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Game Changer.

New Gift Card Regulations Require Issuers to Act Fast

On March 23, 2010, the Federal Reserve Board issued the final rules to implement the Gift Card provisions in the Credit Card Accountability, Responsibility and Disclosure Act of 2009 (The CARD Act). The rules, which amend Regulation E of the Electronic Funds Transfer Act of 1978, restrict fees and expiration dates on certain types of prepaid cards and require providers to "clearly" document terms and conditions *on the cards*.

The MAP Prepaid general-purpose reloadable card is not considered a Gift Card when:

- The card is used as a substitute for a checking, savings, or deposit account;
- The card is used to pay for a consumer's health-related expenses – for example, a card tied to a health savings account;
- Card is used as a substitute for travelers checks or cash;
- Card is used as a budgetary tool, for example, by teenagers, or to cover emergency expenses (See page 6).

However, the rules cover general-purpose prepaid cards when the card is marketed or labeled as Gift Cards. Examples of **marketed or labeled as a Gift Card** include:

- Using the word "gift" or "present" on a card, certificate, or accompanying material, including documentation, packaging and promotional displays;



- Representing or suggesting that a card can be given to another person, for example, as a "token of appreciation" or a "stocking stuffer," or displaying a congratulatory message on the card, certificate or accompanying material;
- Incorporating gift-giving or celebratory imagery or motifs, such as a bow, ribbon, wrapped present, candle, or congratulatory message, on a card, certificate, accompanying documentation, or promotional material.

Understanding the New Restrictions: The term "marketed or labeled as a gift card or gift certificate" means directly or indirectly offering, advertising or otherwise suggesting the potential use of a card as a gift for another person. A general-purpose reloadable card is marketed

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New Gift Card Rules

Continued from page 1

or labeled as a gift card even if it is *only occasionally* marketed as a Gift Card. For example, a Visa-branded general purpose reloadable card would be marketed or labeled as a Gift Card if the credit union principally advertises the card as a less costly alternative to a checking account but promotes the card as "the perfect gift" during the holiday season.

For credit unions choosing to offer Gift Cards, there are several new rules. Gift Card rules restrict dormancy, inactivity and service fees, as well as expiration dates. Fees kick in only after cards have been inactive for one year, and then only one fee can be charged per card per month. Additionally, all cards covered under the regulations must come with at least a five-year expiration date. Among the steps that need to take place before MAP can offer a new Gift Card product to our clients:

- Visa Inc. will have to update their Gift Card regulations.
- Cards and card packaging have to be redesigned and then undergo the card brands' approval processes.
- New cards have to be manufactured and encoded.
- Retail displays may have to be modified.
- Card distributor agreements will have to be rewritten.
- Back-end data processing systems may have to be reprogrammed.

Readying for the Transition

MAP will be out front in helping our clients prepare for the transition. In addition to continuing to offer our very popular general-purpose reloadable card product, we will offer a new Gift Card product that fully complies with the 2009 CARD Act. The following is an overview of MAP's Action Plan to respond to the Federal Reserve's New Gift Card Rules:

- 1. Webinars on Selling Existing Card Stock.** We know that you will most likely have existing card stock "on hand" on August 22, 2010. Your existing card stock of general-purpose reloadable cards fully complies with the new Gift Card rules as long as it is *not marketed as Gift Cards*. MAP will offer Webinars beginning in July to assist you in selling your existing card stock and moving forward with a successful Prepaid Card program.
- 2. Webinars on the Sale of Gift Cards.** In many ways, you will be able to sell Gift Cards as you have sold the general-purpose reloadable cards, using PAT and through mail order. However, Gift Cards do require new stock that includes terms and conditions that are *printed on the cards*. MAP will offer Webinars and training to help you fully understand the new Gift Card rules.
- 3. Five (5) Free Gift Cards.** Once MAP has its Gift Card program in place — one that fully complies with the new rules — we will send you Five (5) Free Gift Cards and an agreement addendum. These tools will assist you in choosing how you want to continue to sell Prepays at your credit union.

Optimizing for Opt-Ins



New rules regulating how overdraft fees are applied to debit cards will have a significant impact on member accounts for most credit unions in 2010.

