

Paze: don't get left behind

How to implement the new bank wallet to improve e-commerce experiences—and boost your business outcomes.



E-commerce payments are outdated

For 30 years, e-commerce has been tied to repeated manual entry of payment card information—a solution plagued by inefficiencies.

Manual card entry is:

- ✓ Time-consuming
- ✓ Cumbersome
- ✓ Prone to errors
- ✓ Vulnerable to fraud

Online shoppers want:

- ✓ Quick and simple checkouts
- ✓ Ease of use
- ✓ Reliability
- ✓ Security

The result? Frustrated consumers, higher cart abandonments—and lost sales.

Third-party digital wallets offer limited improvements

Digital wallets, which eliminate the need for repeated manual card entry, make online payments easier. But many online shoppers still choose to manually enter their card information at checkout.

Persistent problems with third-party wallets:

- Convenience: Entering passwords and usernames before each purchase is time-consuming and cumbersome.
- Peace of mind: A McKinsey report found that consumers prefer banks more than any other providers to provide digital payment solutions, including wallets.¹ Consumers want the peace of mind they can count on from their trusted financial institutions.



71%

of U.S. consumers still regularly use a manual card entry solution at guest checkout when shopping online.²

Introducing the digital wallet offered by financial institutions

pazeSM



What it is

Paze is a new wallet that's offered by participating financial institutions – initially including seven of the nation's largest banks. Paze provides the peace of mind consumers count on from their trusted financial institutions while enabling easy online payments. Merchants can offer consumers this peace of mind and convenience by seamlessly integrating Paze into their consumer checkout experience, removing the need for manual entry of 16-digit card numbers and giving them a choice among cards they use for online purchases.

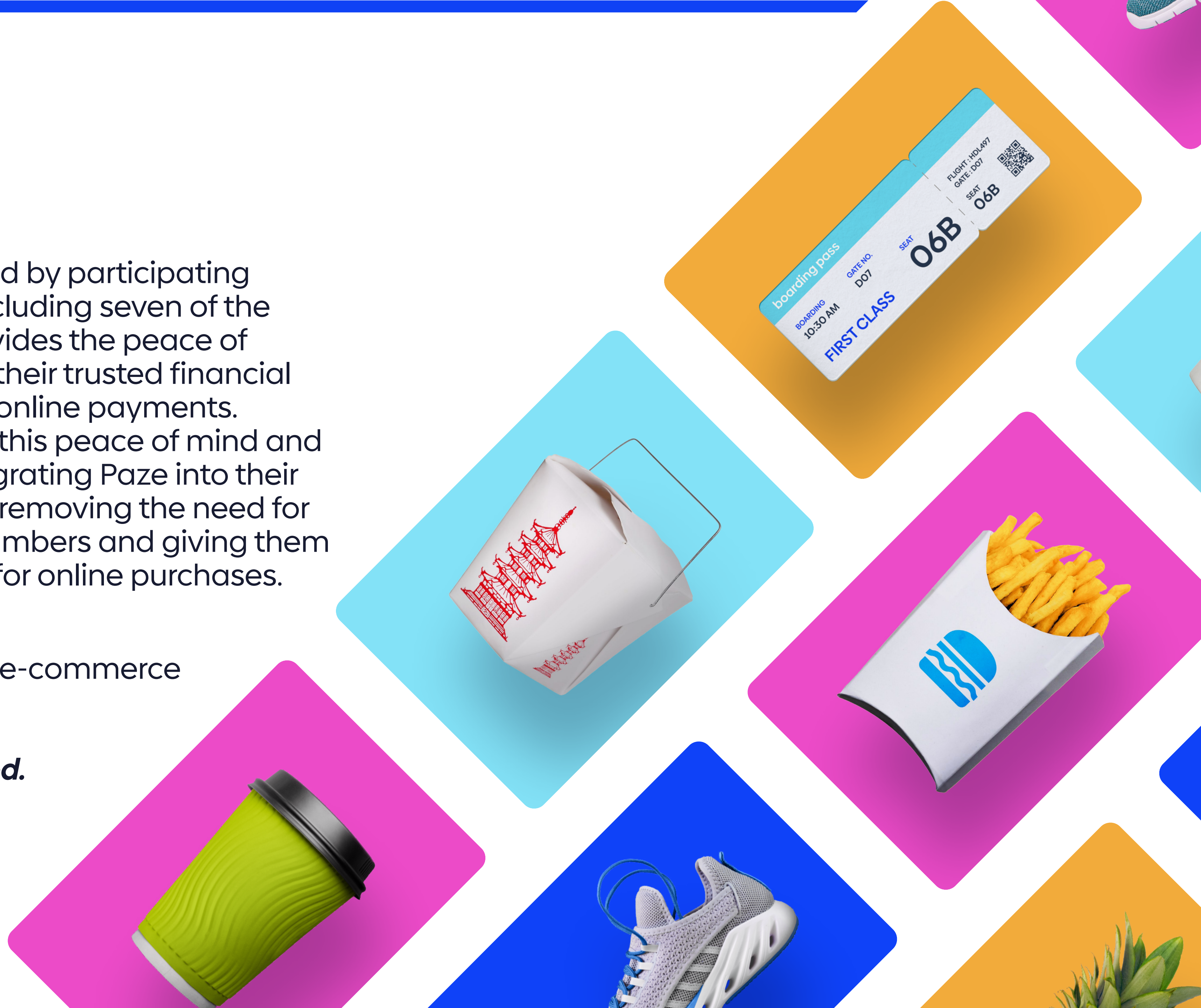
Paze solves the key obstacles in e-commerce with an experience consumers – and merchants – can trust.

