

Written evidence submitted by Tunic Pay

Tunic Pay Submission to the Treasury Select Committee Inquiry: *The Future of Financial Services*

Tunic Pay is a UK-based fintech working with leading banks to prevent scams at the point of payment. As fraud remains the UK's most common and emotionally devastating crime, we believe the future of financial services must be proactive, intelligent, and focused on protecting real people in real time.

1. AI is enabling a shift from reimbursement to real-time protection — while reducing operational cost.

Current frameworks rely on reimbursement, which comes too late to prevent harm. Tunic Pay uses AI to assess intent in real time and block fraudulent payments before money moves. In one Tier 1 UK bank, our contextual warnings were 10x more effective than generic screens at stopping scams. Our models outperform incumbent systems on both precision and recall, not only catching more fraud but also reducing false positives. In practice, we have been able to also accelerate the release of genuine payments and reduce scam-related call centre activity — lowering operational burden while improving customer experience.

-> AI has made proactive fraud prevention both possible and measurable — regulators should now prioritise and incentivise it as a core pillar of consumer protection, not just rely on reimbursement after harm.

2. The future of UK payments is real-time, agentic – and in urgent need of intelligent governance (a credit bureau for fraud, fit for the AI era)

Consumers are now delegating financial tasks to AI tools; payments are executed in milliseconds, while traditional fraud defences remain reactive and binary. Tunic Pay is building an intelligent governance layer — inspired by the credit bureau model — that evaluates risk before funds move. Unlike centralised systems, our AI-native approach interprets unstructured, asymmetric data and lowers integration costs through a give-to-get model and cryptographic techniques that deidentify and protect customer data. This enables real-time collaboration across banks without heavy specs or shared infrastructure. The UK led the world with Faster Payments in 2008; it can now lead again — by ensuring the safety of real-time, agentic money movement.

-> The UK's New Payments Architecture should support lightweight, distributed, AI-powered fraud governance — not centralised systems — to economically scale protection across modern rails.

3. In an AI age, everyone is a fraud target — and trust is the real currency at risk.

As founders building AI-native infrastructure for banks, we see this shift daily: fraudsters now use AI to scale scams with unprecedented realism, speed, and reach. This isn't just a threat to vulnerable customers — by volume, it's often younger, tech-savvy people who fall victim. In an AI-driven fraud economy, everyone is a target. And the damage runs deeper than financial loss; victims don't only stop banking, they stop leaving their house. At Tunic Pay, we design intelligent, accessible interventions — tailored to the moment of payment and to the user — that empower people to navigate unfamiliar risks without degrading experience. This isn't just good UX; it's a path to rebuilding trust in a system people increasingly feel is leaving them behind.

-> Policymakers should promote accessible, real-time fraud interventions that rebuild trust in digital payments — rather than encouraging blanket suspicion of the financial system.

About the founders

Tunic Pay is founded by Nicky Goulimis and Nico Barawid, repeat fintech entrepreneurs with deep experience building innovative, regulated products. Nicky is an FCA-authorised person and previously co-founded & served as COO at Nova Credit, a cross-border credit bureau that works with Amex, HSBC, and Verizon to serve millions of immigrants & thin-file consumers. She led the company through \$130M in fundraising, expansion globally, and the development of novel risk infrastructure. Nico co-founded and recently sold Casai, one of Latin America's largest proptech platforms and raised over \$50M from investors including the fintech team at Andreessen Horowitz. The two met working at Nova Credit and have built regulated, data-rich products in credit, identity, and financial access — Tunic Pay reflects their conviction that the next wave of fintech innovation must start with trust.

April 2025