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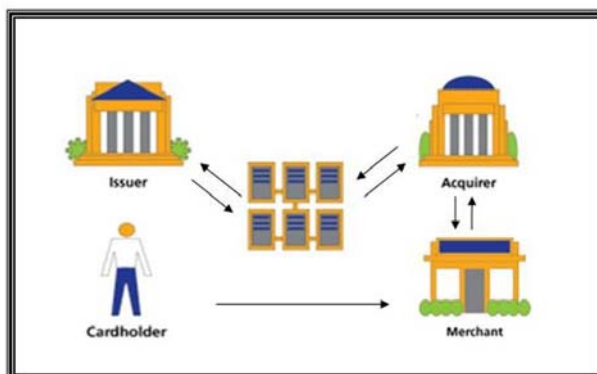
Latest news from Card Academy

Your internal Card Academy

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 internal Card Academy



Yours sincerely,

Kurt Andersen, Card Academy

The Nordic and Baltic States news

Baltic Sea Card Conference 2009

The Baltic Sea Card Conference is a new service to all employees within Banking and Retail business in the Nordic & Baltic Sea countries.

This is your opportunity to get updated on regional and local day-to-day business issues, as well as meet up with colleagues from all over the Baltic Sea area, facilitating the opportunity to network.

Book your Conference already today:

**Baltic Sea
Card Conference**

**6th & 7th October 2009
in Stockholm, Sweden**



Conference fee €699

(VAT will be added to this fee)

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

The Baltic Sea Card Conference 2009 is sponsored by:



DIBS Payment Services is the leading Nordic independent supplier of secure, functional, and innovative online payment services for business and commerce.

DIBS manage transactions for more than 9'000 customers daily and has offices in Stockholm, Gothenburg, Oslo and Copenhagen. DIBS is listed at First North and features HQ Bank as its certified adviser.



PayEx are the foremost experts in payment systems within the Nordic region. With over six hundred innovative employees, we have a vast expertise within payment services for internet and mobile trade, point of sale terminals, rating/billing, invoice and ledger management, collections and credit management. This has been our business since 1972. PayEx manage more than 8'000 customer's transactions daily and have offices in Oslo, Stockholm, Gothenburg, Visby and Copenhagen. Visit us at www.payex.com



FortConsult becomes the third largest QSA in Europe

The well-reputed Danish IT security company, FortConsult, has climbed to the number 3 position on VISA's list of QSA's who have PCI certified most European service providers. The favourable position has been obtained due to the company's strong focus to provide high-quality PCI assistance without unnecessary expenses for the customer and a strong presence in Scandinavia.

FortConsult has a comprehensive PCI history. Already in 2004 they were approved by VISA and MasterCard to perform security scans according to the PCI standard as the first and only company in Scandinavia. A few years later – in 2005 – FortConsult obtained a position as the first Scandinavian PCI QSA. Since then a considerable PCI knowledge has been built up and today FortConsult is the preferred QSA in the Danish bank sector providing PCI expertise to all bank data centres. In addition FortConsult's track record includes performing PCI tasks for a large number of issuers as well as acquiring banks in Scandinavia including some of the largest with IT installations including up to 14,000 ATM's and 158,000 POS's.

In 2008 FortConsult took another PCI step forward and was approved PA QSA as the first and only company in Scandinavia - and among the first 14 in the world.

FortConsult's core competencies are security assessments - from ongoing scans to large in-depth penetration tests across countries – as well as security assessments of payment systems according to the PCI standard. Their headquarters are located in Copenhagen Denmark from where they serve their many PCI customers around Europe.

(Source: FortConsult, June 2009)

MySafeTravel.com – Travel Safety for Cardholders

European Security Institute (ESI), one of the world's leading travel safety consultancies, is launching a travel safety website, MySafeTravel.com, that will provide cardholders with vital information to keep them safe during their travels.

By choosing MySafeTravel.com, you will have the unique opportunity of saving money, earning money, attracting and retaining customers, and at the same time acting with Corporate Social Responsibility. You will be saving money by maximising the travel awareness and actions of your cardholders and consequently minimising the insurance payouts for you and your insurance partners. You will be earning money by reselling these services for a commission. You will be attracting and retaining customers by providing unique services and differentiating yourself from your competitors. And you will at the same time be acting with Corporate Social Responsibility, as a card issuer that takes the health and safety of its cardholders seriously.

Implementing MySafeTravel.com requires no start-up fee, the safety tool is easily integrated into your corporate website, and by teaming up with MySafeTravel.com you get access to a network of travel safety and communications partners as well as assistance recovery providers to scale the degree of services to match your needs and desires.

