









Italian startups faces **significant challenges** and navigating complex regulations, like Al Act.

#### **Compliance support**

Limited resources lead startup to use **generic online tools or expensive external compliance support**.
Sometimes they cannot address specific needs of users









Large Language Model (LLM) system can offer incredible opportunities for startup which navigate in legal complexity.

#### **Pros**

- Ability to process vast amounts of data
  Scalability

#### Cons

- Risks of **hallucinations**
- Outdated knowledge, compromising reliability
   Limitations of static training





## RAG SYSTEM: WHY WE CHOOSE IT

- Combines rule based logic with a mixure of expert approach
- More accurate and specif advise
- Avoid LLMs issues (hallucinations, updated knowledge, lack of fine tuning for specific needs)
- Scalable, customized solution
- More adaptable and cost effective





### HOW THE SOLUTION WORKS

### Explainable Reasoning System



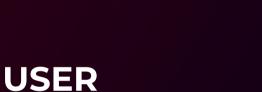








Leveraging human exertise we guide the AI interaction with the user with different assesment.



INTERACTION



Our audience is non-technical. The user can ask the AI for further clarification. The AI can use knowledge from expert-curated resources and examples to avoid hallucinations and provide useful answers.





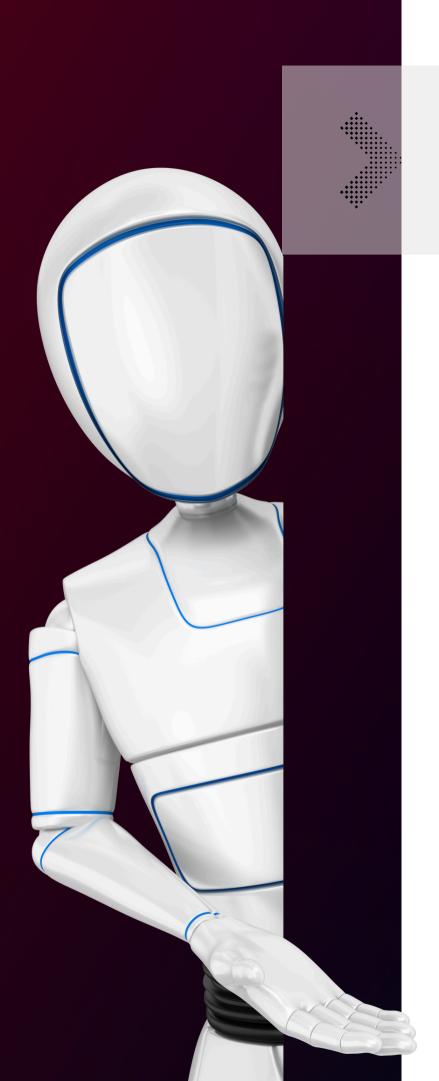
The responses collected interacting with the user are integrated not only to understand the risk score of the system but also to provide specif requirements for your system





Users can review how the system arrived at conclusions, correcting potential errors





# WHY IS LEGALLY ACCURATE



- We divide user interactions into distinct steps for more precise analysis
- For each step we rely on human legal expertise to manually retrive all the relevant legal concept

Compared with standard GPT, the model is updated to the latest knowledge base of legal text

(C) Al Act Navigators (Francesca Grimaldi, Enrica Lipilini, Andrea Alfarano)



#### **SUMMARY**



SIMPLIFYING **COMPLEXITY**  • Accessible Language

Translates complex legal jargon into understandable language tailored for non-experts

• Step-by-Step Guidance

Breaks down the compliance process into manageable modules, preventing user overwhelm

OVERCOMING **RESOURCE** LIMITATIONS

• Cost-Effective Solution

Eliminates the need for expensive legal consultations or hiring in-house experts

• Up-to-Date Information

The RAG system ensures users receive the latest regulatory information

**ENHANCING** TRUST AND RELIABILITY

 Accuracy Through RAG

By retrieving information from a curated and regularly updated corpus, the system minimizes errors and hallucinations

Explainability

Explainability ensures that the system's decisions are transparent and understandable, making it easier to trust and verify its outputs.

**CATERING TO** DIGITAL LITERACY **VARIANCES** 

• User-Friendly Interface

• Multilingual Support

Designed with simplicity in mind to accommodate users with varying levels of digital proficiency

Provides assistance multiple languages



## THANKS FOR YOUR ATTENTION

