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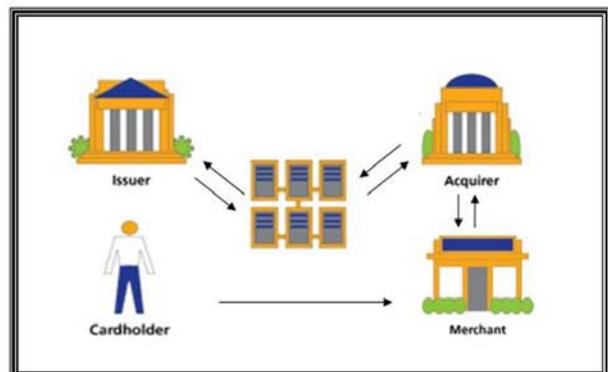
Latest news from Card Academy

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

Customer no. 10,000 at DIBS

DIBS Payment Services, the leading Nordic supplier of payment services for e-commerce, has now signed an agreement with its active customer no. 10 000. It was the Norwegian company, Jørns Kalesje, which reached the milestone. The company has not used the Internet as a sales channel in the past, but like many other companies they have started to invest in e-commerce sales.

E-commerce is prosperous all over the Nordics, which has led to DIBS Payment Services' success in handling more than 10 000 customers' transactions over the Internet. E-commerce continues to grow and according to DIBS, the e-commerce in Scandinavia is expected to maintain a yearly growth of 10-15 percent.

The economic crisis has not stopped the e-commerce growth. During the second quarter of 2009, the value of payment transactions processed by DIBS rose to SEK 15.2 billion which is 13 % more compared to the year-earlier period. This increase partly comes from more brick-and mortar stores starting to use the Internet as a sales channel, and DIBS customer no. 10 000 is a good example of that. The Norwegian company, Jørns Kalesje, sews and repairs tarpaulins and cabels for cars and boats and has since the establishment in 1985, gained a strong position on the market having the defense department, the police and the Norwegian fire department as customers. Now is the time for the company to expand their sales over the Internet.

"It is a great opportunity to increase sales at any time of the day and in several countries simultaneously. The Internet shop was started just before summer and our goal is that we should be able to handle 15-20 percent of our sales over the Internet. DIBS' solution is very flexible, it was recommended by the market and we expect that DIBS' solution will support us in our growth online" says Jørn Thoresen, owner of Jørns Kalesje (www.jornskalesje.no).

"We congratulate Jørns Kalesje, which is now customer no. 10 000. Jørns Kalesje is a good example that a company can reach out to a broader target group in several countries by using a functional online payment solution. We are very happy to have Jørns Kalesje as customer. In the tough economic climate when many companies experience decreasing sales, companies search towards e-commerce which is very positive for DIBS' business. We expect an increase in sales and number of customers in the future", says Eric Wallin, CEO, DIBS Payment Services.

(Source: DIBS, August 2009)

Danske Bank converts all ATM cards to MasterCard Direct

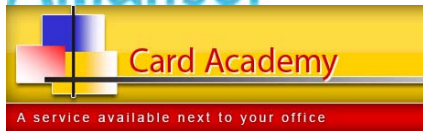
Danske Bank, Denmark has decided a migration of 300,000 existing ATM-cards to MasterCard Direct. This new card can be used in stores, on the internet and abroad – according to website epn.dk.

The card is free for the consumer, can be used even in foreign ATM's – but with no overdraft facility. The card works as a Debit card.

The new card from Danske Bank, MasterCard Direct, is an online-to-Issuer product which means that each and every transaction is checked up against the current balance on the cardholder account. The product is currently used by Danske Bank for their youth segment (age 15 to 17) – a segment that don't qualify for the traditional domestic Debit card – the Dankort – because of their age.

Bank Director Henrik Normann, Danske Bank says: "We believe that our cardholders are better served with this new product. The card is free for any charges, and can be used quit a number of places. We consider that being good customer service. The migration happens now because of the fact the branches are closed down, and the number of ATM's are decreasing."





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In addition more and more super markets in Denmark are now accepting international branded payment cards. This open up a new opportunity for banks to issue these cards – and increase their profitability through Merchant Service charges and Interchange.

(Source: dr.dk, September 2009)

Danske Bank and PBS extend partnership on Danish and international payment cards

Danske Bank and PBS renew their agreement on the processing of Danish and international payment cards. The partnership underpins the international growth of both companies.

The new five-year agreement between Danske Bank and PBS includes payment card processing in Denmark, Norway, Sweden, Finland, Ireland and Northern Ireland.

"PBS is one of Danske Bank's most important and strategic partners. PBS supports our business in a very positive way and with their platform, we feel well equipped for the future - both inside and outside of Denmark," says Mogens Søndergaard, Senior Vice President at Danske Bank.

