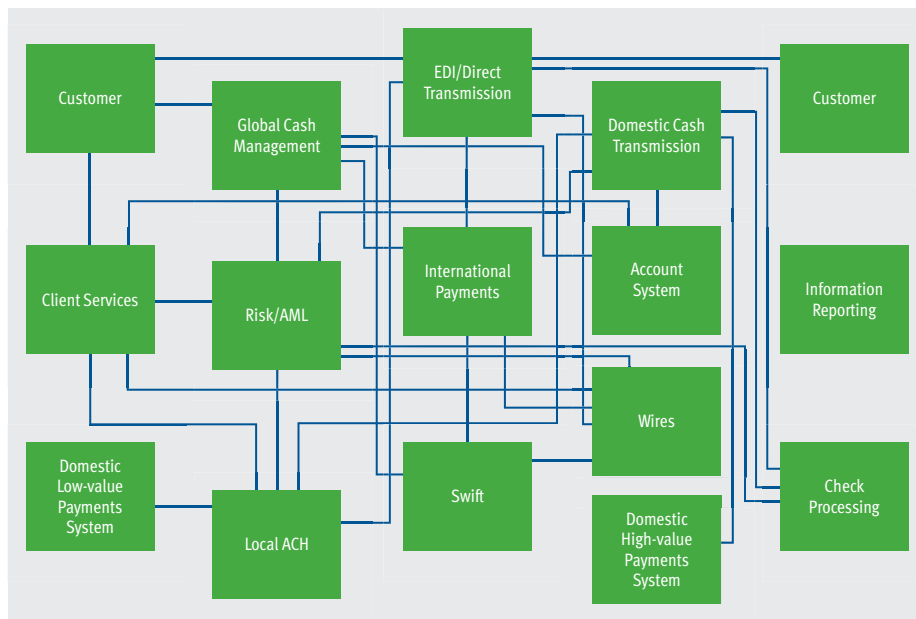


EMC BANKING SOLUTIONS FOR ELECTRONIC PAYMENTS

Achieving operational efficiency, cost manageability, and multi-channel capabilities within your payments value chain

ESSENTIALS

- Electronic payments cover everything from inter-bank transfers to credit and debit card payments.
- Secure payment networks transfer funds between banks and customers.
- Payments account for between 25 and 35 percent of any individual bank's gross revenue.
- The worldwide banking sector has introduced faster payments services.
- The Single European Payments Area (SEPA) is being phased in between 2008 and 2011 and will change how payment fees are assessed and calculated.
- Banks need to renew complex payment infrastructure to make it easier to maintain and align with new industry regulations and initiatives.
- Payment messages are classified as financial records that must be stored and archived as part of a bank's records management policies.



Electronic payments are made every day with the expectation they are secure and reliable. And as you might expect, consumers are often unaware of what happens behind the scenes. By their very nature, mission-critical payment systems are complex and require a high degree of stakeholder cooperation. Many banks face uncertainty of how to manage rapidly rising online transaction growth while delivering efficient services in a heavily-regulated environment. EMC understands the need for faster and safer payment transactions and has combined proven payment process strategies with world-leading technology to create next-generation payments solutions.

WORLDWIDE TRENDS IN ELECTRONIC PAYMENT SYSTEMS

The Single European Payments Area (SEPA) initiative is a European-based initiative that will provide mandates to lower fees that banks charge for payments, which subsequently impacts the revenue banks can earn. SEPA will result in tens of billions of dollars in lost revenue, and industry analysts estimate banks will need to cut their payment processing costs in half to make up for this lost revenue stream.

Similarly, North American banks will have to comply with new rules in 2010, such as the Credit Card Accountability, Responsibility, and Disclosure Act and Regulation E, forecasted to reduce a bank's income collected from overdraft fees by 10 to 20 percent. Banks will be challenged on how to maintain and grow revenue in light of regulations.

