

AUTHENTIC and G8Way™

Revolutionizing retail

Alaric's state of the art payments solution, Authentic, together with STS's G8Way™ product enable retailers to realise the benefits and potential of thin client POS technology.

By deploying Authentic and G8Way, retailers can radically increase their agility and flexibility, drive out cost, mitigate POS vendor proprietary lock in, simplify management of POS terminal estates and achieve PCI/DSS compliance using a modern, platform independent solution.

Introducing Authentic

Authentic is an SOA-ready retail payments solution.

Authentic is designed to be highly configurable so it can cope with continual change in the payments market. It allows new business needs to be addressed quickly, accurately and cost effectively.

Developed wholly using open systems standards, Authentic incorporates ground breaking features such as true "point-and-click" configurable payment message transformation, user configurable business rules and dynamic reconfiguration of system components.

Authentic's flexible architecture means that it can be readily reconfigured to cope with new payments interfaces. Authentic also integrates with Alaric's Fractals and 3rd party fraud detection systems for real time fraud detection and prevention.

Configurable integration

Every retail payment project demands integration with external and internal systems or networks. It is vital to minimize the time and cost of this work. Authentic includes Alaric's Message Mapper, which

enables interface message formats to be defined using a "point and click" interface that radically reduces project development and testing effort.

Introducing STS G8way

STS G8way¹ is a software product which drives POS devices as dumb terminals using TCP/IP. G8way incorporates message formatting and store and forward capability in the event that the link to Authentic goes down for any reason. G8way communicates with Authentic using an XML-based protocol, such as EP2.

Authentic and G8way fundamentals

The power of the Authentic /G8way offering lies in its ability to drive POS devices as thin clients, via TCP/IP.

This in turn is made possible by developments in telecomms technology which make it possible to entertain driving POS devices essentially as dumb devices.

The essence

The essence of the approach is that G8Way drives POS devices via TCP/IP, with a minimal software footprint in the POS device itself.

Transaction data logs for the POS terminals, device configuration information and things such as BIN tables, hot card lists etc are all stored in Authentic rather than in the device itself.

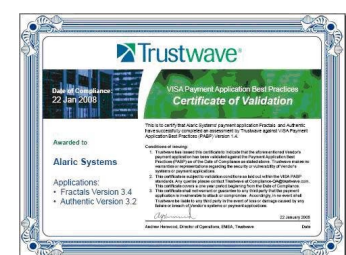
Moreover, Authentic's point-and-click configurable message transformation and routing capability provides great flexibility in how transactions subsequently may be acquired.



Authentic and G8Way benefits

Security

Given that Authentic is certified as being PCI/DSS compliant,

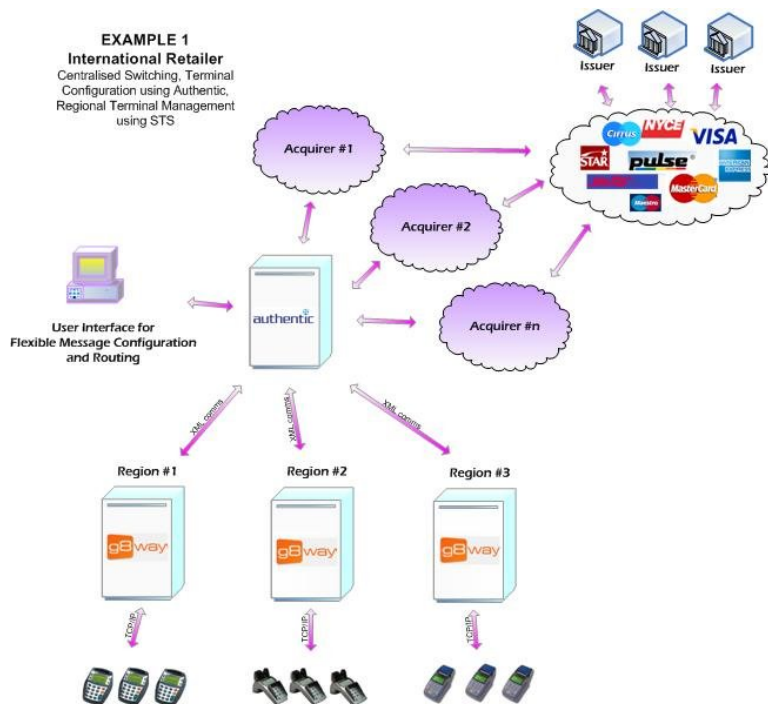


storing transaction logs in Authentic rather than on the POS device or at store level greatly enhances data security and minimizes the possibility of successful hacking attacks with purpose of fraudulently obtaining debit credit or credit card details.

Labour saving, flexible

With data such as device configuration, BIN tables and hot card lists all stored in

¹ See www.stslimited.com



route its card transactions through local domestic acquirer(s) for onward forwarding for authorisation.

