

ISSUE # 28, 2009
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Latest news from Card Academy

Baltic Sea Card Conference 2009

It is with great pleasure that we now announce the launch of the

Baltic Sea Card Conference
on Tuesday 6th & Wednesday 7th October 2009 in Stockholm, Sweden

E-mail contact:

Send your contact details on Information@BalticSea-CardConference.com to ensure that you are updated on the Conference Program.



You also have the opportunity to network with those interested in this Conference on LinkedIn – please register for the Baltic Sea - Card Conference group on <http://www.linkedin.com/groups?gid=1828269>

Please visit www.BalticSea-CardConference.com for further information.

Yours sincerely,



Kurt Andersen, Card Academy



The Nordic and Baltic States news

Sweden's Handelsbanken Business Card

Handelsbanken's Business Card has been voted best charge card for 2009, selected by 2,500 business travelers at the Business Travel Awards. The latter are co-ordinated by Travel News magazine, the Resegeometri research agency and the Swedish Business Travel Association.

In accepting the award, the Sweden-based bank noted that it is constantly striving to add functionality to its cards. One new feature allows customers to lock or unlock their cards if they want to use their card either outside Sweden or online. This functionality can be turned on either by telephone or online. Some corporate customers unlock their card before travelling abroad and then lock it again when they return home.

(Source: Commercial Payments, March 2009)

Four out of five Swedes prefer paying with card than using cash

A new consumer survey shows clearly that Swedes prefer cards and not cash. 78 per cent prefer cards when choosing between cards and cash. Swedes feel more safe having cards than cash in their wallets – 76 per cent says so. At the same time, Visa Europe launches a report, covering how Visa works to make card payments even safer.

That Swedes prefer cards and not cash goes in line with the wish of the Central Bank of Sweden and the merchandisers. Cash is resource intense and cost a lot to manage plus creates incentives for robberies. In Sweden, Visa cards stand for about 65 per cent of the card market, according to Visa Europe's own estimate. The Nordic and Baltics Manager of Visa Europe, Fredrik Westerman, is content with the result:

"Although it is clear that most Swedes prefer to pay with card and three quarters feel secure with doing so, it is important that everyone understands that paying by Visa is the safest way to pay. The few people that suffer from card fraud will get their money back, according to the bank's terms and conditions. In tough times like these, people should know that they are protected from default deliveries when paying with their Visa cards."

The consumer survey shows no distinguishing age or gender differences. However, the most card-pro age segment is age 23-35 with 80 per cent of card preference. One can ask why men are more prone to carry larger sums of cash with them – accepting bulkier pockets?

At the same time, Visa Europe has produced a report about payment security. It covers the advantages of using cards, main card fraud types, current card fraud statistics, information about fighting card fraud in Sweden, and existing regulations – in Sweden and Europe regarding card usage. The report can be downloaded at www.visa.se/press/faktablad.

(Source: MS&L press contact Sweden, March 2009)

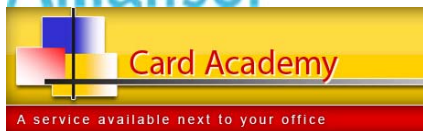
7-eleven and Narvesen promoting Visa prepaid cards in Norway

Narvesen and 7-Eleven in Norway are the first retail chains in Scandinavia to sell Visa prepaid card in a physical retail environment. The card concept is branded as SpendOn Giftcard and is issued by the prepaid company Convenient Card AS in cooperation with Sparebank 1 SMN.

The SpendOn Giftcard was launched December 13th in 520 stores and had a flying start right in the middle of the Christmas season.

The Norwegian giftcard market is today dominated by closed loop card schemes issued by shopping malls and retail chains. It is estimated that the market size is between 1,5 to 2 million cards yearly.





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Convenient Card is now aggressively attacking this market with new and innovating prepaid concepts and solutions for consumers and companies – in the frame of the brand SpendOn.

- We see a great opportunity in the Scandinavian prepaid market. SpendOn Giftcard is our first product on the market, but we are aiming higher and our product pipeline includes a reloadable general purpose card, says Per Erik Nygaard, CEO in Convenient Card.

Convenient Card is a prepaid company with offices in Oslo and Stockholm. Major shareholders are PayEx (45 %) and Reitan Servicehandel (45 %).

(Source: Convenient Card, March 2009)

Norwegians get mobile phone-based online banking login system

A new system that lets customers use their mobile phones to log onto online banking accounts has been launched in Norway.

The system has been developed by the country's banks and telco Telenor as an extension of the BankID electronic identification and signature system for Web banking, with security data stored on handset SIM cards.

BankID was set up by the Norwegian banking industry to secure online customers through digital certificates and is used by 1.9 million people.

The new mobile phone-based system enables users to log on without the use of the code unit.

Currently, the system is only open to online customers of DnB Nor and Skandiabanken with mobile subscriptions to Telenor, although other banks and mobile operators are expected to offer the service in the future.

In addition, the BankID consortium says it aims to widen the scope of the system for use on e-commerce and auction sites.

