Fourth Line

Fourth Line business update
9 December 2021

Fourth Line is an Australian company offering a regulatory technology (RegTech) platform monitoring compliance in the financial services industry. The platform is used by financial advisors and related entities to monitor Statements Of Advice (SOA), and related documents, for compliance risks. *Fourth Line* is developing a machine learning (ML) and artificial intelligence (AI) engine to automatically monitor, and report risks and potential breaches to licensed advice groups.

November business update.

- Monthly client volume in November was a record high of 320 financial advice files reviewed against an average of 235 per month over last 6 months.

- *Fourth Line* signed two dealer groups during November, one of them is a top 10 dealer group by adviser numbers (as per IFA data) with an additional three sales pilot programs commencing. A sales pilot with large Industry Superannuation Fund also was completed with initial positive feedback on the *Fourth Line* offering.

- *Fourth Line* also signed a distribution agreement with an advice alliance partner to increase sales deal flow through the alliance partners network, and signed NDAs with two additional advice platforms for integration of the *Fourth Line* system to create advice risk data insights, create efficiencies and drive advice review volume to Fourth Line.

- Finally, *Fourth Line* participated in Australian Institute of Financial Planners (AIOFP) conference to market services to the participants with healthy follow up activity.

Fourth Line platform's purpose is helping licensees and advisors improve the quality of the advice given to financial service organisation's clients in accordance with legislative and regulatory obligations. *Fourth Line* has developed a rigorous framework that quantifies the quality of the advice given to clients and also creates a risk profile of individual advisors that *Fourth Line* clients can use to manage their risk of compliance breaches and ensure that advisors are giving the correct and well substantiated advice to clients.

Fourth Line's platform algorithms combine insights from a number of sources, including Australian Financial Complaints Authority (AFCA) case determinations, the Australian Investment and Securities Commission's (ASIC) Regulatory Guides (RGs: RG90, RG175, RG181, Reports 362, Report 515, Report 575) and the Financial Advisor Standards and Ethics Authority (FASEA) code of ethics.

For more information about *Fourth Line* and the Company's plans to further develop its product suite, continue AI/machine learning capability and address adjacent markets, please click here.

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