



CONNECTING BUYERS AND SELLERS

An Overview of Our CIS Payment Services



In the Commonwealth of Independent States, cash remains king — but the tide is turning as consumers increasingly conduct electronic payment transactions with plastic cards and, to a lesser degree, mobile phone-based applications. This market trend is being driven by a population of more than 270 million developing an appetite for consumer goods and an increasing demand for the lines of credit needed to support it.





The Commonwealth of Independent States payments business

is being shaped by unique market characteristics that redefine the way buyers and sellers connect. The consumer finance market is maturing, the competitive landscape is tightening, the cost of doing business is increasing and the potential for growth is huge. Against this backdrop are significant opportunities for financial institutions actively engaging in digital commerce.

The Commonwealth of Independent States (CIS) payments landscape has consolidated and is rapidly maturing. As the consumer finance market becomes more sophisticated, credit cards have become one of the strongest-performing consumer credit sectors, with an enormous projected growth rate and the potential for rich rewards. This shift presents both opportunities and challenges for financial institutions. As a global payments solution provider, TSYS® can help turn these challenges into opportunities with the right solutions, expertise and experience to help you achieve cost efficiencies and best position your business for growth. TSYS provides EMV-compliant support for multiple countries, languages and currencies, offering a broad range of technology solutions, both licensed and outsourced, giving you options that are tailored to your business model. This is the type of flexibility that characterises TSYS throughout the world.

Buyers and sellers, you and us — that's the brains behind CIS's digital commerce.

TSYS CIS SNAPSHOT

- Headquarters in **Moscow, Russia**
- Employs more than **100** team members
- Acquired Card Tech Limited (CTL) in 2006, providing payments solutions in CIS **since 1989**
- Serves 19 banks in CIS, including **5 of the top 10** banks
- Average client relationship ~ **10 years**



BUYERS: Multi-currency support for multiple card types and payment schemes

Although now a major multinational payments processor and licensed solutions provider with a strong commitment to the CIS market, TSYS originated from a U.S.-based community bank when the North American credit-card industry was just emerging. Though much has changed since we began our earliest roots in banking, the consumer is still at the heart of the transaction, making choices about when, where and how to make purchases.

Since those early days, we have grown to become a corporately stable, financially strong, multinational business with offices and data centres located around the globe. The people of TSYS understand that this longevity and success is driven by our clients' success, and their success is contingent upon the satisfaction of the end consumer. As one of the world's most reliable independent service providers, we serve CIS issuers with a suite of leading solutions.

Licensing

Our single platform licensed solution, PRIME, is a proven card and merchant management solution developed over the last 20 years to provide advanced multi-product support for credit, debit, charge, prepaid, loyalty, Islamic, commercial, private label cards, instalments, contactless and much more. It provides modular, user-friendly, operational support for all aspects of the card and merchant life cycle, including disputes and

chargebacks, Web-based customer service, collections, fraud prevention and detection, and it is used by leading banks across the region. We can offer the flexible PRIME platform complete with value-added modules as a licensed model or with value-added services in the processing model, or as a combination of both.

Processing

We provide a unique range of payment solutions to suit your individual business models, based on a single strategic platform. TSYS believes that the choice of in-house, outsourcing or hybrid payment solution models will prove economically advantageous and strategically sound for our clients.

Issuing

TSYS provides its clients with the most comprehensive, end-to-end issuer solutions available. They enable you to manage your customers through the entire life cycle of an account — from determining the best



FLEXIBILITY AT THE CORE

TSYS offers the kind of **flexibility** that will enable you to deploy both licensed systems and our outsourced processing services to expand your offerings and enter new market segments. By using our single platform solution for credit, debit, charge, prepaid, Islamic, commercial cards, contactless and instalments, we can help to **reduce your costs** of system deployment, servicing, support and scaling costs without significant infrastructure investment. Our **parameter-driven systems** enable rapid market entry, helping you to pursue a fast time-to-market, **aggressive growth strategy** in new territories where you may have little or no physical presence.

prospects for your products and initiating campaigns to acquire them, to collections, recovery and beyond — all backed by best-of-breed reporting and data analytics. We offer integrated solutions for prospect and campaign management, cardholder servicing, collections and recovery, fraud prevention and detection, marketing and product management, portfolio and account management, multi-payment card issuance, fulfilment, credit decisioning and application processing.

