



AI Against Fraud & Financial Crime

Fraud Prevention

Continuous Protection

Fact Sheet



Benefits

76 + Billion	transactions protected annually
330 + Million	users protected every year
<50 Milliseconds	for 99.99% of transactions processed*
2400 +	transactions per second*
\$1.6 Billion	our FIs saved

* Known performance where connection is TCP/IP socket and the solution is on-premise.

About Lynx

Founded 30 years ago as a nonprofit by AI experts from the Autonomous University of Madrid, Lynx has transitioned to the market in 2023, bringing cutting-edge AI-driven solutions for fraud prevention and financial crime combat. Our advanced technology illuminates real-time risks, streamlines tasks, and empowers organizations to focus on what matters. Trusted by top financial institutions, Lynx saves clients up to **\$1.6 billion annually**, safeguarding over **76 billion transactions** and protecting more than **330 million consumers**. Our proprietary 'Daily Adaptive Model' ensures unmatched accuracy while maintaining industry-leading low false positive rates, driving effectiveness in financial crime prevention.

Our Mission

To lead the fight against fraud and financial crime through advanced AI technologies, continuous innovation, and deep industry expertise.

By preventing fraud and financial crime, we help bring **trust**, maintain the **integrity** of financial systems and **protect** you from harm.



The Problem



No secret:

The biggest concern to banks is Authorized Push Payment Fraud (scams). The statistics are alarming, and they're only getting worse by the minute!

The Solution



Best kept secret:

Lynx provides a multi-channel fraud detection solution for FIs and PSPs providing a 360-degree, real time, defense against fraud, and a holistic view of your customers.

Lynx Solves this with Advanced Machine Learning

Seeking a cutting-edge fraud detection solution backed by 30 years of experience? **Welcome to Lynx!**

• Intelligent Fraud Prevention

Daily Adaptive Models continually update using the latest genuine user behavior and fraud patterns.

• **Accurate and Speedy Decision Making** Self-learning profiles leverage users' devices, card and account transactions, beneficiaries, incoming payments, and locations. Real-time data enrichment occurs thanks to Lynx's in-memory database.

• Extensible interfacing

Lynx adapts to various data formats from FIs, enhancing models and reducing time to value. Say goodbye to costly and time-consuming interfacing.

• Multi-Channel Integration

Provides a 360-degree user view across all transaction channels, such as online, mobile, telephony, ATM, card present and CNP payments etc. We support use cases across retail and corporate banking, as well as PSPs.

• Multi-Functional Fraud Platform

Customize risk thresholds via the rules engine, leverage the case management functionality, and visualize results using real-time dashboards and analytics.

• Analyst's Dream

FIs can send, via feeders, relevant user profile data and, combined with transaction data across all channels, create a unified view, facilitating holistic and expedited decisions.

• Model Governance

Collaborates closely with ML model governance teams to ensure transparency in model training methodology and meeting governance standards like explainability.

The Evolution of Fraud Prevention Solutions

Financial institutions aim to create a layered defense system that can effectively identify, prevent, and respond to all types of financial fraud.



Rules-Based

Real-time rules are ineffective if used exclusively.



Static Unsupervised Models

Unsupervised models flood FIs with false positives, draining resources and undermining fraud detection effectiveness.



Static Supervised Models

Financial Institutions relying only on static supervised models struggle to adapt to evolving fraud dynamics, resulting in lower effectiveness over time.



Self Learning Models

Daily adaptive models are the latest breakthrough in fraud prevention.

These models safeguard against known risks and are quick to detect and neutralize emerging fraud in real-time.

Legacy Fraud Solutions



Rules-Based

Traditional rules-based fraud solutions rely on historical attacks and data. While effective against known fraud patterns, this approach is inherently flawed in an ever-evolving attack landscape. Financial criminals perpetually modify their tactics, often deploying algorithms equivalent to hundreds of thousands of rules. Even a large team of rule-writers cannot keep pace with rapidly changing attack patterns, leading to crippling operational costs.



