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PEMCO first to launch Visa mini cards for credit unions

It started with tiny supermarket discount cards and grew to video rental cards, gym passes, and even pet store discount cards—little pieces of plastic mingled with keys on key rings. But a Visa card on a key ring?



PEMCO is the first credit union card processor to offer Visa mini cards to our customers. They look and work like their bigger counterparts, but they're made for greater convenience. Measuring a mere 1½" by 2½", they appeal to busy people who want to grab their keys and go. Think of the typical cardholder with several cards in her wallet. As she hurries through the check stand, she can either fumble through her purse for her wallet and fish out *some* card or she can have yours at hand on her key ring. Mini cards make it easy for cardholders to use *your* card.

Accessibility to your financial institution's card is the biggest advantage for issuers and cardholders alike. Those dangling mini cards mean cardholders can leave their purses and wallets at home. But they always need their house keys. And whenever they grab their keys, they see your card and your logo. We predict increased activations with the mini card because of its novelty and accessibility.

Account set-up and access

It's easy to offer mini cards to your cardholders because they share the same account number, credit limit, and expiration date as their conventional cards. They're companions to the conventional cards not replacements.

Card production

The rectangular cards are a good size for swiping through card readers and for key rings. They are not embossed, but rather have the account number thermo-imaged onto them. The backs carry magnetic stripes and signature panels with CVV2 codes. They can be made of stronger than normal plastic to withstand the extra wear and tear they'll endure. PEMCO offers a special leather sleeve that slips over the card to protect it, which can be customized with your logo.

Card mailers

The mini cards require no special card mailers because they are snapped out of plastic that is the same size as conventional cards. You can personalize them as you do your current cards.

Card caveats

Mini cards can't be used at ATMs or other devices that "swallow" cards. And because they're not embossed, they can't be used at zip-zap (imprint) machines. Wear on the mag stripe could be heavy. The leather sleeve is designed to reduce that.

The biggest caveat we see is that cardholders should remove the cards from their key rings before handing them over to valets, car wash attendants—their kids. And they can't leave their keys lying around.

"Essentially, cardholders will need to guard their key rings as they do their wallets," said PEMCO CEO Dan Cook. "But the lure of these little cards may prove powerful enough to increase card loyalty among cardholders. After all, convenience is always a big selling point."

Signature Awards designed to boost your debit card portfolio

Cash and checks still rank highest as the preferred payment methods of consumers—accounting for up 63 percent of expenditures. Financial institutions can tap into that and build revenue in the process by promoting their debit cards. Moving consumers from checks and cash to debit cards also means you'll gain operational efficiency and reduce processing costs. And you can expect growth in non-interest income from increased debit card usage.

Reward cardholders for choosing—and using—your debit card.

PEMCO offers Signature Awards, a reward program for signature-based debit transactions. Until now this type of program was only available with credit card programs.

Cardholders can earn free travel and other rewards—fast. You give points for every dollar customers spend when they sign for their purchases using your financial institution's card. You set the reward levels and point expiration timeframe.

Cardholders can spend their points on travel services, travel rebates, or Gift Certificate Awards that can be turned into gifts and gift certificates. Redeeming points is easy. You issue a Gift Certificate Award that cardholders can redeem at www.800giftcertificate.com or by calling 1 800 Gift Certificate. Cardholders choose from a long list of retailers such as Coach, Macy's, Marriott, Sharper Image, Williams-Sonoma, and many more. They have the ultimate choice—brand-name merchandise, apparel, music, travel, sporting goods, books, entertainment. Cardholders work with the merchants to order the products and services they want leaving you out of the picture.

PEMCO offers Signature Awards marketing brochures sized for mailing with account statements. You can customize them with your logo along with gift and travel award levels.

With flexibility built in, Signature Awards fits your marketing needs. And Signature Awards lets your cardholders enjoy the freedom of choice and the power of points.



It's easy to design and produce custom card marketing materials

Even if you offer a snappy looking card, a competitive interest rate, travel and gift rewards program, and an easy application process, your card programs need a regular push to get them into cardholders' hands. But writing and designing marketing materials takes time and money, not to mention some creative heads to pull the words and pictures together for an attention-getting message.



PEMCO, working with Image.Works, can help you create statement stuffers, posters, banners, buttons, and other materials to promote your card programs. If you have your own designs in mind, great. Image.Works can turn them into colorful stuffers and fliers. If you want help crafting your message, Image.Works offers that, too. The final choice of copy and graphics is yours. And orders big and small are welcome.

To view the materials and designs available, go to www.imageworksdirect.com. If you have questions, call PEMCO at 800-881-7488, ext. 3410.

PEMCO pilots ATM acquiring with NW Adventist

Following a successful in-house pilot program driving a Diebold ATM, PEMCO went live with Portland, Ore.-based Northwest Adventist Federal Credit Union on Oct. 8 when we began driving the credit union's two ATMs.

"Initially we ran into a few programming snags with the ATMs themselves," said ATM Customer Service Supervisor, Linda Badre, "but we stayed on it, and the credit union was pleased with the results."

PEMCO continues to work with Northwest Adventist to hone our reporting system to meet the credit union's reporting needs. Our second ATM acquiring customer is set to start up on Dec. 8. We'll drive four machines for that credit union.

ATM driving rounds out PEMCO's product offering, giving customers the one-stop card processing service they've asked for.

Verified by Visa update

We recently added a new password-prompt feature to the Verified by Visa pop-up window for users who've forgotten their passwords.

Here's how the password prompt works: If a cardholder can't recall his password, he clicks on the "Forgot your password?" link in the standard authentication pop-up window. Next he is asked to verify his identity using the secret question and answer provided during the registration process (or other identity verification fields used during registration). The next step applies to accounts with multiple cardholders. After the user has successfully authenticated himself by answering the question or

providing the other required information, the system matches the user with a specific cardholder record in the database. The final step asks the user to reset his password and this becomes his new password.

We added this feature at no charge to all issuers using Verified by Visa. Issuers who choose to add the feature on their own would incur a \$1,500 charge from Arcot.

Take advantage of PEMCO training

Two-Day Chargeback Training in New York City

Join us at United Nations Federal Credit Union for a two-day chargeback class Nov. 19 and 20. The cost is \$250 and the class is designed for staff with chargeback experience. To learn more and get a registration form, visit our Web site at www.pemcotech.com.

Symposium 2004 dates announced

Our biggest training event of the year happens Oct. 17-21, 2004 at a new venue on Seattle's waterfront, the Marriott Waterfront/Bell Harbor Conference Center.

The price is \$550 for the two-day general session OR the two-day chargeback class. The price is \$700 for all four days. We'll post details on our Web site at www.pemcotech.com as the date approaches. Registration opens in late summer 2004.

New customers

Shell New Orleans Federal Credit Union, New Orleans, La.

Star Community Credit Union, Chico, Calif.