For several years, PBS has processed Danske Bank's payment cards in Denmark as well as abroad. To PBS, the close partnership with Danske Bank has been important for developing the overall international solution that PBS currently offers businesses on a national and international level. PBS processes all of Danske Bank's payment card transactions, regardless of payment card type, country of operation, language and currency.

"Card issuing and transactions must be a smooth process for our customers. And by delivering a rock solid performance, we make sure that the process is exactly that," says Flemming L. Jensen, CEO at PBS. The agreement with Danske Bank also provides a stepping stone to the joint development of new services and business opportunities.

"Providing card services for Danske Bank is the cornerstone of our international expansion strategy. The new agreement gives us a wonderful opportunity to develop operations as well as new services, and to do this in close dialogue with Danske Bank on their needs in the local markets. The link between efficiency and local competence is one of PBS' strengths in the future competition for international customers," says Flemming L. Jensen.

(Source: PBS, September 2009)

DIBS acquires two Danish payment gateways Fri Betaling and WebPay

DIBS Payment Services is to purchase the two Danish payment gateways Fri Betaling and WebPay from Info-Connect A/S. With this acquisition DIBS takes over two customer bases, thereby further strengthening the position as market leader in the Nordic countries. The two parties have agreed not to disclose the purchase price.

Info-Connect has run the two payment gateways Fri Betaling and WebPay for almost 10 years alongside its main business of hosting and software development for conference centres, hotels and casinos. Fri Betaling has gained a significant share of the Danish market due to its simple, reliable service and competitive pricing.

With the sale to DIBS, Info-Connect intends to free resources that will allow it to focus on its main products. At the same time, the company has signed a partner agreement with DIBS that will allow Info-Connect to continue providing payment solutions for its customers in future.

DIBS and Info-Connect have jointly developed a technical solution that enables Fri Betaling and WebPay customers to carry out payment transactions via DIBS systems without making any technical changes. The transition to DIBS gives customers access to new features, including payment service support in additional markets. DIBS will not take on Info-Connect staff with the purchase, and will service new customers from its existing Danish operations.

"The purchase of Fri Betaling and WebPay is a logical step towards reaching our strategic goal of consolidating the market for payment solutions," says Eric Wallin, CEO of DIBS A/S. "There are good



opportunities to develop our relationship with customers from Fri Betaling and WebPay, and we look forward to servicing them in future. We also look forward to developing our partnership with Info-Connect, whom we have come to know as an extremely competent and customer-focused company," he continues.

(Source: DIBS, August 2009)

Europe & World Wide news

HSBC sells credit card portfolio in Poland

HSBC has announced it will sell its consumer finance and credit card portfolio in Poland to Alior Bank. HSBC Bank Polska will sell the HSBC credit-branded portfolios at a premium to the net book value of the receivables, the bank said in a statement. At the end of July 2009, the asset value of the two portfolios was worth around \$350 million.

HSBC Bank Polska said that once it has sold the credit card and non-core consumer finance portfolio, the bank will focus on services aimed at the affluent and middle-class segments in Poland. The sale is expected to be completed by the end of 2009.

HSBC Bank Polska was created in 2003 when the UK-based HSBC Group acquired Polski Kredyt Bank for approximately \$8 million and renamed the bank HSBC Bank Polska

(Source: Lafferty Cards News, September 2009)

Turning to Premium Credit Cards

Continuing a pattern that has held for more than a year, credit card issuers last quarter mailed out fewer new-card offers than they did in the quarter before. But 28 percent more offers were sent to consumers with the best credit for two lines of so-called premium cards. About 118 million pieces of mail went out advertising the MasterCard World and Visa Signature cards, premium cards that come with fees and extra services. That was up from 75 million the quarter before, according to Comperemedia, a firm that tracks direct marketing.

Since the beginning of the downturn, issuers have created several new premium cards, including the Chase Sapphire and Visa Black cards.

Andrew Davidson, a senior vice president of Comperemedia, said the growth in premium cards was cause for optimism about the credit card market.

"They're starting with that safest segment," he said. Mr. Davidson added that an increase in savings rates among Americans, and a decrease in high-interest debt on credit cards, might have changed the credit card market for good, making premium cards more attractive to issuers, since they offer the guaranteed revenue of an annual fee.

(Source; PaymentsNews, September 2009)

The World Payments Report 2009

Non-cash payments transactions grow to 250bn and global transaction services remain significant contributor to revenue reveals the 5th annual World Payments Report from Capgemini, RBS and Efma.

Covering Europe, North America and Asia, the World Payments Report 2009 reveals the resiliency of the payments industry amid weak global economic conditions and a challenging time for the banking industry.

