

# Major Differences between Magnetic-Stripe & CardLogix Smart Cards

## Mag-Stripe

### Use a bank

Pay monthly merchant account and report fees.

### Easily duplicated

Mature technology, Very low security, \$36 billion FRAUD USA 1999, *(Nielson Report)*.

### Fragile

Mag-Stripe easily damaged – if scratched or bent then card cannot be read. *(Additional replacement cost)*.

### Sensitive

Any Magnetic field such as motors, speaker magnets and even other mag cards in wallet mean card cannot be read, *(replacement cost)*.

### Leased line

Each reader installation requires at least one dedicated leased data line to off premises server or dial-up connection to validate. *(extra cost)*.

### Time per transaction

Each card needs to be validated on the host. Requires at least a minimum of 1 modem per location, *(10 to 30 seconds + the cost of the call)*.

### Transaction fee charged

Each time card is used, (Visa, MC, AMEX, DISC), *(minimum \$.25 or 2%-3% extra cost per transaction)*.

### Reader cost

Mag-card readers are \$75.00 to \$125.00 without display. Visa, MC magnetic-stripe reader terminals \$275.00 to \$450.00 ea. No balance checkers available; home-based readers \$99.00 ea.

### \*Card cost

Low Volume \$0.75 to High Volume \$0.35, (not fulfilled), Typically no functional card guarantees.

## Smart Card

### Become a bank

Collect and hold money from your customers. No fees to pay.

### Cannot be duplicated

Encrypted technology. Two totally independent encrypted value fields, Triple DES encryption. Cards cannot be cloned. Two totally independent, encrypted loyalty points fields.

### Durable

100,000+ card insertions meets ISO 7816-1, 2, 3 standards, 100% electrically tested pre-loaded with customer data.

One year, 100% replacement guarantee on cards for defects in manufacturing and workmanship.

### Very secure

Triple DES encryption. Not affected by magnetic fields. On-card security traps & card password protected. Enables secure internet ticketing.

### No leased lines

Data is stored on card, no need to connect to transaction processor for "transaction approval". Secure user site ticketing.

### No dial out time

Data is stored on card, no need to connect to transaction processor for "transaction approval". *(< 5 seconds)*.

### No transaction fees

Data is stored on card, no need to connect to processor for "transaction approval". You own the system - the Movie Gold Card platform securely validates the value.

### Reader cost

Dual function smart card and magnetic-stripe readers are \$99.00 to \$157.00. Key chain style value checkers available; home-based ticketing readers \$9.00 to \$14.00 for card present transactions.

### \*Card cost

Low Volume \$1.38, to High Volume \$0.97.

**VS**

**Bottom Line - CardLogix smart cards show a lower total cost of ownership!**

\*4 color front full bleed, 2-color back no bleed. Polyester overlay protected front side high quality lithographic printing

For more information about smart cards:

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