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Shelli Clarkston Examines AI Bias Risks in Financial Industry in Show-Me Banker Magazine

Spencer Fane attorney Shelli Clarkston recently authored an article for *Show-Me Banker Magazine*, a Missouri Independent Bankers Association publication, on the many considerations needing to be addressed by financial institutions seeking to use artificial intelligence (AI) technology.

In her article, Legal Eagle Spotlight: AI In Lending Decisioning and Unintended Discrimination, Shelli shares why, as a financial institution utilizing these technologies, it is crucial for every institution to conduct appropriate due diligence on all technology service providers, including any that involve AI technology. These risks include algorithmic bias that could result in one group of applicants receiving some advantage or disadvantage when compared to other applicants, even where there is no relevant difference between the two groups.

"Failure to complete a thorough due diligence review will very likely result in serious negative consequences, especially if it is discovered that the technology results in algorithmic discrimination."

At Spencer Fane, Shelli provides financial institutions of all sizes with proactive legal counsel on regulatory and compliance matters, allowing them to conduct business and complete transactions with more precision, speed, and cost-efficiency. With more than two decades of industry experience, Shelli collaboratively develops and implements compliance programs, best practices, and policies with a specific focus on enterprise and program risk management.

Read the full article here. Please note, a subscription may be required.