

Caribbean Electronic Payments



Company Profile

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Introduction

Caribbean Electronic Payments, (CEPAYMENTS) is a Card Payments Solutions Company formed in the United Kingdom in January of 2009 by Steven Hodge and David Cole. CEPAYMENTS provides card payments services and solutions aligned with the challenges faced by the United States of America, the Caribbean and Latin America Regions. CEPAYMENTS draws its experience from 25 years of similar activities in many countries of the world and is a recognized provider of E-payment solutions for the global financial industry. The company delivers modern technology solutions and best international practices to the rapidly growing industry. In the banking sector CEPAYMENTS executives have a wide knowledge of the market place and a deep understanding of the challenges facing banks in the current payments situation where banks are re-assessing what they want and need to continue operating where costs are spiralling with each new mandated change.

CEPAYMENTS solutions are based on available, current, working and smart card enabled technology. CEPAYMENTS understands the needs of the governments, banks, and merchants as well as the technologies being used today and those being developed for tomorrow. CEPAYMENTS can apply the right solution to the need and has demonstrated its ability to do this in many corners of the world including the Major Card Schemes, Major UK Banks, Caribbean Banks, Major Middle Eastern and Russian Banks, a Swiss Payment Processor, and African Banks and Processors.

The underlying services for the solutions will be provided in secure hosting environments certified to international regulatory standards and are fully EMV¹ compliant. The environment can be within the customer's premises (in-house), within a CEPAYMENTS premises (outsourced), or provided 'As a Service'. Additionally, CEPAYMENTS offers its clients help desks, customer support services, dispute resolution services, and settlement and reconciliation services. All services are fully documented, to conform to national, international and card association requirements, and have defined Service Level Agreements. This is supported by Account and Relationship Management expertise, Implementation Teams, Technical and Business Consultancy and Migration services.

CEPAYMENTS works with proven hardware and software providers, to build infrastructures that will enable clients to continue to focus on their core business activities. All service offerings will be charged via an appropriate initial fee plus a 'per click' basis delivering transparent and predictable costs from the outset.

¹ Europay, Mastercard and VISA

Our key offerings to financial institutions are based on an industry acclaimed set of software products catering to every aspect of business related to transaction processing and card management. With a dedicated team of professionals we work with the largest and most progressive financial institutions, developing and deploying electronic based payments solutions, which address their specific business requirements, such as:

- Provide organizations with cost effective solutions to existing card payment situations
- Do what banks don't want to do themselves by providing outsourced services
- Provide banks with measurable known linear costs for services
- Provide banks with an effective way to manage risk
- Create appropriate solutions to the issues faced by the unbanked and under banked.
- Matching outsourced solution to in-house solution, to allow ease of migration
- Make sure the transactions processed are of good value, are secure, and can be successfully challenged when a merchant or cardholder disputes a transaction.

Financial institutions are constantly facing new challenges in terms of upgrading both software and hardware and driving costs out of the business. In all markets the banks will be faced with migrating to Smart Cards and rationalizing and upgrading their payment systems, and the cost of this is substantial. Globally banks are looking to outsource much of their non-core activities and to date no single organization has offered the market the CEPAYMENTS multi-faceted approach. Businesses are constantly looking for value and return; a large majority of financial institutions have already invested in mandated changes at significant expense with little or no return. The CEPAYMENTS solution reduces capital expenditure, increases flexibility, reduces the time to market for new products, and provides a reduction in fraudulent transactions.

Because of its skill set and in-depth knowledge CEPAYMENTS believes it is the only company to date to offer this in the Caribbean Region.

CEPAYMENTS is also developing a Payment Services Centre of Excellence providing an educational facility in conjunction with universities in the Region to deliver knowledge transfer about smart cards and all other aspects of the card business and its development over the next few years. The facility also aims to provide a development centre for smart card applications.

Mission & Core Values

CEPAYMENTS' Mission

To provide payment solutions that support and stimulate the growth of an economy.

These will be total business solutions that enable our customers to meet today's business needs as well as to face tomorrow's challenges.

Our Core Values

Innovation, Delivery, Support, and Accountability form the foundation of our Mission statement and illustrate our commitment to our customers.

Innovation

We care about the long-term investment protection of our customers and we build our solutions on state-of-the-art, future proof and industry proven platforms in compliance with the latest market trends, international standards and major payment organizations' requirements.

