



> Panini Snapshot

Panini Doubles Sales in 2006 for the My Vision X™

Panini is the manufacturer of choice for distributed capture solutions; exceeding our revenue plan by 150% in 2006 over 2005.

Panini is pleased to announce another record year in 2006 and we look forward to an exciting 2007.

Celent Research Confirms Top U.S. Banks Trust Panini for Distributed Capture

A study conducted by Celent, a leading research and consulting firm in the global financial services industry, has identified Panini as the dominant market share leader in distributed capture within the Top 100 U.S. Banks.

- Two-thirds of installed check scanners in the distributed capture market are Panini¹
- Panini has more than twice the number of installed check scanners than its closest competitor¹
- More top 100 banks have chosen Panini than most other major manufacturers combined¹
- 9 out of 10 branch capture devices used in the top 100 banks are Panini¹

¹ Based on Celent research conducted in October 2006 among top 100 U.S. banks for distributed capture (branch, corporate), inclusive of all Panini sales channels.

Panini is Pleased to Announce Additions to the Sales Team

Panini continues to grow as a company with the recent hire of two veteran sales professionals, Jack Bettin and Dave Fassler.

Both will work closely with our strategic partners and customers.

Jack Bettin, *Director Strategic Alliances*

Jack is responsible for managing relationships with our strategic software partners and OEM partners.

He can be reached at 770-570-8725 or jack.bettin@panini.com

Dave Fassler, *Western Region Sales Manager*

Dave is responsible for driving direct sales and partner assisted sales into the top 100 banks and financial institutions in the Western U.S.

He can be reached at 925-352-5739 or dave.fassler@panini.com

Please welcome Jack Bettin and Dave Fassler to the Panini team!

> Did You Know?

According to a recent report published by Tower Group

- Tower Group asserts that if all checks were presented electronically, banks would reduce additional processing costs by about \$2B per year.
- Banks that have not adopted image exchange will soon see a rapid escalation in the costs of processing paper items. Their check processing systems will experience declining volumes, but will still require fixed overhead costs for operations, support and maintenance, leading to higher processing costs per unit.
- Check processing prices from the Federal Reserve Bank (FRB) recently increased 5-6% per year for paper items, while image item fees are declining in cost.
- 70% of B2B payments are still made by checks.
- In 2003, the FRB reported that for the first time in history electronic payments accounted for more transactions than checks.

> Customer Highlights

Recent Wins

Fidelity Integrated Financial Solutions has strong 1Q My Vision X sales.

www.fidelityinfoservices.com



New Wave Technologies continues to extend the success of Panini My Vision X throughout their distribution channels.

www.newwavetech.com



Cranel Imaging continues to secure significant orders for My Vision X.

www.cranelimaging.com

Congratulations to Benchmark Technology Group for recent distributed image capture wins.

www.benchmark-us.com



C-Soft Imaging has secured significant orders for the My Vision X.

www.c-softimaging.com

> Product Briefing

Panini begins Beta Testing for 2 Pocket My Vision X

My Vision X 2 Pocket

Panini has begun extensive internal testing for the My Vision X 2 Pocket. In addition, Panini has leveraged strategic channel partners to perform rigorous beta testing.

The My Vision X 2 Pocket solution is tentatively scheduled for release in June.

For additional information on the Panini My Vision X 2 Pocket, please contact Greg Brown, Product Management at 937.291.2195 x29 or greg.brown@panini.com.

Panini Develops Software Release Process

Panini is designing a new software release process to better serve our partners. In the future, we will be using a scheduled release process backed by a detailed product roadmap methodology. In addition, we will communicate our software development efforts in advance so that our partners will have a better opportunity to plan for any needed or desired upgrades.

If you have any questions or thoughts on the new software release process, contact Greg Brown, Product Management at 937-291-2195 x29 or greg.brown@panini.com.

Panini Announces New Maintenance Strategy

Panini has launched a new maintenance program in February 2007 for the My Vision X product suite. This new program provides an exciting combination of services accompanied by a significant price reduction and access to Panini's best-in-class service and support staff.

Panini's new maintenance program includes the bundling of Advanced Unit Exchange (AUE). With AUE, Panini provides a replacement check scanner while the customer's My Vision X[®] is shipped to the Panini Depot Repair Center for service - maximizing system availability. The new maintenance package also provides access to major and minor firmware/API releases, hardware services, documentation, and web access to Panini service materials.

The superior quality and reliability of the Panini My Vision X, proven by the nation's top banks, is the unique and enabling foundation for Panini's dramatic change in maintenance structure and pricing; providing customers and partners with a lower total cost of ownership. With deployed device acceptance rates at 99.7% in 2006, Panini continues to set the standard for the industry in the critical areas of out-of-box quality and field reliability.

