What is Prospect?

Prospect is a new generation, AML verification and credit risk engine, built to support payment services customer on-boarding and dynamic in-life management and monitoring. In a sector of the industry that is often dominated by manual processes and a dependency on legacy, expensive, hard to administer systems, technologi have created a platform for the new generation of payments business. Effectively managing AML, credit risk exposure and potential fraud is a rapidly evolving and sophisticated challenge where even minor oversight can have a material impact. Prospect is about bringing together a combination of information collected from the customer, combining it with 3rd party data, industry trend analysis and insight learned from existing customers through AI and big data analysis within that sector, to form an effective picture of potential risk and exposure and effectively verifying the end customer. It also monitors for changes in-life that may affect your desire to do business with that customer on an on-going basis.

The Challenge

The management of potential exposure from credit risk is often considered a dark art. In the case of AML whilst the collection of documentation has always been an option, it's often easy to introduce more friction than is necessary to the customer boarding process whilst still having no means to validate the authenticity of the documentation that is being uploaded.

It is an area traditionally tough to manage in an automated way within a payments business given the evolving trends that present new challenges on a regular basis. Automated capability has often been utilised to support low level validation such as ensuring a customer's credit score is at a suitable level, that the principals can be identified, that their sector is not considered high risk or out of policy for the payments business and that their transaction spread and ATV doesn't present risk beyond acceptable levels. The issue with these automated tools is that they are not integrated with changes in the market or importantly, the payment businesses live knowledge of that sector through its existing customer base.

In a sector where merchants are increasingly demanding instant access to services payments, businesses are having to find the balance between responding to that customer demand, but in a way that does not leave themselves exposed to potential AML verification breaches, credit risk or fraud.

How does Prospect work?

Prospect is a solution that supports payment service providers to validate principals as part of AML and assess the risk of doing business with a customer both at the on-boarding stage but also in-life through its extensive monitoring capability. Unlike traditional automated AML and credit risk underwriting tools, Prospect goes much further than the softer assessment elements such as 3rd party verification, credit score and sector and looks at other insight to form an accurate view of the validity and potential risk and liability that the customer represents.

This insight is generated from a number of sources including industry averages and expectations, live customer experience where the system looks at the existing back book of the payment service provider and analyses transaction data to form opinion, scheme tools and data sources to check for earlier concerns with the merchant and combines that knowledge with traditional 3rd party data and the information provided by the customer at the time of on-boarding to accurately calculate credit risk and liability. In the case of AML it looks to properly validate business and principals, looking to verify any uploaded documents as well as compare images with a series of "selfies" shot during the boarding process.

Also, rather than simply offering a score card approach to credit risk assessment which is potentially open to manipulation, Prospect includes a decision tree matrix where the assessment of risk for any given customer can take multiple routes depending on the information supplied and obtained. Rather than simply declining customers, this greater insight can give payment service providers better visibility of risk and allow them to make more informed and calculated decisions.

Rules are managed simply through a highly configurable user interface allowing the payments business to add and manage various "Assessment Factors" within the decision tree that is used to arrive at the ultimate decision. With an integrated workflow, applications that are pre-approved, approved, declined or referred are visible through an intuitive UI. The UI details the insight used to make the ultimate decision as part of the merchant's application and allows users to further interrogate the decisioning process. Users can progress applications that have not been auto approved and even set conditional approvals such as the implementation of a deposit, fixed or rolling reserve when using the technologi Velocity platform.

In-life the system looks at changes to the businesses status or the principals within that business that may affect the desire to do business with them such as sanction hits, changes in credit score or shareholding. It also provides extensive transaction analysis looking to spot suspicious trends such as out of character transactions, excessively high ATV's vs. the expectations set at boarding, high levels of refunds and transactions that are outside of typical operating hours. Alert thresholds are configured within the platform and can be linked to auto service suspension or holds on funding if severe risk is identified. The solution supports both regulatory and scheme compliance obligations.

Prospect is traditionally offered in conjunction with technologi's Revolution on-boarding platform although can also be contracted independently and integrated into an existing on-boarding solution using extensive API functionality. When used alongside Revolution, payments businesses can deliver automated end to end on-boarding including AML verification and risk assessment.

When used in conjunction with Velocity, the technologi money settlement and billing engine conditional approvals can be effectively controlled and carried through and implemented as part of the boarding journey.

Features and Benefits

On-boarding and in life AML and risk management in one solution

Rather than assembling a series of services that are tough, complex and often expensive to integrate, Prospect delivers a solution that allows you to meet regulatory and scheme compliance obligations, properly validate businesses and principals for the purposes of AML, secure your credit exposure whilst also responding to the immediate demands of merchants.