Arne Skauge, MD, Norwegian Financial Services Association, says: "With BankID for mobile phones we are taking the development of the mobile phone as a distribution channel and payment tool a huge leap forward."

(Source: Finextra, March 2009)

Dansk Supermarked ready for international payment cards

Denmark's largest retail group, Dansk Supermarked, recently entered into an agreement with PBS which will enable it to accept international payment cards in all its shops. This agreement means that all the major grocery chains in Denmark now accept international cards.

From the beginning of May, it will be possible to pay using an international payment card when you shop at any of Dansk Supermarked's Danish stores or at any of the shops in the Bilka, Føtex, Netto, Salling, Tøj & Sko and A-Z chains.

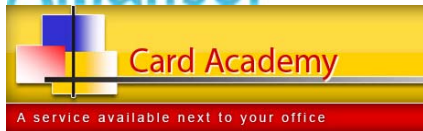
"Over the last few years we have seen increasing interest in this form of payment. We want to be our customers' preferred place to shop, so we also want to give them the choice of paying by cash, Dankort or international payment card, which is what many of our customers want these days," says Henrik Kirketerp, Director of Dansk Supermarked.

There is no fee for the cardholder when paying at one of Dansk Supermarked's shops using an international payment card issued in Denmark.

Through this agreement, PBS has ensured that cardholders will in future be able to use their international cards in all the major grocery chains in Denmark.

"Young people and tourists in particular tried in vain to pay using their international payment cards at Danish grocery merchants. This agreement means that all the major grocery chains now accept





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international cards and all customers have the freedom of choice that they demand," says Flemming L. Jensen, CEO of PBS A/S.

PBS' aim is for Danes to be able to use international payment cards in two-thirds of Danish shops by 2012. This agreement with Dansk Supermarked brings PBS a huge step closer to achieving this goal.

(Source: PBS, March 2009)

Sparebanken Vest introduces electronic signing from EDB

Norway's Sparebanken Vest has partnered EDB Business Services to introduce electronic signatures for customers buying financial products online.

The technology enables the bank's online customers to sign documents digitally through their BankID electronic identity, rather than relying on the postal system or having to visit branches.

EDB says the system means a process that previously took days can now be completed online in minutes, saving the bank and its customers time and money.

Initially the technology will be used for customers buying insurance products from Frende, the company established by Sparebanken Vest and 14 other savings banks.

Jan Erik Kjerpeseth, deputy MD, Sparebanken Vest, says: "At the moment many people only use their BankID electronic identity to log in to Internet banking, but BankID offers much greater potential than this. This is why we have now made it possible for Internet banking customers to use BankID to sign documents electronically."

Sparebanken Vest contracted EDB to jointly develop its Internet banking system and corporate lending system back in 2003.

(Source: Finextra, March 2009)

Europe & World Wide news

Tesco to open 30 'bank branches' this year

UK supermarket chain Tesco plans to open 30 bank branches in its stores by the end of 2009 as it looks to cash in on consumer mistrust of traditional banks and extend its presence in financial services.

Tesco - which bought out the Royal Bank of Scotland to take complete control of Tesco Personal Finance in December - has been running a trial of the concept branch in Glasgow since 2006. The first new branches will open next month in Blackpool, Coventry and Bristol.

Each branch will offer the existing range of Tesco Personal Finance products such as insurance, credit cards and savings account, alongside ATMs and a dedicated TescoCompare terminal for price comparison purposes.

In March, the group announced plans to create 200 new banking jobs as it relocates its existing 250 personal finance staff to new headquarters in Edinburgh. It is currently setting up an IT infrastructure that will enable it to offer standard current account products within the next 18 months.

Andy Higginson, chief executive of Tesco Retailing Services, says the supermarket bank will be "old-fashioned and conservative".

"Some banks have grown up using practices that are the opposite of Tesco: we encourage customer loyalty, but many banks punish loyalty. Ours is a different philosophy," he says. "The markets have become far more rational. Some banking businesses have got into trouble for growing too fast and doing daft things."

Tesco claims to have seen customer deposits double over recent months as risk averse consumers take flight from the crisis-stricken traditional banking sector.

(Source: Finextra, March 2009)

Alliansor Caps AB, Vasagatan 38, 111 20 STOCKHOLM
Tel: +46-(0)8-734 03 50, Fax: +46-(0)8-734 03 45. www.alliansor.se



hiten Prepaid MasterCard Launches in UK

In the UK, White Eagle (Europe) Plc and hiten have announced the launch of the hiten Prepaid MasterCard - calling it "a card that enables users to effectively and securely manage their money."

Hiten Cards limited was established in 2008 with the aim to provide people with a secure and alternative way to manage their money. Having linked with MasterCard, the hiten card provides users with peace of mind and the ability to manage their money around the world. Hiten provides chip & PIN security, the use of cash machines in over 210 countries and secure online shopping. Users are able to control their finances via text, online or by phone with no hidden charges.