Including the latest updates on SEPA and PSD, this year's report explores the challenges presented by new market conditions. With the evolution of global transaction services, banks are increasingly exploring: changing product mixes, improving instrument profitability, consolidating transaction processing to capitalize on scale, and reducing the cost of operations.



The World Payments Report 2009 examines these areas, drawing on 36 interviews conducted with 16 major banking players and 20 of their corporate clients.

For download of this report please go to:

http://www.capgemini.com/resources/thought_leadership/world_payments_report_2009/ .

(Source: Capgemini, September 2009)

Scheme news

New schemes vital to Sepa for cards success - ECB's Tumpel-Gugerell

MasterCard and Visa need to be challenged by at least one new scheme if Sepa (Single euro payments area) for cards is to succeed, according to ECB executive board member Gertrude Tumpel-Gugerell.

In a speech at the EFMA conference on cards and payments, Tumpel-Gugerell says a single market for cards is the "missing piece in the Sepa puzzle" and warns Europe needs to overcome the "current stagnation".

Citing research from the ECB and De Nederlandsche Bank, she says a new Europe-wide card scheme could provide a "decisive impetus" to solving interoperability and overcoming fragmentation in the market, benefiting customers and merchants.

There are currently three scheme initiatives and Tumpel-Gugerell has called on those involved to "get down to business now".

Tumpel-Gugerell also expresses concern that small national schemes such as the Dutch, Finnish and Irish, could be replaced by international ones.

"I would invite the banks behind these schemes to also consider the possibility of joining one of the new European card scheme initiatives," she says.

Technical standards on interoperability, security and market access also need to be laid down if Sepa for cards is to work.

Says Tumpel-Gugerell: "Without such detailed standards, I fear that technical fragmentation in Europe will remain in place or will even be re-established. Therefore, I believe that Sepa for cards will not be a realistic undertaking unless there are implementable standards."

She says the ECB backs the idea of the European Payments Council taking membership of the EMVCo and PCI SCC security bodies in order to exert greater influence on them.

(Source: Finextra, September 2009)

Time ticking for new European Payment schemes - Monnet

The final design for Monnet – the planned pan-European debit network that aims to challenge Visa and MasterCard – is set to be completed in November.

Bernard Dutreuil, head of systems and the means of payment unit at the French Banking Federation (FBR), told delegates at a cards and payments conference held by the European Financial Management and Marketing Association (EFMA) that Monnet should be ready for launch from 2010.

A number of French and German banks are involved in the Monnet project, including Deutsche Bank, Deutsche Postbank, Commerzbank, WestLB, Banque Populaire, Caisse d'Epargne, La Banque Postale and Société Générale.

However, Dutreuil said: "It is a European project, not a Franco-German project. It is also a four-party scheme and will be open to every participant. The scheme will be owned by banks and will provide open governance."

According to Dutreuil, Monnet is the 'right answer' for Europe and allows banks and payment players to fully embrace the Single Euro Payments Area (SEPA): "The international card schemes are quite profitable and we need to end reliance on them. To stay independent, we need an alternative to the



existing profit-oriented international card schemes.”

Other Pan-European cards schemes, such as the Euro Alliance of Payment Schemes (EAPS) and PayFair, also aim to compete against the dominance of Visa and MasterCard.

EAPS chairman Ugo Bechis said the best way to build a new European scheme is to build on the ones that exist already. While there may be a single European payments scheme in the future, Bechis said that in the next three to five years, it would be more logical to build on and extend the capabilities of the current domestic schemes.

During his presentation at the EFMA conference, Dominique Buyschaert, the CEO of PayFair, stressed that the technical infrastructure for the PayFair scheme is ready and discussions are well underway with market participants in Germany and France. PayFair is scheduled to be piloted in Belgium in October. Buyschaert also rejected suggestions that PayFair is a retailer-led scheme. “We have a neutral position”, he said.

(Source: Lafferty Cards News, September 2009)

PULSE and Trionis sign ATM deal

Discover Financial Services' PULSE ATM network has signed an agreement with ATM processor Trionis that will broaden the acceptance of its cards to 74,000 Trionis ATMs in Europe.

The agreement also means Diners Club cards will be accepted, representing part of Discover's plan to find global acceptance since it acquired Diners Club International's licensing and network businesses in April 2008.

Dave Schneider, president of PULSE, commented on the agreement: “Since acquiring Diners Club, one of Discover's priorities has been to strengthen global acceptance. Our agreement with Trionis is a significant multi-country acquirer agreement that will further European acceptance of Diners Club and Discover cards and is an important step in helping to reach that goal.”

Since the beginning of July 2009, Diners Club cards have been accepted at ATMs in Austria, Switzerland, Portugal, Spain, Luxembourg and Belgium. From October 2009, it is expected that Discover cards will be accepted at Trionis ATMs in Europe.