No third-party wallet app required.

pazeSM

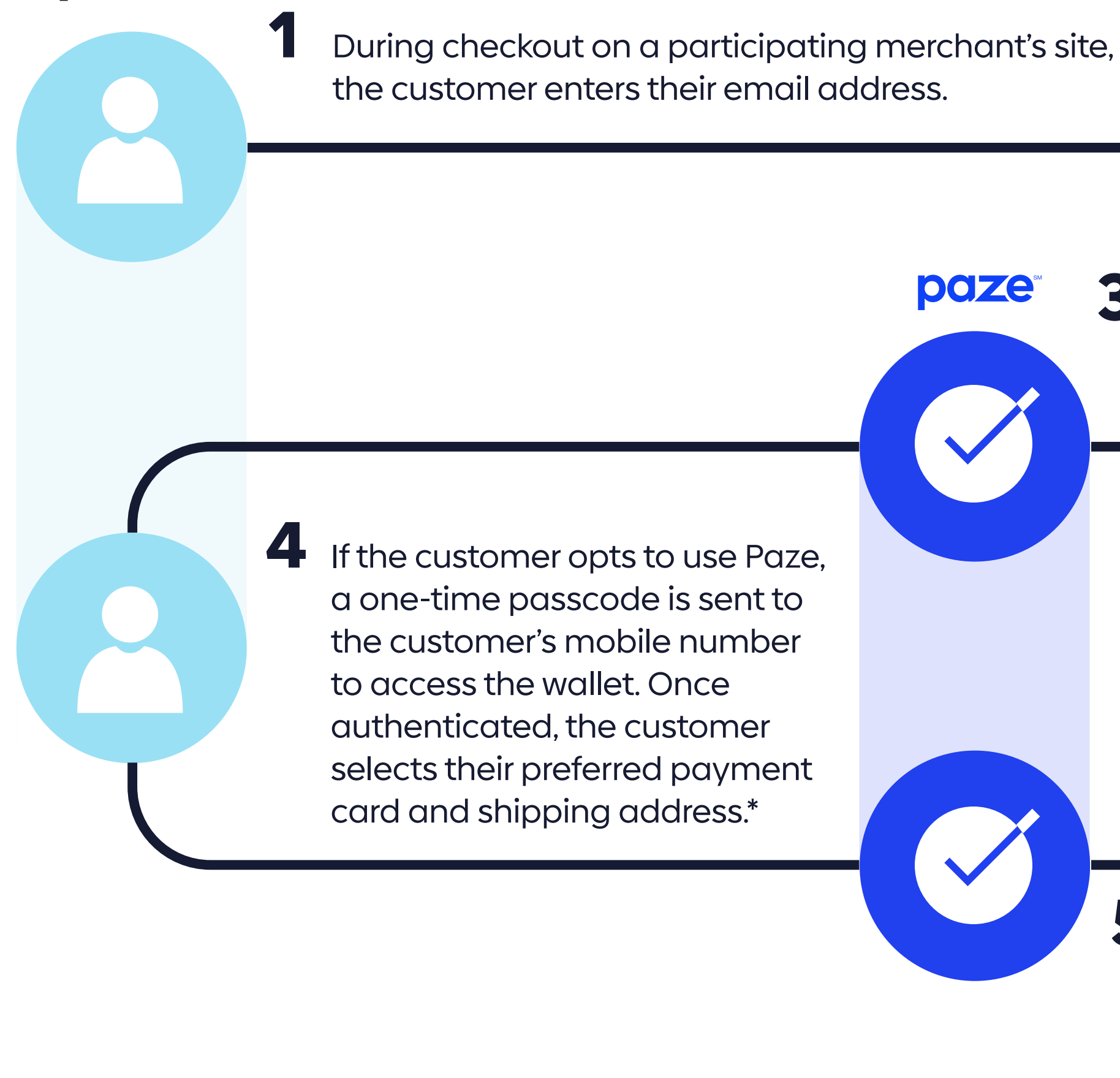
