



June 2011

Element Payment Services, Inc.  
14415 S. 50th Street, Suite 200  
Phoenix, AZ 85044

To Whom It May Concern:

Element Payment Services, Inc. ("Element") engaged Trustwave Holdings, Inc. ("Trustwave") to conduct a third party assessment of Hosted Payments 2.0 ("Hosted Payments") an integration method to its Express Processing Platform ("Express"). ISVs using Hosted Payments leverage Element's PCI DSS compliant processing platform to accomplish fully integrated payment processing. The primary objective of the assessment was to determine applicability of the Payment Card Industry Data Security Standard ("PCI DSS") and the Payment Application Data Security Standard ("PA-DSS") to software applications integrated to Express via Hosted Payments.

Based on Trustwave's independent evaluation and application testing of Hosted Payments, and a review of implementation documentation provided by Element, Trustwave has determined that:

Element is listed as a Level 1 PCI DSS compliant service provider, most recently validated in November 2010, and offers a suite of processing technologies that includes Hosted Payments. Hosted Payments eliminates the need for integrated software vendor's ("ISV's") applications to store, process or transmit cardholder data as a part of authorization and settlement. PCI DSS only applies in environments where credit card numbers are stored, processed or transmitted. Those ISVs, assuming they (or their applications) do not otherwise store, process or transmit cardholder data, are eliminated from PCI scope and compliance costs.

Hosted Payments meets the definition of a hosted application as defined by the Payment Card Industry Security Standards Council ("PCI SSC"). As a hosted application, ISVs with integrated software applications that utilize Hosted Payments to process payments are not required to undergo a PCI PA-DSS audit when implemented according to Element's specifications. Element's processing platform and payment technologies (including Hosted Payments) are validated on an annual basis for PCI compliance.

Sincerely,

Keith Swiat  
Director, Payment Application Practice, Trustwave