

## E-Services Strengthen Member Relations

Electronic banking has come a long way since the first bill pay solution was introduced in mid-1990. Today's consumers, especially the Facebook Generation (aka Gen Y), expect to be able to conduct their financial business from home or from a mobile device.

E-banking continues to grow in importance among all consumers. People increased their use of online banking in 2008, using technology to better monitor their cash flow, manage finances, and save money on postage, according to Forrester Research. But because e-payments are integral to the Facebook Generation's banking, credit unions who want to tap into this market must put more emphasis on online banking services for their credit card products. This includes allowing members to dynamically compare and obtain product information, conduct business online, or interface with credit union employees.

At TNB, we offer e-services and tools that help credit unions interact with their cardholder members and strengthen member loyalty. From GoToMyCard® to balance consolidation, and from card personalization to rewards, we offer an array of solutions to enhance your members' card experiences.



### Card Personalization

Our new card personalization product, Design It! Photocard™, will allow credit unions to attract new cardholders, build loyalty, and solidify a brand connection. With this online capability, credit union members can design their own debit and credit cards. From

the convenience of their home computer, cardholders access easy-to-use drawing tools on the credit union's website to craft the look of their cards. They can use photos or graphic elements to produce a card that truly personifies them.

Design It! Photocard gives credit unions another way to differentiate their payment products, attracting new cardholders and developing an emotional bond with members

### Card Personalization Benefits:

- Strengthens member relations and improves retention rates
- Builds transaction volume and balances through a top-of-wallet card
- Positions the credit union as innovative
- Appeals to younger audiences such as the Facebook Generation
- Becomes a cost-effective online acquisition channel for your card products

The program is completely secure, since no personal cardholder data is required, and it requires no software downloads.

### Balance Consolidation

An important TNB e-banking service is online balance consolidation. Credit unions can grow balances by allowing members to make online transfers from other high-interest card accounts to their credit union's credit card. This automated process simplifies balance transfer both for the credit union and for cardholders, who can make them anytime, at their convenience.

At GoToMyCard.com, cardholders can easily request a transfer. Upon approval through an automated process, a check is generated for the designated lender, with a confirmation sent to the cardholder. For cardholders who prefer to conduct business in the branch, employees can process consolidation requests by entering the information directly into VIP Access®.



*continued on pg 2*

## America's Credit Union Conference



Join us at booth #401 in Boston, June 21-24, at the **America's Credit Union Conference & Expo**. Our experienced payment professionals will be on hand to talk about the tools every credit union needs to navigate the changing payments environment.

## WHAT'S INSIDE

Executive Viewpoint	2
Defending Your Integrity Due to a Security Breach	3
Savings You Can't Afford Not to Offer	4
Recent Credit Union Partnerships	4



## Executive Viewpoint

by Scott Wagner, Executive Vice President

I am very excited about the great news in our cover story regarding the enhancements we are making to our e-services offerings. Because we are committed to helping you compete, TNB Card Services has made major investments over the last year to enhance the technology, efficiency, and value we deliver to you and your members. There is no doubt that providing the e-services your members want is more important today than ever before.

We are focusing on three key areas to help empower your mission. First, we are focused on delivering products that add value for you and your members, such as our new personalized plastics product, Design It! Photocard, coming this summer. Already, many of our clients are utilizing our new online balance consolidation product introduced in March to offer their members a better rate to transfer other card balances to their credit union card.

It's an exciting time for TNB Card Services, as we deliver the e-services products you need to compete more effectively in the world of credit and debit card issuing.

Secondly, we are upgrading and enhancing many of our legacy platforms and systems such as adding new functionality and putting a new look and feel on your cardholders' GoToMyCard.com website. We recently enhanced our VIP Solutions® suite of reports to provide more flexible access to data. Our simple-to-use card management system, VIP CardStation™, is receiving a big push to add more functionality. Watch for announcements soon regarding electronic forms and news on e-statements and alerts later in the year.

And, finally, we are focused on driving efficiencies through leveraging technology partnerships. A number of e-services enhancements are being added that will allow us to service you and your members more efficiently. While you won't see most of these directly, you will experience the benefits with improved execution and member service. For example, we are improving our cardholder IVR and instituting new products in our fraud and disputes areas that will further enhance service in these important areas.

It's an exciting time for TNB Card Services, as we deliver the e-services products you need to compete more effectively in the world of credit and debit card issuing.

