



Early Warning

Loxon Early Warning System (EWS) is a business solution providing efficient support to the credit and customer monitoring activity of traditional and islamic banks. The main goal of EWS is to identify possible threats in the entire credit portfolio (in early stage).

The solution also covers the human workflow process of different monitoring activities including escalations, root cause analysis etc. Ultimately, with the Early Warning System Banks could be more competitive and profitable. Loxon EWS can be implemented either as an integrated module to other applications or as a standalone solution and it is available not only on premise, but from the cloud and as Software as a Service as well.

The early recognition of the potentially problematic exposures or clients can be based on the up-to-date prediction of the customer's financial situation using

a behavioral approach, or on other prediction techniques. The method highly depends on the volume of data and the length of history. If the Bank already has early warning models, they can be configured in the system, or Loxon provides consulting services to build tailor made models, which fit the Bank's data and have the highest predictive power to identify problematic cases in an early stage. The early warning model in the system can be based on both traditional, and non-traditional (big data related) data sources (like unstructured data, geolocations, websites, social media, etc.).

The concept of early warning models is different from conventional scoring techniques. Early warning models are built based on the changes in a predefined time window, e.g. the likelihood of the current situation changing in short, mid or long term. Furthermore, Loxon EWS provides not only a strong signal about the future changes of customers' risk levels, but also supports a set of proposed actions such as: put to watchlist, record a call memo, do a site visit, send an email, send an SMS, do the classification, reduce the risk grade.. Loxon Early Warning System manages these actions and their monitoring. The business goal is to prepare an action plan which would facilitate the largest increase in the expected profit or in similar customer value measures, calculated on the basis of the expected reduction in the PD, lengthened customer lifetime and the cost of the treatment.

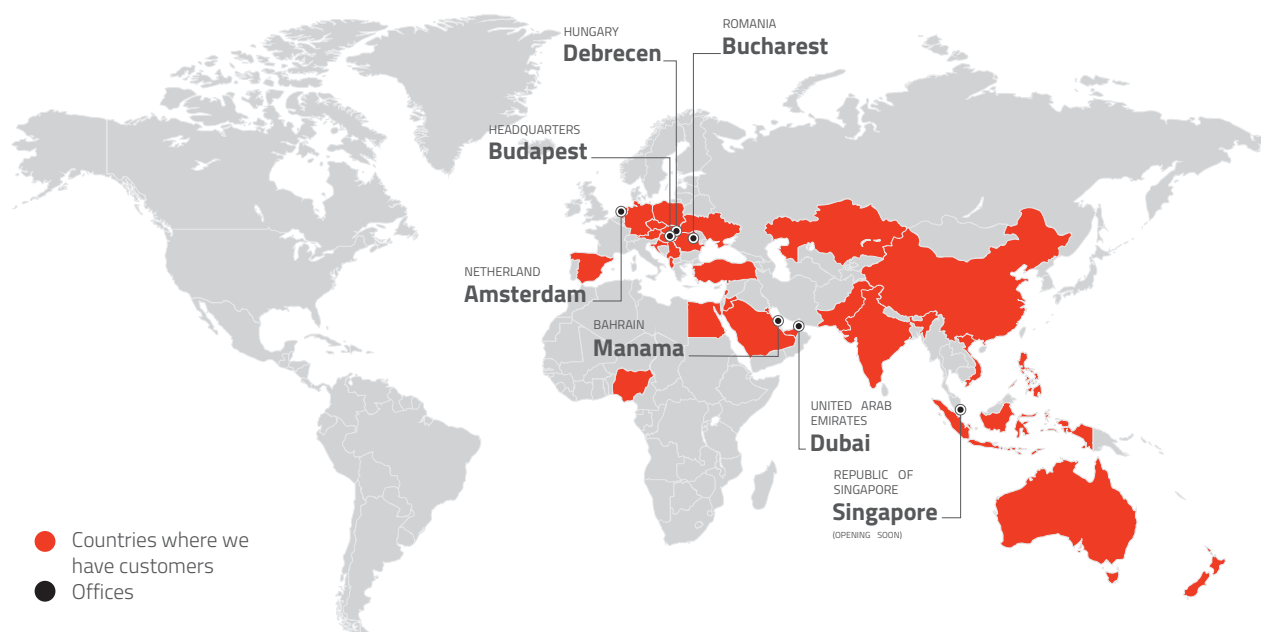
Why Loxon?

We offer trusted business solutions in the field of end-to-end collection management. Our next-generation collection platform builds upon Loxon's 25 years of experience providing debt collection business solution for more than 80 customers worldwide.



Features and functions

- › Collect all relevant data from your source systems for Early Warning calculation
- › Support the controlled manual data (e.g. qualitative information) capture
- › Schedule recurring events (customer visit and phone calls, manual control of watch-listed cases etc.)
- › Provide you full-scale parameterization so that you can change the models and the qualitative questionnaires later on
- › Calculate different types of signal values and determine signal flags
- › Calculate Probability of Default with statistical prediction methods (scorecards)
- › Send different levels of signals (warnings, alerts)
- › Execute Root cause analysis, identify and display the possible root causes
- › Assign customers to the appropriate risk classification buckets or customer segments
- › Provide you the opportunity to overwrite the classification result manually in a controlled way
- › Support monitoring review from customer
- › Support the escalation process and the pre-workout phase Generate documents for decision making (Breach report, Classification proposal etc.)



About us

Loxon is a trusted business solutions provider with more than 25 years of experience in the field of end-to-end credit management.

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