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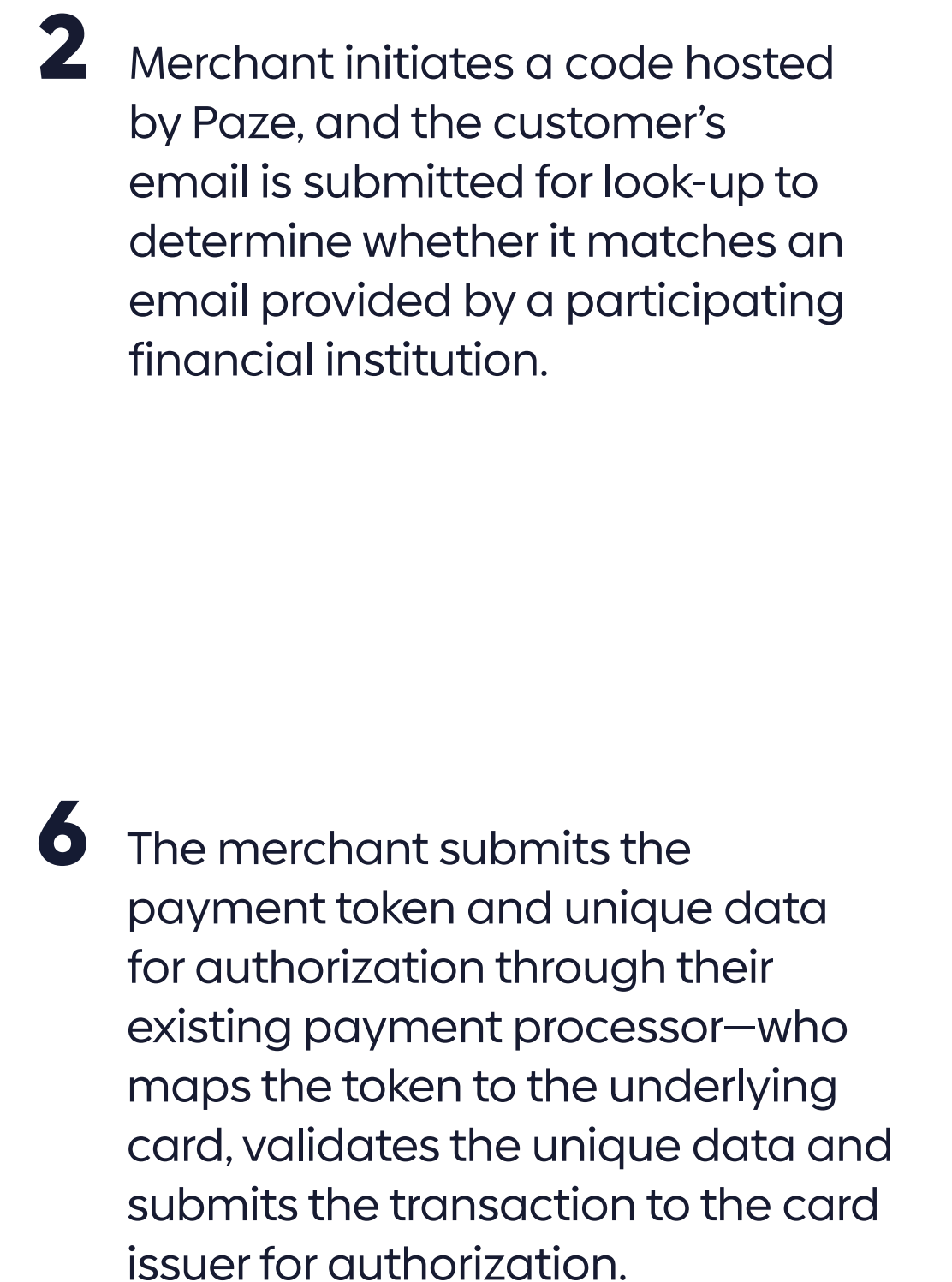