Delivery

We are not just technology providers and we are not just consultants. We create fully integrated business solutions and ensure their immediate operating availability to enable our customers to improve their competitive position, market leading, profitability and productivity.

Support

We want to build long term trusted relationships with our customers that will enable both of us to grow. Providing an effective support capability in the Caribbean Region will ensure that we can deliver what is needed the way the customer wants it.

Accountability

We are accountable for the way our customers feel about their business solutions' functionality and performance including:

- Their secure feeling in their financial transactions encouraging them to roll out new services within time and budget
- For delivering the solid foundation for their long-term success.

History

The Principals of CEPAYMENTS have over twenty five years of experience in card payment, computing and management services. We have excellent knowledge of applications in the credit, debit, loyalty and payment card industry. Over the last ten years we have been involved heavily in the emergence of smartcards and the EMV standards and have become leading exponents in the use of smart cards across all market sectors to exploit and utilize the opportunities the technology provides for expansion, efficiency and increased profits.

Our areas of expertise developed to include strategic technical and business investigation, business studies, fraud investigation, company investigations, marketing plans, business and financial plan preparation, market surveys, on-going technical review of Card and EFT systems, project management, training and team management.

We then participated in Card Launch, Loyalty applications, online customer interfaces, and Credit card account system development, EMV Smart Card developments in all market sectors, Secure Electronic Commerce and other related applications such as: ATM, EFTPOS, Acquiring, Fraud Systems, Card Management, Billing Systems and the International Payment systems. We led the team that developed and successfully launched the world's first EMV based debit / credit smartcard.

We helped Financial Institutions, Card Schemes, Retailers, Loyalty Providers, Travel Companies, Oil Companies and Telecommunications Providers develop and grow their business.

During this evolution we have produced and delivered courses, seminars and workshops, explaining and exploring all aspects of the business and technical side of smart card based applications and services.

We are now involved daily in the application of chip technology into all of the various market sectors where this can be used including payments, ticketing, loyalty, leisure, phones, vending and all of the other potential applications that the chip technology can support together on the one platform.

What are the main business drivers today?

The main business drivers for these solutions are to reduce cost, manage risk and fraud, remain internationally compliant, remain competitive, reduce cash and check processing, and better control money. They vary by sector:

Banking

- The world of card payments is converting to smart cards to stop fraud and crime
- It's happening now!
- It is very expensive and costly to upgrade everything yourself
- Older systems are being closed down
- Fraud is attracted to systems that don't upgrade to smart cards and rises in times of recession
- Effects of the credit crunch demand more cost effective and efficient systems to support acquiring and issuing

Governments and Other Corporations

- Paper based systems are costly
- Cash and checks are costly
- Crime is often high
- Payments need to be more flexible to promote E-Government
- Time is lost whilst people cash checks, collect expenses etc:

General

- There is a need to address the issues of the unbanked and under banked.
- Fraud, duplicate invoicing and many other actions are becoming wide spread and common.
- Fraud always happens
- Fraud needs to and can be identified and prevented as it happens

Solutions

Fraud Checking

Provide systems that can address risk, fraud and crime in any electronic processing environment such as:

- Card payment systems
- Invoice processing
- Money transfers
- Expense reimbursement
- Benefit claims processing
- Or any other financial transaction or file based activity where fraud is present.

The systems cover financial fraud of any type including card fraud, Anti Money Laundering etc:

Automated Payments

Provide systems that automate many of the functions in government and business:

- Automated invoices and statements to the person directly, mobile billing etc:
- Direct debits to pay utility bills, tax bills, and others direct from an account when required and on time

CEPAYMENTS provides a full settlement and reconciliation function for all of the transactions automated.

Community Cards

We provide card based payroll and benefits program cards for employers who currently manage all or a part of their payroll by check and cash, or Governments that want tighter control over spending and use of benefits.

This reduces the cost of manual cash and check based payroll processing, reduces the risk of crime and fraud, improves payroll cash flow, and offers employees more choice in how they manage their money. This service will target those employees or benefit receivers who are unbanked but the service can be used by anyone.

To make this a success CEPAYMENTS will provide a complete solution which:

- Provides the salary or benefit card branded by the country or organization offering the service
- Provide a full account based service that does not hold the money but authorizes every transaction and settles daily with the funds pool held by relevant banks.
- Supply onsite (where the customers need them) ATMs, Kiosks and POS devices.
- Have a fully open book policy showing all accounts, transactions, fees etc: to the relevant authorized authorities, governments and customer organizations.

