PSD2

Paygilant supports payment providers in meeting PSD2 regulation and SCA fraud rate exemptions

The spirit of PSD2 is to foster competition and consumer protection within the EU payments landscape, and given this objective, it has defined some exemptions to the general requirement of SCA for every transaction.

The SCA's primary objective is the reduction of payment fraud. However, ensuring that PSPs and merchants are not congested by continuous regulatory requirements was also the focus.

Paygilant enables payment providers to leverage the SCA exemptions. Its sophisticated transparent authentication solution prevents payment fraud and dramatically enhances the customers experience. Paygilant uses a unique SmartRisk methodology that combines **Device Fingerprinting, Behavioral Biometrics** and **Transaction Analysis** to determine if a transaction is legitimate (or not).

Paygilant Helps PSPs/Merchant Leverage SCA Exemptions

Paygilant provides high-level fraud prevention, leveraging its proprietary technology to bridge the gaps associated with PSD2. The Paygilant solution supports payments providers by leveraging the SCA exemptions, them to become more efficient, focused and profitable

SCA exemptions	What the regulations says	What it means	How can Paygilant help
Low value transaction	Low value transaction less than 30 Euro does not need SCA if velocity limits are met.	Any PSP and merchant that has an average transaction value of under 30 Euro is still required to support SCA, under the cumulative rate (100 Euro) and five transactions in a short period of time	Paygilant provides a continuous seamless SCA solution which is agnostic to the transaction amount. Utilizing its 6 intelligence sets, Paygilant determines whether the transaction is risky even below 30 Euro and can recommend declining upon high risk. In addition, using Paygilant, providers can accept transactions with amounts above the limit by remaining below the fraud rate, specified in the RTS.
Low risk transactions	Low risk transactions can be exempt	PSPs and merchants need to maintain low fraud rate to be able to leverage the exemption	The Paygilant solution stops fraud in its tracks. Using multiple fraud indicators, including device fingerprinting, behavioral biometrics, transaction analysis, Paygilant ensures continuous low fraud rates, below the RTS threshold.
Trusted listings	SCA does not need to be applied when a PSP adds a merchant to a list of trusted beneficiaries	PSPs and merchants need to be able to advise their customers of using trusted lists	Paygilant smart rules and machine learning evaluate the risk level of each transaction, even for known beneficiaries. The PSP is notified in real time by the system if the level of risk, associated with a transaction to a certain beneficiary, changes.
Recurring transactions	SCA excludes a series of recurring transactions with the same amount and payee.	PSP and merchants need to know user's spending patterns and transaction history, including their location	Paygilant defines subsequent transactions with a special subevent type, allowing the solution to receive information that a transaction corresponds to historical transactions. In addition, Paygilant's SmartRisk which includes a behavioral biometrics intelligence set, seamlessly ensures that the correct person is performing the transfer avoiding payment circumvention and additional fraud attacks generated by malware, MITM and alike.