



Postal Solutions

A man and a woman are taking a selfie in front of a large, ornate Gothic cathedral. The man is wearing a straw hat and a leather jacket, and the woman is wearing a black cap and a leather jacket. They are both smiling and looking at the camera. The cathedral has many spires and intricate carvings. The image is overlaid with a dark grey diagonal shape in the bottom right corner, which contains the title text. There is also a yellow diagonal shape in the bottom left corner.

Transforming The Postal Business Model With High-Value Financial Services



INTRODUCTION

Diversifying Your Postal Business in the Digital Age

It's no secret that postal organizations must adapt to survive.

Aging infrastructure, declining mail volumes, and changing consumer preferences for mobile/digital delivery are all driving the need for postal organizations to find innovative ways to remain relevant, diversify revenue, and stay competitive for the communities they serve. Postal organizations are trusted resources within their communities.

Moreover, they have distribution networks that are not easily replicated by competitors. They can build upon their brand equity and strong relationships with consumers to grow their business. Existing assets can be leveraged in new, sustainable ways – such as in-community brick and mortar post offices locations and last mile distribution for new revenue streams.

Postal organizations are in a strong position to branch into areas that demand a position of trust, such as high-value financial services lead by high margin payment products that consumers demand. Postal organizations need to create new revenue streams in the most cost-effective manner possible.

Concurrently, the path to digital transformation must happen quickly. A full suite of financial services options, underpinned by digital technology, can be a key element of a diversification strategy that postal organizations need for a viable, sustainable future.

“ Customers are increasingly replacing traditional postal products with digital products. This is having a growing impact on the core business and on the postal network. –Swiss Post, IPC

Many postal organizations are already capitalizing on the financial services opportunity. Currently 3 out of 4 postal operators worldwide currently offer some form of basic financial services like money transfer and remittances. And, financial services makeup 25 percent of global postal industry revenue with over 1 billion consumers looking to trusted postal operators for these value-added services.

A Growth Oriented Transformation Model for Postal Operators

Given this changing environment and its challenges, and the assets postal organizations have to leverage, a model is evolving that postal operators can embrace that supports transformation of existing business models.

i2c has a range of high-value financial services solutions that can help your organization diversify your product offering, grow your postal business, create new revenue streams, and better serve your community. i2c's innovative set of payment focused financial services is designed to engage consumers and businesses in ways that support their mobile/digital lives while advancing financial inclusion. Your organization can leverage i2c's highly secure, cost-effective, and instantly scalable payment solutions platform to combat margin pressure, generate additional revenue, and transform your operations for the digital age.



Create New Revenue Streams with Consumer-Focused Payment Solutions

Engaging a wider spectrum of your community with financial services creates an opportunity to drive new revenue streams from sources such as interchange fees, cross-border spending, and foreign exchange mark-ups. You can diversify with an array of payment products – including general purpose reloadable (GPR) cards, gift cards, travel cards that support multiple purses and currencies, companion cards, and best-in-class mobile features that engage consumers, deliver a more relevant customer experience and will extend your brand.

“ More consumers worldwide are looking to their postal services for financial services, now accounting for 26% of global industry revenue. An 8% increase over the past five years, all as mail volume and revenue decreases.* –International Post Corp

i2c's platform supports a broad array of high-value payment products including prepaid, credit and debit solutions that enable communities to view postal organizations in a different way, beyond traditional delivery capabilities and basic financial services offerings.



Offer the convenience of multiple currencies on a single card with predictable foreign exchange conversions and unlimited purses or wallets. Travelers can easily extend value to companions and safely replace cards if lost or stolen

Safer than cash and accepted virtually everywhere, general purpose reloadable (GPR) cards help consumers with predictable budgets and spending. i2c's solution comes with multi-purse and multi-currency capabilities. Consumers can also easily share value with family members or companions.

Provide the convenience of gift shopping while purchasing other postal services by offering gift cards. Available virtually or in plastic form, gift cards can be immediately funded and ready to share.

Instantly issue account value that can be redeemed online, in-store, or over mobile devices using i2c's virtual card capabilities. Consumers can shop anywhere and anytime, and postal organizations can fulfill and fund accounts via SMS, text, or email. Funds are ready to access and use upon receipt.

Give consumers a reason to keep your organization top-of-mind when topping up funds for card reloads. When funds are low, use i2c's built-in communications and alerts features to strengthen relationships and build brand loyalty.