A high priority for many of MAP's credit union clients is obtaining a Market-Ready Communication to assist them in educating their members about the new Regulation E compliance requirements. Working with MAP, Marquis is offering a comprehensive education program that provides all the resources our client unions need to ensure compliance, preserve fee income and increase member loyalty.

Effective pursuit of the critical opt-in process will require thoughtful member segmentation, reaching multiple member contacts through multiple channels, delivering member education, and overall data management, staff training and compliance reporting. Regardless of your credit union's needs - simple or complex - MAP in partnership with Marquis Software Solutions can help you get ready well ahead of the approaching deadline.

The Marquis ODP Program offers credit unions with a clear plan and a member-friendly approach for informing members of the change in service and their ability to make the choice that is best for them.

New Services from MAP. In partnership with Marquis Software Solutions, Inc., MAP supports client credit unions seeking to boost their member services by making better use of their MCIF (Marketing Customer Information File) programs. Over the last 20 years, the size and scope of account holder and prospect data has multiplied exponentially. With all of the data that is available to credit unions in their MCIF system, credit unions are faced with the age-old issue of being "data rich" and "information poor." With the Marquis system, MAP makes it possible for client credit unions to implement dozens of direct marketing initiatives on a frequent basis, with minimal effort. For more information, please contact Blake Colbo, blake.colbo@mapacific.com or 1-866-598-0698 x1620.

MAP Solutions Series

Stipend for Travel Expenses available to all participants!

features

*Visa Product Experts from
Visa Data Manager
and ATM Product Solutions*

**Semi-Annual Training:
June 15 - 9 AM to 3 PM**



Solution Series Agenda

Check-in & Continental Breakfast	8:30 AM
Visa Data Manager <i>with Peggy Vasquez, Visa, Inc.</i>	9:00 to 10:15
Break	10:15 to 10:30
Visa Data Manager <i>with Peggy Vasquez, Visa, Inc.</i>	10:30 to 12:15
Lunch:	12:15 to 1:00 PM
ATM Management Suite <i>with Penny Jurss, Visa, Inc.</i>	1:00 to 2:00
• ATM Campaign Management • Remote Electronic Journal, Operational Command	
Break	2:00 to 2:15
ATM Management Suite <i>with Penny Jurss, Visa, Inc.</i>	2:15 to 3:00
• ATM Forecasting (<i>Profitability and Asset Management</i>) • ATM Deposit Automation	

MAP is offering semi-annual trainings and workshops for its clients named the "MAP Solutions Series." Twice-a-year MAP will offer these no-cost, one-day workshops for its clients focused on new products and other special program areas that clients have identified for more training. MAP continues to offer regular online training, but as Sandy Jenkins, Vice President of Training, explains, the MAP Solutions Series will offer a special opportunity for in-depth learning.

"Many times our clients need more than one- to two-hour webinars for training and evaluation," she said. "This is especially true when they are planning or considering new products to introduce to their card portfolio." The MAP Solutions Series will offer clients a comprehensive overview and learning opportunity. "Also important, clients will interact and learn from each other. Credit union people are special in that respect. They are always willing to help each other and work collaboratively."

The first MAP Solution Series Workshop is June 15, 2010 and held at the Rainier Golf and Country Club in Seattle. This No-Cost Training will feature two guest speakers, Peggy Vasquez, Visa Business Leader for Visa Data Manager, and Penny Jurss, Visa Business Leader for ATM Product Services.

In the morning session, MAP will continue to build on its successful Marketing Analytics program with the introduction of Visa Data Manager, formerly called *VisaVue Online for DPS*. Visa Data Manager allows client credit unions access to millions of historical transaction and cardholder records that are stored and managed by Visa. This service is designed to provide clients with enhanced tools that enable timely, ready access to its card portfolio data leading to increased product understanding by the issuer and adoption and usage satisfaction by the member.