The card programme was made possible with the technical expertise of Eagle Prepaid, the programme management division of White Eagle. Warren Hardy, Founder & CEO comments: "The hiten Prepaid MasterCard is targeted at the family market here in the UK which allows the consumer the convenience of receiving wage payments as well as a way to share money between other members of their family unit. White Eagle is very excited about this versatile product and look forward to the success of this programme over the coming months and years."

The White Eagle platform allows the users of this card to retrieve their PIN over an IVR (interactive voice recognition) solution, activate their card, check their balance, lock and unlock their card any time via their mobile phones using SMS.

CEO of Hiten Cards Limited, Hiten Arya, comments: "Following a detailed search Hiten Cards Limited chose Eagle Prepaid as our Programme Manager. One of the deciding factors in this process was the expertise and experience of the team at Eagle Prepaid, David Carr the Director of Card Services knew exactly what we were trying to achieve and made the design process seamless" Hiten adds "We look forward to working closely with Eagle Prepaid for years to come and cementing a long term business relationship"

(Source: Payments News, April 2009)

Paypal to build new Centre of Excellence in Dublin

PayPal is to create 35 new jobs in Ireland as part of a EUR15 million investment in a new European Centre for Operational Excellence in Dublin.

PayPal currently employs 900 people at a facility in Ballycoolin, which opened six years ago.

The new EUR15 million invested in Dublin has been supported by IDA Ireland.

PayPal president Scott Thomson says the new center "will serve as the model for PayPal's international operations worldwide".

The new positions will be for skilled employees in business analytics, product design, risk management, information technology, operations and merchant services.

(Source: Finextra, March 2009)

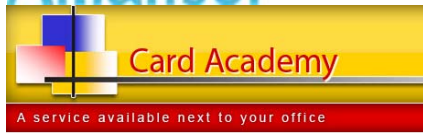
Scheme news

MasterCard re-introduces interchange fees for cross-border payments

MasterCard is to set new interchange fees for cross-border payments in Europe after reaching an interim agreement with the European Commission.

The move follows last year's decision to suspend fees on cross-border transactions in order to comply with an EC ruling and avoid heavy daily penalties.

MasterCard says the new fees - capped at 0.3% for credit cards and 0.2% for debit cards - will be introduced in July, pending a legal appeal against the Commission's original ruling.



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Javier Perez, president, MasterCard Europe, says: "We do not believe this level of interchange is adequate to sustain strong competition in the European payments industry or to encourage the investment and innovation that will be required to provide European consumers and merchants with better payment products in the future.

"That is why these rates are only interim, and why we are pursuing our appeal in the European Court of First Instance of the European Commission's December 2007 decision. We believe we have strong arguments that the decision should be reversed."

EU competition commissioner Neelie Kroes says a probe into Visa's interchange fee structure will continue.

(Source: Finextra, April 2009)

Diners Club Signs Multi-Year Acquiring Agreement with SIX Multipay

Diners Club International, a business unit of Discover Financial Services, in conjunction with Discover, and SIX Multipay, a leading Swiss-based payment services provider, have announced that they have signed a long-term merchant acquiring agreement. This is the first multi-country, acquirer agreement to further European acceptance of Diners Club and Discover Network cards.

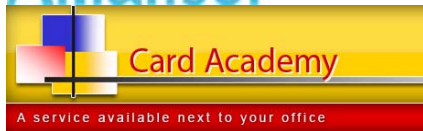
Under the terms of the agreement, SIX Multipay will provide merchants with single source electronic payment services for the acceptance of Diners Club and Discover Network card products in key European regions including Switzerland, the United Kingdom, France, Germany, Ireland, Belgium, Netherlands and Luxembourg.

"Since acquiring Diners Club, one of our key priorities has been to strengthen acceptance," said Rajive Chadha, president, Diners Club International at Discover Financial Services. "Our agreement with SIX Multipay is an important step in helping reach that goal as we make progress on this initiative."

"This is a time where adding a new payment type for merchants will be well received. Merchants want to sell and we, as an international multibrand acquirer offering a one stop solution, want to handle all their payments," said Niklaus Santschi, managing director of SIX Multipay. "We believe in providing choice to our merchants. The additional acceptance of Diners Club and Discover Network cards provides us with a new and exciting opportunity to do that."

(Source: Payments News, March 2009)





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Contact and Partner information

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

Kurt Andersen
Head of Card Academy
Phone: +46 (0) 766 329444
Mail: kurt.andersen@alliansor.se

Kenneth Bergström
Ass. CEO & Head of Sales, Alliansor Caps AB
Phone: +46 (0) 739 887766
Mail: kenneth.bergstrom@alliansor.se

Partner organisations

Dedicon Oy, Finland
Petri Ahti
Managing Director, Dedicon
Phone: +358 400 867033
Mail: petri.ahti@dedicon.fi

RIXTAR, Riga Latvia
Ivo Almanis
Board Member of RIXTAR
Phone: +371 67 888 723
Mail: ivo.almanis@rixtar.com

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