



**DRIVES HIGHER PROFITS
FROM PAYMENTS**



PRODUCT FLYER

ACI INTERCHANGE™

- **OFFERS NATIVE SUPPORT FOR ALL INTERNATIONAL PAYMENT NETWORKS**
- **NO MAINTENANCE OF MULTIPLE SCHEME FORMATS, REGULAR SCHEME MANDATES AND DIFFERENCES BETWEEN SCHEME PROCESSING REQUIREMENTS**
- **SAVES SUBSTANTIAL SCHEME FEES AND IS PROACTIVELY COMPLIANT WITH COMPLEX INTERCHANGE REQUIREMENTS**

The lingering financial crises and resulting economic uncertainty have forced banking executives to squeeze efficiencies at the expense of technology investment. This short-term view will result in the erosion of long-term shareholder value as competitors take market share and increase earnings per share.

Home-built and legacy systems dominate the marketplace and are increasingly problematic, as they are overly complex and take significant investment to adapt to the changing requirements of the market. The capabilities of organizations with legacy payment platforms has decreased while at the same time business owners need IT to provide technology solutions that reduce the expense line and expand market opportunities.

ACI INTERCHANGE™ SUPPORTS EVOLVING NETWORK REQUIREMENTS AND ACTIVELY SEEKS THE LOWEST NETWORK FEES FOR USERS. THESE SAVINGS PER TRANSACTION ARE SMALL, BUT MULTIPLIED ACROSS MILLIONS OF TRANSACTIONS CAN RESULT IN SUBSTANTIAL SAVINGS.

FEATURES AT A GLANCE

- HIGH-VOLUME, CRITICAL-PATH CLEARING FOR ALL MAJOR GLOBAL PAYMENT SCHEMES
- COMPLIANCE SUPPORT FOR VISA, MASTERCARD, AMERICAN EXPRESS, JCB, DISCOVER AND UNIONPAY
- SUPPORT FOR U.S. PIN DEBIT REGULATIONS (DURBIN COMPLIANCE)
- EMV COMPLIANCE
- ONLINE REJECT PROCESSING TOOLS
- PROCESSING OF RETRIEVAL REQUESTS, CHARGEBACKS, REPRESENTMENTS AND FEE COLLECTIONS
- AVAILABLE ON IBM SYSTEM Z, ORACLE SOLARIS AND IBM SYSTEM P (AIX)
- BUILT TO ISO8583 SPECIFICATIONS

SAVING \$10M IN TWO YEARS

Used as part of an acquiring offering, the ACI Card and Merchant Management™ solutions enabled Moneris to lower costs.

THE CHALLENGE

In 2008, card associations introduced changing interchange levels that created increased complexity. At that time, Moneris was using an in-house platform that was extremely reliable and more than capable of handling the current interchange requirements. However, the ability to handle the new levels of complexity to keep up with regulatory, merchant and card requirements wasn't supported. Moneris needed to stay ahead of change in order to grow and meet merchant requirements now and well into the future.

THE SOLUTION

Moneris selected ACI for its billing and settlement solution because of ACI's ability to support the evolving interchange requirements and its flexibility in defining new merchant offerings. The new functionality allows Moneris to develop multiple rates and fees, varying threshold amounts for fee changes and rebates for individual merchants. This flexibility allows Moneris to offer solutions to an entirely new category of merchants that they couldn't previously address.

THE RESULTS

Payback is measured using a time perspective where the total investment (initial outlay plus resources) is compared to costs. With this solution, the payback time was less than two years with a savings of over \$10M. The initial payback is primarily attributed to the time savings in man hours by implementing the ACI solution versus continuing development of the in-house system. Moneris also receives ongoing benefits from the solution's ability to support evolving interchange requirements and the continued growth in new merchants. It is this savings that directly contributes to Moneris' ability to successfully grow earnings.

Most financial institutions are stuck in a status quo that has IT costs spiralling out of control, and are at risk of flouting complex interchange requirements. The Card and Merchant Management solutions empower financial institutions with the tools to comply with payment network requirements, reduce network costs and expand their market to take advantage of new payment networks, as seen with UnionPay's aggressive growth.

THE ACI INTERCHANGE™ SOLUTION

ACI Interchange™ supports incoming and outgoing clearing and settlement processes for card transactions, including transactions initiated by mobile phone, EMV and magnetic stripe payment cards, for the major international payment schemes. This ensures compliance with Visa, MasterCard, American Express, Discover, JCB and UnionPay.

UNIONPAY FUNCTIONALITY

Since its launch in 2002, UnionPay (formerly China UnionPay) has embarked on an unprecedented growth trajectory. UnionPay expanded internationally to meet the growing demand for card use of Chinese nationals overseas. The UnionPay network has become a bona fide international payment scheme.

Financial institutions in more than 30 countries have issued local currency UnionPay cards. There have been over 2.9 billion UnionPay cards issued across the globe and they can be accepted in more than 141 countries. UnionPay accounts for 48% of the cards issued globally and transactions grew 45% year-on-year between 2011 and 2012, with 11.72B processed in 2012. With the largest circulation in the globe, UnionPay cardholders will be coming to merchants across the world demanding to use their cards. Acquirers need to be able to accept this card and clear it with the UnionPay scheme or risk losing business. Issuers can take advantage of the ubiquitous branding of UnionPay, its expansive payment scheme and captive market audience. UnionPay has partnered with domestic U.S. networks and international financial institutions wishing to expand into China.

SAVE SUBSTANTIAL NETWORK FEES

The payments processing industry is highly competitive and constantly evolving. The most obvious examples are networks and related interchange fees. Institutions across the globe have to handle new levels of complexity to keep up with regulatory, merchant and card requirements.

ACI Interchange supports evolving network requirements and actively seeks the lowest network fees for users. These savings per transaction are small, but multiplied across millions of transactions can result in substantial savings. This is achieved due to the Card and Merchant Management solutions containing separate processes for passing clearing and settlement data to and from each of the international networks, and tight coupling with the rules and regulations set by the international networks.

LOWER IT COSTS WITH THE ACI CARD AND MERCHANT MANAGEMENT™ SOLUTIONS

ACI Interchange is an integral component of ACI's complete Card and Merchant Management solutions. ACI customers can choose the services they need to build out the clearing solution required for their business. For example, the clearing solution can be deployed as the central transaction manager and be the main transaction source for both issuing and acquiring needs.


Transactions can be extracted from payment engines, such as BASE24-eps®, and processed through the Card and Merchant Management solutions and on to the clearing networks.

BASE24-eps and ACI's Card and Merchant Management solutions are available on the same infrastructure, lowering IT costs. This solution is pre-integrated, reducing customer testing time and lowering long-term maintenance costs.





REVOLUTIONIZES PAYMENTS

ACI Worldwide, the Universal Payments company, powers electronic payments and banking for more than 5,000 financial institutions, retailers, billers and processors around the world. ACI software processes \$13 trillion in payments and securities transactions for more than 250 of the leading global retailers, and 21 of the world's 25 largest banks. Universal Payments —  — is ACI's strategy to deliver the industry's broadest, most unified end-to-end enterprise payment solutions. Through our comprehensive suite of software products and hosted services, we deliver solutions for payments processing; card and merchant management; online banking; mobile, branch and voice banking; fraud detection; trade finance; and electronic bill presentment and payment. To learn more about ACI, please visit www.aciworldwide.com. You can also find us on Twitter @ACI_Worldwide.

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