

Information...

Gift Card

What Are The Gift Card Details? The new Visa Gift CardSM is the most innovative and exciting idea to hit the financial industry since ATMs. Safer than cash, more versatile than gift certificates, accepted all over the planet – now that's something to be excited about.

But your financial institution is about building relationships and generating income, and the Visa Gift Card has an impact on both. By giving your clients the choice and convenience of the Visa Gift Card, you build a consistently growing income stream based on transactions, service charges and account volume. But we're getting ahead of ourselves – first let's cover the basics.

Is the Visa Gift Card a credit card?

No, the Visa Gift Card is a prepaid, disposable, stored value card containing the dollar value set by the purchaser.

How does the card work for recipients?

Just like any other Visa debit card. Recipients purchase goods or withdraw cash up to the value of the card, at any of the more than 23,000 locations that accept Visa®.

The card is signature-based for purchases, and PIN-based for withdrawals. Purchasers have the option of choosing a plastic, imprinted card or sending a virtual card by e-mail. Virtual cards are good at any card-not-present venue such as online stores or order-by-phone catalogs.

Can recipients withdraw cash using the card?

Yes, recipients can withdraw cash at any Visa ATM worldwide, adding convenience and versatility to the card and increasing your transaction fee revenues.

Each card is mailed with a PIN for use in ATM transactions. The ability to withdraw cash from a merchant is only limited by the allowances on the merchant's PIN network. Cash back on signature-based transactions is subject to Visa's operating rules.

How do purchasers buy the Gift Card?

As a Certegy gift card issuer, you sell the Visa Gift Card online from your web site. We help you set it up quickly and effortlessly with our complete, turnkey solution.

What does the plastic Gift Card look like?

The Visa Gift Card looks like a debit card, with six appealing themed designs covering the major gift occasions – holiday, birthday, graduation, wedding, baby, and all occasion.

The card is branded with the Visa logo and your institution's name, and is personalized with the recipient's name. It arrives in a special envelope and card carrier with the recipient's name, the gift card amount, and a short personalized message. Recipients love them!

Do recipients have to activate the card?

Yes, for security, recipients must activate the card, and may easily do so by calling a toll-free number to our Interactive Voice Response Unit (IVRU), or by going to our web site.

All information required to activate the card appears clearly on the letter attached to the plastic card, or in the virtual card e-mail.

What happens if the recipient loses the card?

If the Gift Card is lost or stolen, our customer service department closes the account and issues a new card.

This is one of the great selling points for the new Visa Gift Card – they are much safer than cash or gift certificates, which cannot be replaced when lost or stolen. Parents love this feature, and travelers use gift cards instead of traveler's checks for security and reassurance. Replacement cards are reissued with the remaining balance of the lost card, minus a reissue fee. Visa regulations require zero cardholder liability on all Visa products.

How long are the cards good for?

Visa Gift Card expiration dates are set by your institution.

Inactive cards may be charged a fee, and you can expect to earn income on float and breakage on the unused balances stored on the card.

Once the card has been partially used, how will the recipient know how much is left on the card?

The Gift Card web site makes it easy – for both purchasers and recipients – to manage their Gift Card accounts online.

Younger clients have been raised with the Internet, and practically expect online account management! Recipients can easily check their account balance and history. And purchasers can use the simple purchase and checkout procedure to order multiple cards.

Is there anything else I need to know about Certegy's new Visa Gift Card?

Just a reminder that the new Visa Gift Card is the ultimate in convenience and choice. Adding the Gift Card program is an excellent way to keep existing clients, add new ones, and enjoy a new income stream.



Get started now! (800) 215-6280 ext. 72111

Generation...

Gift Card

How Do We Generate Income?

Gift cards are the hottest new category in financial products today. As the popularity of the Visa Gift Card grows, your institution's opportunities to generate revenue expand in multiple ways, both directly and indirectly.

What are the direct sources of revenue I can count on?

The Visa Gift Card offers revenue opportunities through the following:

- New card service charges
- ATM /interchange fees
- Card replacement fees
- Float earnings at approximately 2% annualized
- Breakage and escheatment at approximately 6% of unspent value load
Assumptions include \$90 for the average load amount, \$25 for the average transaction amount, and 30 days for the average float days. Naturally, as time progresses and your Gift Card sales volume increases, your earnings expand.

What are the indirect sources of revenue I can expect?

Visa Gift Cards are a terrific value-added asset to your current card portfolio. Not only do they generate direct revenue, they also have excellent potential to retain and grow your client base. Adding key features that your clients want makes your institution more attractive.

- **Client loyalty/retention.** Today's savvy consumers expect more choices. Not only will your clients appreciate the choice of the Visa Gift Card, they'll stick around for the convenience you offer. Once they've ordered one Gift Card and set up an online account, reordering will be the obvious choice each time they need an easy solution for gift giving.
They'll soon realize that the Visa Gift Card is great for more than gifts – they're also a safe, secure solution for travel and online purchasing. Bonus: frequent visits to your site.
- **Branding.** Gift Cards act like a wallet-sized billboard, with your institution's name carried around for the life of the card. The average cardholder keeps the card for 30 days – and they see your name repeatedly – so will the many merchants.
Increasing your brand awareness positions you above your competition.
- **Growth through the unbanked.** When parents, grandparents, and friends give young people birthday, holiday, and graduation Gift Cards, a whole new generation is introduced to using a debit card--with your institution's name on it! This opens the opportunity to get new account business in the future.
Research indicates that about 13% of U.S. households are unbanked. As Gift Cards increase in popularity, an unbanked segment of the market not using your regular credit/debit cards will purchase Gift Cards for travel and online purchasing.
- **Viral marketing.** Gift Cards are infectious! In a good way, that is. Viral – or referral – marketing explodes when people who may not even be your clients refer your products and services to other people, usually their friends and acquaintances.