Ernst Verbeek, managing director of Trionis, said: “Trionis is pleased to be able to facilitate broader card acceptance at European ATMs. Acceptance of Diners Club and Discover cards will allow us to serve more card members, while giving ATM operators access to additional ATM transactions.”

Trionis is the processing business that was originally part of the Eufiserv ATM network in Europe. In an interview earlier this year with Lafferty Cards Insider, Verbeek explained that the processing business was separated from the ATM network as part of the industry's 'unbundling' move - a response to the SEPA Cards Framework whereby networks have to separate their acceptance network from their processing business.

(Source: Lafferty Cards News, September 2009)

American Express pushes savings products

American Express has launched a number of savings products in a bid to find an alternative source of funding for its credit card lending.

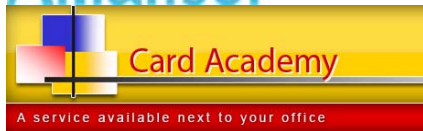
Unlike bank issuers that have had access to cheaper retail deposits, American Express has struggled with its funding through the crisis as securitising its loans became difficult and wholesale funding became expensive.

The new savings products are a range of certificates of deposit with maturities ranging from three months to five years. The savings accounts will be insured up to \$250,000 per customer by the Federal Deposit Insurance Corporation (FDIC).

The savings accounts carry an annual percent yield of 1.85 percent, do not carry monthly fees and do not require a minimum balance.

American Express aims to leverage its brand from its cards business and promote its image of providing a superior service.





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Martin Murrell, vice president of direct deposits at American Express, said: "With the consumer savings rate at its highest level for more than a decade, we are pleased to offer new, convenient saving accounts complete with the customer support that American Express is renowned for. Personal savings also offers consumers the peace of mind that comes from saving with an established, FDIC-insured institution they can depend on."

(Source: Lafferty Cards News, September 2009)

MasterCard to Serve UK Public Sector with Efficient Electronic Payment Solutions under New OGC Framework

For the first time, public sector agencies in the UK will have the choice to use MasterCard electronic payment solutions for their procurement activities under the Office of Government Commerce (OGC) Framework Agreement.

Under the new framework announced by the OGC and running from 2010-2014, MasterCard solutions such as the MasterCard® Purchasing Card, MasterCard® SmartData Online™ and MasterCard® inControl™ can be made available to the 3,300 national, regional and local public sector bodies in the UK through financial institutions AirPlus, Barclays, J.P. Morgan and RBS Group. The 44,000 disparate buying units across the UK public sector will also be able to use MasterCard payment solutions as tools to streamline and improve their purchase-to-pay processes. A global payments leader, MasterCard has been providing state-of-the-art procurement and other financial management solutions to government agencies in the UK and around the world for many years.

Hany Fam, General Manager, MasterCard UK & Ireland, comments: "Today's announcement marks a significant milestone for MasterCard, one that is testament to the customer focus and innovation we bring to the payments market. MasterCard electronic payment solutions will enable public sector agencies across the UK to reap real bottom-line savings by realising back-office efficiencies, accelerate payments to meet the 10-day payment target and tap into improved liquidity. We are highly confident that the MasterCard platform provides a solution which meets the UK public sector strategic requirements for scalability, security and flexibility through internationally acknowledged best of breed tools."

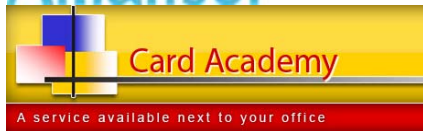
With the MasterCard Purchasing Card, public sector organisations will be able to leverage a range of powerful data reporting, integration and management tools provided by the SmartData Online system. In addition, financial institutions will have the option to leverage the proprietary MasterCard inControl platform. This will allow them to provide government agencies with enhanced authorisation controls that direct how, when and where payment cards may be used, combined with robust alert functionalities that deliver personalised real-time communication on transaction activities.

Brian Lang, Vice President, Commercial Products, MasterCard Europe, adds: "Commercial payment solutions constitute one of the largest growth opportunities in Europe. Thousands of commercial organisations across the continent are already benefiting from MasterCard's efficient electronic payment solutions, delivering greater end-to-end control over the procurement process. We are proud to be able to extend our value adding payment services to public sector agencies throughout the UK, thereby also benefiting their constituents, and we are committed to continuously make the buying process more efficient and more accountable."

MasterCard Europe has been involved in providing payments and reporting solutions to diverse public sector organisations in the UK, including the Welsh Purchasing Card (WPC) framework set up by Value Wales Procurement and provided through NatWest. The WPC system has served to significantly improve the efficiency of the procurement process and to create considerable cost savings for public sector organisations in Wales; not least because the majority have chosen to use the NatWest MasterCard programme and the associated SmartData OnLine.

(Source: MasterCard International, September 2009)





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