Everything You Need to Succeed in Financial Services

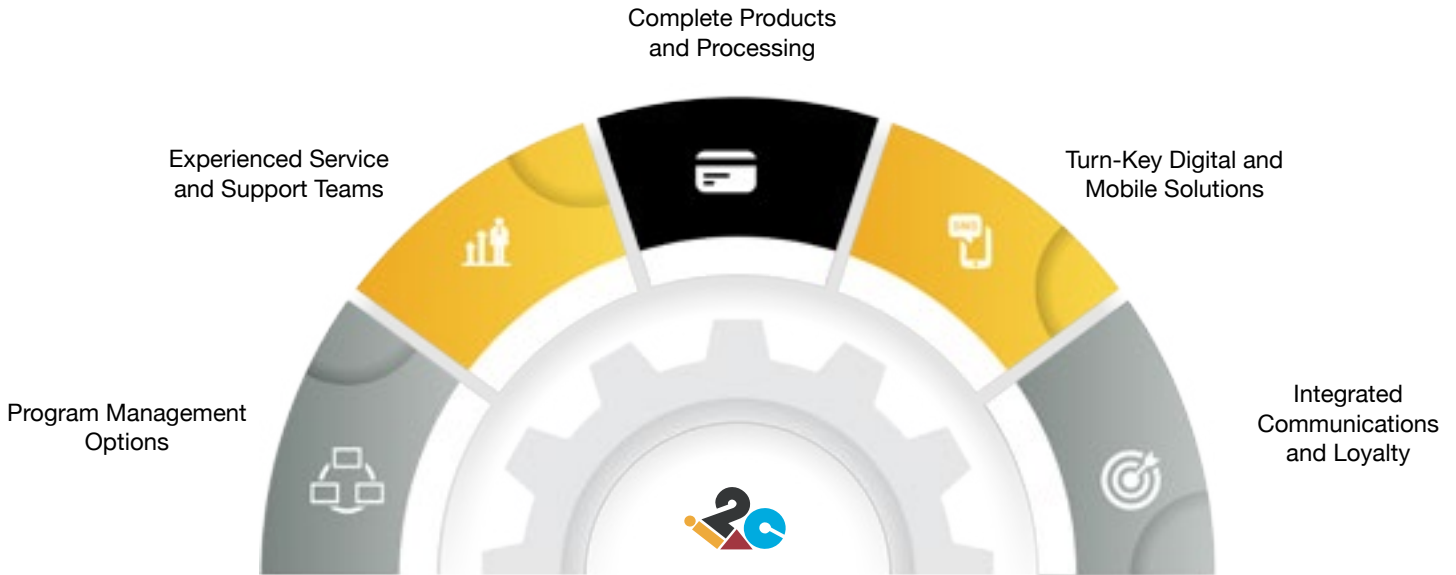
i2c's turnkey approach can help your organization get to market quickly. Our single global platform does not require extensive client IT resources making implementation and management easy for you to bring new products and services online without causing major disruption to existing operations.

i2c's approach offers our clients:

Easy Implementation	i2c ensures that postal organizations enjoy straightforward implementations and a seamless migration experience to our cloud-based platform.
Mobile and Digital Customer Experiences	Our turnkey approach provides fully customizable online and mobile applications that deliver a modern brand experience enabling postal organizations to compete with the best financial services providers in the world. Existing digital initiatives can be expanded and enhanced with i2c's robust APIs.
Easy-to-Configure Programs and Products	Once live, your organization will have access anytime to create and manage card programs via intuitive web interfaces.
World Class Uptime	With no outages over the last decade, the i2c platform delivers 100% up-time*, so consumers are always able to access their money.
Industry Leading Security	Our platform also provides industry-leading security measures, including Payment Card Industry Data Security Standard (PCI DSS) regular third-party compliance audits from Ernst and Young and platform security verification through Trustwave.
Global 7x24 Client Support	Centralized service and support teams ensure round-the-clock positive experiences for postal organizations and their customers.
Profitable Program Management	If limited resources make managing a new card program problematic for your postal organization, i2c's highly experienced team offers program management services that can help optimize card programs and maximize community engagement while enabling you to continue serving your community at the highest level.

