



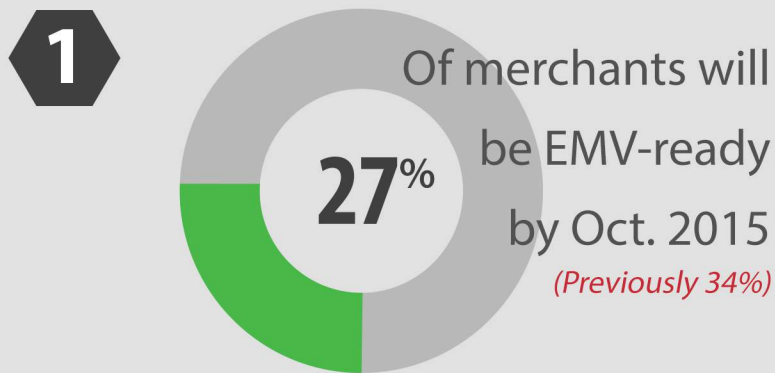
How Ready are U.S. Merchants?

PREDUX

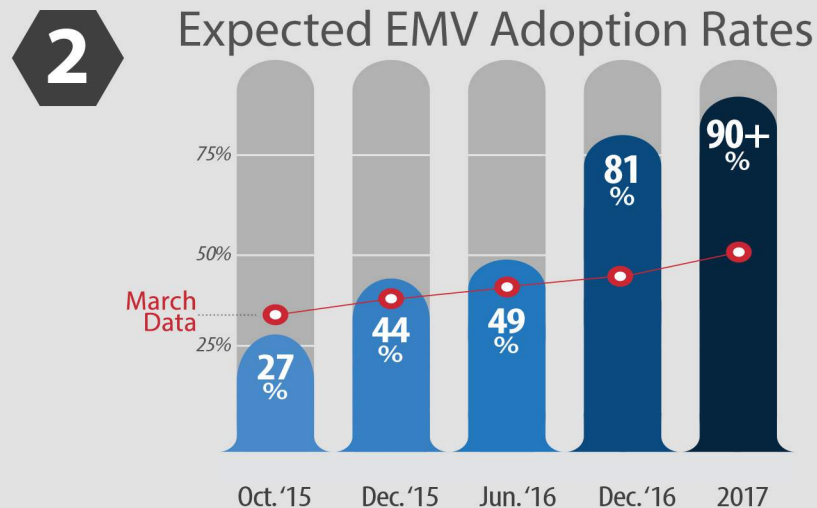
In September, TSG re-surveyed the market to gauge EMV readiness since March



Based on the Sample, the Following Can be Estimated for the U.S.



Percent-change drop of 21%



3 Top EMV Hurdles



Surveyee Commentary

"Our company is experiencing potential issues with foreign issued cards."

"Tips is a major issue with restaurants and tip adjustment has not been resolved. Will it be allowed - yes/no? Processors are not giving a clear answer. Debit is another big problem."

"Dependencies on third-party software providers and ability to dedicate resources to EMV readiness is a significant hurdle for our company."

"The reluctance to change in the Northeast market is strong, regardless of impact."



The Strawhecker Group (TSG) is a management consulting company focused on the global payments industry. The company specializes in providing financial institutions, merchant acquirers, card networks, ISOs, processing companies, large merchants, and the investment community with advisory services to maximize their growth and profitability. TSG is also a resource for consumer spending data, industry research, benchmark studies and developing trends. For more information please visit www.TheStrawGroup.com.