This has meant that pan-national retailers have tended to have a switch in each country and that the whole deployment and management of PoS terminals has been handled locally on a country by country basis.

SEPA sweeps away such constraints and enables pan-national retailers to contemplate having a central switch through which ALL their transactions from ALL their stores in ALL their countries can be collected and routed out to acquirers, enabling the retailer to achieve scale economies (one switch to run, in one location) and to negotiate much better per transaction rates with their acquirers by concentrating their transaction volumes through the switch.

The Authentic/G8way combination is ideal in such a situation, enabling deployment and centralised management of a low cost "dumb" POS terminal population together with highly flexible and configurable transaction switching, capable of processing high transaction volumes.

Typically, G8way would be deployed on a country-by-country basis while Authentic would be deployed at a central location, enabling the retailer to control PoS centrally rather than on a country by country basis.

Multi-lane retailer – Example #2

A multi-lane retailer in a given country would typically deploy Authentic/G8way as shown in the picture.

Typically, a G8way would be deployed on a store-by-store basis, each G8way controlling all the POS devices in a given

Authentic, change becomes much easier to effect.

For example, a BIN table change would mean making a change in one place only (Authentic) rather than having to change every POS device in an estate.

Moreover, the storage of device configuration data in Authentic makes it quick and easy to roll out support for new card types and products.

Software version management

With thick client POS devices, software version management is normally a time consuming, logistical headache – new software versions imply the need to change the software on every POS device. In contrast, the Authentic/G8way approach totally obviates this issue, changes usually being limited to point-and-click configuration changes in Authentic.

Mitigates vendor lock-in

Use of thick client POS devices invariably implies a degree of lock-in to the on-device applications provided by a terminal vendor, limiting a

retailer's procurement flexibility.

In contrast, the Authentic/G8way approach enables a much greater freedom of choice and radically reduces the impact, both in cost and time, of switching to a new terminal vendor.

Moreover, Authentic/G8way enables centralised management of hybrid terminal populations, from multiple terminal vendors, which situation can arise as a result of mergers among retailers or as a result of cross border systems consolidation for an international retailer.

Ease of integration

Authentic's point-and-click configurable message formatting and routing capability enables ready connectivity with multiple acquirers and makes it easy to add new acquirers.

International retailer – Example #1

Prior to SEPA, retail payments processing was very country specific – a pan-national retailer had no choice but to





store, providing each store with autonomy and reliability.

An Authentic system would provide for centralised management of key data and flexible integration with one or more acquirers, all achieved within an environment certified as being PCI/DSS compliant.

Advanced Technology

Both Authentic and G8Way are modern, open applications written 100% in Java using object oriented design for ease of development and maintenance.

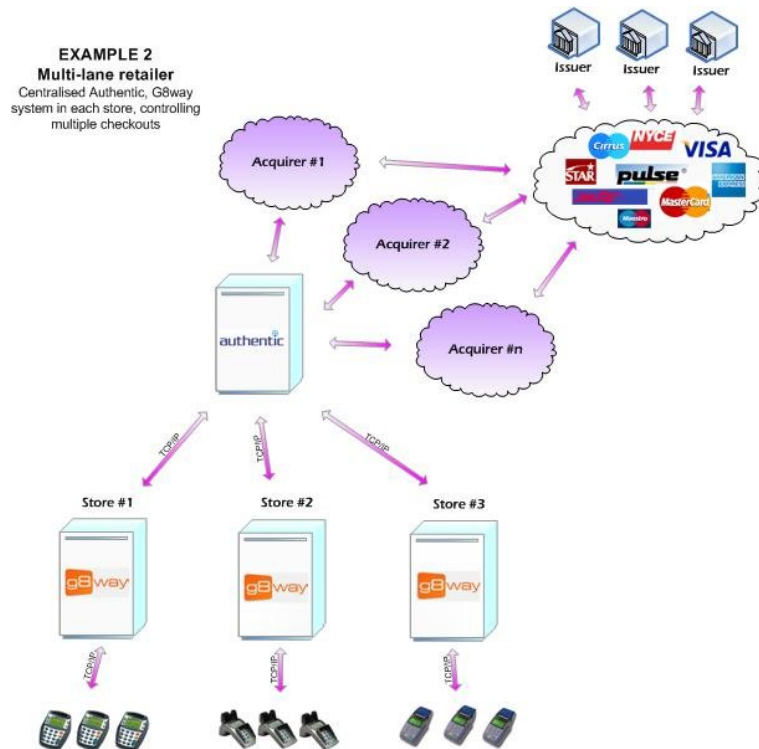
Authentic is a linearly scalable, multi-processor solution resulting in high performance and high availability and can

handle the needs of the largest acquirers and retailers.

Authentic and G8Way will run on any platform that supports a Java run time environment.

Operating systems supported include UNIX, Windows and Linux.

The products can run on a wide range of platforms including Stratus, SUN, IBM and HP.



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