The afternoon session will focus on the latest advancements in ATM marketing and technology. Participants will learn about ATM Content Manger, a web-based solution designed to assist your credit union in the management of your ATMs. ATM Content Manager includes ATM Campaign Manager, Remote Electronic Journal and Operational Command. ATM Campaign Manager's real-time management and delivery will greatly enhance your institution's marketing campaigns. Remote Electronic Journal is a web-based application that enables back-office personnel to view financial, administrative, and status message transactions for all terminals. Also part of the session is the ATM Cash Forecasting and ATM Profitability and Asset Management. These Cash Management Services offer clients a complete audit and view of ATM cash, allowing clients the best tools for managing cost and vendors. Finally, the latest in Deposit Automation tools will be covered, including host transmissions, unique transaction, and detailed receipts printing with options to display check images and currency break outs, supporting full migration to Check 21. For more information, please contact Sandy Jenkins at 866-598-0698 x1611. To sign-up for the June 15 MAP Solution Series, please visit the MAP Training Center (<http://mapacific.com/resource-center/training.html>) or by contacting Karl Kaluza directly at karl.kaluza@mapacific.com.

Capture the excitement of 2010 World Cup Soccer

June 11 - July 11, 2010

VISA



WORLDWIDE PARTNER

Goalians



The world is captivated as the finest players from around the globe come together for an enduring tradition — playing in the FIFA World Cup™. Visa is one of six FIFA partners with global exclusive category rights through 2014. MAP and Visa are working together to create exclusive and unique programs to drive member loyalty and card usage for our credit union clients.

No other sporting event captures the world's imagination like the FIFA World Cup™. Since the first competition in Uruguay in 1930, FIFA's flagship competition has constantly grown in popularity and prestige. The 2010 edition of this tournament will be held in South Africa, bringing the world's greatest sporting event to Africa for the first time. The 2010 FIFA World Cup™ provides the world with a showcase not just of soccer but of Africa's proud people and rich heritage.

Our partnership with this great sponsorship provides a unique platform for our credit union clients to connect with current and prospective members, especially youth and Hispanic populations. Using the comprehensive tools developed for the upcoming 2010 World Cup™, MAP can help you harness the power of the

Visa sponsorship to add value for your members and brand.



Get ready for a powerful program to drive initiatives that will help your credit union generate revenue and build your brand. With MAP and Visa, you will have exclusive rights to the 2010 FIFA World Cup™ to create compelling materials that promote your products and services.

Using the comprehensive Visa Soccer Toolkit (www.visatoolkit.com), MAP clients have the opportunity to draw upon the aspirational values of soccer to reach people across the multiple ages and demographics. The Toolkit contains everything you need to develop compelling concepts and creative materials to capture the excitement FIFA represents and the imagination of your target audience.

A wide range of marketing opportunities exist within the program to provide credit unions with the unique opportunity to obtain maximum exposure. Building promotions around this FIFA soccer event and the 2010 FIFA World Cup™ can help you accomplish a range of organizational objectives. Examples include:

Industry News



- Increase card usage and activation
- Attract new cardholders
- Retain existing cardholders
- Increase merchant sales volume
- Expand brand awareness
- Motivate employees

Achieve Lift in Brand Value. Create brand association and stature by aligning with the world's most powerful sports program. In previous research, association with FIFA has been shown to have very positive effects for partners. Almost half of soccer fans claim that brands carrying the official FIFA World Cup™ logo attract their attention.

New Markets for your Credit Union. Soccer is the world's most popular and beloved sport. A record 207 countries participated in qualification matches for the 2010 FIFA World Cup™ in South Africa. Research has shown that international competition captivates attention and interest by the majority of respondents polled.

Become Locally Relevant. The tremendous appeal of the FIFA World Cup™ scales to any demographic, from high-net-worth individuals to families to single adults. The passion for soccer spans a wide spectrum from involvement in grassroots soccer to travelling the world in support of their club and/or national team.

Drive Team-Building Activities. There are easy synergies between the most popular team sport in the world and team building in your company help drive employee motivation programs by harnessing the competitive passion of employees who are also soccer fans.

Don't miss this chance to take advantage of a highly effective marketing program. For more information about getting exclusive MAP marketing support for the 2010 FIFA World Cup™, contact Karl Kaluza at 866-598-0698 x1618 or karl.kaluza@mapacific.com.