Debit

TSYS' long-term strategy for debit is based upon a single-comprehensive debit card management solution, tailored to meet specific debit card processing needs, market-driven changes, usage preferences and compliance-driven mandates in a cost effective, customer-centric way. Risk management tools that enable customer security and real-time fraud detection are paramount, as is support for meeting customer expectations for flexible payment options and loyalty.

Prepaid

TSYS is a leading provider of prepaid card solutions that utilise the Visa, MasterCard, EFT and ATM networks

for major global companies as well as for more local and regional financial institutions. TSYS provides a dynamic, data-driven processing solution that integrates real-time administration and reporting tools, sophisticated marketing and communications technologies, leading compliance and risk management systems, and other unique capabilities that are vital to the efficient management of any prepaid programme.

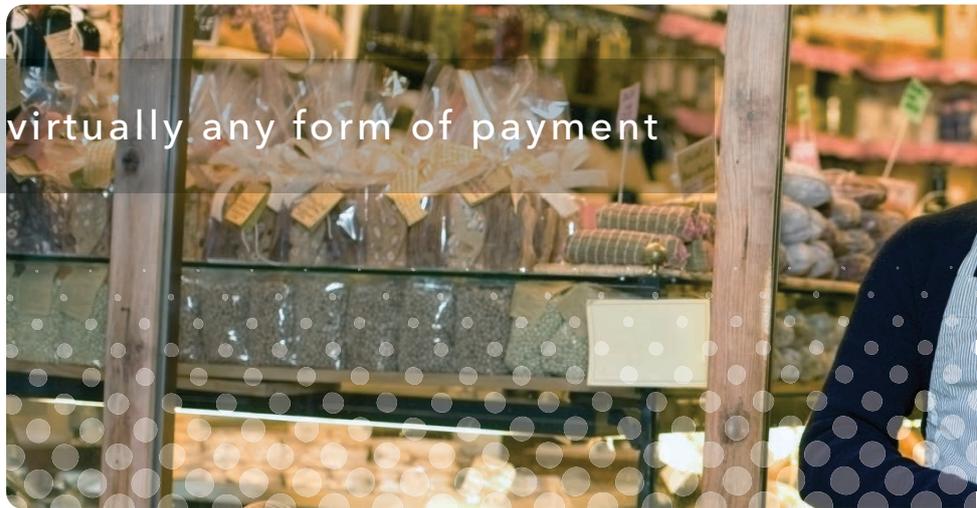
Managed Services

To further complement our payments processing solutions, TSYS offers comprehensive managed services support for front- or back-office activities, utilising personnel who are specialists in key functions (fraud-case management and strategy, disputes and chargebacks, for example) to drive business benefits for our clients. This support is available for a variety of card programmes, including commercial and consumer credit, debit, retail and prepaid, and it combines services such as call centre, risk-management, back-office support and telesales.

RELIABILITY AT THE CORE OF ISSUING

- **440 million** = Number of consumer, commercial, prepaid, debit, healthcare and retail accounts on file with TSYS
- **8 billion** = Number of cardholder issuing transactions processed by TSYS annually
- **\$4.5 billion** = Average value TSYS clears and settles each day
- **50%+** = Percentage of relationships established with the top 20 card issuers globally

SELLERS: Accepting virtually any form of payment



Today's CIS merchants look very different than their predecessors. In fact, the shop owner who spends the day waiting behind the counter is being displaced by a new type of merchant — one who is increasingly both physical and virtual, one who is on the go and in 'the cloud,' and one who isn't waiting passively for customers. Since establishing a regional presence in 1989, TSYS has expanded our business to become a leading provider of payment processing solutions for many of the leading banks across CIS.

We deliver comprehensive, end-to-end payment solutions to enable acquirers and their merchants to reliably process millions of card-based transactions every day. From authorising and capturing electronic payments at the point of sale (POS) to clearing and settling merchant transactions to managing merchant terminals and providing information management services, we support acquirers' ability to effectively manage and grow their merchant portfolios. We know that it is not only important to build relationships with the end consumer, but the merchants they do business with. We achieve this through:

Greater Profitability Improvement

Acquiring for credit, debit, loyalty, prepaid, commercial, consumer finance and instalments are all supported on a single cost-effective PRIME platform. Its service-oriented architecture (SOA) technology is parameter-driven, enabling lower costs for development while delivering increased operational efficiency through workflow.

