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For Immediate Release

Announcing New Multi-Payment Terminal for Unattended Payment Kiosks in Japan

Flight & ID TECH – Joint Development of Interface Dedicated for Japanese Market

Flight System Consulting, Inc. (Headquarters: Tokyo, Japan, President & CEO: Keiichiro Katayama, hereinafter "Flight") announced that Flight will launch a new multi-function payment terminal that supports CHIP & PIN transactions, targeting existing unattended payment kiosks including vending machines, hotel and hospital ticketing kiosks, and self-parking installations. The hardware is manufactured by ID TECH Inc. (Headquarters: California, USA, CEO Stanley Ning, hereinafter "ID TECH"), and Flight and ID TECH are jointly developing an Interface to meet the Japanese market payment terminal specifications. This new terminal features an advanced platform that enables safe and secure card payments satisfying the requirements set forth in recent Japanese Government law change that mandates all payment terminal operators to migrate to EMV and PCI standards (* 1).

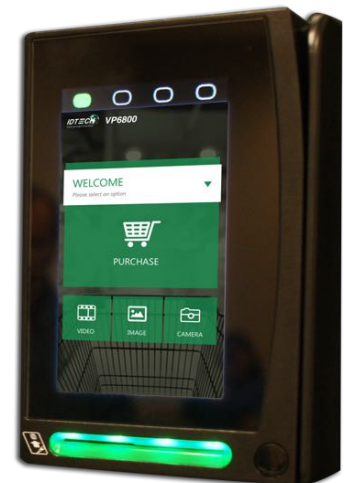
In addition to the high security, the terminal is certified under the water/dust proof standard "IP65" (* 2) and capable of operating smoothly in a fluctuating outdoor environment.

■Background

Japan was not the first adopter of cashless payments. However, with the upcoming Tokyo Olympics 2020 and other large-scale international sports events, Japan is expecting a huge increase in the number of foreign visitors in next few years, therefore, there is an urgent need for the installations of global standard credit card/cashless payment terminals. Furthermore, Japan is experiencing a decline in labor force participation, leading to a growing trend among retailers to opt for unattended/self-ticketing payment kiosks.

In the meantime, the volume of domestic credit card fraud is on the rise, reaching the record high JPY 2.36 Million in 2017. In June 2018, Ministry of Economy, Trade and Industry of Japan issued Amendments to Installment Sales Act, which enforced all domestic payment terminal operators to migrate into terminals that support IC credit cards to improve the security of payment environment by the end of March 2020.

Flight's new terminal will provide effective solutions satisfying these three factors "cashless" "new law"



Up : VP6800

Down : Unattended Payment Kiosk

and “unattended payment kiosk”.

■Joint-Development with ID TECH

In September 2010, Flight introduced the innovative payment solution that operates with iPad for domestic retailers. The solution is equipped with the multi-function payment device “Incredist” or the second generation “Incredist Premium”. Flight and ID TECH have been maintaining the strong partnership in the joint-development for those devices (*3). In the latest project with the ID TECH’s payment terminal VP6800, the terminal built for the use for unattended payment kiosks, Flight and ID TECH are jointly developing the Interface Unit (“I/F unit”) dedicated for Japanese market. The new solution will be available as a package with VP6800 and I/F unit. With the additional fee, the parties will provide an optional service Terminal Management System (TMS) for VP6800 and I/F unit as well.

■Multi-function Payment Terminal for Unattended Payment Kiosk 【VP6800】

VP6800 is a unique device that can securely and safely read and settle a variety of cards such as magnetic stripe credit cards, Contact ICs, Contactless IC credit cards (NFC), various electronic money, QR codes etc. In addition to the high level security certifications, VP6800 has been certified under "IP65", the water/dust-proof certification designed for outdoor use. The product is UV resistant and user-friendly format with a touch-panel display. This is indisputably the leading payment terminal in its class.

■Joint-Development of 【I/F Unit】 for Japanese Market

Flight and ID TECH jointly developed “I/F Unit”, the interface device which enables VP6800 to adapt to Japanese domestic unattended payment kiosk/self-ticketing machines. Flight will establish the connection with domestic settlement centers utilizing the knowledge and know-how on payment software and LTE communication function accumulated over years of experience with the company’s existing payment solutions. ID TECH will lead the unit development that supports Japan’s indigenous hardware standards.

<Main Feature of I/F Unit>

- JVMA Communication Interface (JAPAN VENDING SYSTEM MANUFACTURERS ASSOCIATION, “JVMA”)
- LTE Communication Feature that supports Japanese communication carriers
- Function needed for connecting with domestic settlement centers

■Payments Processed by VP6800 & I/F Unit

- Contact IC Credit Card (EMV)
 - Contactless IC Credit Card (Contactless EMV)
 - Magnetic Stripe Credit Card
 - China UnionPay Card
 - Japanese Electronic Money
 - QR Codes
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■Endorsement by Mr. Justin Ning, VP of Product Management and Marketing, ID TECH

ID TECH is extremely excited to expand our partnership with Flight Systems Consulting Inc and deliver this industry leading Payment Solution for Unattended payment applications. Ever since the two companies started working together over 5 years ago, it has been a match made for success. This collaboration and commitment to launch our new unattended payment solution, unifies each companies best in class technology and payment experience, providing the Japanese market with a PCI and EMV certified solution that is secure, reliable, user friendly and accepts all global payment acceptance methods.

Justin Ning

VP of Product Management and Marketing

ID TECH

■Launch Schedule : May 2019

■About ID TECH

ID TECH is a world-recognized leader in the design and manufacturing of secure payment solutions, ranging from PCI-certified PIN-entry devices, PIN on Glass readers, state-of-the-art contactless/NFC payment devices to EMV and Magstripe readers. For more than 30 years, ID TECH has built a reputation based on technical excellence, innovation, and a commitment to superior customer service. Headquartered in Cypress, California, USA (with additional engineering centers in Fremont, California, Shanghai, China and Taoyuan City, Taiwan), ID TECH is an industry leader in delivering payment solutions across the globe.

For more information about ID TECH, please call 1-800-984-1010 or visit www.idtechproducts.com.

*1 : Amendments to Installment Sales Act

The act stipulates the required security measure for retail POS operators. The latest amendment that came in to effect in June 2018 sets higher security standard that mandates all retail POS operators to migrate to terminals that support IC credit cards and information non-store feature. All retailers must support IC credit cards by the end of March 2020.

*2 : IP65

Standards set by Japan Industrial Standard (JIS) stipulating the resistance level for electronic products against dust and water.

*3 : " Incredist" and "Incredist Premium"

Flight's multi-function payment terminal that operates with iPad. Flight launched the first version "Incredist" in 2013, and then it's second generation "Incredist Premium" in 2016.

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