
Action_Communicate_Other_Active	
Action_Communicate_Other_Passive	
Action_Communicate_PhoneWrite_Active	
Action_Destroy_Active	
Action_Destroy_Passive	
Action_Drive_Active	
Action_Drive_Passive	
Action_Execute_Active	

STANDARD_FORM ▼	Count
U.S.	311
United States	220
United States	155
USA	82
China	75
US	70
Luxembourg	34
United States of America	27
United States of America	26
Ireland	25
Georgia	22
United States	16

WHAT HAS HAPPENED?

AUTOMATIC BLACK LINING (BULK REDACTION) AND PSEUDONYMIZATION WHEN DATA FROM EU NEEDS TO BE DISCLOSED TO REGULATORS OUTSIDE OF EU (GDPR)?

INTEGRATED MACHINE TRANSLATION TO UNDERSTAND AND SEARCH COMMUNICATION IN FOREIGN LANGUAGES

AUDIO SEARCH TO FIND FACTUAL EVIDENCE IN AUDIO MESSAGES AND VIDEOS WITHOUT THE NEED TO LISTEN AND TRANSCRIBE THE AUDIO FIRST
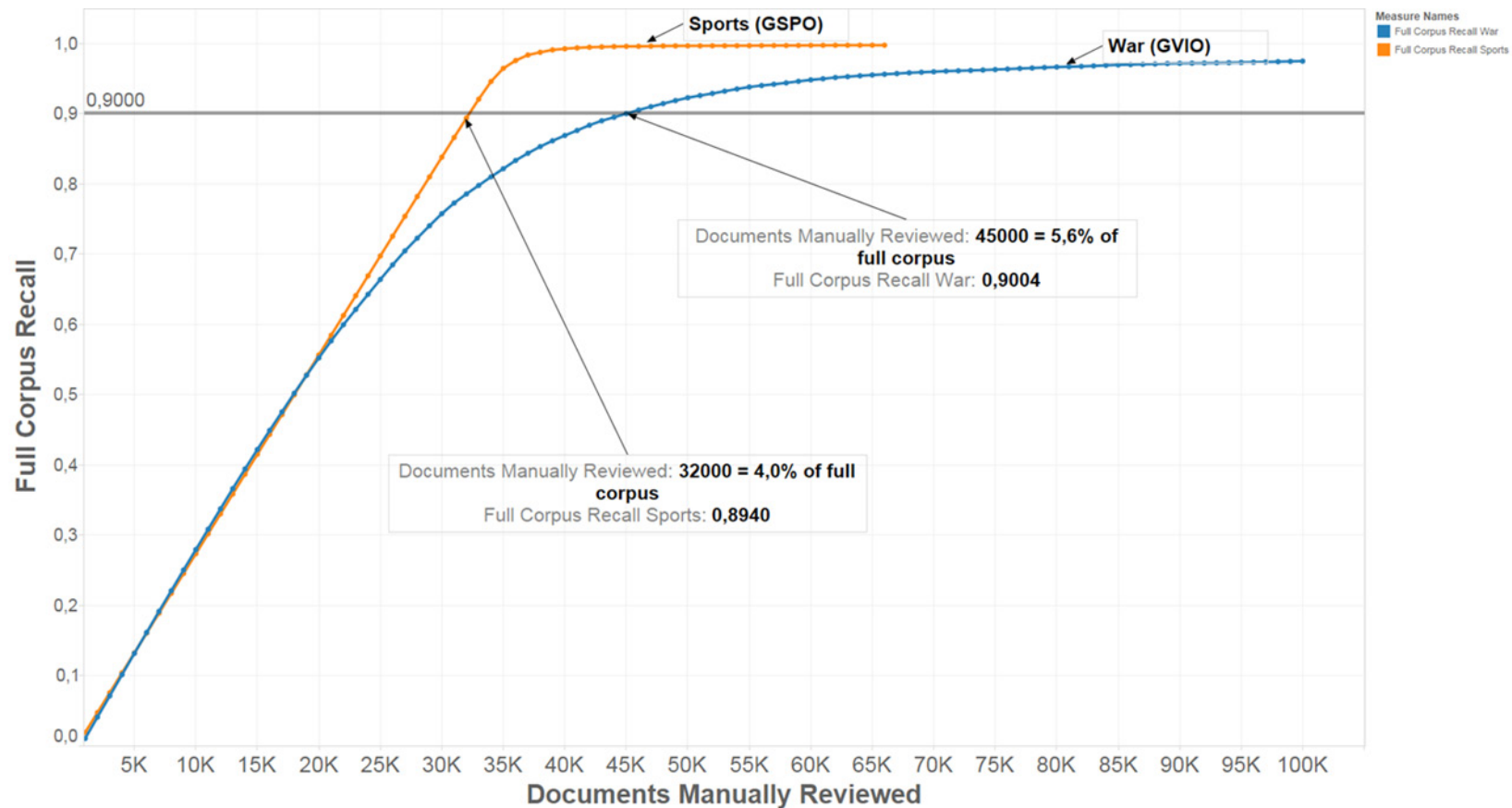
USE MACHINE LEARNING TO CLASSIFY DATA SETS VERY QUICKLY TO SPEED UP THE REVIEW AND ANALYSIS PROCESS
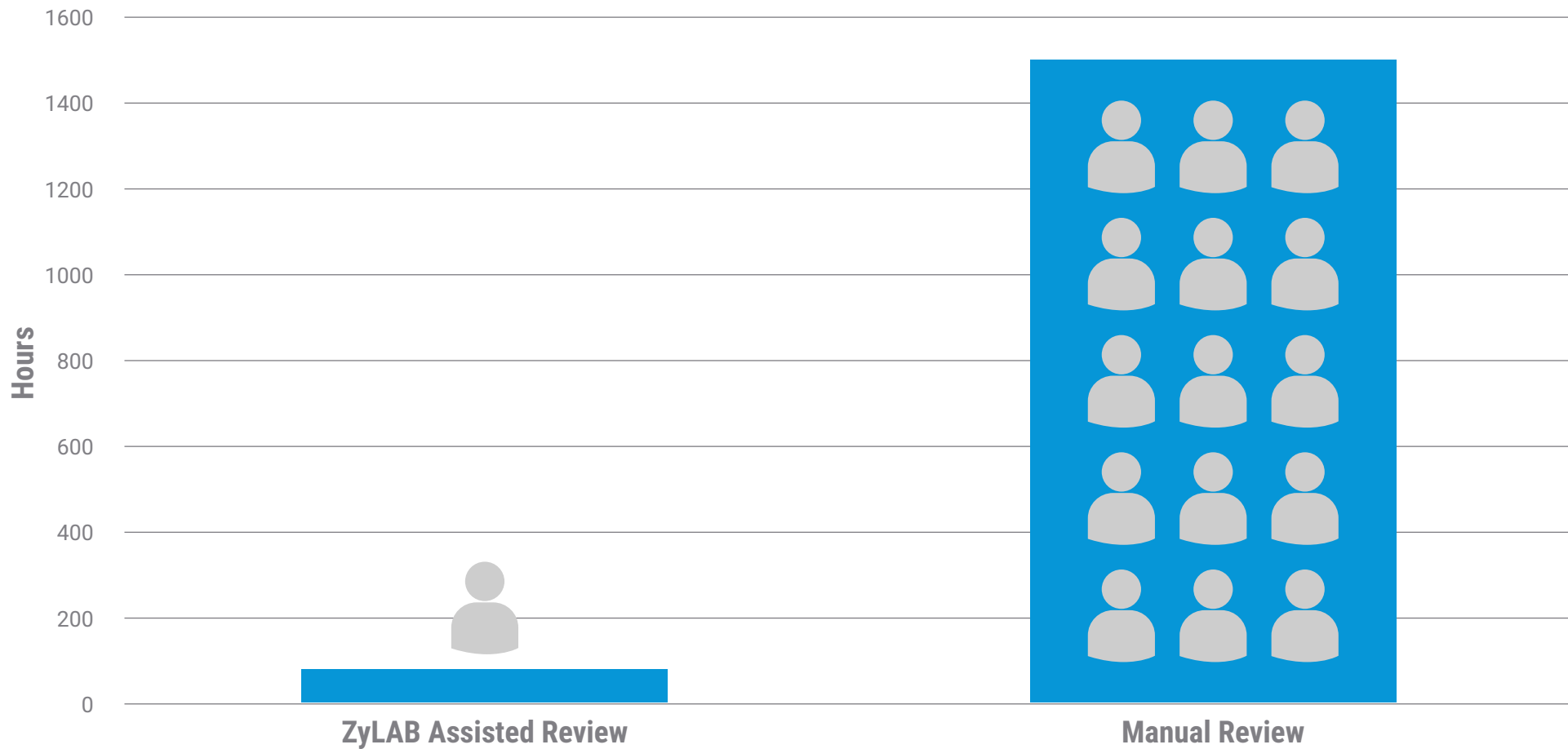
ZYLAB: NOT JUST FOR HANDLING REGULATORY REQUESTS AND INVESTIGATIONS
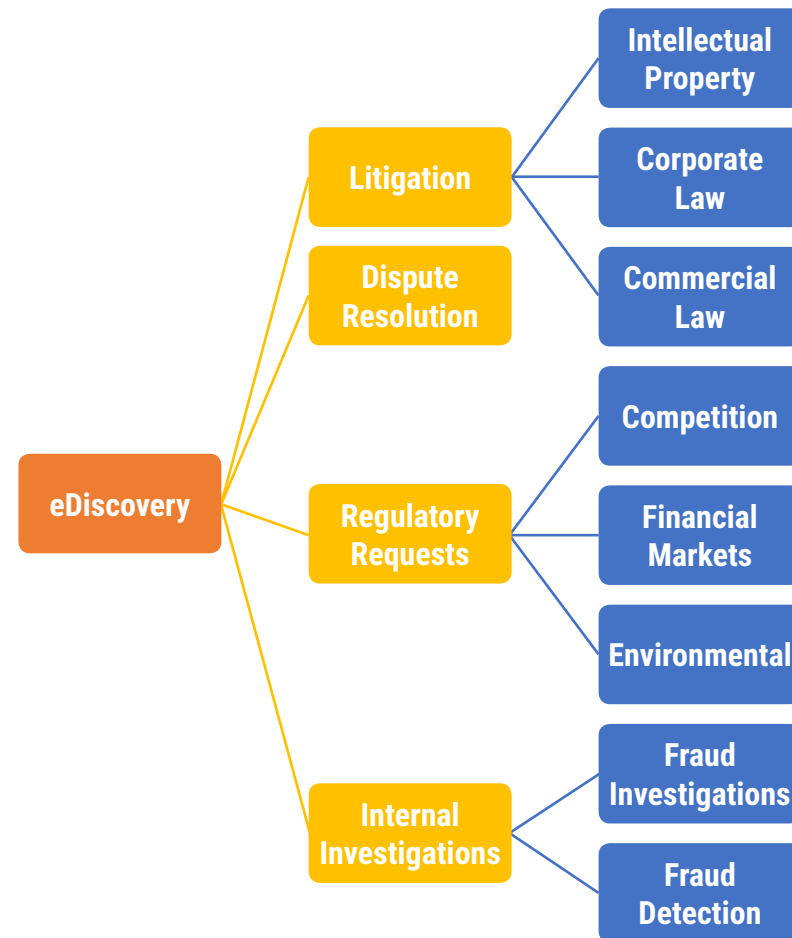
BOOST SEARCH RECALL WITHOUT THE NEED TO UNDERSTAND COMPLEX SEARCH QUERIES: JUST TEACH THE COMPUTER BY SHOWING RELEVANT EXAMPLES

