



Annual Software Maintenance

Frequently Asked Questions

Q1: What is Annual Software Maintenance?

Answer: Annual Software Maintenance (ASM) is a program that entitles each customer location to have access to VeriFone's software applications in order to install them on their VeriFone equipment located at the site that is covered under the ASM agreement. ASM is an important component to keeping the site updated with the latest in security protection and feature functionality.

Q2: Why is VeriFone implementing Annual Software Maintenance?

Answer: VeriFone invests tens of millions of dollars every year enhancing our software applications to ensure our customers maintain their competitive advantage in the market. Beginning on July 1st, 2010, all merchants are required to install and run only PCI-approved payment applications designed to protect cardholder information. These applications must be certified every year using only a PCI-sanctioned Qualified Security Assessor organization. Significant time and effort is required to ensure PCI security enhancements are incorporated in every payment application we support. This additional effort has challenged our existing software resources to prioritize security enhancements ahead of delivering the additional feature functionality our customers demand. An Annual Software Maintenance program ensures that VeriFone can continue to balance both priorities effectively.

Q3: When does the Annual Software Maintenance program go into effect?

Answer: Annual Software Maintenance begins on November 1st, 2010. All sites must be enrolled in an ASM contract to ensure service continuity.

Q4: Are there any Software Maintenance fees on new equipment?

Answer: Yes, Software Maintenance will be required on all new equipment being shipped beginning with purchase orders received on August 1st. This is similar to our Help Desk service that requires full coverage for the first year. Software Maintenance fees will be applied to Ruby SuperSystems, Sapphire site servers, Topaz XLs, iOrder kiosks, Secure PumpPAY units, MX 800 series PIN Pads and certain models of VeriFone Smart Fuel Controllers.

Q5: If I receive new equipment prior to November 1st that was purchased prior to August 1st, (no software maintenance equipment changes were incurred), do I need to have a current ASM contract in order to install and register that equipment?

Answer: No, if the purchase order was received prior to August 1st, VeriFone had not yet implemented the Software Maintenance program; therefore the Annual Software Maintenance fees were not required. The customer will be permitted to install and register that equipment up to October 31st. However, we strongly encourage all customers to purchase an Annual Software maintenance contract to avoid the \$250 Instant Enrollment Fee and prevent a potential service disruption in the future.

Q6: If I elect not to enroll in Annual Software Maintenance, can I purchase it later? Are there any additional fees?

Answer: VeriFone encourages every customer to carefully assess the risk of not enrolling their site in Annual Software Maintenance. However, for customers who do not enroll during the initial enrollment period and want to add ASM later, they can still do so. The normal Annual Software Maintenance fees apply plus an Instant Enrollment Fee of \$250 when applicable.

Q7: What happens if I don't have an ASM contract and my site needs a software reload?

Answer: Customers who have elected not to purchase Annual Software Maintenance and require emergency software support will have the option to purchase ASM when they need it. There will be an additional Instant Enrollment Fee of \$250 plus applicable Annual Software Maintenance and associated PSP Help Desk fees.

Q8: How do I get access to VeriFone's updated software?

Answer: Software will be available through the existing service and support channels our customers rely upon today. VeriFone's Authorized Service Contractors (VASCs) have been trained on the Annual Software Maintenance program and will be able to install and register software upgrades at all customer locations, as well as enroll customers who are not currently covered under the ASM program.

If a customer has a Sapphire site server equipped with a broadband connection available, VeriFone will support remote software distribution directly to the customer site. This enhancement is expected to be available on November 1st of this year.

Q8: How many times a year will VeriFone update my network application software?

Answer: The number of software upgrades released each year will vary based on the complexity of the software enhancements being added in the new release. VeriFone typically releases two versions of software each year for every network application we support.

Q10: Will VeriFone continue to support legacy versions of network application software?

Answer: No, VeriFone's strategy is to transition to the new Software Maintenance model as quickly as possible to improve our customer service and support. In accordance with our current software support policy, we will only be supporting the current version of software plus one previous version going forward.

Q11: Why is VeriFone only supporting two major versions of software for each network application?

Answer: VeriFone delivers the best customer service and support available in our industry. In order to continue to provide this level of service, our Customer Service Representatives and Service Technicians must focus their efforts exclusively on current network software applications and not be burdened with having to maintain expertise on all legacy applications. For many years our Customer Service Agents and Service Technicians have been saddled with maintaining expertise on several dozen network application software versions; each version requiring a unique set of trouble isolation and resolution procedures. When we move into the new Software Maintenance model, all VeriFone customers will benefit from our ability to isolate and quickly resolve service issues that result from a standardized set of supported network applications. We also expect that this new model will improve our customer service average speed of answer, an important service metric that we know is of the utmost importance to our customers

Q12: How will Annual Software Maintenance be affected by changes in PCI?

Answer: The Security that is designed into payment applications will continue to evolve for the foreseeable future. Our industry faces a constant threat from organized crime and their system attack methods are evolving and becoming increasingly more sophisticated. The Annual Software Maintenance program ensures VeriFone is able to deliver timely security protection against these evolving attacks as soon as their methods are known.

Q13: How will my service technician know if I have a current Annual Software Maintenance contract?

Answer: At the time the VeriFone Authorized Service Contractor (VASC) accesses the VeriFone Premier Portal to download and register the updated software being installed on your system, the VeriFone Portal will verify if the Site has a current ASM contract in place. If there is not a current contract, the VASC will not be able to register your software until an annual ASM contract has been established. The customer will have two options: Purchase an ASM from the VASC directly, or purchase directly through VeriFone's eStore Customer Portal.

Q14: If I have Annual Software Maintenance, do I need a Service Contractor to download the software and activate it for me? Can I do it myself?

Answer: Annual Software Maintenance entitles the site to have access to software, but it does not cover any VASC charges that may apply for installing and registering the software. Many customers have asked for the ability to remotely access and download software. That functionality is coming soon, but will require each site to install a broadband connection in order for VeriFone to deliver the software electronically; many software packages exceed 250MB, so a high speed connection is the only feasible way to deliver that much information in a timely manner.

Q15: How will current PSP Help Desk contracts will be handled?

Answer: Customers who have a current PSP Help Desk contract will be encouraged to enroll in Annual Software Maintenance.

- The new Software Maintenance contract will carry a 12 month term from the date of enrollment and also include PSP Help Desk.
- The annual Software Maintenance fee will be pro-rated to coincide with the terms of the existing PSP Help Desk contract. When the contract termination date is reached, the combined service renewal program will take affect:
 - Example: A site has 5 months left on their existing PSP Help Desk contract. The \$480 Annual Software Maintenance contract fee will be pro-rated to coincide with the terms of the Help Desk contract. In this example, 5 months of Software Maintenance equates to 5/12 of \$480 or \$200. The customer will be invoiced \$200 to enroll in Annual Software Maintenance which includes existing PSP Help Desk. That contract will remain valid for the next five months. At the end of the five month period, the contract will need to be renewed at the annual rate of \$1044.

For any questions not covered in this listing of FAQs,
please e-mail your questions to us at ASM@VeriFone.com