

<p><b>What?</b></p> <p>(What is a contactless credit card?)</p>	<p>A contactless credit card has a mag stripe and a microchip embedded in the card's plastic. The microchip is fitted with a radio antenna that is capable of transmitting the card's data to a card reader without physical contact.</p>
<p><b>Why?</b></p> <p>(Why is there such a push into the market?)</p>	<p><b>Fast</b> – 50%-60% faster than cash</p> <p><b>Convenient</b> – no signature required for transactions &lt; \$25, no receipt to print (unless customer requests it) no messing with pens, PINS</p> <p><b>Preferred</b> – 20% shift from cash to plastic</p> <p><b>Integration</b> – easily integrates with merchant's existing POS software / hardware.</p>
<p><b>Who?</b></p> <p>(Who has contactless payment programs?)</p>	<p><b>Visa</b> – Contactless</p> <p><b>MasterCard</b> – PayPass</p> <p><b>American Express</b> – ExpressPay</p> <p><b>Discover</b> – plans to launch in 2007</p>
<p><b>How?</b></p> <p>(How does it work?)</p>	<p>The consumer waves the contactless card in close proximity to a specially equipped terminal. The card communicates payment account information wirelessly to the terminal via radio frequency. The terminal processes the payment as it would a traditional mag stripe credit card transaction.</p>

December 2006 In North America, more than 18 million contactless cards have already been issued by most of the major brand name issuers in the United States, and more than 250,000 POS systems are now enabled to accept branded contactless payments in both the U.S. and Canada. We should see 40 – 50 million contactless cards in circulation, and more than 400,000 POS systems enabled in North America by the end of 2007.



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**What's quicker than cash and safer than checks?**

## Contactless credit cards



VivoTech4000

Retailers can quickly and easily implement contactless payment and start accepting contactless payment cards and key fobs that are being issued by card associations. This is facilitated by the products being offered that allow retailers to adapt existing POS systems to accept contactless payment cards. Category merchant leaders and stadiums include:













## The ViVOtech RF Contactless Payment Solution – ViVOpay 4000

ViVOpay is a unique contactless payment solution enabling more than 30 million existing POS systems with rapid and cost-effective deployment of RF-based contactless card payment capabilities: It provides:

- ▶ Versatility – ViVOpay’s flexible design and small footprint allows it fit most check out layouts with minimum impact.
- ▶ Highly secure transactions – ViVOpay supports ISO 14443 Types A/B contactless smart cards that carry the appropriate financial card application.
- ▶ Fast and easy installation – merchants can install ViVOpay easily and within minutes, with certified POS terminals.
- ▶ Loyalty program capable – ViVOpay is able to communicate with the consumer’s RF contactless card.
- ▶ Customer-friendly design – ViVOpay is equipped with LEDs and audible tones to capture the customer’s attention in a noisy retail environment.
- ▶ Low Cost – The ViVOpay reader is just a fraction of the cost of a new POS terminal.
- ▶ Immediate availability – the ViVOpay reader is available now and is currently being installed and used.

Opportunities for Acquirers & ISOs include:

- ▶ Increased revenue
- ▶ Increased transaction volume
- ▶ Improved penetration of traditional cash-only segments
- ▶ New value added service portfolio
- ▶ Better return on existing POS investment

Bank	Debit Card	Credit Card	Comments
Chase			Rolling out Visa blink debit cards to all existing customers in 1/2007. Credit card available by request.
Citibank			Pilot ran in July in New York. Plan to rollout to everyone in '07
Keybank			All new accounts with debit cards will be PayPass. All existing customers will get new cards.
HSBC			Debit MC with PayPass is given to anyone opening a new account. Existing customers will get new cards.
Wells Fargo			Offered to customers opening a new Visa card account.
LaSalle			No current plans to implement yet.
TCF			No current plans to implement yet.
Citizens Bank / CharterOne			MasterCard PayPass offered in both debit and credit cards.
Bank of America			MasterCard PayPass offered in credit cards only.