CORPORATE BENEFITS WHEN USING ZYLAB

- Supports core values and compliance program of enterprises.
- Maximal transparency, speed, quality and efficiency.
- Understand where are the risk: prevention for the future.
- Realtime insight in the investigation of legal counsel or managers.
- Watch the legal privilege!

BENEFITS FOR LAWYERS USING ZYLAB

- Prevent unpleasant surprises by offering maximal transparency.
- Optimal client support during the whole investigation.
- Upload your data and start directly with the analysis.
- Fast identification of problems and find out what really happened.
- No need for third parties.
- Auto redaction, anonymizing and pseudonymization of data for GDPR.
- More competitive by using same technology as many regulatory agencies.
- Lower risks for errors and legal liability.
- Keep junior lawyers happy by sparing them boring and demotivation manual review and redaction.

"ZyLAB takes care of the process, supports the lawyer by thinking commercially and provides comfort with the use of advanced technology"

Ruben Elkerbout
Antitrust Lawyer and Partner
Stek Advocaten, Amsterdam

ZyLAB ONE eDiscovery

ZyLAB ONE eDiscovery uses the latest Artificial Intelligence and Data Science tools to accelerate truth finding missions along the typical dimensions Who, When, Where, Why, What, How, and How Much.

ZyLAB is positioned as "leader" in Gartner's latest Magic Quadrant for eDiscovery Software, ranked #1 for complete EDRM eDiscovery in Gartner's "Critical Capabilities for E-Discovery Software" report and has received numerous other industry accolades over the last three decades.