



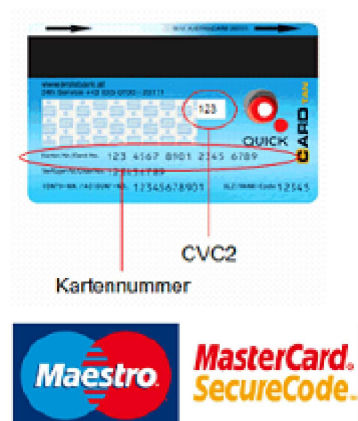
Erste Bank und Sparkassen play it safe in online shopping

Higher security standards: Self chosen message and SMS code

New: Online shopping via ATM card, advantage: account cannot be overdrawn

Erste Bank und Sparkassen are focusing on new security standards when it comes to paying online: A security message and unique SMS code (TAC) confirm payments made by Visa and Co, making misuse impossible. Those who don't have a credit card will, in future, be able to use an ATM card to make purchases online – provided the retailer offers this payment process, known as “Maestro SecureCode”.

All new ATM cards issued by Erste Bank und Sparkassen can now be used to make payments online. This means that a three-digit verification code (CVC2) and a 19-digit card number are printed on the back of the card, enabling it to be used for online shopping. Paying on the Internet thus works similarly to credit card payments. Some 2.5 million Erste Bank und Sparkassen ATM cards will be equipped with the “Maestro.SecureCode” by 2016. “Online purchases are rapidly increasing. Most Austrians will have an ATM card rather than a credit card in their wallet. That's why we believe we're closing a loophole by taking this step,” explains Christian Hanousek, Head of Retail Business Development at the Erste Group. Over 8.7 million ATM cards and 3 million credit cards are in circulation across Austria (source: OeNB).



Security message and SMS code

In order to use the new service, customers need to log into Netbanking and set a security message. Thereafter, this personal message will be shown whenever they pay online using a credit card or ATM card, giving purchasers the peace of mind of knowing they are in a protected payment platform run by the Sparkassen group. They confirm the transaction by entering a 6-digit TAC (unique SMS code) which they receive on their mobile phone within seconds and enter into the relevant field to complete the purchase.

ATM card payments still in their infancy

“Online payments via ATM card are already common practice in the USA. In Austria, they're still in their infancy,” Hanousek explains. The reason? Most ATM cards are not yet printed with the CVC2 and 19-digit card number, and very few Austrian online shops currently offer this payment method. “The demand will increase; I am convinced of it. Paying online via ATM card also has another big advantage over credit cards: accounts cannot be overdrawn,” says Hanousek. Because the transaction is automatically aborted if funds are insufficient, overdraft facility included.