



aconite

Prepaid Value Manager

Profitable prepaid in the offline world

New revenue opportunities with prepaid offline, contactless and ticketing transactions

A world of new business opportunities awaits issuers of smart prepaid and pre-authorised products. Smart prepaid opens up offline markets, including contactless and ticketing transactions, with lower risk than magnetic stripe prepaid transactions authorised online. Smart prepaid can be deployed on smart cards, tokens and mobile phones. **Aconite Prepaid Value Manager** provides issuers with a fast-track, low risk, reduced cost entry into this lucrative market.



Smart prepaid (including pre-authorised) is based on the global EMV standard for smart card payments. EMV has stronger security than magnetic stripe cards, reducing fraud losses, and its offline risk parameters can control prepaid spending. Importantly, issuers are in control of authorisation of smart prepaid transactions even at offline locations. This capability is essential for applications like contactless transit ticketing, quick service retailer payments and retail micropayments for cash replacement, where transaction speed is critical.

Use of appropriate chips allows multiple applications to be combined in one smart product. For example, prepaid could be combined with debit or credit, ticketing and loyalty applications. With EMV based smart products, compelling customer propositions with attractive business cases can be created.

With smart prepaid, an "offline spending" balance is stored on the card, token or mobile ("smart device"). This balance is tracked in a 'shadow account'. Both the offline spending balance and the shadow account balance are reduced when transactions are made (although with offline transactions there is a lag before the shadow account is debited, reflecting the time needed to clear the transactions). Once the "offline spending" balance is exhausted, no more purchases can be made offline until it is topped up online. Funds paid into the shadow account are held until the smart device is next used online, when they can be loaded. Online authorisations are made against the overall position of the offline spending and shadow account balances (allowing for any uncleared transactions). With much reduced fraud risk and offline authorisations strictly limited to the available "offline spending" balance, smart prepaid offers the possibility of new business and revenue from offline locations and a better risk profile than online authorised magnetic stripe cards.

At a glance

features

- ✓ Supports open and closed loop smart prepaid/pre-authorised products
- ✓ Supports contact and contactless online and offline transactions
- ✓ Compliant with MasterCard Pre-authorised Debit specification
- ✓ Compliant with the new Visa Prepaid Chip Card specification
- ✓ Options available for both EMV issuers and magnetic stripe issuers
- ✓ Supported by Aconite's in-depth consulting expertise
- ✓ Builds on existing systems, protecting investment and minimising change

benefits

- ✓ Opens up significant new business opportunities
- ✓ Fast-track implementation using standard components and targeted consulting support
- ✓ Low risk option thanks to Aconite's proven software and expertise
- ✓ Reduced cost from minimal change, shorter timescales and lower risk.

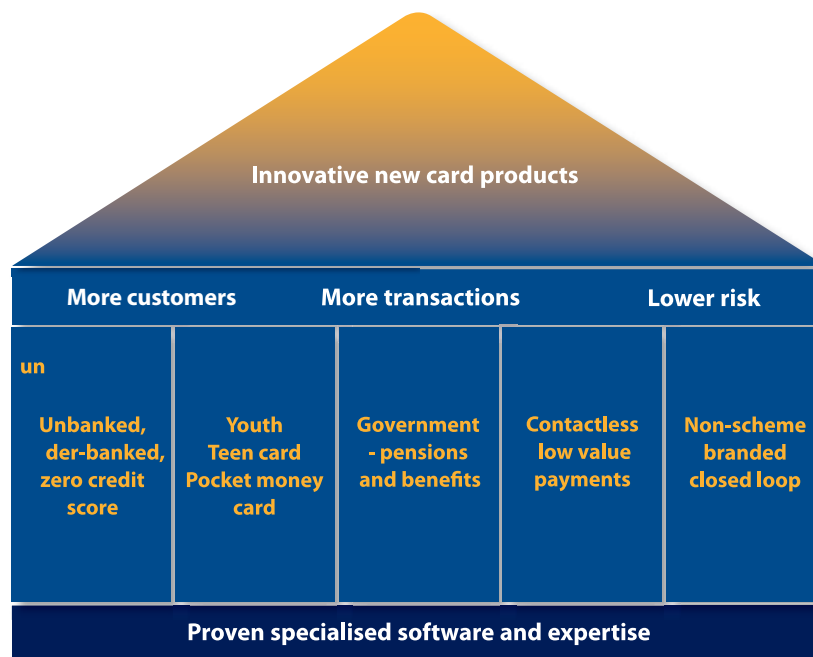


Aconite Prepaid Value Manager

Aconite Prepaid Value Manager delivers the ability to issue and process prepaid smart products by building on your existing card issuing systems. If you have yet to migrate to EMV, Aconite can provide additional modules to facilitate EMV personalisation and transaction processing. Whether or not you have already migrated to EMV, your investment in existing systems is protected. Aconite's unique combination of specialised software components and extensive consulting services condenses timescales, reduces risk and results in lower costs compared to alternative solutions. Aconite provides the perfect route to a trial or pilot implementation of smart prepaid.

Aconite Prepaid Value Manager supports both open-loop (including MasterCard and Visa) and closed-loop prepaid/pre-authorised schemes. Supporting both contact and contactless smart prepaid online and offline transactions, it enables you to design products suitable for locations that demand reliably fast customer throughput based on offline, contactless transactions, such as quick service retailers and mass transit operators. It solves the 'challenging' aspects of issuing prepaid smart products, including:

- checking relevant incoming secure EMV data;
- calculating the appropriate amount to top-up and loading it to the smart device;
- authorising online transactions against the offline spending and shadow account balances (allowing for uncleared transactions);
- updating the smart device with the new offline spending balance; and
- posting offline transactions against the shadow account.



Aconite Prepaid Value Manager provides the foundation for multiple new marketing propositions

About Aconite

Aconite develops and delivers software solutions for managing business applications on chips in smart cards, tokens or mobiles to issuers around the world. We provide a rapid and cost-effective route to implementing new customer propositions, entering new markets and complying with international standards.

Incorporating a unique blend of proven software solutions and professional services, Aconite solutions can be tailored to meet individual business requirements without the need to replace legacy systems and with minimal impact on staff and processes. Based in the UK, Aconite operates across the globe, with a local presence in many markets.

Further information can be found on the Aconite website at:

www.aconite.net

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