894 million mobile banking users by 2015: According to a new report, research indicates the worldwide number of users of mobile banking and related services is forecasted to grow from 55 million users in 2009 to reach 894 million users in 2015. By 2015, mobile banking will attract 115 million users in Europe and 86 million users in North America. MAP is coordinating its efforts with Visa, who first announced the Visa Mobile Platform initiative in January at the Consumer Electronics Show. Visa is working with selected mobile and related-technology vendors to define a core set of building blocks – a mobile platform – that allows clients to begin the process of taking mobile payments trials to market. With its Mobile Platform, Visa has condensed the process on behalf of its clients – enabling them to get into the market with mobile services much faster. "The global number of mobile banking users more than doubled between 2008 and 2009, and is expected to almost double again in 2010. Mobile handsets are in an excellent position to become the primary digital channel for providers of financial services," said Marcus Persson, Analyst for Berg Insight.

Mobile Remote Deposit Capture (Mobile-RDC) Will Eliminate Over 1.5 Billion Check Deposits By 2014.

Strong consumer interest in Mobile Remote Deposit Capture (Mobile RDC) will dramatically alter the current deposit-taking activities of credit unions, according to a study released today by Mercatus LLC. According to the study, close to two thirds (59%) of today's mobile banking customers are likely to adopt mobile remote deposit capture. At the segment level, 66% of mobile banking consumers age 26 to 34 and 69% of mobile banking users age 35 to 44 years old indicated they were likely to adopt mobile deposit capture. Mobile Remote Deposit Capture, in its most simple terms, is a service which allows a user from a mobile device to scan checks and transmit the scanned images or ACH-data to a bank for posting and clearing. Recent legislation commonly referred to as "Check 21" allows credit unions to clear checks based upon images of the original items, instead of having to transport the original check. Adoption potential was also strong among consumers not currently using mobile banking. Among consumers not currently utilizing mobile banking, 35% of consumers 18 to 34, and 25% of those age 35 to 44 indicated they were likely to adopt mobile RDC if it were available at their financial institution. Consumer reluctance to adopting mobile RDC was focused on a limited set of factors, including potential security concerns and the convenience of current locations of branches and ATMs.

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After years of only semi-successful teen-oriented prepaid debit card programs, a combination of tight economic times and new credit card laws prohibiting young people from establishing credit card accounts could result in just the right environment.

Teen-focused debit card programs have been around since the beginning of the decade, but they've often had lukewarm acceptance, said Tim Sloane, a Mercator Advisory Group analyst, explaining why the firm hasn't written an in-depth study of the market segment.

Generally teen programs offer basic open-loop, reloadable, network-branded cards that have marketing campaigns geared toward teens. Parents can have some control over the account alongside their children. For card providers and retailers, a joint marketing message has to hit both teens and adults. That's not an easy proposition.

"The teen segment is still relatively new," said Cyndie Martini, MAP President and CEO. "I equate it to cell phones. Ten years ago it was uncommon to give a teen a cell phone, but gradually people realized its true benefit to their lives. Now every commercial out there is geared toward families and teens. The same will happen for teen cards."

New Credit Card Laws and a Recession Make for a New Climate

One thing is clear, teens make up a large portion of the online shopping community – and for that they need credit cards. That's more of a challenge than ever since the passing of the Credit Card Accountability, Responsibility and Disclosure Act of 2009 (CARD) that went into effect this February. Now teens from 18 to 21 must have a cosigner or show proof of stable income to be eligible for credit cards. Those under 18 are prohibited from applying at all. The regulations were a response to heavy teen debt accrued from credit cards – the average college student graduates from school with about \$5,000 in credit card debt. To shop online, teens will need either a debit card or prepaid debit card. At the same time, it's not likely that parents will hand over their own credit cards to teens during unstable economic times.

Teen Prepaid Cards Focus on Parental Control

"It's a two tiered educational process. Marketing to teens is one of the most difficult things you can do. If you come across as too bank-like or parent-oriented, teens turn off. At the same time, if the product marketing only addresses the teen and their card goals, parents may not recognize the overall value." Martini said.

Prepaid Debit Cards Find New Life Post-CARD Act

The stars may at last be aligning for the success of teen-focused prepaid financial services cards.



Credit unions with teen-oriented prepaid debit cards focus their programs on enabling parental control features. Then they educate parents on how to control their kids' spending using these features. Parents also receive alerts if their children are rejected at a cash register while using the card, allowing parents the choice of adding additional funding to the card as needed.