* i2c's Platform Service Level Agreement is 99.99%

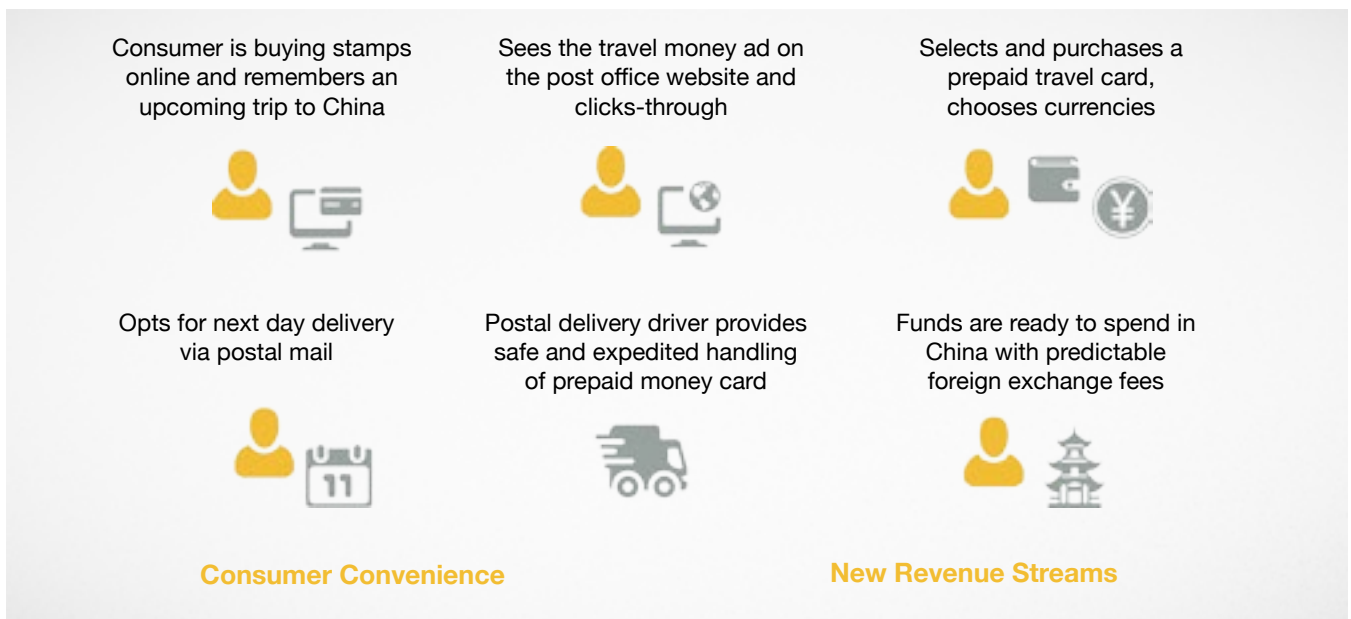
i2c: A Complete End-to-End Payments Solution for Postal Operators



New Revenue Sources That Leverage Existing Infrastructure

Postal organizations can support the delivery of financial services through infrastructure that's in-place today and convert new sources of revenue. In fact, you may be in a better position to compete than you realize, with branch distribution networks and staffing at the point-of-sale (POS), cash handling and cash-back capabilities, delivery capabilities, and frequent interaction with customers interested in new financial services options. Existing postal services also complement and support cross-sales opportunities, leveraging intact infrastructure in new ways. For example, travel cards ordered online can be delivered via the next day's outgoing mail (or even the same day).

Cross-Selling Financial Services Drives New Revenue Streams



Serving Postal Operators In-Market and Around the Globe

i2c is already working with governments and postal organizations globally to deliver financial solutions that address complex business challenges, diversify revenue sources, and deliver positive customer experiences. Communities around the world benefit from forward-thinking product approaches that tap the strengths of i2c's payments platform and technology. i2c understands the unique position of postal organizations, balancing the requirements of a regulated entity with the dynamic needs of the communities they serve.

- Strategic migration of over 3 million gift, GPR and travel cards
- Distribution through 4000 locations across Australia



- Processing for a government-owned New Zealand bank with distribution via 300+ post office outlets
- Prepaid and travel cards, additional services



- Government disbursements for disaster relief in the Philippines
- Instant issuance and financial inclusion
- Post office distribution network



Financial services are within reach for postal organizations. Communities benefit from increased convenience and improved product options, while postal organizations benefit from brand goodwill, cost control, and revenue growth.

Serving Communities Today and Tomorrow

i2c has the platform and people that can put postal organizations in control of their future and help them get started today. Our industry-leading processing platform and technology supports innovative financial services programs that can grow, adapt, and scale to community needs. And, our highly flexible global platform can 'mix and match' with legacy systems and partners to create market leading solutions. Postal organizations have a chance to transform a legacy brand into one of modern relevance. They can provide convenient, viable financial

services that leverage existing assets and infrastructure – and take a major step forward in modernization.

Many of the world's largest financial services and brands trust i2c to support their programs. We can help postal organizations get to market faster with turnkey packages that have minimal disruption and impact to existing infrastructure and resources. Now is the time to start the transformation to a digital business model that will sustain postal organizations in the new age.



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