



State of North Carolina Office of the State Controller

Michael F. Easley, Governor

Robert L. Powell, State Controller

August 14, 2006

MEMORANDUM

TO: PCI Administrative Contacts

FROM: Robert L. Powell
State Controller

SUBJECT: PCI-Related Contract Requirements

Over the past year, each of you has been diligently working to achieve compliance with the Payment Card Industry (PCI) Data Security Standards. As you all know, the payment card brands have mandated compliance of certain information security requirements for any merchant that "transmits, stores, accesses, or processes" cardholder information. The primary focus of the PCI Security Standards is to help merchants improve the safekeeping of cardholder information by tightening their overall security standards, which in turn reduces their chances of experiencing security breaches, fraud, and potential catastrophic financial losses. Merchants found to be non-compliant with the respective security requirements may be subject to substantial fines and penalties.

To assist you in achieving compliance for your entity's merchant account(s), the Office of the State Controller (OSC), in June 2005, entered into a one-year contractual arrangement with AmbironTrustWave - a recognized industry leader in PCI compliance assessment solutions. The initial contract, along with a one-month extension, with AmbironTrustWave expired on July 31, 2006. Through a competitive bid process, AmbironTrustWave was again selected as the vendor of choice for the next contract. The new contract was awarded on August 1, 2006. As a result of your participation under the State's Master Merchant Services (MSA) Agreement with SunTrust Merchant Services, OSC is continuing to provide PCI Security Compliance Services at no cost to your entity.

For your information, OSC also entered into a new contractual arrangement with SunTrust Merchant Services (STMS) on August 1, 2006. (Click on this link for additional information regarding the announcement of this contract award: <http://www.ncosc.net/SECP/MerchantCardsContractAwarded.pdf>.) The old contract with SunTrust Merchant Services will remain in effect, concurrently with the new one, until October 31, 2006. As a result, there will be a three-month transition period, during which current participants will be able to accomplish the tasks necessary to transition to the new contract. Among these tasks is a requirement that the Participant must certify that it has achieved PCI Data Security Compliance. Any Participant that has not transitioned to the new contract by the end of the transition period will have the services associated with that merchant number terminated by STMS, as the old contract will have expired.

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3512 Bush Street
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For those of you that have already achieved compliance, it is important to keep your compliance status current. Your responses to the Self-Assessment Questionnaire expire annually (calculated from your certification date) and must be reviewed and re-certified.

More information can be found at OSC's Website: http://www.ncosc.net/SECP/EPP_Index.html. Any questions regarding the new contract with SunTrust Merchant Services may be addressed to OSC's Support Services Center, telephone (919) 875-HELP (4357), or David Reavis, E-Commerce Manager, telephone (919) 871-6483. Questions related to PCI Data Security Compliance issues may also be addressed to OSC's Support Services Center, or Ben McLawhorn, Risk Mitigation Services Manager, telephone (919) 981-5409. For questions related to the Trustkeeper portal, please contact the AmbironTrustWave Customer Support Center directly at (800) 363-1621.

cc: PCI Technical Contacts