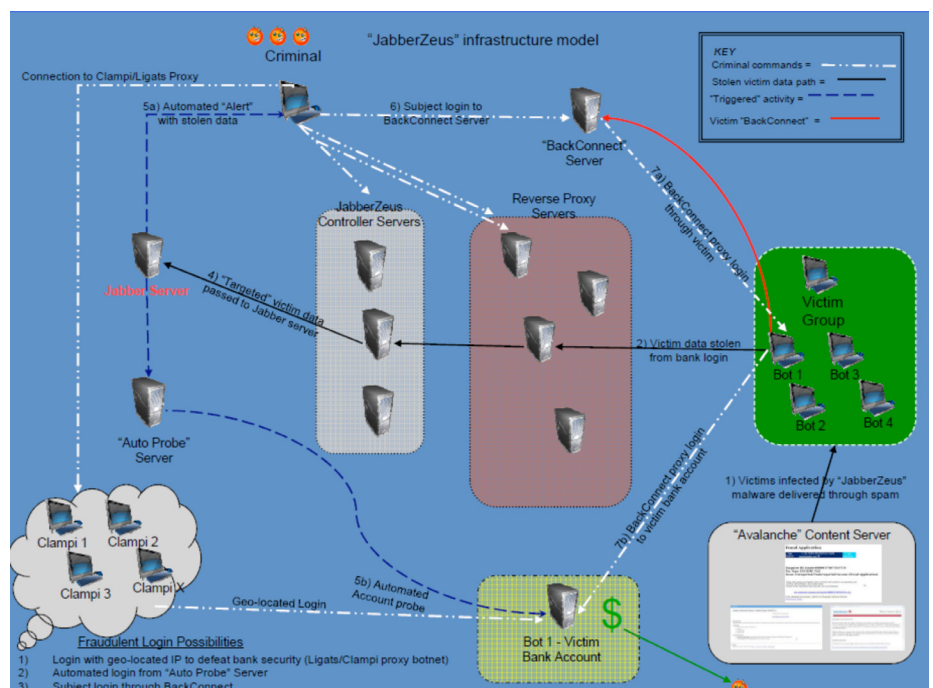
TECHNICAL AND OPERATIONAL CHALLENGES

One major issue banks face is the time constraint for overnight posting and processing of very high volumes of daily transactions. Every night, banks process millions of payment transactions by running batch processes on mainframes and open systems with large storage estates and networks. These infrastructures are complex and costly to maintain, and are often duplicated between various payments silos within each bank.

Additionally, most banks use complex systems to generate, process, send, and receive payment messages for debit cards, credit cards, and wire transfers. These legacy payment infrastructures have been built in-house and many are being replaced with common payments platforms.

Some banks regularly process 15 million online business payments and 18 million online retail payments per month and have to address timely processing and accurately archive this data. In addition to these existing volumes, their business is growing at 20 percent per year.

EMC's payment solutions can help facilitate cross-silo customer views across the enterprise, while eliminating redundancy across multiple payment silos. With capabilities to aggregate and consolidate the infrastructure supporting the payment platform, and to automate the audit and reporting management consoles, you can manage all IT processes in a centralized portal while generating a unified view across the environment. EMC can also help you enforce regulatory compliance and enhance your risk and performance analytics. This is enabled by EMC's extensive deployment experience in managing corporate governance such as PCI DSS standards and our capabilities in performing complex analytics and business intelligence solutions.



SECURITY, ONLINE FRAUD, AND IDENTITY THEFT CHALLENGES

The world of online fraud is continually evolving, and the threat to financial institutions is substantial. In fact, one in two customers would strongly consider switching banks if they—or someone they knew—were experiencing card fraud. Banks worldwide are taking action by

building powerful, multi-layered defenses that mitigate risk and protect their most important assets—their data and their customers.

With EMC's fraud mitigation and identity assurance solutions, you can regularly enhance your fraud prevention strategies, identity management protocols, and enforce policy-based transaction monitoring and analytics. EMC and RSA®, The Security Division of EMC, have been the industry-leading providers of information security solutions that are leveraged by many of the largest financial services companies globally. EMC has the knowhow and extensive experience to help you put the most secure perimeter around your payment infrastructure—and more importantly—protect your valued customers.

EMC PAYMENTS SOLUTIONS

EMC® Payments Solutions are based on our deep understanding of our banking customers' needs. Key focus areas include:

ENTERPRISE PAYMENT STRATEGY

- Enforce regulatory compliance
- Facilitate cross-silo customer views across the enterprise
- Enhance risk and performance analytics

CUSTOMER INTIMACY AND MULTI-CHANNEL COMMUNICATIONS

- Create self-service online experience for customer
- Support multi-channel output including print, e-mail, online, and mobile

FRAUD MITIGATION AND IDENTITY ASSURANCE

- Perform fraud strategy and assessment
- Conduct identity assurance planning
- Enforce policy-based transaction monitoring

OPTIMIZE UTILIZATION OF TECHNOLOGY ASSETS

- Eliminate redundancy across multiple payment silos
- Reduce cost per transaction
- Ensure the most efficient use of shared resources

SUMMARY

EMC understands the electronic payments market continues to generate a large share of revenue and profits for our banking customers. Similarly, the volume of electronic transactions is growing around 20 percent each year, while regulations are putting downward pressure on costs and creating compliance and archival challenges.

The question for many banks is how to manage information growth while making it accessible to customers, departments, and agencies that need it—and deliver more efficient services. EMC can help.

CONTACT US

To learn more about the benefits of EMC's next-generation payment solutions, contact your local EMC representative or visit us at www.EMC.com.

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