Static Unsupervised Models

Financial institutions (FIs) using unsupervised models often face an overload of false positives. While these models identify unusual behavior based on user profiles, atypical actions do not always indicate fraud. For example, many users experience blocks on legitimate transactions when traveling abroad or making purchases from new retailers. Managing these false positives consumes valuable resources, frustrates genuine users, and undermines the effectiveness of fraud detection solutions.

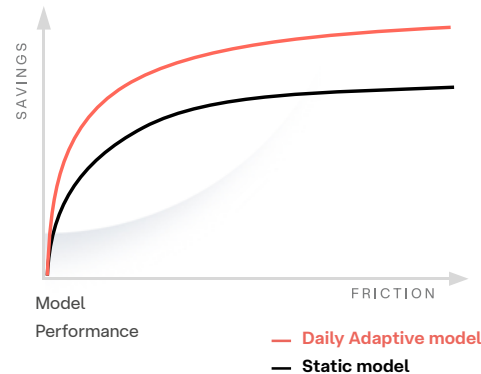


Static Supervised Models

Like the rules-based method, static ML models are trained on historical data and, thus, degrade over time. Their incapacity to detect changing user behavior, new products, shifting social norms, and evolving fraud tactics contributes to this decline.

Next Generation Solutions

Static vs Daily Adaptive



Self Learning Models

Our machine learning (ML) models identify more fraud while minimizing false positives. Our models adapt continuously to combat evolving attack strategies, boosting fraud detection efficiency. Change is constant - whether from shifts in user behavior, new financial products, or emerging threats. **Lynx's Daily Adaptive Models (DAM)** evolve daily, drawing on the FI's data and proprietary sources to maintain peak accuracy, even in challenging times.

How do we do this?

Lynx Fraud Prevention employs optimized machine learning procedures specifically designed for fraud detection.

Our adaptable models update daily without downtime or the need for data scientist intervention, effectively combating fraud by responding to behavioral shifts and emerging tactics. By leveraging user behavior and spending patterns, we create self-learning profiles from diverse data sources while ensuring privacy through encryption and daily updates via our Daily Adaptive Model (DAM).

Rigorous error checks and safeguards mitigate issues like biased data and noise, ensuring robust performance with minimal disruption to legitimate transactions. In an ever-changing regulatory environment, a solution like Lynx is essential for addressing evolving fraud challenges and keeping pace with dynamic fraud vectors.



Product Features

- Rapid self-learning ML models improving accuracy daily
- Pre-configured financial behavioural models that update automatically
- Real-time financial behavioural monitoring
- Real-time monitoring of both APPF outbound and inbound
- Comprehensive 360-degree customer view and alert management
- Advanced easy-to-use configurable rules through a user interface (no programming needed)
- Just-in-time query and response dashboards and reporting
- Multi channel: Cards, Mobile, eBanking, ATM, Branch, P2P, Corporate, Acquirer, Telephony
- Automation of workflows from alerts

Technical Specifications

- SaaS or on-premises deployment options
- PCI-DSS and ISO27001 compliant
- Self-publishing API for easy integration
- Real-time optimized architecture for authorisation flow
- Low level code and in memory databases
- Real time response time (99.99%)*
- Extensible data models
- Strong model governance controls
- Optimised on Fraud vs Friction (VDR vs tFPR)

* on-premise deployment using TCP/IP socket average time to respond in milliseconds

Recognitions



Recognised as a Representative Vendor in the 2024 **Gartner®** Market Guide for Fraud Detection in Banking Payments.



* Gartner, Market Guide for Fraud Detection in Banking Payments, 11 December 2024. GARTNER is a registered trademark and service mark of Gartner, Inc. and/or its affiliates in the U.S. and internationally and is used herein with permission. All rights reserved. Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

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