

Vendor's View of Open Payments

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2011 Fare Collection Workshop



Taxi – Bus – Train – Mobile POS



Variety of Markets

Used in a variety of markets to secure payments



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Ticket Vending Machines

- Significant operational expense
- Labor intensive



Ticket Vending Machines

- Industry desires faster boarding and more economically efficient method of fare collection



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Taxi vs. Bus

Taxi

Average transaction
timeframe under 2 seconds

Captive Rider

Receives true
authorization

Bus

NY MTA Pilot
Transactions ~900ms

Risk associated with
initial card tap



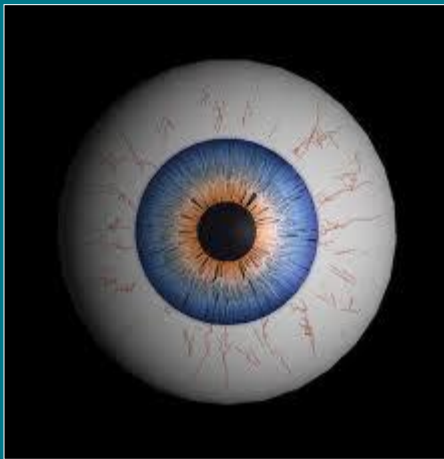
Commercially-Off-The-Shelf

- MX Based architecture
 - Open Linux Platform, Plug-n-Play Interoperability
 - Supports most current CTLS & NFC Standards
- Over 1 million MX devices installed worldwide
 - Retail clients include: Wal-Mart, Costco, Safeway, Walgreens



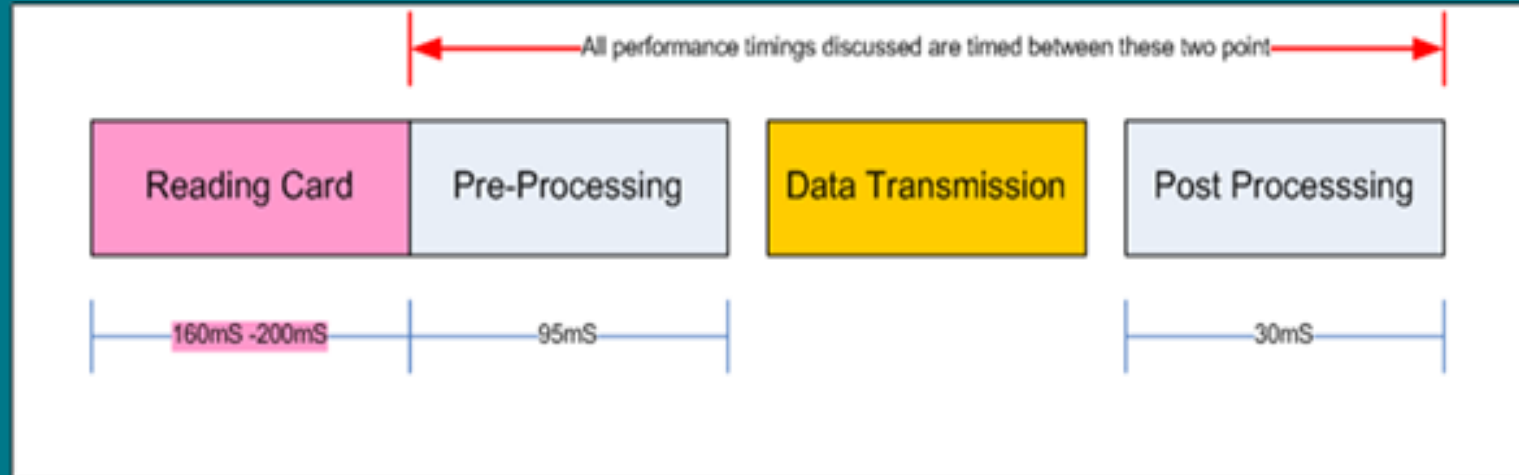
What can you do in 300-400 milliseconds

- Blink an eye
- Send signal from brain to hand
- Begin to understand a pictured object (add 250 – 450 to fully comprehend)
- Lightning travels 2 feet in 400 ms



Timeframe to process a transaction

- Type of card affects reading time (EMV)
- Parse card data/extract PAN, date check, luhn check, bin check
- Form ISO 8583 packet & encrypt



Speed vs. Risk

Speed of Transaction



Time of Transaction is critical for moving people through a fare gate

Risk Increases



Pre-Authorization is not a “guarantee” to pay

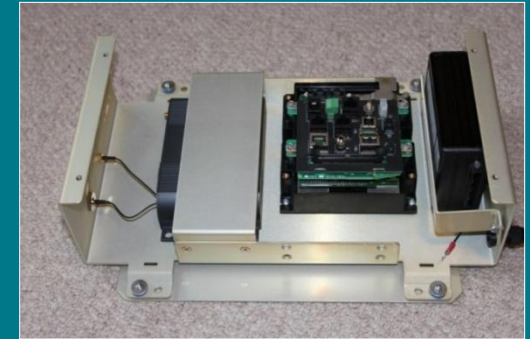


Avoidance of Obsolescence / Future Proof



TransitPAY for Bus and Subway

- Designed for rugged Transit environment
- Uses VeriFone MX architecture - over 1M MX payment devices installed worldwide
- Mx8CTLS reader supports all contactless and NFC industry standards
- Industry-standard E2E Encryption and Tokenization
- Open Linux platform; Plug & Play interoperability



Evolution of Mobile POS



Portable
Countertop
device



Handheld/
Countertop



Handheld Credit
Card Terminal



More compact



Marriage of
Payment
Technology with
mobile device
handheld



PCI Compliance Secure

- PCI guidelines for securing payment card data
- Bad guys always raising the bar / security never Sleeps
- End-to-End encryption and Tokenization reduces PCI scope – removes agency from Data Security business



Core Competency of Securing Payments

Spend your time and money on taking fast and secure payments, not on managing labor intensive and costly operations — Let the leader in secure electronic payments manage *everything payments*, for you.

Partner with VeriFone, the leader in SECURE electronic payments.