Teaching Teens Financial Literacy . . . and Building Long-Time Members

Many teen-oriented cards stress the need to expand teen financial literacy with the hopes of building more responsible credit users – and long-time members. Once teens are able to control their funds on prepaid cards, they are more likely to become better with their finances later in life.

"We want to be able to teach teens to manage their money before they move into the credit card marketplace," said Martini.

Rightcliq to change online shopping experience

New Product

Check it out: www.rightcliq.visa.com

MAP, in marketing partnership with Visa®, is promoting Rightcliq among our client credit union partners. Rightcliq will enable consumers to shop online using stored card information in

RIGHTCLIQ by Visa



their e-wallet. From comparison shopping, to delivering special merchant offers, to managing payment options, to tracking the delivery of purchases, Rightcliq will offer members a simpler and smarter way to shop online. Currently functions center on key shopping activities:

- **Browsing, Comparing and Saving.** Members will be able to add products to their Wishspace as they search the Web and comparison shop, providing them with a single place to store, organize and access their shopping research. Special discount offers from a variety of merchants will be available through Rightcliq. In addition to redeeming offers, members will be able to easily share offers with their friends through a simple email function or by posting offers on their personal Facebook pages.
- **Buying and Managing Payments.** Users will be able to initiate purchases from Rightcliq or launch Rightcliq as they are browsing any merchant website when they're ready to buy. Rightcliq will automatically fill in purchase details including a shipping address and payment account number. Its account management function will let consumers safely store multiple payment accounts and easily select the payment account they prefer. Members will also be able to store and organize online merchant discount codes/offers in Rightcliq for easy redemption at checkout. In addition to storing Visa credit, debit and prepaid accounts, consumers will be able to store other payment options, including competing card brands.
- **Tracking Delivery.** Rightcliq will enable consumers to track their purchases in one convenient location. This removes the hassle of remembering tracking numbers, digging through confirmation emails, or having to double-check delivery dates. The information will all be stored in Rightcliq, giving members more control over their online shopping experience.

Contact Herb Tajalle, 866-598-0698, x1616 or herb.tajalle@mapacific.com, for additional information.

Visa News

Visa Purchases CyberSource. CyberSource is an established industry leader that plays a role in processing approximately 25 percent of all eCommerce dollars transacted in the United States. The company serves more than 295,000 merchants through its CyberSource and Authorize.Net branded solutions. CyberSource clients include British Airways, Home Depot, Facebook, Google and many small businesses. The acquisition of CyberSource will result in a compelling combination whose assets and expertise are expected to drive long-term growth by:

- Accelerating the growth of the eCommerce category thereby also increasing the usage of Visa debit, prepaid and credit products for online purchases.
- Drawing on Visa's financial institution relationships and global presence to more rapidly drive international expansion of CyberSource's products and services. Today the majority of CyberSource's revenues are generated in the United States, leaving tremendous opportunity for global growth.
- Building on CyberSource's relationships with merchants to expand the adoption and enhance the functionality of other Visa eCommerce solutions such as Rightcliq.
- Delivering best-in-class fraud management services to accelerate adoption of CyberSource solutions.

97% Accept Heartland Settlement. Financial institutions representing more than 97 percent of eligible Visa-branded credit and debit cards have accepted the Alternative Recovery Offers they received pursuant to the settlement entered into by Visa and Heartland Payment Systems. This level of acceptance fulfills the 80 percent opt-in condition that was one of the requirements of the \$60 million settlement. The settlement provides these issuers with a recovery from Heartland with respect to losses they may have incurred from the 2008 criminal breach of the payment processor's payment system network.

Visa Volume Growth Higher Than Expected. U.S. debit card sales volume, including signature and Interlink PIN-debit, rose 21.3%, to \$245 billion from \$202 billion from the second quarter of last year. Total U.S. debit transactions rose 18.5%, to 6.4 billion from 5.4 billion. U.S. credit card sales volume increased 3.4%, to \$182 billion from \$176 billion, while transaction volume stayed unchanged at 2.1 billion. As a company, Visa reported net income for the quarter of \$713 million, up 33% from \$536 million during the same period last year. Jack Carsky, Visa's head of global international relations, said the increase in spending is more from debit card use, but credit card use is starting to "show signs of life," especially for nondiscretionary spending such as gas, bills and grocery-store items, he noted.

