



> Panini Snapshot

A Quote from the President

By Dave Youngerman, President, Panini® North America

"Because of the success of our products, the commitment of our service team, and the determination of our employees, Panini® North America has experienced tremendous success," says Dave Youngerman, president. "We look forward to the next decade of product innovation and growth with our customers and partners."

Panini Customer Quote

KeyBank

By Debra Sciano, Senior Product Manager, Global Treasury Management

"Panini North America has state of the art technology which provides a foundation for deposit automation and also provides us a foundation to excel with our Check 21 initiatives."

Panini Continues to Leverage the My Vision X Product Suite

Panini North America increases revenue in 1Q 2006 by 300%; a significant gain from a year ago.

We will continue to leverage our "vision" for the future in payment processing solutions.

> Did You Know?

- According to a recent study published by Independent Banker Magazine, 14% of community banks have currently adopted check image clearing and settlement and 58% are planning to implement the service within the next two years. In addition, 4% of the respondents have implemented remote deposit capture and 41% plan to offer the service within two years.
- In a recent article published by TODAY Magazine, a survey of more than 1100 CIO's, IT executives, and information managers found that 45% of respondents from companies with 100 to 500 employees, and 44% of respondents from firms with 501 to 1,000 employees, say they have increased their budget for document imaging (including scanners, scan-enabled copiers, and capture software) for 2006.
- The Federal Reserve Board has made final amendments to Regulation E (Electronic Fund Transfer Act). The final rule provides that merchants that convert payments by check into electronic fund transfers must provide a notice to consumers to obtain consumer authorization for the electronic fund transfer. Merchants and other payees must also notify consumers that if a check is converted, funds may be debited from consumers' accounts as soon as the same day that the payment is received, and the check will not be returned by their financial institution.
- A recent article published by TAWPI titled, *Here and There and Everywhere - Distributed Capture Taking Hold*, revealed that more than 93% of remote scanning and capture end-users report that their systems met or exceeded expectations. More than 70% of survey respondents report a full return on their investment in less than 12 months.

> Customer Highlights

Panini Adds Three Resellers to VAR Channel

Fidelity Integrated Financial Services

Fidelity Integrated Financial Solutions (IFS) is a provider of information technology solutions for community-based financial institutions with capabilities ranging from Core Processing to eBanking to Check Imaging to Business Intelligence.

www.fidelityifs.com

Technical Data Systems

Technical Data Systems specializes in the equipment and service needs of banks, financial institutions, retailers, and commercial business.

www.techdatasys.com

Unilink, Inc.

Unilink offers both new and refurbished banking equipment, from main frame servers and large transport systems, to smaller transports, check encoders, financial printers, PC's for teller automation, supplies, parts and software packages including imaging and data security software.

www.unilinkinc.com

Recent Successes



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

www.benchmark-us.com

Fidelity Integrated Financial Solutions has strong 2Q My Vision X sales.

www.fidelityifs.com



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

www.newwavetech.com



RDM Corporation continues to secure significant orders for My Vision X.
www.rdmcorp.com

Panini Releases NEW My Vision X API's



VIA PO 39 TORINO

TECHNICAL BULLETIN **IT-296**

Date : 03/06/2006 Model : Panini My Vision X
From : R&D To : ALL
Compiler : T. Bowcut

| Modification | Free of charge | Starting Date Affected |
|--|----------------|------------------------|
| Only info. <input checked="" type="checkbox"/> Suggested <input type="checkbox"/> Mandatory <input type="checkbox"/> | N/A | 03/06/2006 |

Subject: Panini MVX API Release: versions 2.12.1.2 and 2.21.1.3

VERSION 2.12.1.2 and 2.21.1.3

By Panini R&D

My Vision X API 2.12.1.2 - Released to provide full interface compatibility with applications using My Vision X API version 1.6X.1.2.

My Vision X API 2.21.1.3 - Full feature release introducing new API functionality.

Modifications, improvements, and additions to each API version are described in detail. Please contact Angie De Jesus angie.wagner-dejesus@panini.com for a copy of this information.

Panini API Download:

The Panini API's are available to VARs at the following FTP location: <ftp://24.172.149.33/> A password is needed to open the files and upon request will be made available.

Panini API Contacts:

Those not on Panini's VAR list will be ask to contact the company in which the device was provided to obtain the password. Please contact Ken Whitcomb ken.whitcomb@panini.com or Randy Whitley randy.whitley@panini.com for additional information.

Panini Opens MICR Testing and Qualification Center

Panini extends MICR capabilities while continuously optimizing performance

By Jess Back, Public Relations

The new MICR Testing and Qualification Center will incorporate a broad number of quality and performance procedures. Panini will analyze waveforms of client transit items, utilize stress decks of assorted deposit items on varying configurations of the Panini My Vision X, perform live testing and optimization in customer operation centers, and continue participation on American National Standards Institute's (ANSI) sub-committees.

For more information please contact a Panini Representative at 937-291-2195.