## More E-Services and Tools

### GoToMyCard.com

With TNB's GoToMyCard.com, cardholders can take advantage of online access to their card account to control their spending and finances. They can check account balances, review account activity, view statements, make card payments, email inquiries, dispute questionable transactions, and more.



With an attractive new look and an improved menu, the site is even easier to use. Cardholders can access their card information directly from your

credit union website through a simple link to GoToMyCard.com. It's a service that your cardholders won't want to give up.

### Rewards2U®

Loyalty programs continue to grow, despite the slowdown in consumer spending. Industry figures show that spending from January through September 2008 with rewards cards increased by 37 percent over the same period in 2007. Credit union cardholders with rewards cards typically use them an average of 6.75 times per month, averaging \$84 per transaction. That translates into \$9.64 in monthly interchange revenue for the credit union and a gross margin of \$4.35 per cardholder, a 20 percent gain.

TNB's Rewards2U loyalty program is successfully used by credit unions across the country to cross-sell products and services and strengthen member relations. To keep Rewards2U exciting, we have enhanced the program, starting with a sleek new look and feel for the website and improvements that make it easier to use. From learning how to earn rewards all the way through to redemption, the site is a one-stop shop for loyal members.

With more than 350 products to choose from and robust travel options that maximize members' freedom of choice in how they want to travel and where they want to stay, there is something for everyone with Rewards2U. A new charity option makes it easy for cardholders to donate to their favorite cause.

Rewards2U can help your credit union attract and retain members, expand relationships with existing members, and help you become

the financial institution of choice for all your members' financial needs.

Regardless of which TNB e-services you offer, our tools simplify your operations so you can spend more time on member relations.



To implement any of these beneficial e-services, contact your account executive or call client support at 800-422-0733.

You can also learn more about these services in the Client Center at [www.tnbcards.com](http://www.tnbcards.com).

## Defending Your Integrity Due to a Security Breach



While the first arrests linked to the Heartland breach have been made, card issuers are still reeling from the impact of this intrusion. It is estimated that as many as 100 million card accounts were compromised, forcing issuers (including credit unions) to make difficult decisions in terms of how to respond to the situation.

Preserving the integrity of your card portfolio should be a priority for every credit union. Members trust you to look after their card accounts as well as their personal information. The question of whether to reissue plastics in the event of a data compromise isn't all that a credit union needs to consider. Shutting down a card and reissuing a new account can be a big inconvenience for members.

### Here are a series of steps, based on industry best practices, to consider when notified about a breach:

- **DON'T OVERREACT.** Every card breach is different. To make sound decisions, credit unions should refer to their risk management policies for the risk threshold and key steps to take when a breach occurs.
- **KNOW THE FACTS.** Determine what data is at risk. Track one and two data or only account number and expiration date? How many accounts are affected? Is there fraud associated with the breach?
- **ASSESS YOUR RISK.** Evaluate the number of cards affected, daily spending limits, the likelihood that fraud will occur, and whether fraud could take place in the card-not-present environment, which may give you chargeback rights.
- **NARROW DOWN YOUR RISK.** For breaches involving full track data, determine if any of your card accounts were reissued after the compromise date. If so, these accounts may not be at risk since they were reissued with a different CVV/CVC and expiration date.
- **EVALUATE EXPIRATION DATES.** Determine how many affected accounts will be expiring in the next 30 to 180 days. Consider reissuing early.
- **REVIEW YOUR INSURANCE POLICY.** Weigh the impact of your decisions (blocking and reissuing cards) against your insurance coverage, bond, etc.
- **MONITOR, BLOCK, OR REISSUE.** Analyze the full cost of each of these actions and compare it to the risk. If you reissue, use account transfers that allow you to leave the old account open until a new card is received to reduce cardholder inconvenience.
- **NOTIFY CARDHOLDERS.** How you communicate with members will depend on the severity of the breach and your intended actions. Avoid blocking cardholders from using cards without notifying them first. Develop a script that employees can use for talking with members to ensure everyone is delivering a consistent message.

At TNB, we take every breach seriously. Our neural network technology actually helps us pinpoint possible fraudulent activity and prevent it. The best time to prepare for a breach is before one happens.

Cardholders affected by a breach may feel vulnerable and uneasy about using their cards, so the credit union must give its cardholders confidence that it has taken every precaution for the member's protection. By being proactive and leveraging all the tools available to you, such as neural network technology, you can build a more confident ongoing relationship with your members. **Contact your TNB account executive or client support at 800-422-0733 to learn more about reducing your fraud exposure.**



## Common Fraud Terms

**Card not present** – a fraudulent transaction where the card was not presented to the merchant, such as an Internet or mail-order/telephone-order purchase.