Industry News

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J.D. Power Finds Bank Loyalty And Satisfaction Decline – More Customers Looking to Switch. For a fourth consecutive year, customer loyalty and perceptions of brand image among retail banking customers continue to decline, while satisfaction has leveled off, according to the J.D. Power and Associates 2010 U.S. Retail Banking Satisfaction Study. Customers perceive banks as being more profit-driven than customer-driven, compared with 2009. In addition, the percentage of customers who say they "definitely will not" switch banks during the next 12 months has decreased significantly during the past three years to 34 percent in 2010, compared with 46 percent three years ago in the 2007 study.



Higher customer satisfaction with in-person service and attention is an important contributor to increased loyalty at smaller banks

and credit unions. Acquisition rates are also improving at credit unions and smaller banks, with new customers accounting for 8 percent of the customer base, compared with an industry average of 6 percent.

Poor customer service—the most common reason given for switching banks—is cited by 37 percent of customers who changed their primary bank in 2010. Performing simple service acts—such as greeting customers as they enter the branch, offering additional assistance, and thanking them for their business—may increase overall satisfaction by nearly 50 index points, yet less than 60 percent of customers report experiencing them.

Fees continue to have a major impact on customer loyalty, as 29 percent of customers who switched banks in 2010 cite high fees for products or services as their reason for switching.

The study analyzed customer satisfaction with the retail banking experience based on six factors: account activities; account information; facility; fees; problem resolution; and product offerings. The analysis concluded that customers may be highly satisfied even when they are charged fees, provided that they perceive they are receiving sufficient value in exchange. When satisfaction with fees is above average, customer's ratings for branch access and appearance, promptness of being served, and the financial institution's website navigation and range of services are also higher than average.

MAP Welcomes Scott Renz to Client Services



Member Access Pacific is pleased to announce that a new Card Processing and ATM Services Professional, Mr. Scott Renz, has joined our team. Mr. Renz will be serving MAP's client Credit Unions in the position of Client Services Specialist. Scott Renz comes to MAP with over 26 years experience in the financial services industry – over 16 years has been dedicated to Operational Management. He has been responsible for managing multiple branch locations and overseeing branch staff from tellers to mortgage lending. Scott has also been accountable for ATM Operations Monitoring and Maintenance. Mr. Renz has served in both training and collection departments. During seven years with a major national bank, Mr. Renz supervised the customer service division responsible for chargebacks and credit. Scott's contact information is scott.renz@mapacific.com and 866-598-0698 x1621.

Visa News

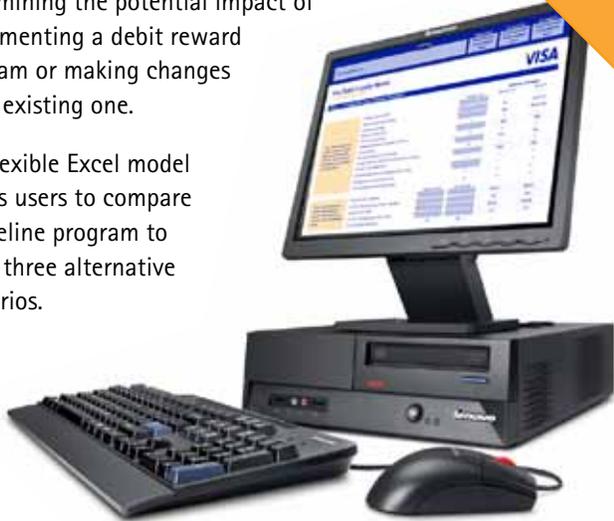
Continued from previous page

Bill Gajda joins Visa. What's so exciting and fresh about the announcement of Bill Gajda to head VISA's mobile business? He joins Visa after seven years at the GSMA, which represents the interests of the worldwide mobile communications industry, spanning 219 countries and uniting nearly 800 of the world's operators. As chief commercial officer, Gajda was responsible for strategic initiatives including mobile money, mobile money transfer, advertising, strategic partnerships, innovation and business development. Before joining the GSMA, Gajda was head of marketing at Ericsson, and also held key positions at Bell Canada International and Telus. In his new role, Gajda will run Visa's mobile strategy, working with the wireless and financial services industries to bring mobile payments and related services to people around the globe.

