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Latest news from Card Academy

Your local Card Academy

Card Academy is an educational platform on issues related to domestic and international payment cards. The ambition is to "bridge the gap" between International Card Schemes - e.g. American Express Ltd., MasterCard International and Visa International - and the needs of employees in local branch offices.

Through Card Academy we aim to bring a number of key partners together. This in order to bring a more cost-effective educational offer to employees within this sector and to extend the reach and effectiveness of resources spent on education in general.

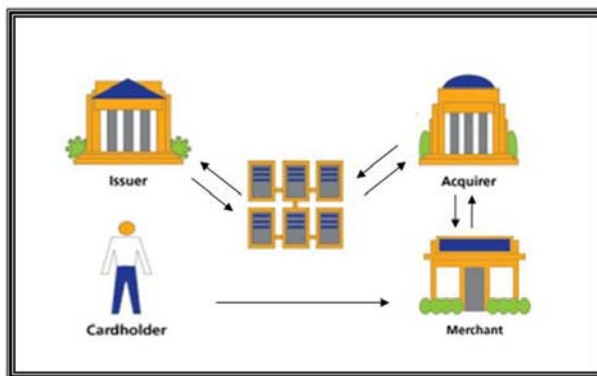
Card Academy is a service available next to your office, and the defined mission for our business is:

Your local Card Academy

Yours sincerely,

Kurt Andersen

Card Academy



The Nordic and Baltic States news

TietoEnator and Dutch-Bangla Bank Limited to launch first EMV card project in Bangladesh

TietoEnator and its long-term regional partner Data Edge Limited have provided Dutch-Bangla Bank Limited (DBBL) with the Card Suite solution for issuing and acquiring payment cards.

Dutch-Bangla Bank is setting an important milestone by being the first bank to start issuing EMV cards in Bangladesh, and among the first ones to do so in South Asia. Dutch-Bangla Bank will be a forerunner in the market, offering new value-added services to its local customers and thus improving customer retention. The bank's customers will benefit from an enhanced product and service portfolio as well as more secure smart cards.

Moyen Uddin Ahmed, Executive Vice President & Head of Cards, Dutch-Bangla Bank Limited, says: "DBBL is considered the most technologically innovative bank among the local banks in Bangladesh, and in terms of financial technology, it is showing them the way. With the help of TietoEnator, the DBBL-NEXUS VISA and MasterCard credit cards will be issued shortly on the EMV (Europay, MasterCard & VISA) platform. We are confident that adopting this EMV technology will enable us to protect against fraud and also ensure better service for our customers."

Maris Ozolins, Head of Cards, TietoEnator Banking & Insurance, says: "We are very glad to assist Dutch-Bangla Bank in their goal of providing cardholders in Bangladesh with the higher security and added value benefits of EMV cards. For TietoEnator Card Suite, Asia is an important market area, and we are focusing on expanding further within the region". (Source: *TietoEnator, November 2008*)

Parex bought by government

The Latvian government has bought the controlling share of Parex Banka, one of the largest banks in the country, after a run on the bank saw customers withdraw millions in a matter of hours.

Prime Minister Ivars Godmanis told journalists this weekend that the government would buy the controlling share in Parex for the symbolic sum of 2 lats (2.8 euros).

The government will take over the controlling stake in Parex Bank through Latvia's Hipoteku un Zemes Banka (Mortgage and Land Bank). Finance Minister Atis Slakteris said in a statement to the press that in "passing this decision, the government has acted in the interests of taxpayers and clients of commercial banks, including depositors and borrowers."

"This responsible step is a signal indicating the government's capacity and resolve. The banking sector is especially important to the state, as it constitutes the blood circulation of the national economy," Slakteris said.

As a result of the government's decision, Parex Bank will become a daughter company of Mortgage and Land Bank. The 51 voting shares in Parex Bank will become the property of Mortgage and Land Bank, and Parex Bank's owners Valerijs Kargins and Viktors Krasovickis will be paid a total of two lats for the shares, said representatives of the Latvian Finance and Capital Market Commission.

The remaining shares, owned by the existing shareholders with voting rights, or 34 percent of the bank's capital, will be pledged as collateral to Mortgage and Land Bank. The prime minister said the government's decision was based on information about the bank's problems provided by the Finance and Capital Market Commission. Godmanis said that the bank would still be able to continue its operations, and that the government made the decision in order to ensure the bank's stability and liquidity.

"It is necessary to do everything to avert disruptions of the bank and the financial system," the prime minister said. (Source: *The Baltic Times, November 2008*)



Wincor Nixdorf wins three-year Kontanten ATM outsourcing deal

Wincor Nixdorf has won a three-year ATM managed services contract from Swedish independent cash machine operator Kontanten.

