



The Need: A Mobile Banking Solution with High Customer Adoption

The time is right for mobile banking. With over 271 million mobile U.S. subscribers – an astounding 88% penetration rate – mobile phones are more pervasive than the Internet and readily available at any time. There is a growing customer demand (see sidebar) and numerous factors which will facilitate the success of mobile banking.

In a recent report, Javelin Strategy and Research asserts that 2-way mobile banking and payments functionality – both bank-initiated and customer-initiated – is the key driver for providing value to customers and therefore accelerating adoption of the mobile channel. According to Javelin, financial institutions “able to provide time-sensitive, informational 2-way alerts that affect account status will experience higher adoption of the mobile channel and give customers the control they desire.”

The conclusion is evident: the opportunity exists for mobile banking and payments – so long as the solution truly meets the needs.

The Solution: ClairMail's Leading Mobile Banking and Payments System

The ClairMail System is the only solution that delivers a comprehensive suite of 2-way mobile banking and payments functionality to all mobile phones. Its messaging and mobile web applications use software already built into mobile phones, and its open platform is designed to work with third-party client applications.

The ClairMail System seamlessly and securely integrates with a financial institution's systems of record and works on virtually any mobile phone – regardless of manufacturer, model, operating system or wireless carrier.

The ClairMail System is seeing tremendous adoption and continued growth, with over 12 mobile banking transactions conducted every month per customer. This is more than three times greater than the monthly transactions per customer found in published reports from other mobile banking solutions. Moreover, financial institutions using the ClairMail System have seen upwards of 25 percent adoption by online banking customers, far exceeding competitive offerings.



Only ClairMail's 2-way mobile banking and payments solution delivers proven customer adoption and usage.

ClairMail Benefits

Extend Customer Service

Enhance customer experiences by offering convenient, secure and on-demand mobile banking services.

Reduce Operating Expenses

Displace costs from more expensive customer interaction channels like IVR, call centers and online.

Generate Revenue

Deliver marketing campaigns with context-specific information and offers.

Gain Competitive Edge

Differentiate from the competition.

Customer Demand

Bank customers want the ability to access accounts, receive 2-way alerts and conduct transactions using their mobile phones.

- **73%** of consumers want to see account balance information on mobile phones. (Celent, 2007)
- **53%** of consumers want to see account transaction history on mobile phones. (Celent, 2007)
- **48%** of consumers would view more eBills if alerts are sent to their mobile phones. (Javelin, 2007)
- **43%** of mobile phone users are likely to use alerts about their account information. (Celent, 2007)
- **42%** of mobile phone users are likely to make bill payments. (Celent, 2007)
- **39%** of consumers want banks to use an authentication method beyond just username and password. (Javelin, 2007)

ClairMail's Mobile Banking & Payment Solution

ClairMail provides a comprehensive suite of convenient, secure and on-demand mobile banking and payment services, including:

Account Management



Balances, transaction history and other account details

Transfers



Fund transfers, transfer history, schedule/cancel future transfers

Mobile Payments



Pay bills, view recent payments, schedule/cancel payments, etc.

ATM/Branch Locator



Search for ATM or branch locations by zip code or address

2-way Alerts



Alerts for low balances, overdrafts, cleared checks, etc.

ClairMail Event Engine

ClairMail's Event Engine can process millions of transactions every day from a financial institution's core banking system. This seamless integration provides the capability to generate and deliver 2-way alerts in real time and batch to the financial institution's customers.

Customers will be able to set preferences for the triggers (dollar thresholds that activate alerts), frequency (when/how often receive alerts), delivery option (SMS and/or email) and alert types (opt in/out).



Alert types delivered by ClairMail's Event Engine include:

- Low balance
- Deposit confirmation
- Check clears
- Overdrafts posted
- Withdrawal confirmation
- Withdrawals over threshold
- Statement available

The Event Engine possesses the intelligence to manage sessions – as in, correctly matching each reply with the corresponding alert. For instance, if a customer receives multiple 2-way alert messages but only replies to one, the Event Engine is able to track and determine which specific alert the customer is responding to. In essence, it "mediates the conversation."

ClairMail System Security

The ClairMail System employs many layers of security designed to protect both the financial institution's customers and IT infrastructure.

Confidential Data Protected: The ClairMail System never transmits or stores any confidential data on customer phones, and ensures that all private information sent shields personal details. All confidential information is maintained in an encrypted database on the ClairMail System server and is protected by additional layers of security. Finding a lost or stolen phone would be akin to finding an ATM receipt.

Trusted Path: Enrollment can take place at a branch office, the IVR system or the online banking application; all of these provide the mechanisms to authenticate the customer before enrolling the mobile phone number and thus establish a "trusted path" of communication.

Multifactor Authentication: Higher risk transactions use escalated authentication, which is implemented as a two-factor authentication process. "Something I have" (the first factor) is the enrolled mobile device. "Something I know," (the second factor) would be a PIN number. This transaction-level authorization occurs out-of-band for an additional level of security.

Encryption: Encryption is used throughout the ClairMail System, for both data in flight and data at rest. SSL and HTTPS encryption is used for data in flight; users' mobile profile data and message data at rest are always stored encrypted.

Multi-Modal Integration: Mobile web banking sessions can be launched by sending and responding to a text message, assuring that the customer reaches the correct - and not a fraudulent - website.

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