



PRODUCT FACT SHEET 1.0

MTT Mobile Transaction Terminal

Product Overview

WAY Systems' Mobile Transaction Terminal (MTT) combines low-cost mobile phone technologies with the capabilities of a Point of Sale terminal at a price significantly lower than a traditional Mobile POS terminal. In addition, the MTT product integrates the security and functionality of POS/ATM terminals with the convenience of mobile phones to create a device that accepts payment and provides mobile communications almost anywhere at any time. With built-in magnetic stripe and smart card readers plus an external infrared printer, WAY Systems' Mobile Merchant Payment System provides a secure, encrypted, end-to-end mobile platform for payment processing.

About WAY Systems (www.waysystems.com)

WAY Systems is a leading global Service Provider of Mobile Phone-based POS Solutions for unwired Merchants anywhere. Using GSM/GPRS, the international wireless standard, WAY's Mobile Transaction Terminal (MTT)™ is the first "out-of-the-box" wireless POS device bundled with a wireless data service plan already activated and ready to process transactions upon delivery.

The MTT™ operates with WAY's Mobile Merchant Server™, a secure end-to-end Transaction Processing Server that connects easily to Acquirers, Processors and Payment Gateways. Included in WAY Systems' technology offerings and Intellectual Property are the global exclusive rights from Fractal Commerce's Accessor™ technology for Merchant POS. WAY was awarded the "Best New Banking and Finance Application": award at CARTES03, the industry's premier card and payment event. Headquartered in Boston with offices in Shanghai, Hong Kong and Singapore, WAY Systems is a privately held company funded by payment industry veterans and entrepreneurs. It has strategic Alliances with Payment and Mobile Industry Leaders such as TNS, Visa International, AT&T Wireless, Siemens Mobile and others.

Product Components

The MTT product consists of the following components:

Hardware

Mobile phone

The MTT is an electronic device that consists of a mobile phone, smart card reader and magnetic stripe card reader.

Mobile printer (optional)

The MTT printer is a miniature thermal printer with a wireless infrared (IrDA) interface.

Optional internal PIN pad available in Q'1, 2005

Data Only SIM Card pre-activated for immediate use

Software/firmware

Embedded Mobile Merchant Payment Application with optional functionality including Tips, Tolls & Invoice Numbers.

Secure Access Module (SAM)

The SAM card comes inserted in the backpack's SAM slot. Using the crypto coprocessor of the SAM, transactions are encrypted using DES, 3DES, or RSA.

Accessories

- Higher signal coverage Antenna
- Belt Clips
- Car Chargers



PRODUCT FACT SHEET 2

Features/Functions

- Easy set-up and activation process through Synapse
- In addition to supporting the basic retail transactions (sale, return, authorization, void, and force) the MTT also supports tip, toll and job number functions
- High-speed transaction processing via Synapse gateway, with less than 7 second response time
- Swiped transactions are eligible for card present, card swiped interchange rates
- Utilizes data-only plans; no voice plan required
- Supports combination of voice and data services as needed by merchants
- Automatically switches between online and offline modes in the event of network problems
- Available on a variety of processors



Processors (Class B certified)

- Concord/Buypass • First Data Nashville • First Data North • First Data Omaha (available Q'4, 2004)
- First Data South • Global Payments East • NPC • Paymentech • Vital

Auth/Capture Transaction Flow

- A card is swiped through the MTT or the card number is key-entered into the phone by the merchant
- A transaction request is transmitted from the phone over a GPRS network (ATT Wireless, Cingular or T-Mobile) to the WAY Systems Mobile Merchant Server™ via the Internet
- The WAY Systems host converts the transaction request into a Universal XML format and transmits it to the Synapse gateway over a frame relay circuit
- Synapse transmits it back to the appropriate processor
- The processor routes the transaction request for authorization as required and returns the response to Synapse
- Synapse transmits it to the WAY Systems host
- WAY Systems host returns the transaction response to the phone via the Internet and GPRS network
- A receipt is printed by a wireless thermal printer
- Transactions approved during the processing day are held at the Synapse host, batched, and submitted daily at 12:01AM MT for settlement to the appropriate processor



Equipment Order Process

- ISO/Acquirers must have a valid MTT Reseller Agreement with WAY Systems to order MTT products

Merchant/MTT Activation Process

- ISO logs on to Synapse Manager and adds merchant, terminal and processor information
- Synapse automatically generates an activation notification and forwards the required information to WAY Systems
- Synapse TID activations with Vital are real-time
- Synapse TID activations with Paymentech, Global Payments East, NPC, Concord/Buypass, FDMS North, FDMS South and FDMS Nashville require a minimum of 24 hours for activation on Synapse
- TID activation is required by WAY Systems prior to shipment

MTT Equipment Order Procedures

- After the ISO activates the terminal via Synapse Manger, the ISO places an order via email or fax for the corresponding MTT hardware
- WAY Systems provisions the MTT hardware according to the Synapse activation instructions
- WAY Systems processes a Sale & Return transaction using the 'live' merchant account on every MTT prior to shipping
- Upon receipt by the merchant, the MTT is configured and ready to begin processing

Order Processing Notes

Completed orders received by WAY Systems before 3:00PM EST will be shipped out the same day.

Customer Service

WAY Systems provides first level merchant help desk support on a 7 X 24 X 365 basis. TNS provides second level support on a 7 X 24 X 365 basis on issues involving transaction processing, batch balancing, and reporting.



WAY Systems licenses technology from:

