

Moving towards a cashless society

Competition Driving Innovation

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eftpos today

Australia's most popular
debit payments system

Joint venture comprising
issuers and acquirers

2 billion+ eftpos transactions
worth \$129 billion p.a.

CHQ

SAV

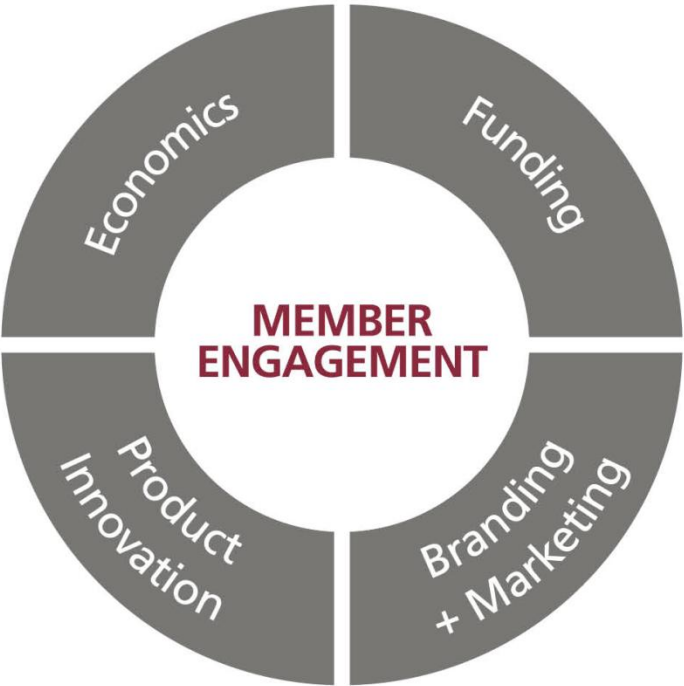
eftpos

The way Australia pays.

eftpos evolution

Interchange fees under the multilateral eftpos fee model:

Interchange fee (inclusive of GST)	eftpos multilateral interchange fee Transaction type
\$0.00	Charity, Medicare Easyclaim, Low-value transactions (<\$15)
\$0.05	Point-of-sale transactions (\$15 and above)
-\$0.15	Cash out, combined purchase/cash out transactions



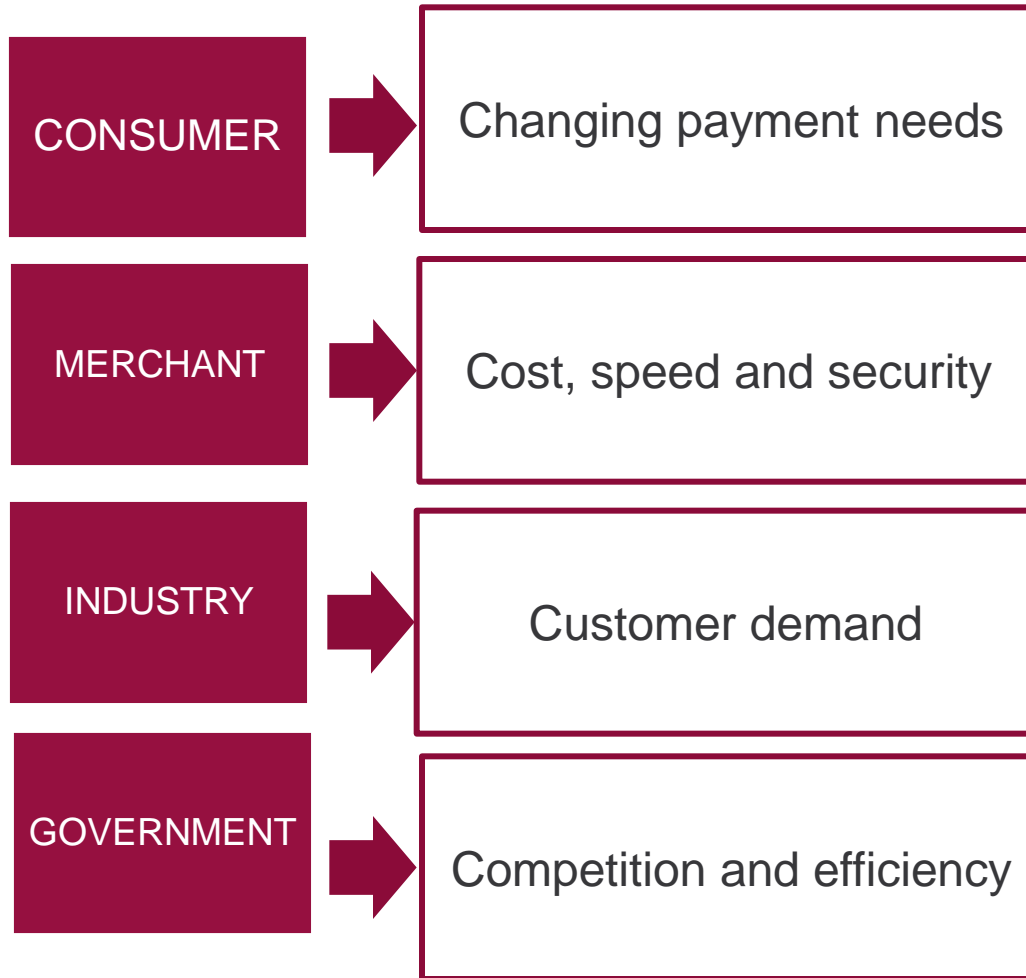
Schedule of Scheme Fees

Effective 1 January 2011

Transaction types	Scheme fee
Purchase	\$0.01
Cash out only	\$0.01
Combined cash out & purchase transaction	\$0.01
Medicare refund	\$0.01
Refund of a purchase transaction	\$0.00



The need to innovate



Why mobile ?

Pros

Speed

Convenience

Connectivity

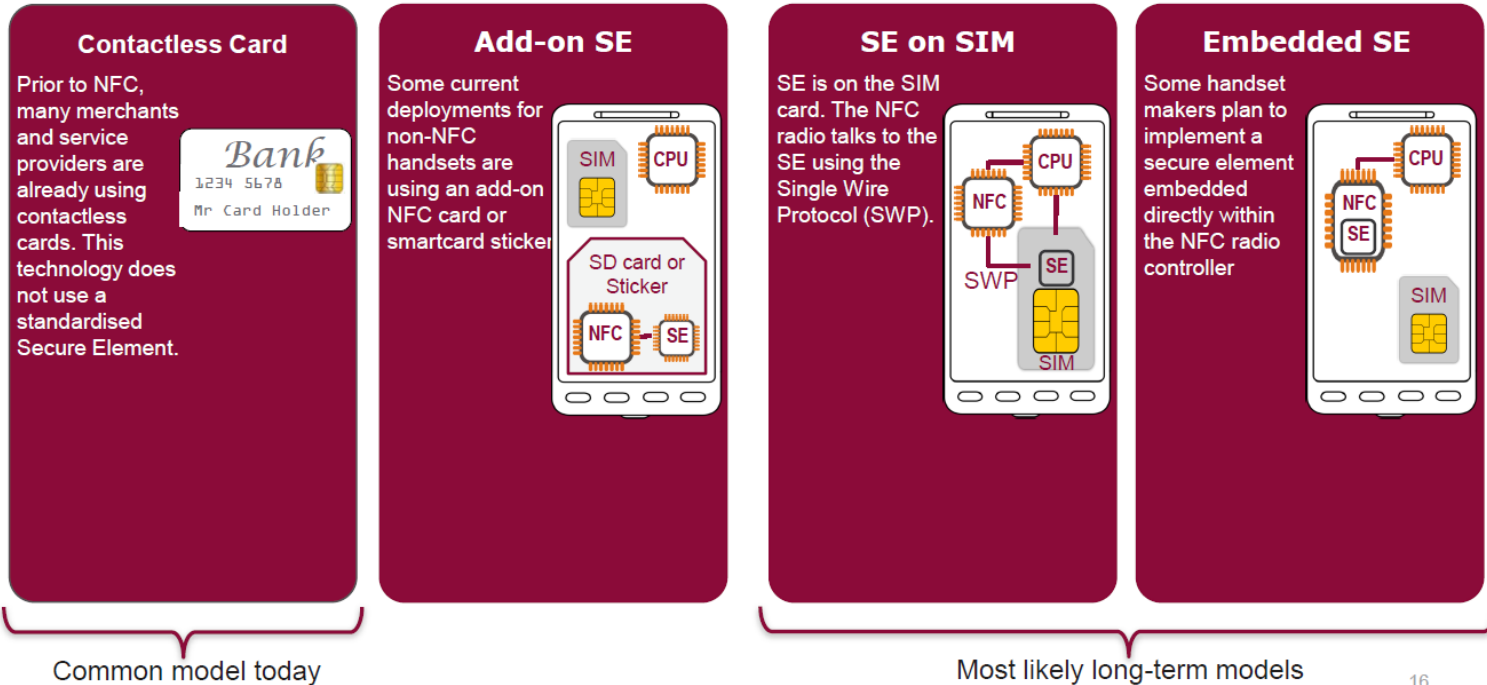
Cons

Security

Uptake

Secure element

Many NFC services rely on sensitive data. A critical component of NFC is the **Secure Element (SE)** where this sensitive data can be stored securely. Generally for NFC, the secure element can be in one of three places (although these may co-exist):