Account Management

CEPAYMENTS provides the software systems required to run the accounts for any type of card:

- Visa, MasterCard, Amex (Debit, Credit, Charge, Pre-paid)
- White label cards from any Issuer (Payments, Loyalty, Etc.)

Providing all of the account functions expected of a third party processor such as: Account Enquiries, Account Updates, payments, charges, fees, interest etc: , Statements , Disputes and Charge Backs, Settlements to and from card schemes, Reporting of all bank and card scheme requirements , Collections, Fraud checking , Customer Service. CEPAYMENTS can provide full settlement and reconciliation services for cardholders, merchants, bank partners etc:

Education

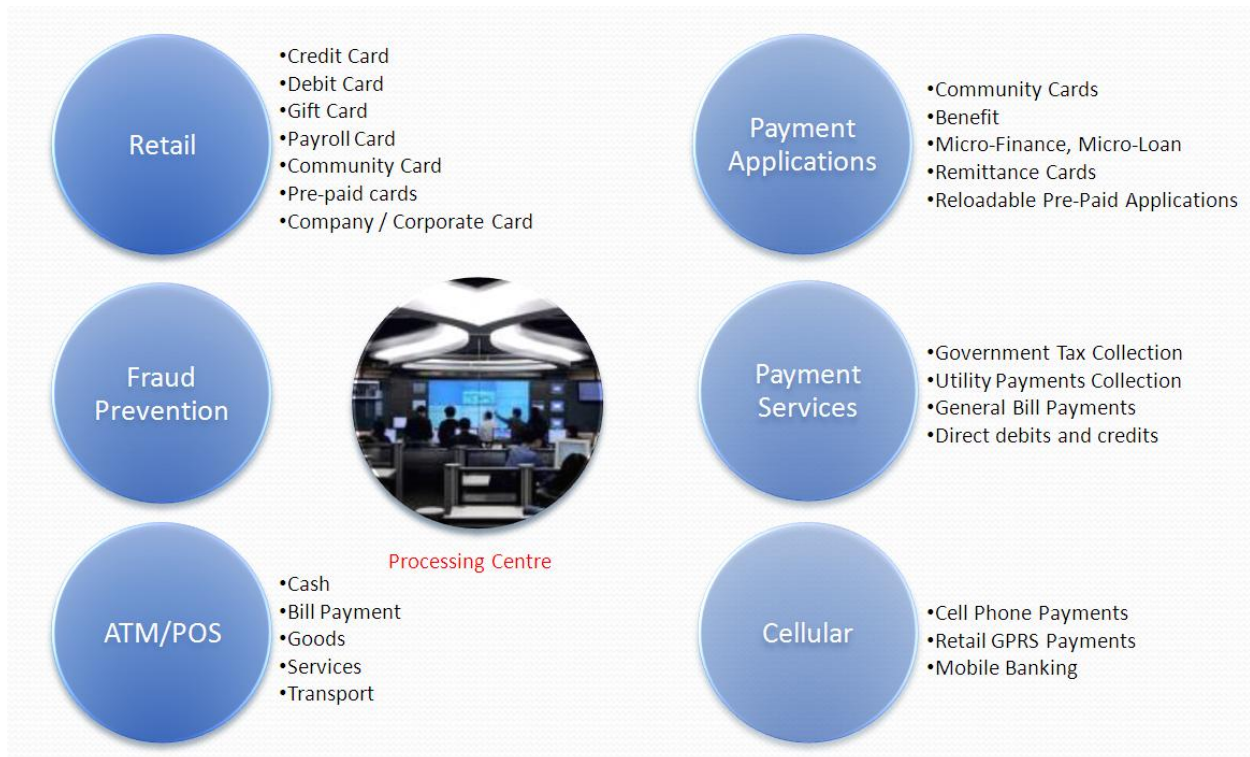
CEPAYMENTS have created a Payment Services Centre of Excellence that will transfer knowledge and deliver migration services ahead of the imminent arrival of 'Smart Card' payment mandates in the USA, Latin America and the Caribbean (LAC) as well as other compliance regulations.

It will do this by providing:

- Courses and Seminars on all subjects relevant to the banks in the region such as Smart Cards and EMV, Fraud Prevention, Risk Management, Etc:
- Web casts on pertinent subjects that are affecting the banks and retailers on a day to day basis.
- Provision of consultancy services, using consultants who have many years experience of smart Card and EMV projects, planning, prioritizing and migrations.