Under the agreement, Wincor Nixdorf is assuming responsibility for maintenance and remote real-time monitoring of Kontanten's national network of 240 ATMs. The Kontanten ATM estate is concentrated in supermarkets, shopping malls and services stations, with installations in all big Swedish cities.

Details of the agreement include system installation, upgrades and conversions and all services involved in maintenance and repairs. In addition, an end-user help desk will be available.

All ATMs are linked remotely to Wincor Nixdorf's system management centre, which performs 24/7 real-time monitoring including trouble ticketing and remote maintenance. Wincor Nixdorf will also be handling software implementation and distribution of software updates. (Source: *Finextra*, November 2008)

Europe & World Wide news

The cashless supermarket is a reality in Amsterdam, Netherlands

Marqt is a new concept-store in Amsterdam, where you can get a wide selection of groceries, delivered directly from local farmers. It has the quality products you'd expect from an organic market, but the streamlined experience of a modern store, which means no cash, only PIN. Only way to pay for your goods and services is either by debit cards using PIN – alternatively by ordinary Credit Cards.

It's quite clear that the people running Marqt spend as much attention to presentation and experience as to the excellent food they offer.

The bread, which is produced and baked on location is especially excellent. In the end, you'll probably leave with more than you initially planned to buy, but you won't regret it. One can only hope that the concept is successful and that more locations are going to be added. (Source: *Tupola.com*, November 2008)

ING and MasterCard in Romanian m-payments trial

Dutch bank ING and MasterCard are to pilot a near field communications (NFC)-based mobile payments system in Romania, enabling customers to use their handsets to pay for low value purchases.

The bank says about 500 clients will be given Nokia 6212 handsets incorporating NFC technology for the first stage of the six month pilot, enabling them to make payments by tapping their phones against specially equipped terminals at around 30 merchants in Bucharest. As well as making contactless payments, participants will be able to top up their Maestro PayPass account balance over the air to their phone with a special code. They can also check their balance over the air.

ING and MasterCard outlined their plans to develop the system in February. They have been working with payments technology vendor Collis, Finnish company Venyon, which operates a service platform for over-the-air NFC payments and Taiwan-based NFC outfit Toro on the project.

Last month MasterCard launched a facility for banks to install PayPass contactless payments functionality onto customers' mobile phones over the air. The MasterCard Over-the-Air Provisioning Service lets issuers transfer a PayPass application onto a secure area of NFC enabled handsets via the mobile network. (Source: *Finextra*, November 2008)

Cybercriminals tap \$8 billion underground credit line

Criminals who specialise in credit card and bank account theft have ready access to a global underground marketplace with an estimated total fraud value of \$8 billion. In a new report on the underground economy, Symantec estimates the potential value of total advertised goods available for sale on criminal servers was more than \$276 million for the full year ending July 2008. This value was



determined using the advertised prices of the goods and services and measured how much advertisers would make if they liquidated their inventory.

Credit card information accounted for 31% of the total inventory observed. While stolen credit card numbers sell for as little as \$0.10 to \$25 per card, the average advertised stolen credit card limit observed by Symantec was more than \$4000. Symantec has calculated that the potential worth of all credit cards advertised during the reporting period was \$5.3 billion.

The second most common category of goods and services advertised was financial accounts at 20% of the total. While stolen bank account information sells for between \$10 and \$1000, the average advertised stolen bank account balance is nearly \$40,000. Symantec puts the the total worth of the bank accounts advertised at \$1.7 billion.

During the reporting period, Symantec counted over 69,000 distinct active advertisers and 44 million total messages posted to underground forums. The potential value of the total advertised goods for the top 10 most active advertisers was \$16.3 million for credit cards and \$2 million for bank accounts. Furthermore, the potential worth of the goods advertised by the single most active advertiser identified by Symantec during the study period was \$6.4 million. North America hosted the largest number of underground servers, with 45% of the total; Europe/Middle East/Africa hosted 38%; followed by Asia/Pacific with 12% and Latin America with five per cent. (Source: *Finextra*, November 2008)

Credit card issuers to share 'behavioural data' on customer accounts

UK credit card issuers have agreed a framework for sharing 'behavioural data' on their customers' accounts as part of an initiative to meet political demands for responsible lending practices. Starting this December, five credit card issuers - Barclaycard, Capital One, GE Money, HBOS and MBNA - will be ready to share the data, which will be available from credit reference agencies. Others will then follow in accordance with their specific IT plans, says UK payments body Apacs.