For additional information on Panini's new maintenance program, please contact Greg Brown, Product Management at 937.291.2195 x29 or greg.brown@panini.com.

Panini Releases API Version 2.26.1.3

Panini has released the latest API version 2.26.1.3. This new API addresses small fixes to the My Vision X product suite and offers IQA improved functionality.

For detailed information on this latest API, contact Randy Whitley, Director Customer Support & Satisfaction at 937-291-2195 x14 or randy.whitley@panini.com.

NACHA Approves Rules for Back-Office Check Conversion

By Payments News

NACHA has announced that its voting members have approved an amendment to the NACHA Operating Rules that will allow retailers and billers that accept checks at the point-of-sale or at manned bill payment locations to convert eligible checks to ACH debits in the back-office. Known as back-office conversion, or BOC, the rules become effective March 16, 2007.

"Back-office conversion will enable financial institutions to provide additional value to their customers in a business environment where many checks are still used," said Steve Ellis, Chairman of NACHA and Executive Vice President of Wells Fargo & Company's Wholesale Banking Group. "As consumers and businesses continue to move from cash and checks to electronic forms of payments, financial institutions continue to find opportunities to provide their customers with value-added electronic services to collect checks."

Several requirements of the BOC rules are intended to ensure that customers are properly notified that their checks may be converted, that customer service contact information is provided, and that customers have the ability to opt-out. The notification requirements are consistent with those recently required by the Federal Reserve's changes to Regulation E.

NACHA will conduct an industry training and education program on back-office conversion later this summer. The first stage of this program will provide customer service training materials to financial institutions, and consumer-friendly information and brochures to retailers and billers interested in using BOC. The materials will be announced and made widely available through the Check Conversion section of the new Electronic Payments web site - www.electronicpayments.org.

Consistent with other rules recently passed by NACHA in November 2005 and that become effective in September 2006, the BOC rules define checks that contain auxiliary on-us fields or are written for amounts greater than \$25,000 as ineligible for conversion. These definitions provide simple and effective methods for retailers and billers to identify checks that are not eligible for conversion.

Back-office conversion will also allow financial institutions to convert eligible checks received in image files to ACH debits. The same rules and eligibility definitions apply to this processing scenario - i.e., proper notice and contact information must be given, customers must be given the ability to opt-out, and checks with auxiliary on-us fields or for amounts greater than \$25,000 are ineligible.

Check conversion at the point-of-sale has been available in the marketplace since September 2000, when NACHA's point-of-purchase (POP) rules went into effect. Additional check conversion rules for accounts receivable (ARC) payments became available in March 2002. NACHA estimates that 2.3 billion checks were converted into ACH payments in 2005.



Panini will release an updated Sales ToolKit CD for our channel partners and distributors. This interactive CD includes material on the My Vision X, White Papers, Presentations, Brochure Folder and Inserts, and much more.

The Sales ToolKit CD will be available March 30. Copies of the Sales ToolKit CD can be requested online by visiting the Panini North America web site www.panini.com.

For additional information, contact Angie De Jesus at angie.wagner-dejesus@panini.com.



Panini has produced a new Media Kit for 2007.

Available on CD, the Media kit includes case studies, press releases, media mentions, and more.

For a copy of the Media Kit contact Jess Back at 937-291-2195 x28 or jessica.back@panini.com.

Product Brochure Folder and Brochure Inserts



Panini is excited to announce our newly designed Brochure Folder and Brochure Inserts. The design concept for the new marketing materials reflects Panini's global presence and worldwide leadership in Document and Payment Processing Solutions.

The Brochure Inserts include *My Vision X* which highlights the features of the My Vision X, *Customer Support Services* which addresses the many customer support services offered by Panini, and *My Vision X AGP* which describes Panini's superior printing capabilities.

For copies of the new Brochure Folder & Brochure Inserts, contact Angie De Jesus, Marketing Programs Manager at 937-291-2195 x17 or angie.wagner-dejesus@panini.com.

> Industry Events

Payments 2007



Hyatt Regency Chicago

booth #200, April 15-18

AIIM on Demand Conference & Expo



Boston Convention Center

Panini will not have a booth, but will be attending the Conference & Expo.

BAI SmartTactics



Panini and Compass Bank will Discuss Remote Deposit Capture at BAI SmartTactics

Title: Leveraging Remote Deposit Capture for Small Business

Date: **Tuesday, April 24th, 2007 1:30PM-2:30PM**

Co-presenter:

Mark Torbert

Compass Bank

Vice President & Senior Product Manager

Hilton New Orleans Riverside

April 23-25

Cranel Imaging Memorial Tournament



Lake Country Club Columbus, OH

May 29-31