

Form3 APP Fraud Prevention



In October 2024 new rules will be brought into force that make financial institutions liable for refunding customers who are victims of scams. The refund will be funded 50:50 between the sending and receiving institutions. With nearly £500m of fraud losses associated to APP Fraud expected to be announced in 2023 and losses forecasted to rise over the next few years, there is an imperative for all banks to explore how to prevent APP Fraud.



At Form3 we are setting a new industry benchmark, with the first APP fraud solution to offer both outbound and inbound transaction monitoring. **Powered by Feedzai** we close the gaps that criminals exploit using our unique 'Collaborative Intelligence'.

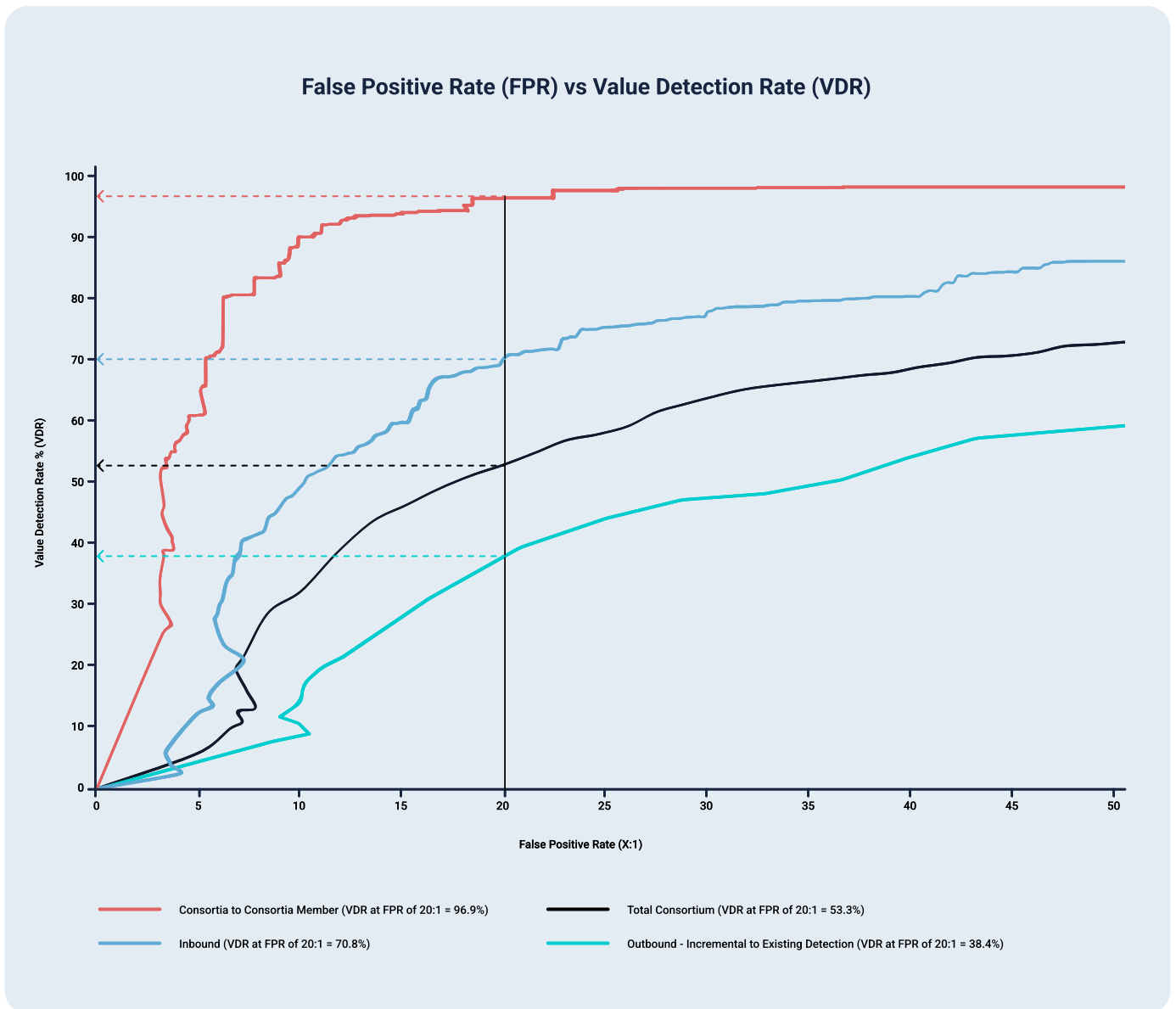


What is collaborative intelligence?

Collaborative intelligence is critical to being able to better identify and prevent APP Fraud by understanding pattern behaviour of the sending and receiving parties through a fully supervised model identifying fraud and minimising false positives. Our solution enables financial institutions to collaborate on a shared single machine learning model in a secure environment.

Best in class detection rates through Collaborative Intelligence

Our market first approach to APP fraud through the use of 'collaborative intelligence' provides banks access to richer data intelligence and customer profiles. By enabling the development and maintenance of a supervised machine learning model built on shared data in a secure environment we can provide a unique insight into both sides of the payment message. All produced at the industry standard of 20:1 FPR



38%

Incremental fraud detected on outbound transactions

70%

Fraud detected on inbound transactions

97%

Fraud detected when both institutions are part of the consortium

Solution benefits

Model Performance

- Achieve Best-in-Class detection rates through enriched intelligence
- 70%+ VDR on Inbound and Outbound transactions at 20:1 false positives
- In-consortium transaction scoring reduces false positive rates by 80%+
- Lower Fraud losses significantly

Ease of Adoption

- Single API for connectivity
- High performing availability and latency
- Augment your existing fraud controls
- Built on existing FPS Payment Message and Fraud labels

Improved CX

- Reduce friction on non-fraud payments
- Provide explainability to your operations teams to manage customer interactions
- Reduce brand exposure from negative Fraud performance
- Process payments in real-time

Enhance customer trust and protect your business from fraud.

Discover Form3's Fraud services and unlock the key to secure payments.

[Learn more →](#)