Debit Loyalty Model

Continuing to build on our successful Marketing Analytics program, MAP is pleased to present the latest predictive analytic tools from Visa, the Consumer Debit Loyalty Model. The Model will assist client credit unions in determining the potential impact of implementing a debit reward program or making changes to an existing one.

The flexible Excel model allows users to compare a baseline program to up to three alternative scenarios.



For example, the Visa Debit Loyalty Model can be used to:

- **Analyze the Potential Impact of Adding a New Reward Program:** Even if you don't currently have a rewards program, you can enter baseline statistics and calculate the potential impact of adding a reward program under up to three different scenarios. The scenarios can compare different types of reward programs, or variations in assumptions on a single type of program.
- **Evaluate the Potential Benefit of Changing an Existing Reward Program:** Estimate the potential impact of making changes to your existing program under up to three different scenarios. Enter various assumptions about the reward program design and the debit cardholder response, including cross selling rates, and the model will calculate and compare the potential portfolio wide impact of the changes.
- **Run Sensitivity Analyses to Test the Potential Impact of Program Assumptions:** Whether adding a new program or making changes to an existing one, you can test the sensitivity of your assumptions by entering the same assumptions under each of the three scenarios and then modifying one assumption at a time to see the relative estimated portfolio wide impact.

BranchMap: "It's for you"

MAP clients "Access the World" with Branchmap ATM Locator

Whether they are at their computer or in their car, your members will have easy access to network and surcharge-free ATMs thanks to MAP's ATM Locator. Your credit union may be part of several ATM networks and with our ATM Locator your members can quickly find any of your ATM locations and any of your network locations, nationwide, all in one locator tool.

Website ATM Locator

BranchMap is a powerful and fun information resource. Instead of scrolling through endless lists or clicking to network sites, your members can explore their neighborhood from the air and see all of your locations laid out before them!

Highlighted Benefits

- Combines all of your networks and branches into one easy tool
- Members search by city, state, zip, and even partial addresses
- Tracks locations/areas your members are most interested in
- Updates all your network location information for you

Find Surcharge-Free ATMs on your mobile phone or PDA at www.mapmobile.org

Mobile ATM Locator

BranchMap Mobile lets members use their mobile phone or PDA to find all of your locations anytime, anyplace! Not everyone is sitting in front of their desktop computer all day, and not everyone has an iPhone. That's why BranchMap Mobile was designed for the most common mobile devices and PDAs on the market. With the most light-weight content possible and the simplest possible user interface, your locations will load quickly and easily on even a low cost cell phone. The member will simply look up www.mapmobile.org and enter their current location. Then, BranchMap will show them a list of your nearest locations, including branches and ATMs, as well as any shared branch network locations and surcharge-free ATM networks you offer. For more information, contact Member Access Pacific's Joyce Carter at 866-598-0698 x1613 or joyce.carter@mapacific.com.



Mobile Phones to Begin Replacing Cash in 2011

A new mobile phone technology called near field communication (NFC) will begin to replace traditional wallets and purses from 2011, according to a new research report published this month.

Financial institution and mobile network operators will both be seeking to make money from the introduction of the new mobile payments technology, the report predicts, and are set to go head to head in a bid to gain control of the market.

"NFC technology will be used to replace everything from credit cards and loyalty cards to bus and train tickets, library cards, door keys and even cash," says Sarah Clark, author of 'NFC: The Road to Commercial Deployment'. "What hasn't yet been decided, however, is who will win the battle to provide consumers with their new hi-tech mobile wallets."

The US, Canada, and a number of European countries are also expected to be early adopters of the new mobile wallets, the report predicts. Businesses ranging from retail and travel to fast food, consumer goods, tourism and entertainment are all expected to be affected by the arrival of NFC services. Government and educational service providers will also be impacted by this emerging technology.

"Decisions made in 2010 will be critical in determining which mobile network operators, which financial institutions, which industry suppliers and which service providers become the leaders in the field," she adds. "Ultimately, only two or three companies in each country will succeed in building a major new business providing NFC services to businesses and consumers. The winners could be banks or mobile operators, or even a new entrant to the market."