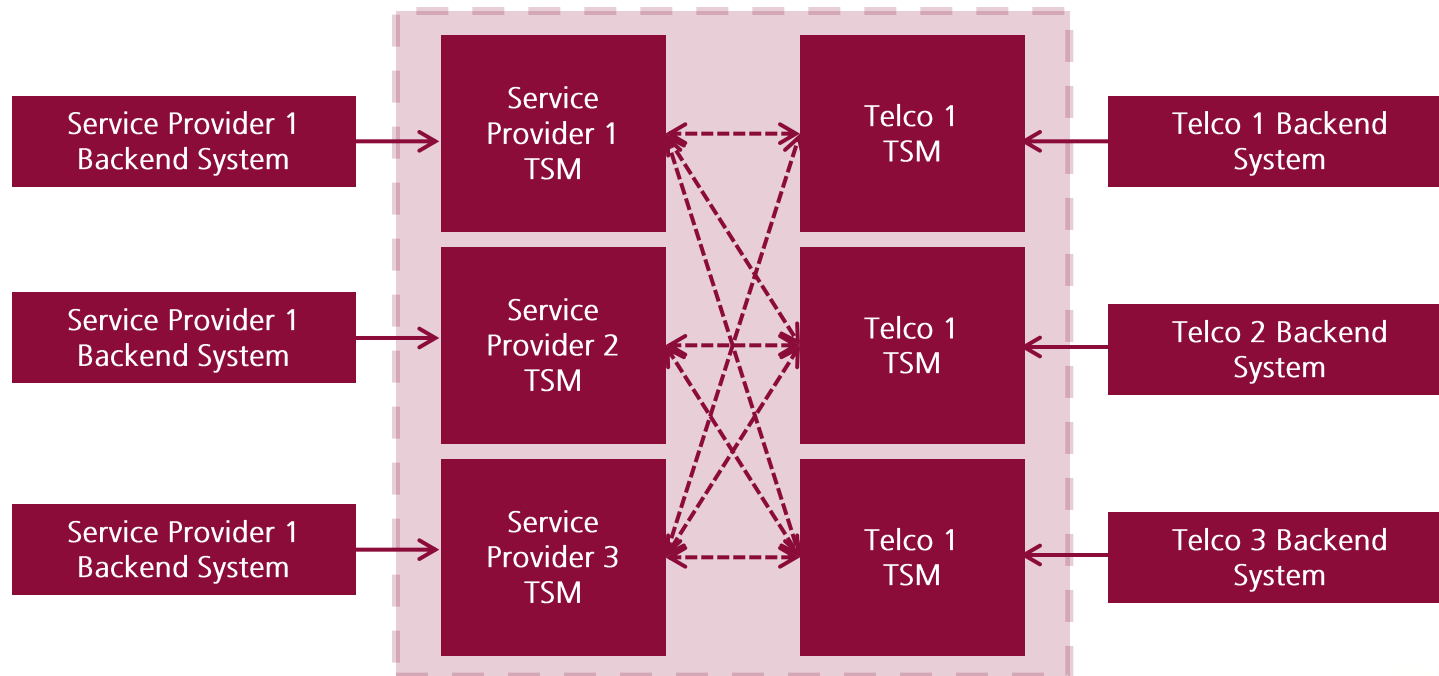


Source: Telstra

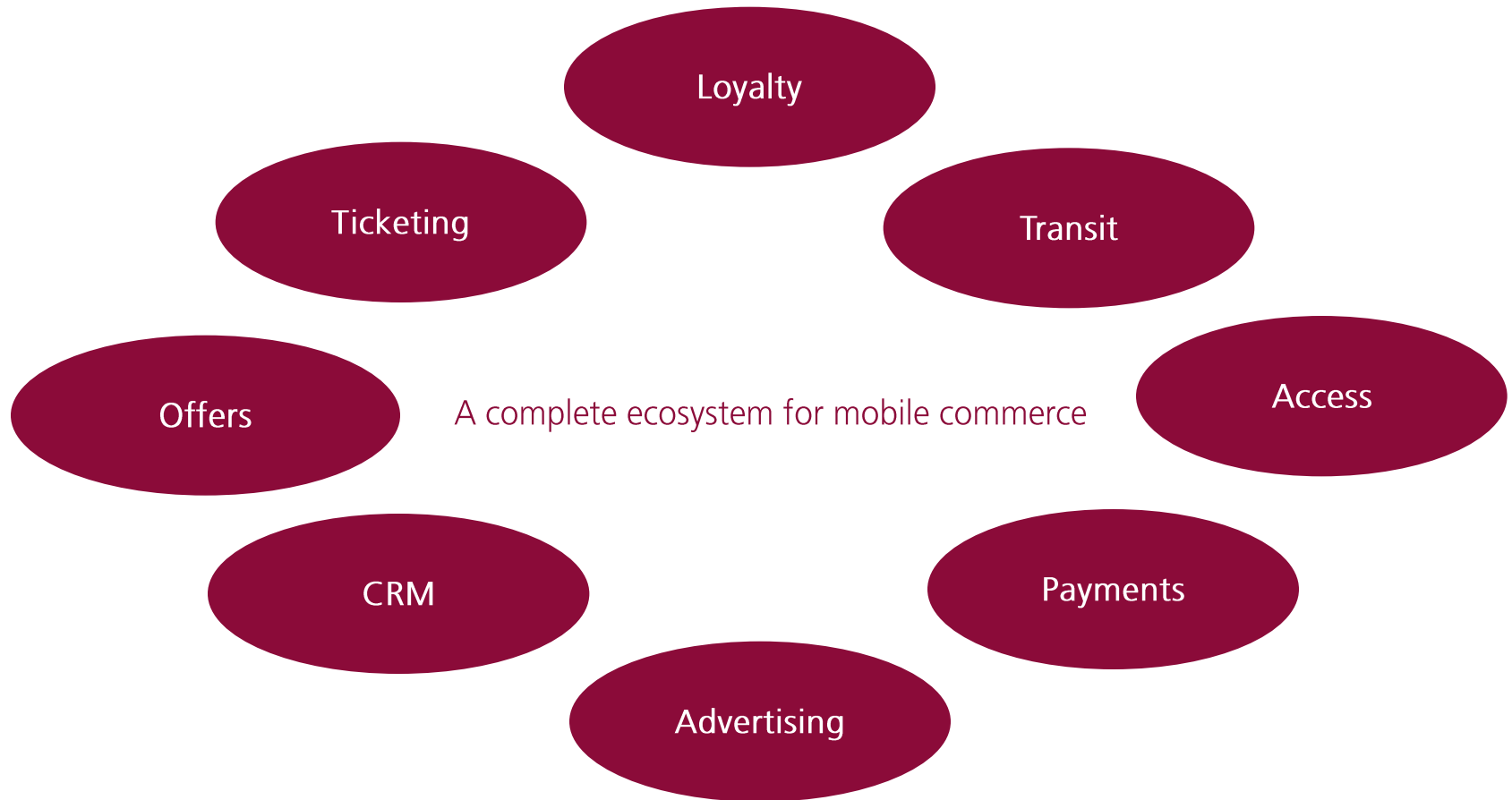
Trusted service manager

Key challenges:

- Interoperability (i.e. TSMs, OS, SE)
- Security and data integrity
- Commercial agreements
- Customer support management



Mobile eco-system



What role payments ?



NFC Payments

OTA Payments

P2P Payments

The future

- A unified digital wallet
- Focus on merchant and consumer propositions
- The industry must collaborate
- Payments is the easy part



PayPal[™]



V.me
by Visa



K
Kaching



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