Faster Speed to Market

With multi-lingual, multi-currency, multi-institutional and multi-product support, PRIME offers truly multi-national growth capabilities with easily customised product templates allowing for quick product launches in new countries. Market shifts, from credit to debit and prepaid, can be supported on a single platform, and as the global payments space converges to support emerging payments methods such as mobile and contactless, TSYS' continual investment in research and development will enable clients to embrace new opportunities.

Easier Regulatory Compliance

TSYS solutions are designed to comply with PCI standards and multi-payment scheme regulations. This can help minimize the costs and challenges of changes in the regulatory environment, the reworking of automated processes for periodic statements and communications, and their integration into existing bank operation processes.



In addition, operations, training and back-office information processing areas can be much more closely integrated.

Better Risk Management

PRIME has integrated rule-based technology to monitor and detect suspicious transactions. Fraud can be caught early by declining authorisations in real time, blocking cards pending further investigation and alerting cardholders via SMS texts. Rules governing fraud detection can be easily configured to maximise efficiency by adding user-defined rules to cater for specific cases. Alerts can be managed effectively with suspected fraud cases being assigned to designated operators who are guided automated workflow processes. In addition, market-leading neural technology and behavioural analysis support is also available.

Improved Dispute Management

TSYS' PRIME Dispute Manager, a comprehensive solution for automated dispute and chargeback management combines rules-based technology and workflows to automate the time-consuming and labour-intensive dispute process.

Comprehensive Analytics

With the optional TSYS Analytics functionality, clients can query merchant, consumer and commercial databases to develop reports from account-level, statement-level and transaction-level data. Users have complete control over the appearance, content, production and delivery of such reports.

Used in conjunction with TSYS Analytics Web, queries can be submitted via a Web browser and the results automatically delivered to an employee's email inbox. Alternatively, custom reports can be scheduled to be produced with a variety of display, print and export options drawing on built-in Online Analytical Processing (OLAP) tools that provide custom analysis of data.

PCI-compliant Document Archiving

The TSYS Digital Document System (DDS) is one of the few, if any, off-the-shelf archiving programs that are PCI compliant. Whether your statement or document is printed at TSYS or elsewhere, you can receive and store files safely and securely using SSL-encrypted file transfers.

RELIABILITY AT THE CORE OF ACQUIRING

- **2.3 million** = Number of TSYS Acquiring unique merchant locations
- **424,500** = Number of TSYS Merchant Solutions accounts
- **6 billion** = Number of indirect merchant acquiring point-of-sale (POS) transactions (authorized)
- **19%** = Market share of merchant acquiring locations in the U.S.

It enables you to quickly locate documents and specific pieces of information, view data using multiple windows for easy comparison, and add notes to documents prior to archiving, printing or export to spreadsheets or flat text files. Archive options can include leveraging TSYS' highly scalable storage capacity for an unlimited length of time.



YOU: Pledging our commitment

TSYS is the preferred partner for some of the most recognised and respected financial institutions throughout CIS. We are a leading provider in the region's payment processing business, supporting 19 banks and providing a range of compelling payments solutions.

SERVING YOU: What Distinguishes TSYS From Our Competitors?

Our Solutions.

TSYS gives you a choice of multi-payment scheme compliant solutions based on a single platform to suit your issuing and acquiring needs. We can support you with hosting and security, network infrastructure, authorisation processing, clearing, settlement and chargebacks/disputes whilst helping to minimize your financial and operational risk across the entire value chains of issuing and acquiring. Our modular, highly flexible and functionally rich PRIME platform can reduce implementation times significantly, enabling you to bring new products to market quickly and effectively, limiting cost and increasing in-market capability. Its proven scalability allows your card operations to be easily scaled in line with growth.

Our Culture of Service.

The TSYS culture emphasises a spirit of partnership, and we are invested in your success. We see our success directly related to yours, and our goal is to provide you increased profitability and efficiency.