Create rules based around live experiences

Use experience within your existing back book as well as capture industry insight to influence your future decision-making process rather than trusting softer information such as credit score and merchant potential liability. This insight, generated through AI and deep learning, ensures you do not leave yourself unnecessarily exposed but also don't refuse genuine opportunities reducing credit losses and increasing sales revenue.

Integration flexibility

Prospect can be used as part of an existing Revolution installation or as a standalone service. When using Prospect as a standalone service you can integrate via a REST web services API whilst still maintaining the benefit of the UI for rule administration.

Dynamically amend rules and create triggers

The intuitive UI provided with Prospect allows you to make changes to rule sets quickly and simply by adding different assessment factors in to a decision tree matrix. By enabling you to group customers based on any key measurements or details (like MCC or turnover for example) you can apply different assessment factors and rules to different groups of merchants without needing to force all applications down a single rule set or score card.

With triggers you can set the threshold at which point alerts should be raised, the classification of those alerts and the actions that need to be taken in response to those alerts.

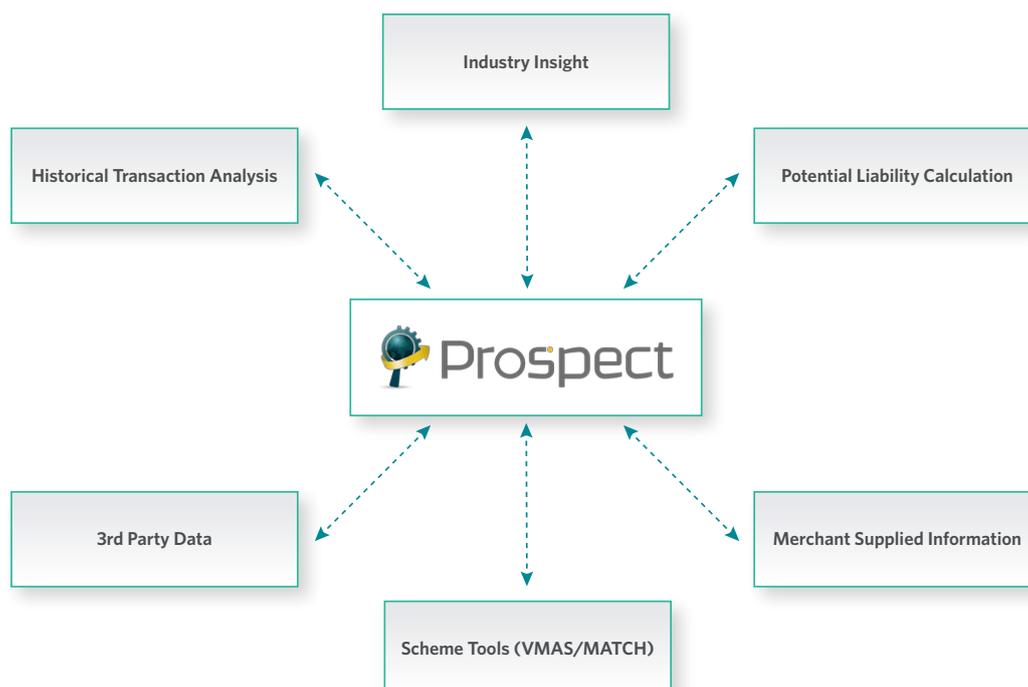## Quickly identify and respond to emerging risks

By monitoring the existing merchant back book as well looking at industry insight Prospect allows you to quickly respond to emerging trends before them become credit losses.

Simple and cost-effective implementation

As a platform that has been built for a new generation of payment services provider and FinTech Prospect is quick, easy and cost effective to implement and manage, supported by the technologi team.

Highlights

- One global solution for on-boarding AML and in-life risk management.
- Take more calculated decisions using AI and deeper insight from transaction and industry data without having to rely simply on softer assessment such as credit score and industry sector.
- Respond to merchant demands for immediate service fulfilment without compromising risk or increasing the chance of future credit losses.
- Capture data from your existing back book to make informed decisions about new customer applications.
- Use alongside Revolution for end to end automated on-boarding and risk assessment or as a standalone service.
- Simply and easily manage rule sets and assessment factors through an intuitive UI.
- Use in conjunction with Velocity the technologi money settlement and billing engine to implement conditional acceptance rules for deposits, fixed and rolling reserves.

Industry Insight

Historical Transaction Analysis

Potential Liability Calculation

Prospect

3rd Party Data

Merchant Supplied Information

Scheme Tools (VMAS/MATCH)

For further information call:

🇺🇸 **1 800 7963127**   🇬🇧 **02382 025555**   🇩🇪 **0 800 1014922**   🇦🇺 **1 800 195956**

www.technologi.net