Please contact the MySafeTravel Team at info@mysafetravel.com or Kurt Andersen for further information on this article.

(Source: MySafeTravel, July 2009)

Danish discount chain Fakta now accepts international payment cards

The Danish discount chain Fakta is the most recent of Danish retail chains to accept international payment cards in all its shops. Now customers can pay with MasterCard or Visa Electron at three of the largest retail chains in Denmark.



As of the beginning of July 2009, Fakta's 363 discount stores will accept international payment cards. Since Fakta is owned by the Danish retail group, COOP Danmark A/S, customers can now pay using an international payment card at all of COOP Danmark A/S's retail chains.

Danes, who are showing an increasing interest in using international payment cards, will therefore have an additional payment option when paying for their goods at the till. Moreover, young people under the age of 18 can pay with international debit cards (Maestro or Visa Electron) when they shop at their local supermarkets.

Tourists will also be able to pay with their payment cards at Danish grocery shops.

"More and more customers are getting used to paying with MasterCard or Visa Electron. Shopping at Fakta should be easy and convenient for our customers, which is why we would like to make it possible for them to pay with the international cards," says Fakta's Managing Director, Michael Christiansen.

Having Fakta on board means that the major retail chains in Denmark now accept international cards. It is our hope that this will help to reduce cash payments further in favour of card payments," says Lars Fruergaard, CSO at PBS.

There is no fee for the cardholder when paying at Danish retail shops using an international payment card issued in Denmark. However, fees may be charged if the card has been issued outside Denmark.

In addition to the chains owned by COOP Danmark A/S, most Danish retail chains accept international payment cards. The supermarket chains SuperBest, Spar and Kiwi Minipris also accept international payment cards, and since May 2009, the same holds true for all retail chains owned by the Danish retail group Dansk Supermarked A/S.

(Source: PBS, July 2009)

Update on Lithuanian payment Card market

Lithuanian payment card market continued to grow in number of cards issued, but has declined in total value of transaction in Q1 2009 according to the Bank of Lithuania published statistics.

Total number of cards has reached 4,301 mill cards, out of which 4,291 mill cards were international and only 10,000 cards were domestic cards. This is an increase of 9,1% compared to Q1 2008 (3,941 mill cards) and 1,1% more than in Q4 2008 (4,246 mill cards). Visa cards have the biggest market share among international cards - in total 2,813m cards, or a market share of 66 percent.

Total number of transactions reached 36.8 millions in Q1 2009 which is below Q4 2008 (39.1 mill) figure, but still higher than in Q1 2008 (34.8 mill). Total value of transactions in Q1 2009 (6,584.8 mill LTL) has decreased by 6% comparing to Q1 2008 (7,004.5 mill LTL), and even more - 21,5% comparing to Q4 2009 (8,382.9 mill LTL).

Source: Rixtar, July 2009)

Update on Estonian payment Card market

Estonian payment cards market continued to grow a little in number of cards issued, and had an increase in total value of transaction comparing to first months of 2009, but still is below Dec 2008 figures according to the Bank of Estonia published statistics.

Total number of cards has reached 1,853 mill cards. This is only 4,6% more than in Q1 2008 (1,772 mill cards) and almost the same as in Q4 2008 (1,854 mill cards). Debit cards have the biggest share - 76%, Visa Electron is the most common card – and counts for 68,6% of all cards.

Total number of transactions during last months (Mar, Apr, May '09) are in average 17.5 mill transactions, which is slightly below Dec 2008 (17,9 mill trx) figure, but still higher than in Jan, Feb 2009 (15.5 to 16.0 mill trx). Total value of transaction in May 2009 (8,619 mill EEK) has increased comparing to first months of 2009 (7,772 mill EEK in Feb '09), but still lower than in Dec 2008 (9,965 mill EEK).

(Source: Rixtar, July 2009)



Europe & World Wide news

PCI standards board asks PwC to review secure tech options

The PCI Security Standards Council has asked PricewaterhouseCoopers (PwC) to carry out research into technology that can be used by merchants, service providers and processors to secure cardholder data.

PwC will research, identify and evaluate technologies that can help reduce or eliminate the storage, processing, or transmission of cardholder data.

The firm's recommendations will be used by the PCI SSC as it bids to find technology that will help improve adoption rates and reduce costs for the implementation of its standards.

PwC will also provide an assessment of the impact of the new technology approaches on the current PCI Data Security Standards and considerations for implementing the new IT.

Mark Lobel, principal, security and privacy, PwC, says: "We look forward to leveraging our deep experience in information security and payment processing technologies that will hopefully make it easier for the PCI SSC to define standards that help protect the safety of cardholder data."