Viral marketing is especially profuse over the Internet, and when your clients purchase Visa Gift Cards and choose e-mail as the method of delivery, your institution's name spreads. Simply put, this means new clients – which means revenue!

What are the expenses to my institution?

The program generates enough income to more than cover the service charges and other expenses. The operating margin is in your favor!

Ask your Account Executive for extensive and proven pro-formas.



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Administration...

0123 4567 8901 2345



How Does It Work?

The Visa Gift Card technology rides on existing credit card infrastructure, using magnetic stripe and swipe verification. Our web-based, one-stop, ready-to-go program combines processing and servicing in one location.

What services does Certegy offer?

Our turnkey approach offers the following administrative services:

- Web site processing and value loading
- Transaction processing
- Authorization processing
- Card embossing/personalization/ mailing
- PIN generation and customization
- Returned plastic handling
- 800#/IVR servicing
- Card activation
- Report generation
- Lost/stolen card handling
- Web site hosting

What happens to inactive cards? How long are cards maintained with an inactive status?

Active cards will expire based on the parameters we determine together.

Your institution may elect to charge an inactive account fee on cards with balances that are not being used after a predetermined time, until the balance is depleted. This inactive fee method reduces escheatment issues.

What is the card replacement process?

There are two types of card replacements:

1) sent-not-received, and 2) lost/stolen. In each instance, the customer service representative validates the cardholder (or purchaser), blocks the original account, and issues a new card.

The option to assess a fee for lost/stolen replacement cards is available.

Can Gift Card recipients transfer funds from the card into another type of account?

No, but recipients may withdraw cash from participating ATMs and then deposit the cash into any account.

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Will the Gift Card recipient receive monthly statements?

Gift Card recipients will not receive printed statements, but can get account balances, transaction history, and statements online through a password-protected system.

Can account holders change their passwords?

Yes, through the web site.

Will the Gift Card program require changes or system enhancements to our current card system?

The Gift Card program has been designed to keep any changes to your existing system to a minimum.

The web site and processing functions will be done at Certegy, so no investment in your systems is required.

What kind of reporting can we expect to receive?

Reports are distributed via e-reports.

Certegy provides standard reports such as transaction reports, authorization reports, card issue/reissue reports and settlement reports. We also supply specific stored value reports including cardholder briefs, account maintenance reports, reconciliation summary reports, and outstanding balance reports.

Will our institution have the ability to access your system at any time for online reporting?

Our online reporting tool has been designed to provide all the information necessary to manage your Gift Card program.

Online reporting data is based on the previous day's activity.

What are your payment terms?

We will produce easy-to-track monthly invoices based on the prior month's activity.

If you are a current Certegy business partner, it will be included in your normal, monthly billing. Payment is due within 30 days of the invoice.





How Do We Market To Our Clients?

One amazing thing about the new Visa Gift Card is that they have an incredible way of marketing themselves through viral or referral marketing. But you'll want to flame that fire, and we are prepared to light a match and take you to market with our Marketing Toolkit. We have everything you need to let your clients know they have this fantastic new choice in the Visa Gift Card.

What is your Marketing Toolkit?

Our Marketing Toolkit is filled with great materials to get you going. Ready to use art and ad slicks, scripts for "on hold" messages, tips and suggestions for marketing your program, a marketing materials order form and much more. We want to help you succeed!

What kind of marketing tools are available?

You can pick and choose from these powerful marketing tools: Are you ready?

- **Brochures.** We'll present the Visa Gift Card in a clear, appealing way that your clients can't miss.
- **Messages on Hold Scripts.** You've got their ear; fill it with the good news about your new Visa Gift Card.
- **Newsletter "ready" articles and ads.** Our newsletter articles and ads are created and designed to easily add to any publication.
- **Posters.** You're paying for those walls and windows in your building—time to let them earn their keep by displaying colorful, informative posters announcing your new Visa Gift Card.
- **Door and Floor stickers.** These graphic clings really attract attention. We'll help your new Visa Gift Card get noticed!

- **Buttons or stickers.** Nice way to help your employees start a conversation!
- **Tent card displays.** They can't miss this eye-level message.
- **Statement inserts.** Let your current clients know about their new choice in Visa Gift Cards. Our attractive inserts tell the whole story.
- **Internal statement inserts.** Daily direct mail; use these in renewal notices, notices, letters, over-the-counter, and at the new account touch point. Messaging in your everyday operations is a smart idea.



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Implementation...

THRU 08/04

VISA

How Do We Get Started?

We can create a Gift Card program faster than your competition can swipe the idea. Our low-cost, fast implementation means your clients can order gift cards in just over a week! All of the pieces are in place. All we need is you!

Who will be our point of contact?

Your dedicated Implementations Representative will help you set up your new Gift Card program. Once the program is operational, your Client Relations Representative will be your single point of contact. Now that's individual attention!

What has to happen before we implement the Gift Card program?

Setting up a BIN for your Visa Gift Card is all that we need to do. Yes, it's that simple.

How long does it take to launch the program?

Once we have the BIN, we can implement your Gift Card program in just a week! Amazing, isn't it?

How do we get started?

To implement the Gift Card program, all we need is a signed Letter of Intent, a Service Rider agreement (included in this package), and an Account Executive will help you complete the program implementation package.

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Your Account Executive has the details and can assist you every step of the way. It's easy!

What kind of training can we expect?

We show you all you need to be successful. Training will include an overview of the Gift Card product, all reports, account settlement, and customer service administration.

What level of customer service do you offer after the program is launched?

All the customer service you need! But you won't need much—delivery is simple and the program works smoothly.

Your account executive is available during normal business hours, and general customer service is available M–F, 7AM to 9PM.



certegy