Switching and Processing Services

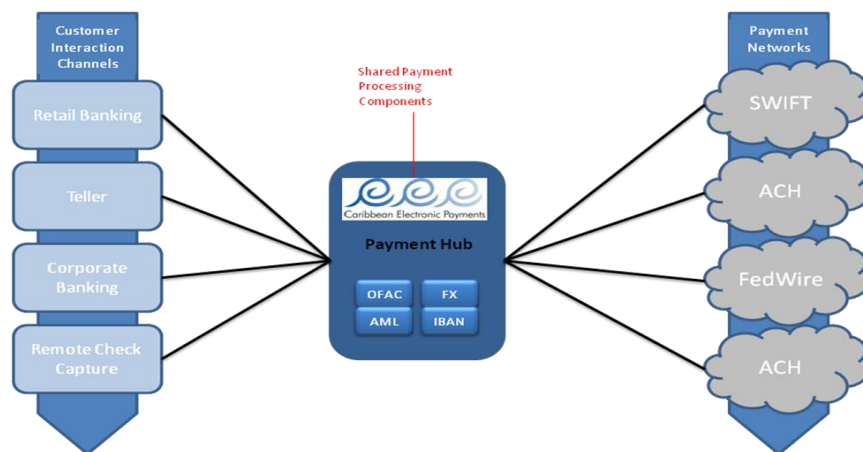
CEPAYMENTS provides outsourced transaction switching services for ATM's, POS, Internet and any other transactions based on a card on behalf of banks and retailers. We can switch any transaction from any terminal and route it to the correct point for Issuer authorization. These terminals can belong to any bank or can be placed on behalf of bank by CEPAYMENTS.



The Payment Hub

As financial institutions examine their existing payments infrastructure, they often find it overly complex, rigid, and outdated given the demands of today and tomorrow. Existing systems often lack the flexibility required to accommodate change. Cost-effective modifications to payment components, required by changing markets, are not possible in the current framework.

The introduction of a Payment Hub into existing payments infrastructure provides both the flexibility to support future changes as well as the reusability of existing infrastructure components. A Payments Hub turns a silo-based infrastructure into an Enterprise Payments solution, through a process of managed migration.



The message formats supported cover all of the standard banking and retail transaction formats. However new formats can be developed to support any customers requirements. It also provides card based remittance services in order to offer more secure and less expensive money transfer.

CEPAYMENTS runs the accounts for merchants again for any card scheme and any type of merchant. These also provide all of the same services as provided for card accounts but with a Help Desk to support individual merchants.

It is a Very Doable Thing

CEPAYMENTS makes it easy for the customer to do business with us in the most efficient and economic way possible. We offer:

- Per click transaction processing pricing
- Known and contained costs
- Ease of set up and operation
- To take responsibility of all the problems, we take the strain not you as a company
- Support Service Level Agreements to ensure timely and efficient services

Customers

Whilst CEPAYMENTS is relatively new its founders have worked in the same business for many years and their customers include:

- Major Card Schemes, Visa, MasterCard and American Express
- Major Banks in Europe, Middle east and Africa
- Hardware and Software Vendors
- Telecommunication Providers

Key Projects

Equally the founders have worked on many key card and payment projects including:

- Card software design
- EMV implementations
- EMV migrations
- Terminal / ATM upgrades and roll outs
- Card launch, credit, debit, pre-paid and salary/community cards
- Loyalty scheme set ups
- Strategic investigations
- Business and Financial Plan definition

Partnerships

CEPAYMENTS's strategy is strongly supported by partnerships with the key leaders in their respective market segments to strengthen and further extend our solution offering. We team up with companies who have a proven track record of delivering customer value and, wherever possible, use software and hardware components from our local and international partners as building blocks for solutions. We have formed strategic, business and technical alliances with:

- Selected software providers of E-payment solutions for the global financial industry

- Selected fraud and risk management software providers

These are supplemented with trusted associates and other global partners.

Our People

CEPAYMENTS's staff, which includes highly skilled specialists with wealth of experience in both the financial services industry and information technology, is dedicated to providing the highest levels of delivery and customer service. The knowledge of, and expertise within, the team enable us to cover all aspects of the solution life cycle, from conceptualization to the support of delivered solutions. A broad spectrum of business and technical competences delivered by our professionals includes business consultancy, customization and implementation, project management and training. We recognize that effective solutions are not just about delivery, they also require continued support and service, and we have a comprehensive regionally based support capability backed by a secure web based support system.

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