**Compromised Account Management System (CAMS)** – alert notification detailing the breach situation and information about affected account numbers; CAMS is used to help credit unions determine which accounts to monitor and/or reissue.

**Compromised data** – when a company's confidential customer data is accessed or stolen electronically.

**Counterfeit** – the illegal manufacture of plastics that are then used to make fraudulent purchases.

**Identity theft** – a criminal unlawfully presents himself as someone else, taking over another's identity.

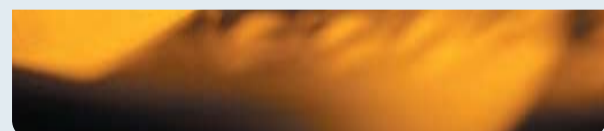
**Malware** – software used to infiltrate a computer system without the owner's knowledge.

**Pharming** – infecting a computer with bad code so it directs users to bogus websites where personal data can be gathered.

**Phishing/Vishing** – fraudsters attempt to trick unsuspecting persons via email or phone into revealing card-related information.

**Skimming** – illicitly obtaining a card number and PIN at an ATM or POS.

**Sniffing** – software capability that enables select electronic information to be unknowingly captured and downloaded.



CALENDAR OF EVENTS

Upcoming Promotions:	Enroll by:
Fall Acquisition Promotion	6/12/09
Debit Activation Promotion	6/16/09
Platinum Upgrade Promotion	7/16/09
Holiday Credit Line Increase	8/13/09
Holiday Usage & Retention Promotion	8/18/09

Card Program Classroom Training: Dallas, TX

Cardstation Users Attend	July 21-22, 2009
VIP Access Users Attend	July 22-23, 2009

Card Program Webinar Training:

Settlement, Adjustments, Cash Advances & Financial Reports	June 9, 2009
Audit, Insurance, Management & Operational Reports	August 11, 2009



Recent Credit Union Partnerships

New Credit Processing Clients

**Resource One Credit Union**  
Dallas, TX

Renewing Credit Clients

**Sabine Federal Credit Union**  
Orange, TX

**Shamrock Federal Credit Union**  
Dumas, TX

Renewing Debit Clients

**Ft. Worth Telco Credit Union**  
Fort Worth, TX

**Tarrant County Credit Union**  
Fort Worth, TX

**Valero Federal Credit Union**  
San Antonio, TX



PO Box 815909  
Dallas, TX 75381

972-391-6800  
800-422-0733

www.tnbcard.com

PRESORTED  
FIRST-CLASS MAIL  
US POSTAGE PAID  
DALLAS, TX  
PERMIT NO. 2650

Savings You Can't Afford Not to Offer

Debit cardholders with rewards spend an extra \$72 per month with their debit card over cardholders without debit rewards, according to The Raddon Report, representing a 15 percent lift over non-reward debit cardholders.

To help drive activation and encourage your debit cardholders to use their cards more frequently, we've teamed with MasterCard to bring you MasterCard® Savings™. This innovative loyalty program, available only to MasterCard debit and prepaid cardholders, stimulates top-of-wallet card usage by providing cardholders tailored discounts and savings from more than 25,000 participating merchants nationwide.

With no cost to the cardholder or issuer, the MasterCard Savings program offers merchant-funded discounts on entertainment, travel, computers, electronics, apparel, and more. Offers are customized to the individual cardholder. When enrolling, cardholders simply answer a few questions that enable MasterCard Savings to deliver offers tailored to their individual preferences.

Tailored DISCOUNTS and SAVINGS from more than 25,000 participating merchants nationwide

The easy-to-use MasterCard Savings website makes it simple for cardholders to select and redeem their offers with online coupons for in-store redemption or with promotional codes for online purchases. Users can save up to 20 percent on well-known brands.



With more than 19 categories to choose from, the personalized website features an array of offers based on the cardholder's profile. The site's navigation makes it easy for users to search among offers. They can also opt to have targeted offers delivered directly to them via email.

The MasterCard Savings program is a turnkey program, and all you need to do is market it to cardholders. Among the available promotional materials are statement inserts, web banners, statement messages, and email copy. These materials, all complimentary, help you educate your debit cardholders about the benefits of saving with the MasterCard Savings program. To learn more, visit the Client Center at [www.tnbcard.com](http://www.tnbcard.com).