Consumers with NFC-enabled phones will be able to simply touch their phone to a 'smart' poster or product label containing an RFID chip to sign up for a loyalty program, collect a money-off coupon, download a trailer for a new movie, access the latest travel information or go straight to a product's website to read customer ratings and reviews and compare prices.

Social networks will also get a major boost. With an NFC phone, you can friend someone online when you meet them in the real world by simply touching your phones together. Or touch your phone to a smart poster as you go into a restaurant to automatically update your Facebook status and get an offer coupon from the venue as a thank you for telling your friends you're there.

Commuters will be able to store their travel pass on their phone and mobile versions of airline boarding cards, hotel room keys and even passports will make it quicker and easier to get from place to place.



Paying bills will become much simpler, too. Simply touch two NFC phones together to transfer money to a friend, buy a drink or pay for a service.

"No more rummaging around for the right change, card, keys or paperwork and no more texting your location to your friends -- with NFC everything can be handled by your mobile device," says Clark. "And, of course, NFC is a highly secure technology. Consumers will be able to instantly lock all the mobile wallet services on their phone if it is lost or stolen and then get them automatically transferred onto a new phone as soon as it arrives. They will also be able to use their phone to make payments even when the battery is flat."

'NFC: The Road to Commercial Deployment' examines the international market for near field communication technology from 2010 to 2014. It is published by SJB Research, a UK company specializing in analyzing the market for emerging technologies in the mobile and payments fields. SJB also produces the international industry news website Near Field Communications World.

Letter from the CEO

Recession and regulation have fundamentally altered the payments landscape over the past year. Many credit unions have seen their membership grow as result of consumers' continued distrust of large banks (see *JD Power Study*, page 8). Moreover, credit unions are faced with continuing challenges relating to new regulatory compliance requirements of the 2009 CARD Act.

Helping our clients respond to the new compliance requirements is vitally important for all of us at MAP. In partnership with Marques Solutions, we have put together a sound and cost-effective solution in response to the new ODP requirements of Regulation E (See *Optimizing for Opt-in*, page 2).

Also, we will be out front with what our clients need to comply with the new Gift Card regulations. MAP is positioning its prepaid products to support the new rules issued by the Federal Reserve regarding prepaid cards required by the CARD Act to accommodate the short deadline of August 22, 2010 (See *Cover Story*). While we, along with credit unions and other prepaid issuers, urged the Fed to "grandfather" the current card stock with electronically modified terms to comply with the five-year expiration date through a January 31, 2011, the Fed declined to provide the industry more time to complete the transition.

At MAP, we know our role in the Card-Processing Industry is about leading, not following. During the tumultuous past year, we have been focused on future growth – and the new business models, products and technologies that can drive that growth. One clear product trend has emerged during the recession is that debit and prepaid cards are gaining in both profitability and popularity for credit unions.

At the same time, technologies are emerging that eventually could replace plastic cards, and will at least supplement them. Mobile products, for example, will change not only the way consumers pay, but how they shop (See *Rightcliq*, page 7 and *Replacing Cash in 2011*, page 10). The popularity and use of the Apple iPhone is a strong indication of the direction people are headed in their payment behavior. More than 2 billion applications had been downloaded from Apple's iPhone App Store. Only a small percentage of those apps were developed by financial institutions who recognize the importance of the mobile channel. As our credit union members become accustomed to mobile apps in their everyday lives, they'll demand similar functionality from their primary financial institution – another important opportunity for our credit unions.

Such changes have obvious ramifications for our client credit unions as they strive to improve the member experience and increase loyalty. At MAP, we are working closely with our partners, Visa especially, to develop the products you are seeking for your members. I encourage you to join us at the June 15, 2010 MAP Solution Series and learn about the Visa Data Manager and ATM Management Suite (See *MAP Solution Series*, page 3). These important new products are at the forefront of the payments industry and well worth one day away from the office.

I hope to see you at the MAP Solution Series and, as always, I am available to you to hear your concerns and answer any questions you might have. Feel free to call me, 1-866-598-0698, ext. 1610 or email me at cyndie.martini@mapacific.com.

Best regards,

Cyndie Martini
President/CEO



Cyndie Martini - CEO - MAP

Member Access Pacific Welcomes Our New Clients as of May 1, 2010

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