



IntelliCAT System with P-Ped Technology

MagTek's IntelliCAT system with Paper-PIN Encryption Device (P-PED) technology is an integrated, secure system for managing PIN self-selection without requiring your cardholders to make a personal visit to your branch. The system, consists of three components:

- A secure P-PED paper form provided by MagTek, which the cardholder uses to specify his or her PIN, encrypt it as a PIN Transit Value (PTV), and deliver it securely to your data center;
- A P-PED enabled MagTek IntelliPIN® PINpad, which decrypts the PTV and calculates the offset or PIN Verification Value (PVV); and
- The IntelliCAT Software card management system, for secure archiving and card encoding if required.

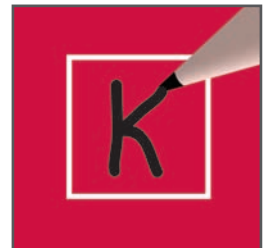
The MagTek P-PED document is a single-use, two-part document with a unique serial number and a single-use ANSI x9.24-compliant encryption scheme. The top portion of this document resembles a scratch-off lottery ticket, and the bottom portion is a form. The cardholder selects his or her PIN by scratching off the desired values on the top portion of the document revealing encrypted PIN Transit Value (PTV) digits underneath. The cardholder then transfers the PTV to the bottom portion of the form, which is detached and returned to the financial institution. Since the encryption scheme is unique for each P-PED form and the cardholder's PIN does not appear on the form, the PTV can be returned to



Lower Costs



Increased Efficiency



Advanced Solutions

you by mail or another non-secure means without any risk to the cardholder's PIN; the cardholder can even read the PTV and the serial number from the MagTek P-PED form to an operator in your call center, or submit it via an ordinary Web form, without any security risk. When you receive the P-PED form, your MagTek IntelliCAT operator simply enters the cardholder's P-PED serial number and PTV into the MagTek IntelliCAT software. The software transmits the data to the IntelliPIN, which decrypts the PTV,

Extend the benefits of PIN self-selection without security risk.

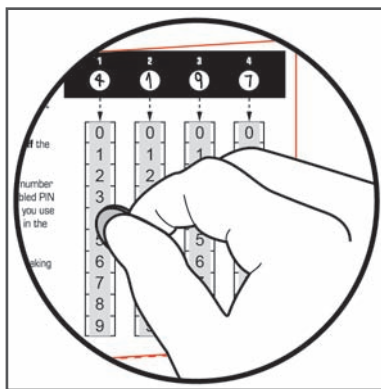


calculates a corresponding offset or PVV, and returns the result to the IntelliCAT software for encoding (if required) using the MagTek Motorized IntelliCoder® or for encoding and embossing (if required) using the Datacard® 150i embosser.

MagTek's IntelliCAT system using P-PED technology is a cost-effective way of extending the benefits of PIN self-selection to those segments of your cardholder base who are unable or unwilling to visit a branch.

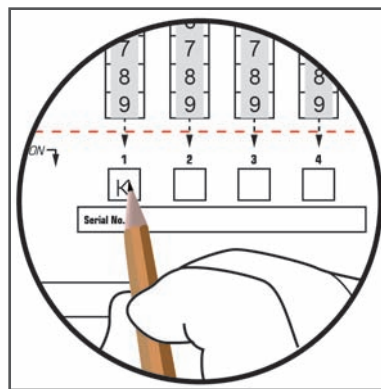
Once the P-PED data has been returned by the cardholder, the IntelliCAT system gives the financial institution flexibility in handling card personalization and fulfillment. Card issuance can be completed in-branch outside of business hours, in a back-office facility, or by an outsource vendor.

In an era when incremental revenues are more important than ever, reactivating your inactive and less-active cardholders and driving up their usage will be an increasingly important driver of your card division's success. We encourage you to contact one of our sales representative to discuss the IntelliCAT System with P-PED technology.



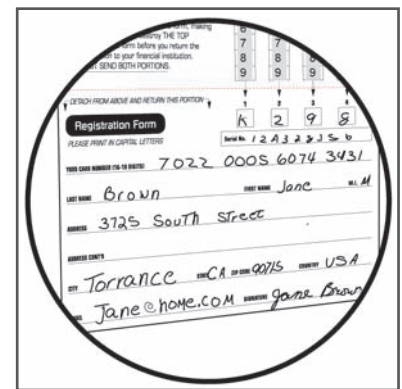
Select a PIN

The cardholder uses the secure P-PED paper form to specify the PIN.



Write down the results

The selected number is rubbed off, and the cardholder fills in the form with the encrypted results.



Mail to the institution

The cardholder mails the completed bottom portion of the form in to the financial institution with no security risk.



Since 1972, MagTek has been a leading manufacturer of electronic devices and systems for the reliable issuance, reading, transmission and security of cards, checks, PINs and other identification documents. Leading with innovation and engineering excellence, MagTek is known for quality and dependability. Its products include secure card reader authenticators, small document scanners, PIN pads and card personalization and issuance systems. These products are used worldwide by financial institutions, retailers, hotels, law enforcement agencies and other organizations to provide secure and efficient electronic payment and identification transactions. Today, MagTek continues to innovate with the development of a new generation of Protection Services secured by the MagneSafe™ Security Architecture. By leveraging strong encryption, secure tokenization, real-time authentication and dynamic transaction data, MagneSafe products enable users to assess and validate the trustworthiness of credentials used for online identification, payment processing and other high-value electronic transactions.