**Statement of Work #1**

**Development and Integration Phase**

**MAC One-Time Password (OTP) System**

**Description**

Mobile Authentication Corporation (“MAC”) provides an Out-Of-Band, One-Time Password (OTP) solution that provides End User authentication and payment transaction verification of financial transactions.  The MAC OTP system is designed to be integrated into existing payment processes. It is comprised of a set of Web Services that provide the needed functionally to deliver OTPs to the End User’s mobile device and to verify the End User’s entered OTP.

The Initial Development Project set forth in this Statement of Work #1, of the Agreement, is designed to integrate MAC’s OTP services into the TNS TNSPay Gateway.

This integration will enable MAC’s OTP service to authenticate End Users, who are processing a payment via the TNSPay Gateway, and verify the transaction using two-factor authentication by delivering an OTP via SMS text to the End User’s mobile phone.

**Scope of Work Development and Systems Integration**

For the Initial Development Project, TNS will:

* Integrate the TNSPay Hosted Payment Page (HPP) with MAC’s OTP services for authentication to occur prior to processing a credit or debit transaction via the TNSPay Gateway.
* Manage the style/theme and control the User Interface (UI) required to prompt and collect the OTP. The UI shall allow for the display of status messages and content as returned in the OTP responses per the MAC OTP Services API.

MAC will be responsible for providing TNS with the following:

* Access to a test server running the latest OTP services where TNS can send OTP requests for development, testing, and certification as defined in the MAC OTP Services API document. This platform is available per prearranged request by TNS. Access to this platform will be available 24x7 during the prearranged requested period.
* A set of test cases required for certification to validate the integration is functioning correctly and meets both parties’ requirements.
* OTP test system administration including:
  + Test Client registration, Client IDs
  + Test End User registration
* Access to the OTP test system administrative interface.
* Access to a MAC resource to answer development, testing or certification questions that arise during the development and integration phase. The MAC resource will provide responses to questions within one (1) business day.

**Out of Scope**

* Testing of MAC’s OTP Registration Authority or AdPass.
* Financial reconciliation, settlement, and other back-office functions.
* Integration of the MAC OTP service via the TNSPay Direct API, Hosted Payment Form, Merchant Administration, or other TNSPay Gateway integration methods as may be offered from time to time

**Project Documentation**

Both parties understand and agree that TNS will produce no custom documentation for MAC in connection with the Initial Development Project set forth in this SOW #1.

**Assumptions**

In undertaking the work detailed in this SOW #1, TNS assumes and relies upon the following statements:

1. OTP authentication is performed before payment processing.
2. Merchants may not request to bypass OTP services on a per transaction basis.
3. Certification of the integration to MAC is a simple process, which can be completed in one to two (1-2) business days.

**Project Fees**

TNS will invoice MAC the fees set forth in Schedule 1 herein in connection with this Initial Development Project. Specifically, MAC shall pay TNS $20,000 upon execution of this Agreement. TNS will invoice MAC in the amount of $15,000 once the development of the interface with MAC’s OTP system is complete and made available by TNS to MAC to transmit one-time phone authentication requests in the TNSPay Gateway User Acceptance Testing (UAT) environment pursuant to this SOW #1.