Traditionally, shared data for credit cards has included the customer's balance, credit limit and whether payments are up to date. The new data will now also include the amount of their last payment, and whether this was equivalent to the minimum payment; changes to credit limits; the extent to which they withdraw cash on their account and if the customer is signed up to any promotional deals. The additional data will help the industry to identify customers who may be at risk of getting into financial difficulties and to deliver on commitments in the revised Banking Code, says Paul Rodford, Apacs' head of card payments.

"The holy grail for credit card companies is to have access to data that could predict a customer's future ability to repay," he says. "Data sharing is well established in the UK, and has evolved over many years. This new data relates to how customers manage their accounts and will enable lenders to intervene, at an earlier stage, for those showing signs of debt stress and ensuring that those already struggling are not given further credit." (Source: *Finextra*, November 2008)

European Central Bank calls for 'urgent' action on Sepa

The European Central Bank has called for an overhaul of governance and management of the European Payments Council in its latest report on impediments to the creation of a Single Euro Payments Area (Sepa). In its sixth Sepa progress report, the ECB welcomes the effort made so far, but stresses that work "urgently remains to be done" to ensure the success of the Europe-wide project.

The report contains a list of 'ten milestones for Sepa implementation and migration', including calls for the development of a new bank-backed European card scheme to challenge the dominance of MasterCard's Maestro system, and clarification of the rules governing the launch of the new Sepa Direct Debit payments instruments that are slated for introduction in November next year.

The Central bank says the banking sector and relevant competition authorities "urgently" need to resolve outstanding issues regarding the possible interbank pricing models for direct debits. It also calls on the



industry to stimulate migration to the new Sepa payment instruments by setting a "realistic, but ambitious" end-date for national credit transfers and direct debits. The ECB has also suggested changes to the mandate and organisation of the EPC, the bank-backed Sepa standards body.

"One short-term step would be to strengthen the EPC's Secretariat so that it can adequately support the EPC in its many tasks," says the ECB. "In the medium to longer term, more substantial changes are needed to improve the EPC's effectiveness, transparency and accountability." (Source: *Finextra*, November 2008)

Scheme news

Visa looks to expand worldwide presence with payments processing JV

Visa has formed a payments processing joint venture with India-based Yalamanchili Software Exports in a bid to tap fast developing regions like Asia Pacific and Latin America. The card network holds a controlling interest in Visa Processing Service (VPS), which is headquartered in Singapore and begins operations this week serving existing clients.

The firm will specifically target business outside of Europe and the US, notably Asia Pacific, Latin America, Central Europe, the Middle East and Africa. Initially, it will focus on providing financial institutions, processors and other payment companies with pre-paid and debit processing. However it will also offer credit, ATM, money transfer and private label processing, as well as a range of payments services, including risk and fraud management, mobile applications, loyalty and cardholder support.

As part of the agreement Yalamanchili will provide its suite of Narada software products - a multi-currency, multi-language platform for debit, prepaid and credit payment transactions, gateway services for international and domestic networks, and acquiring applications, including ATM terminal driving.

The venture will be managed on a day to day basis by Visa veteran Russ Piparo. It will be governed by a board of directors, including Visa COO John Partridge, global head of strategy and corporate development, Rupert Keeley and regional president, Asia Pacific, David Lee. Yalamanchili founder and MD Y Ramakrishna and CTO P Srinivasan, are also on the board.

"Payments processing is critically important to Visa's long-term success as we seek to deliver increased value to our clients, accelerate our growth and diversify our sources of revenue," says Joseph Saunders, chairman and CEO of Visa. "Visa Processing Service will allow us to immediately and cost-effectively enter new geographies with a scalable and high-quality processing offering." (Source: *Finextra*, December 2009)

Visa issues UK Internet shopping gift card

Visa is looking to cash in on the festive season with the launch of the UK's first Internet shopping pre-paid gift card.

The £25 3V Visa Internet Shopping Gift Card can be bought over the counter at major high street retailers including, The co-operative, Martin's Newsagent, Martin McColl's and Borders.

The cards come in four different designs and can be used to shop online, through mail order or over the telephone, wherever Visa is accepted.

Cards are activated online and the recipient is issued with a unique number and three-digit security code, which are entered at the check-out.

The cash value on the cards is backed by Alliance & Leicester. (Source: *Finextra*, November 2008)



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Here you find information and links to Card Academy and our partners. We currently have Agent agreements covering Finland and the Baltic states.

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Tell us about your thoughts, needs or requirements. Don't hesitate to get in touch with us!