



March 16, 2007

Dear POSDATA Ingenico Customer,

As a customer who has purchased Ingenico Payment Terminal products from us in the past, we'd like to take some time to give you some information about significant changes in Visa PCI security regulations that may impact you in the near future. These regulations apply to all manufacturers, processors and merchants that accept or process debit products in the United States. The regulations as well as a list of all approved devices can be found at www.visa.com/pin.

To summarize the changes that will affect you, **after December 31, 2007**, all manufacturers of Pin Pad Devices are required to produce products that are designed to prevent tampering, render the device inoperable in the event of tampering, and prevent unauthorized software applications from running on the PIN Pad or terminal.

These products require specialized testing and approval to ensure that they meet the standards. Approved devices are said to be **PCI PED Approved**. Only PCI PED Approved devices will be allowed to be purchased and installed after December 31, 2007.

Devices manufactured after January 1, 2004, that conformed to VISA PED regulations at the time are said to be **VISA PED Approved**. These devices can be sold prior to December 31, 2007. They **can not** be sold beginning January 1, 2008.

Prior to 2004, there were only minimal standards governing the manufacture of PIN Entry devices. Primarily, the protection of the master keys, key encryption schemes and proper software operation of the device were the only things required. Validation of software requirements and tamper prevention and detection were left to the individual manufacturer. These devices are typically referred to as "**Non-Approved**" devices.

Ingenico products that are **VISA PED Approved** are all eNtouch 1000 and eNCrypt 2100 devices sold to you after January 1, 2004 which have the version 8 platform installed. You can purchase and install these until the end of this year. **These devices may stay installed in your store. At this point in time any device manufactured to conform to VISA PED requirements does not have a sunset date. That is, there is no requirement that retailers remove them from service and Ingenico will continue to provide contracted hardware maintenance support through December 31, 2010. Hardware maintenance will be honored on a "best efforts" basis after that date.**

If you purchased your eNtouch's or eNCrypt's in 2003 or before or if they are not version 8 platform or higher, they are **Non-Approved PED PCI** and you will need to **de-install them by July 1, 2010**.

If you are interested in upgrading your current eNCrypt or eNtouch terminals to **Ingenico's i6xxx series of signature capture terminals contact your POS software provider to confirm the integration has been completed and to see if you need a POS software upgrade**. Most POS software companies have already integrated to the i6550 and/or i6780 signature capture terminals. Many major retailers have already installed these products, one of which is Wal-Mart.

If you are an ISV, we have software development kits available for Ingenico's newest line of products to be purchased with your development unit.



POSDATA wants to make sure that you are both informed and ready for the upcoming changes. We are attaching a data sheet that will tell you some of the features of the Ingenico i6XXX series of signature capture terminals. POSDATA will issue the last PO for VISA PED Approved devices on August 27, 2007 because we have a deadline with Ingenico to place our last PO for these products.

All PO's for the eN-Touch 1000 and eN-Crypt 2100 **must be into POSDATA before August 27, 2007** and will be required to be pre-paid. POSDATA can no longer sell these products after December 31, 2007 and will not be stocking them after the end of the year. We can offer maintenance agreements on currently installed products and we can also provide over night replacements through the sunset date of your products. Please contact us if you are interested in exploring these options.

We hope that you will find this information helpful in planning for these upcoming changes. We will continue to keep you informed as additional changes emerge. We thank you for your continued patronage and will continue to provide you the highest level of service in the industry today.

Thank you.

The Payments Staff at POSDATA
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