The PCI Security Standards Council was set up in 2006 by card issuers American Express, Discover Financial Services, MasterCard, Visa and JCB in a bid to improve payment account security throughout the transaction process.

However, the organisation has come in for criticism recently, particularly in the wake of major security breaches at Heartland Payment Systems and RBS WorldPay.

Both firms were on Visa's list of PCI Data Security Standard compliant service providers at the time they were breached, having been given the go-ahead after assessments.

Heartland has since moved to go beyond PCI requirements, committing several million dollars to an end-to-end encryption system.

Meanwhile, in the UK, a survey earlier this month revealed that around 60% of online retailers do not even know whether they are in compliance with PCI DSS.

(Source: Finextra, June 2009)

Bank of America and First Data set up merchant processing JV

Bank of America has outsourced its merchant processing to a new joint venture company established with First Data. Under the agreement, Bank of America will contribute approximately 240,000 merchant relationships and First Data 140,000 clients to the new company. Following a transition period, First Data will provide the merchant processing and related services. The combined entity will process over one billion transactions per month.

Banc of America Merchant Services will be approximately 46.5% owned by Bank of America and 48.5% by First Data, with the remaining stake held by Rockmount Investments, an investment vehicle controlled by a third party investor.

Thomas Bell, chief strategy officer and president of First Data's financial services business, has been appointed chief executive officer of the new business, dubbed Banc of America Merchant Services.

"The combination of First Data's world-class technology and industry experience with the power of Bank of America's brand and branch referral channel will enhance Banc of America Merchant Services' position as an efficient and innovative player in the payments market," he says.

In a press briefing, Bell said the greatest potential area of growth for the business lay in moving payments to mobile devices. "Mobility is the obvious focus point," he says. "Those ecosystems are being formed up as we speak."

(Source: Finextra, June 2009)



Tsys knocked by Bank of America/First Data joint venture plans

Payments processor Tsys says it stand to lose four per cent of its annual revenue as a result of plans by Bank of America to switch its 240,000 merchant relationships to a new joint venture company in partnership with First Data.

The Columbus-based processor confirms that it has had contact with Bank of America - which signalled its intentions earlier this week - but that the bank has not yet communicated the timing or extent of the deconversion from Tsys' systems.

The new Banc of America Merchant Services JV will be approximately 46.5% owned by Bank of America and 48.5% by First Data, with the remaining stake held by Rockmount Investments, an investment vehicle controlled by a third party investor. The combined entity will process over one billion transactions per month.

The Tsys merchant processing contract is set to expire in April 2010 and BofA will be subject to a penalty fee should it terminate the deal before then.

Tsys says it will operate under the current contract until it receives formal notice of termination. The company expects that BofA's merchant processing business will contribute approximately \$0.02 per share to its projected earnings per share in 2009.

It says the potential loss of the business will not have a material adverse effect on its financial position, results of operations or cash flows.

This is the second time in recent years that Tsys' revenues and earnings have been hit by Bank of America. In 2006, the bank took away 45 million consumer card accounts - representing 11% of Tsys annual revenues - after purchasing MBNA in a \$35 billion deal.

Alongside merchant processing, Tsys provides a number of additional services to Bank of America, including commercial card processing, small business card processing and card production services.

(Source: Finextra, July 2009)

2008 Global Payment Card Market Survey Results

The Smart Payment Association (SPA), a group of the industry's largest manufacturers of payment smart cards, has announced findings from its 2008 market monitoring activity - undertaken in order to get a better understanding of the current status of the payment smart card market and its key trends.

"A lot of industries were severely affected by the financial crisis. Despite a slowdown in the SPA payment smart card shipments at the end of 2008, the smart card manufacturers are not as heavily impacted as others can be", said Marie-Jane Denis, President of the Smart Payment Association. "High volumes continue to be shipped around the world and a majority of regions carry on their migration to EMV standards."

Key findings:

- With more than 580 million payment smart cards delivered by its members, SPA represents the vast majority of the payment smart cards market. This figure corresponds to a 39% year-on-year growth (2008 vs. 2007), showing the ongoing momentum of EMV deployment.
- Over 25% growth in all regions with the fastest growth seen in North America, where shipments have more than doubled, CISEEMEA (CIS countries, Eastern Europe, Middle East and Africa) with +65% and South Asia with +49%.
- Open-platform is gaining ground and now represents 15% of all shipments, a 72% increase compared to last year. This can be explained by the development of multi-applicative EMV cards. The 70% year-on-year growth in large memory product shipments and the large increase in open-platform dual interface card shipments confirm this trend.



