

**MasterCard Worldwide**  
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LAKS GmbH  
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Austria

August 25, 2009

### **MasterCard® *PayPass*™ Vendor Product – Letter of Approval**

Approval Identifier: CLOA-LAKS090201-090825(a), expires on July 30, 2011  
Product Vendor: LAKS GmbH  
Product Commercial Name: LAKS Smart Transaction Watch 2, MS  
Product Technical Name: LAKS Smart Transaction Watch 2, MagStripe only  
Registration Number: CL/LAKS/0902/01/PPMS/C-A

Under the terms of the *PayPass* Specification License Agreement dated May 5, 2006, this letter permits you to advise your customers that the above product has successfully completed the requirements for a vendor product approval by MasterCard as a ***PayPass* – Mag Stripe Watch (Type A)**.

**Please see page 2 for the Conditions of Approval.**

This letter does not constitute an endorsement or warranty by MasterCard regarding the functionality, quality or performance of the submitted product, including without limitation any warranties of merchantability, fitness for purpose or non-infringement, all of which are expressly disclaimed by MasterCard.

The product will be listed on the MasterCard *PayPass* web site as an approved *PayPass* vendor product until the Approval Expiration Date. Any change to the product must be promptly notified to MasterCard.

MasterCard reserves the right to use any approved *PayPass* product as a reference for future testing, certification or approval of other *PayPass* products.

Yours sincerely,

Arnaud du Chéné,  
Senior Business Leader  
Chip Center of Excellence  
MasterCard Worldwide

### Details of Vendor Product Approval

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Product Vendor:	LAKS GmbH
Product Commercial Name:	LAKS Smart Transaction Watch 2, MS
Product Technical Name:	LAKS Smart Transaction Watch 2, MagStripe only
Registration Number:	CL/LAKS/0902/01/PPMS/C-A
CAST References:	CCN0289, expires on July 30, 2011
Test Assessment References:	PPMC4 A-LAKS081001A1-C-A-FIM-1208-0008 PPMS P-LAKS090201A1-C-A-FIM-0908-C012

### MasterCard Reference Specifications

<i>PayPass – ISO/IEC 14443 Implementation Specification – Version 1.1– Mar. 2006</i>
<i>PayPass – Mag Stripe Technical Specifications – Version 3.3 – December 20, 2007</i>
<i>PayPass – Mag Stripe Application Note #13 – December 20, 2007</i>
<i>PayPass Application Note #3 (170 ms Performance Policy) – January 13, 2009</i>

### Conditions of Approval

1. Please note that only the chip and the micro-module manufacturing processes of PayPass non ID1 Devices are covered by the current MasterCard Card Quality Management.
2. The Vendor commits to inform the Issuers of the above conditions.

### Product Technical Restrictions

This *PayPass – Mag Stripe* product supports static CVC3 generation (as defined in specification V3.2) whereas only a dynamic CVC3 generation should be supported according to the V3.3 specification.

### Issuer Implementation Notes

As a consequence of the Technical Restriction detailed here above, the issuing bank must ensure that the DGI 'A001' is set up as defined in '*PayPass – Mag Stripe Technical Specifications V3.3 – December 2007*'.