



Welcome to the March 2010 edition of the Multos International News Alert.

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## Asia Customer Update

- **Kookmin bank** has once again selected Multos International to be the major supplier of its contact and dual-interface modules, with expected volume to be over 4 million in 2010.
- **Cathay United Bank** has renewed its trust in Multos International on their most recent tender early this year for its Combo Card Program.
- **Hong Kong government** - Multos International has delivered over 7M chips for HK ID cards and over 1M contactless chips for HK epassports, both based on MULTOS.

## Cartes in Asia 2010



We will be present at the first Cartes in Asia Exhibition to be held in Hong Kong in March. Come and join us for our cocktail party on March 17th at 4:30pm - Booth Number 3C34.

## 2010 Cartes Asia Cocktail Party

## MULTOS Series

After the successful release of the MULTOS World event in Kuala Lumpur last year, the MULTOS Consortium has recently announced the MULTOS World Series, a series of conference events in different parts of the world throughout 2010.

The first MULTOS World Series event will coincide with Cards Middle East, Dubai in May. For more information on this event or another MULTOS World Series, please visit [www.multos.com/world](http://www.multos.com/world).

## Number one bank in Saudi rolls out MULTOS

The National Commercial Bank (NCB) has selected Multos International technology for its debit card migration project. NCB, the largest bank in Saudi Arabia, recently received Card Personalization Validation from the Kingdom's SPAN2 EMV scheme and MasterCard using the MULTOS I4E DDA/CDA product. In addition to the SPAN and MasterCard debit applications, NCB also has plans to utilize the multi-application platform to drive its loyalty application.



The heightened security, interoperability and flexibility afforded by MULTOS were critical determinants in NCB's decision to implement this solution.



*"MULTOS was well in advance of other platforms for its security features with application segregation. MULTOS also gives us the flexibility to provide a wide range of products using a Central and Instant (Branch) Issuance process",* said John Adey, National Commercial Bank EMV Program Manager.



Pursuant to attending comprehensive MULTOS Training Seminars and the procurement of MULTOS test cards, NCB will commence the mass issuance of cards during the first half of 2010. Currently with over 2 million clients and over 300 branches throughout the Kingdom, NCB expects to issue more than 2 million EMV debit cards over the next two years.

## Cards Middle East

Multos International will be attending the largest cards and payments exhibition and conference in the Middle East. The 11th Cards Middle East will take place at Dubai from May 17th to 19th. Visit us at booth #70.



**Market Update: Brazil**

Brazilian antitrust authorities and the central bank have been working on a series of reforms to ensure that there is vertical integration in the card industry in Brazil by creating an environment which is open and more competitive. The most notable change is the requirement that Cielo (formerly VisaNet) and Redecard (formerly MasterCard) acquire cards from others card networks.



As a result of this regulatory change there are other trends in the market which could have a direct impact on retailers, banks and their card holders. Some of the more interesting include an agreement between GetNet and Santander to acquire card transitions competing directly with Cielo and Redecard and

the entrance of First Data into the Brazilian market to provide some of their payment related services.

It is difficult at this point to predict the market impact of this change, but there are certainly going to be changes in the market dynamics which are, as yet, unknown. What will be the impact on the customers POS retail experience? What will be the impact on the retailers? Will the number of POS devices owned by retailers be reduced to 1 or 2? How will that impact both bank and acquirers' profitability?

If you have any predictions or thoughts relative to the impact of the new regulatory environment for acquirers in Brazil please email [info@multosinternational.com](mailto:info@multosinternational.com) and you could see your opinion in a future issue of the Multos international Newsletter.

**New MULTOS step/one SC1 Product Series**

Multos International is pleased to announce the release of our latest product series MULTOS step/one SC1. This new product series, designed based on customer needs and market demand, will be replacing the iD1 product series. Some of the advantages provided by step/one SC1 are:

● **SC1 benefits to issuers:**

- Improved transaction time
- Latest security and attack counter-measures implemented
- Latest MasterCard MICA 1414 application
- Latest MasterCard M/CHIP 2.06 application
- Seamless migration from ID1 to SC1.

● **SC1 benefits to partners:**

- Integrated and streamlined CU Tool
- Familiar CU Tool user interface (MACU)

**Multos International Team**



**Name:** Terence Zhong

**Based in:** Sydney, Australia

**Position:** Currently taking on the responsibility in Multos International as the Product Manager - MULTOS. I find that my past experience working in telecom, banking, transit and loyalty provides me with great insides in all industries. As the industries evolve and merge, this knowledge becomes very valuable in term of future proof product design.

**Main projects you have been involved with:** The major projects that I have been involved are EMV migration in

Australia and New Zealand. In term of Telecom I was involved in the 2G to 3G migration, and for trail I was involved in close loop smart card projects.

**Where do you see smart card to be in the next 5-10 years?** In the very early days smart cards became the industry standard for SIM cards (Telecom), then smart card moved to ID and Banking (EMV), soon smart card volume will ramp up in transit. NFC has been a hot topic to telecom and banking for a while, but I believe there need to be two generation of interim technology before reaching the final NFC goal.

**Best piece of advice you have ever heard:** During planning expect the worst, when the worst has happened expect the best.