Panini Provides Trailing Edge Alignment for My Vision X

By Panini R&D

Panini's newest API Version 2.12.1.2 now supports Trail Edge Trigger for the Ink Jet Endorser. With the addition of this feature we now have the ability to position the endorsement on the back of documents relative to either end of the check. This enables the placement of text or graphic into the customer endorsement and bank of first deposit fields on the back of any size check run through the My Vision X.

We retain the ability to trigger the endorsement from the lead edge of the document as before.

For more information please contact Randy Whitley, Director of Customer Service & Support, at randy.whitley@panini.com or 937-291-2195 x14

Check 21's Impact: 18 Months Later

IRDs have been put to use waiting for infrastructure development to "catch up."

By Michael K. Harris

| SYNOPSIS | *Certain Check 21 predictions have been accurate — 40 million Image Replacement Documents have been printed to avoid transportation costs or to support remote deposit capture. But infrastructure development may take longer than expected and it's too early to know Check 21's impact on fraud.*

Two weeks before the Check Clearing for the 21st Century Act was to be implemented in October 2004, while moderating the BAI Check 21 Readiness Forum, I was asked to take a "plunge" into the world of check prophecy. What, I was asked, are your 12 predictions for the future?

A great deal has been learned since those predictions were made. Let's compare them against what's transpired in the last 18 months.

Some of the predictions were no-brainers. As expected, most checks continue to be processed the same way as before the implementation date, and most banks were ready. Although Check 21 and subsequent Regulation CC changes enabled check collection via substitute checks, or Image Replacement Documents (IRDs), major changes were not mandated. And, banks had plenty of time in the preceding 12 months to prepare their customers.

My assessment of the state of image presentment and distributed print capabilities within the industry also held up. Basically, I believed that the overall infrastructure required for banks to present and/or exchange images of checks was still in development. Individual technical components of an infrastructure did exist, but the integration of those components into an inter-bank, end-to-end processing solution was lacking.

It seemed logical to assume that: (a) numbers of IRDs would be printed in order to avoid the transportation cost in the collection of large dollar items and (b) numbers of IRDs would be printed to address the demand of the corporate clients for remote deposit capture while waiting for the infrastructure to "catch up." ECCHO reports that substitute checks used in the forward collection process grew from less than 4 million in January 2005 to more than 40 million in December.

While I had originally estimated that the infrastructure would take 18 to 30 months to complete, I now believe 30 months is more likely and may be conservative, since the end-to-end infrastructure demands investments and changes on behalf of all banks in the process while the environment continue to mature.

In the category of "still awaiting the final results" are my predictions of higher fraud rates as a result of Check 21. Without the original document, it's difficult to tell whether a check has been forged or altered, for example. But I believe the industry as a whole has done a good job in diminishing the potential for duplicate items by implementing technology, manual procedures, legal agreements and education to address that issue from the point of inception (as in the case of remote deposit capture) to the creation of files and/or the printing of IRDs.

I also believe that the volume of checks will continue to decline as the payments industry continues to promote other electronic payments instruments to an increasingly "electronics-savvy" populace. I am seeing this change occur as "fast food" restaurants move to cash and electronics and gasoline and convenience stores continue to promote electronics. Even charitable organizations are accepting electronic contributions.

Ultimately, solutions that are cost-effective, quickly adaptable, stable, scalable and secure will have the advantage.

Panini Continues to Strengthen Media Relations



Panini North America leverages PR & Advertising

"Our mission at Panini is to provide significant news to the industry," says Jess Back, Marketing Coordinator PR & Advertising. "We continue to strengthen our media relations efforts to ensure a consistent presence in the market."

If you are interested in working with PNA on a joint feature article or press release, please contact Jess Back at jessica.back@panini.com or 937-219-2195 x28.

Media Kits



Panini has released a new interactive media kit

Content includes case studies, company information, product information, product video, etc.

For a copy of the media kit, please contact Jess Back, Marketing Coordinator-PR & Advertising at jessica.back@panini.com or 937-291-2195 x28.

Remote Deposit Capture A Practical Guide for Corporations



Remote Deposit Capture - A Practical Guide for Corporations

This informational white paper includes the following content:

- The Use of Corporate Capture from the Users Perspective.
- Corporate Remote Capture User Case Studies.
- The Environmental and Solution Considerations for Remote Deposit Capture.
- Remote Deposit Capture Financial Evaluation Model.

For a copy of this NEW white paper, please contact Angie De Jesus at angie.wagner-dejesus@panini.com or 937-291-2195 x17.

Marketing Programs Contact Information

Please contact **Angie De Jesus**, Marketing Programs Manager, for more information regarding marketing programs.

E-Mail: angie.wagner-dejesus@panini.com

Phone: 937-291-2195 x17

> Industry Events

Cranel Imaging Memorial Tournament



Columbus, OH

May 31 - June 1

TAWPI 2006 Forum & Expo

Navy Pier Chicago

booth #708, June 11-14

Annual National Directors' Convention



The Venetian Las Vegas

booth #109, August 1-4