Our Investment.

Our methodical and deliberate approach to global expansion is centred on meeting the needs of our clients with competitive, cost-effective solutions. We invest thousands of development hours every year in our technologies to allow clients of all sizes to share the benefits of leveraging the resulting advances and innovations.

Our Technology.

We adhere to the highest standards for security, response times and reliability in the industry. Additionally, TSYS gives you a choice of payment



ment to CIS clients

solutions to suit your needs, all offering scalability and unmatched speed-to-market advantages.

Our Experience.

Our long-standing competencies in portfolio conversions and system development have allowed us to flawlessly convert millions of accounts, and to consult and enable numerous portfolio start-ups and new market entries. As one of the world's largest companies for licensed and outsourced payment solutions, we have experience related to your strategic goals and deliver global experience with local-market emphasis.

TSYS has the experience and size to successfully deliver with the minimum impact during critical phases. We offer a first-class track record of successful migrations across the globe and offer local support from our regional office backed by 8,000 team members worldwide.

Our Commitment.

Our commitment to the market is second to none. TSYS has a track record in the CIS dating back to 1989. Its licensed card and merchant PRIME solution supported the first credit card to be issued locally in Russia and provided the platforms for the first and only acquiring service in the former Soviet Union.

It also provided the solutions for the first POS terminals and first ATM networks. It later became the solutions provider for the first issuers in Ukraine, Uzbekistan and Turkmenistan.

Recently it helped Tinkoff. Credit Systems Bank to introduce the first credit card mono-line business in Russia using the PRIME platform to launch 2 million credit cards in less than four years.

TSYS' local expertise now meets the licensed payment servicing needs of the major financial institutions in the region.

