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Citibank combines metro passes with credit cards

Now you can travel on Moscow's underground rail system and make store purchases with a single, contact-free card: the Citi Express Card - MasterCard.



Moscow, October 9, 2008 ZAO Citibank, ZAO Express Card and MasterCard have announced the launch of a joint credit card. This new card contains a contact-free chip for travel in Moscow's underground rail system-the 'metro'-and also allows the holder to make purchases in stores and over the Internet, to make [utilities bills payments](#), to withdraw cash and to take advantage of numerous discounts available in Russia. The partner companies releasing the card now plan to add the function of paying for travel on all forms of public transportation in Moscow. This is the fifth 'transport' credit card offered by Citi-previously, such projects have been successfully launched in Singapore, Delhi, New York and Washington, D.C.

Dmitriy Gaev of the Moscow metro says: "The project to integrate payment for metro travel with bank cards was primarily initiated for the convenience of Muscovites-as a way to help save time. Now they have a choice of how and when to pay for travel-at the metro's ticket desks, or at the same place that they perform bank transactions".

Holders of the new 'universal' card will be able to pay quickly and easily for travel in the Moscow metro system. To do so, the card does not even need to be removed from a wallet or purse-just like a regular electronic metro card, it simply needs to be held near the reader on the turnstile. At the end of each month, the cost of all trips will be subtracted from the credit card account, using the Moscow metro's discounted rate-thus helping Muscovites save both time and money. Moreover, payment for metro travel, just like any other purchases, is [interest-free for the first billing cycle](#), so if the credit card bill is paid in full and on time, there is no interest to pay on the cost of metro travel. An important advantage of the new card is also an additional safety feature-when you lose a regular metro ticket it is gone forever, but the credit card can be blocked with a single telephone call, and a replacement issued in a matter of days.

Joel Kornreich, Chief Operations Officer of Citi Russia and the CIS noted: "This card implements the concept of a 'universal payment tool' and, in essence, it replaces several different cards. Using this card, the holder can not only quickly and easily pay for travel on the metro, make purchases in stores and on-line, and withdraw cash, but can also instantly, and without paying a commission, [pay telephone and other utility bills](#), as well as get discounts".

Ilya Ryaby, Acting General Manager MasterCard Europe Moscow Office said: "MasterCard and Citibank have already launched a number of co-branding projects for public transport in different countries. In all the cases our objective was to integrate the function of transit fare payment into the basic payment tool and to make the payment process simple, quick and beneficial. I am also happy that today the geography of our partnership becomes even vaster thanks to the Russian card Citi Express card - MasterCard".

The combined credit card, based on the MasterCard Standard system, is an embossed card that can be used for payment at ATMs and payment terminals across the world, as well as being accepted by Internet stores. It is no less important that the new card completely releases the client from the need to visit a bank-all operations, including [paying debts](#), can be performed by the holder remotely - [by telephone](#) or [the Internet](#).

Timur Rodionov, General manager of Express Card, noted: "The key feature and advantage of the card is speed. The technical solution that we applied in this project allows us to transfer payment for metro travel onto a credit card without the passenger spending any more time at the turnstile, and the customer will not notice any difference between using a regular ticket and the credit card ticket. More than this, holders of the new card will be able to save the time previously spent purchasing tickets, and will no longer run the risk of finding themselves in the metro without enough cash to pay for travel."

Today, the potential market for the new credit card is estimated to be more than 1 million customers. According to

recent research by TNS Gallup Media, more than half the people who regularly use the metro (54%, or 3.7 million travellers) are aged between 25 and 54; this is the key target group for banking products. Two thirds of all metro passengers (4.5 million people) are people with full-time jobs, and about a third of passengers assess their financial situation as "good". The absolute majority of all passengers are very socially active and regularly visit cinemas, cafes and restaurants. 10% of adult metro passengers travelled abroad at least once in the last year. About 3.2 million passengers belong to families that own a car. And, finally, more than two thirds of passengers use banking services, while one third of passengers already use banking cards.

Currently, large-scale work is under way to expand the functions of the electronic chips for contact-free payment of travel, to cover all forms of public transportation in Moscow (buses, trolleybuses, trams and local trains). This will make it possible to increase even more the number of people using the new product, while card holders switch to electronic payment for all public transportation.