How it works

Standard consumer experience



Behind the scenes



Benefits for consumers



paze™

CONSUMER BENEFITS

Effortless enrollment

- ✓ With Paze, consumers with accounts at participating financial institutions will have access to all their eligible cards within a consolidated wallet.
- ✓ Initial participation includes seven of the biggest banks in the nation, with a commitment to include financial institutions of all sizes.
- ✓ Card credentials will automatically be kept up to date.

Convenient experience

- ✓ **Nothing new to set up** – No manual card entry. No apps to download.
- ✓ **Nothing new to remember** – No usernames. No passwords.
- ✓ **Peace of mind** – Paze is offered by the consumer's trusted financial institution, giving them choice among cards they use for online purchases.
- ✓ **Tokenization** – Paze provides a secure way to pay that replaces consumers' actual card numbers with a unique number.

Cardholders have the option to accept use of Paze at guest checkout.

Opportunities and benefits for merchants



Bottom-line improvements

Merchants that implement Paze may be able to increase sales and reduce costs. Here's how:

Potential to increase sales

Better conversions

- ✓ Digital wallets are associated with 10-20% lift in conversion⁴
- ✓ Fast, simple payment experience reduces cart abandonment⁵

Higher approval rates

- ✓ ~3% lift[†] based on tokenized usage⁶

Potential to reduce costs

Mitigate fraud risk

- ✓ No manual entry of card numbers will mitigate possibility of compromise.
- ✓ Domain-limited tokens drive a 28% reduction in fraud when compared with non-tokenized transactions⁷

Low card transactional costs

- ✓ No incremental transactional costs to merchants

⁴ Source: Retail Dive, Big Commerce, Smart Solutions

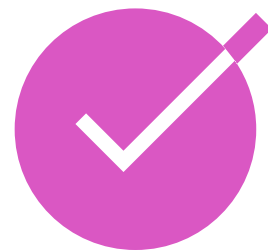
⁵ Source: BigCommerce, The Keys to Abandoned Cart Recovery and Reducing Lost Sales

⁶ Source: When compared to non-tokenized transactions. Tokens have led to a 28% reduction in fraud rates and 3% increase in approval rates. Visa Tokens Surpass Physical Visa Cards in Circulation

⁷ Source: Visa Inc., August 2022, Visa Tokens Surpass Physical Visa Cards in Circulation

Simple yet powerful integration

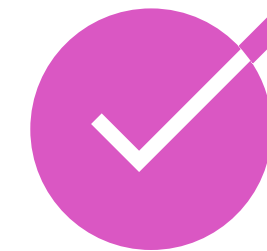
How to implement Paze on your e-commerce site or application for exceptional outcomes:



Easy setup: Simple merchant integration with one hosted JavaScript SDK for all experiences, including a button or embedded option to *begin* checkout.



Flexible integration: Create an experience that suits your customer and aligns with your business to *proceed* with checkout.



Build trust: Customers build relationships with you, not with Paze. You can even turn on the functionality to allow your customers to use Paze to *establish* an account with you.

Opportunities and benefits for financial institutions



paze™

Solve key obstacles in e-commerce

Financial institutions of all sizes, from national banks to regional banks and credit unions, can participate in Paze. Paze will consolidate consumers' eligible credit and debit cards from all participating financial institutions into a single wallet.

- ✓ Position your financial institution as forward-thinking and innovative
- ✓ Reduce fraud in comparison to manual entry with tokenized transactions⁸
- ✓ Over time, the Paze network will expand to include additional banks and credit unions of all sizes

Want to learn how to implement Paze for your organization? Get in touch!

paze.com/for-business

About Paze

Paze is a new wallet that financial institutions offer to consumers and merchants for online purchases. Solving long-standing challenges in e-commerce, Paze provides an easy experience consumers and merchants can trust. Upon general availability in 2024, participating banks will make more than 150 million credit and debit cards available for consumers to activate in Paze and use at checkout. Paze is operated by Early Warning Services, LLC, an innovator in payment and risk management solutions.

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