- Both dual interface and pure contactless cards confirm SPA's expectations, outperforming the market with year-on-year growth rates of 140% and 66% respectively.
- DDA technology is continuing to gain importance, with 69% growth year-on-year, representing 25% of SPA members' shipments in 2008. Migration to DDA has started worldwide, and both Visa and MasterCard mandate that all cards should support DDA by 2011 in Europe. The SPA is about to publish a whitepaper that will present the status of DDA migration and highlight DDA success stories. This document will also outline the impact of DDA migration on banks at both technical and business levels.
- The detailed figures of the SPA 2008 market monitoring are only available to its contributing members.

Founded in December 2004, The Smart Payment Association (SPA) is a non-for-profit organisation dedicated to promoting and facilitating the use of smart cards for payment. The SPA members are Gemalto, Giesecke & Devrient, Oberthur Technologies and Sagem Orga.

(Source: PaymnetNews, June 2009)

Fed Reports Significant Decline in Profitability of Credit Card Issuers

The Federal Reserve has published its latest annual report on the Profitability of Credit Card Operations of Depository Institutions. Section 8 of the Fair Credit and Charge Card Disclosure Act of 1988 directs the Federal Reserve Board to transmit annually to the Congress a report about the profitability of credit card operations of depository institutions.

From the report: "In 2008, credit card banks with assets in excess of \$200 million reported net earnings before taxes of 1.43 percent of outstanding balances adjusted for credit card-backed securitization, down 132 basis points or nearly 48 percent from 2007. The 2008 rate of return is very low by historic standards; well below the average rate of return of 3.03 percent since 1986."

(Source: PaymentsNews, June 2009)

Scheme news

Visa signs \$13 million deal and takes minority stake in Monitise

Visa is to take a 14.4% stake in Monitise after signing a \$13 million partnership deal with the UK mobile banking outfit.

Under the agreement, AIM-listed Monitise will be a strategic development partner to Visa. The five year deal has a contract value of \$13 million in addition to ongoing licence, service and development fees.

In addition, Monitise has entered into agreements with Visa International and existing shareholders UBS Global Asset Management and Capital Group to subscribe for an aggregate of 73.2 million new ordinary shares at a price of 7p, representing a premium of 33% to the closing price of 5.25p on 29 June 2009.

Following the subscriptions - which are expected to raise £5.1 million before expenses - Visa International will own 14.4% of the enlarged issued share capital of Monitise, UBS Global Asset Management will own 12.9% and Capital Group will own 5.8%.

Upon completion, Tim Attinger, head of global product innovation at Visa will take a seat on the Monitise board.

"With the ever expanding growth in handsets coupled with increasing sophistication of mobile networks, mobile payments and services present significant opportunity for Visa," he says. "In aligning with Monitise, we expect to expand the delivery of Visa mobile services to consumers around the globe, enabling them to seamlessly use their mobile phones to purchase goods and services, make payments, receive valuable information and offers, and transfer money between accounts, in a safe and secure manner."



News of the deal comes as the UK firm released an underwhelming set of financial results in a trading update for the year ending 30 June. Revenues are expected to be in the region of £2.7 million, an 80% increase year-on-year, but some way below market expectations. The firm says it has trimmed the cost base to compensate and that operating losses will be "slightly better" than market forecasts.

The group reported a pre-tax loss of £14 million last year on revenues of £1.5 million.

In the UK, the company says it is in discussions with joint venture partner VocaLink about increasing its stake in Monilink, "although no agreement has been reached in this respect".

(Source: Finextra, June 2009)

VisaNet IPO totals \$4.3m

Visa's Brazilian affiliate VisaNet is raising around \$4.3 billion in its initial public offering, the biggest in the world for over a year.

The Sao Paulo-based credit card company's shareholders - including Visa, Banco Bradesco, Banco do Brasil and Banco Santander - sold 559.81 million shares at a price of 15 reais each.

Book-building in the IPO closed out yesterday with shares set to begin trading on the Brazilian Stock Exchange on Monday.

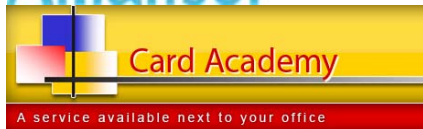
According to a Reuters report, on Wednesday 19 brokerages were banned from participating in the IPO for allegedly releasing unapproved advertising material about the sale.

VisaNet was the first Brazilian IPO of the year and the country's biggest ever.

The shares were sold at the high end of the expected range, suggesting investor confidence in the potential for growth in Brazil's credit card market, which has grown at around 20% a year for the last 10 years.

Earlier this year Citigroup sold most of its 17% stake in Redecard, another Brazilian payments outfit which processes MasterCard and Diners Club transactions.

(Source: Finextra, June 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.

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