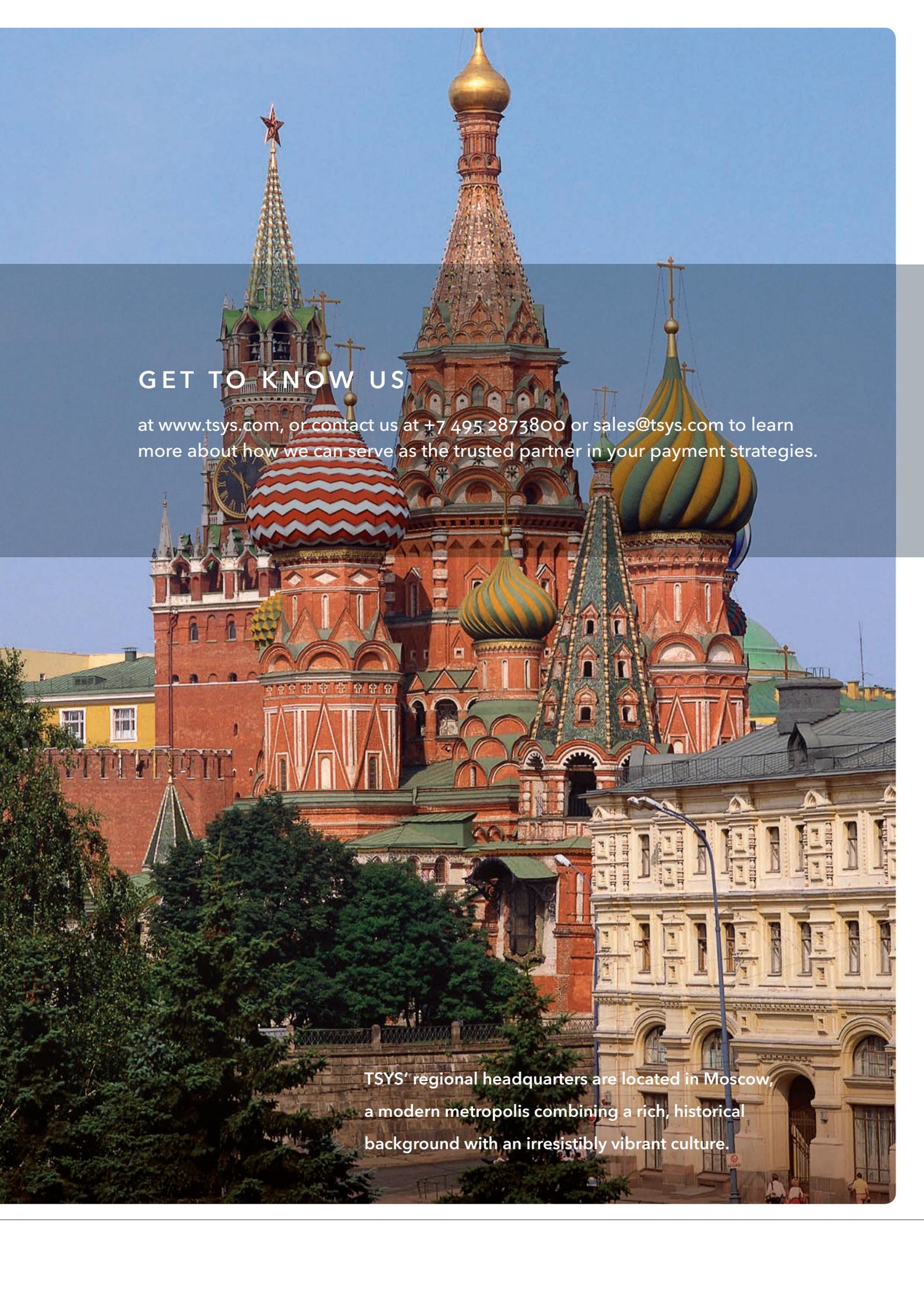


US: Understanding the CIS marketplace

TSYS has a long-term commitment to the CIS marketplace. As we continue to expand and develop our capabilities to offer our clients the necessary components to build smart solutions for their businesses and across their value chains, the combination of our technology components and core competencies provides you with a partner that is equipped to deliver customised solutions to address your needs.

Our solution set includes:

- > **Core issuing processing and licensed solutions for commercial and consumer cards including credit, debit, charge, prepaid, contactless and instalments**
- > **Acquirer processing and licensed solutions**
- > **Internet and Graphical User Interface (GUI) front ends**
- > **Value-added products and services, to include:**
 - application decisioning and processing
 - data analytics
 - campaign management
 - portfolio management
 - portfolio strategy and analysis
 - fraud services
 - enterprise-wide, workflow management tools
 - rewards
 - loyalty
 - collections
 - dispute management
- > **Fulfillment through experienced partners**
 - card production
 - print and mail
 - 3D Secure



GET TO KNOW US

at www.tsys.com, or contact us at +7 495 2873800 or sales@tsys.com to learn more about how we can serve as the trusted partner in your payment strategies.

TSYS' regional headquarters are located in Moscow, a modern metropolis combining a rich, historical background with an irresistibly vibrant culture.



12 Dvintsev Str • Building 1 • 127018 Moscow, Russia • +7 495 2873800

www.tsys.com

About TSYS

At TSYS, (NYSE: TSS), we believe payments should revolve around people, not the other way around.SM We call this belief "People-Centered Payments."SM By putting people at the center of every decision we make, with unmatched customer service and industry insight, TSYS is able to support financial institutions, businesses and governments in more than 80 countries. Offering merchant payment-acceptance solutions as well as services in credit, debit, prepaid, mobile, chip, healthcare and more, we make it possible for those in the global marketplace to conduct safe and secure electronic transactions with trust and convenience.

TSYS' headquarters are located in Columbus, Georgia, with local offices spread across the Americas, EMEA and Asia-Pacific. TSYS provides services to more than half of the top 20 international banks, and has been named one of the 2013 World's Most Ethical Companies by Ethisphere. For more information, please visit us at www.tsys.com.

GET TO KNOW TSYS

AFRICA +27 21 5566392	ASIA-PACIFIC +603 2173 6800	COMMONWEALTH OF INDEPENDENT STATES +7 495 287 3800	EUROPE +44 (0) 1904 562000	INDIA & SOUTHEAST ASIA +911204191000	JAPAN +81 3 6418 3420	MIDDLE EAST +971 (4) 391 2823	NORTH & CENTRAL AMERICA, MEXICO & THE CARIBBEAN +1.706.649.2307	SOUTH AMERICA +55.11.3504 6600
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