



HDX Launches its Dexit Prepaid Payment Service at Ontario High Schools

Toronto, Ontario – October 18, 2007 – Hosted Data Transaction Solutions Inc. (“HDX”) is pleased to announce the successful integration and deployment of the Dexit Prepaid Payment Service (the “Dexit Service”) to the high school cafeteria environment. HDX (formerly Dexit Inc.) is listed on the TSX under the symbol HDX.

For students, the Dexit Service provides a safe, quick and convenient way of paying at the cafeteria without having to carry cash. Parents gain the comfort of knowing that lunch money is being spent at the cafeteria rather than elsewhere. Further, automatic refill features – via credit card or bank account – effectively take away the burden of having to provide lunch money to students each morning. The entire Dexit Service is privately branded with a web site that allows users to view transactions, opt in for useful email alerts (ie. account balance) and set automatic refill preferences.

The introduction of the Dexit Service to a “closed-loop” environment represents a new strategic thrust for HDX. “Academic and corporate campuses are the types of environments that dovetail nicely with the Dexit Service offering”, says Sol Korngold, COO of HDX. “The value proposition, to both cafeteria operators and their patrons, is very strong. We will continue to aggressively pursue environments that showcase the many benefits and unique features of our service”.

Since December, 2006, HDX has focussed development efforts on integrating the Dexit Payment Service directly to its point of sale system technology. Quick transaction speed and payment accuracy are the two most critical elements being sought by merchants to improve their customers’ shopping experience. “This deployment demonstrates our focus on specific competitive strengths” says Paul Howell, President and CEO of HDX. “Our contactless RFID payments solution integrated with our own touch-screen POS system increases speed of customer throughput, increases average sales order size, and reduces shrink by removing employee error and theft during the payment process. The ability for our merchants’ customers to securely reload their account via a private branded website provides a level of convenience that bolsters customer satisfaction and drives more business to the merchant”.

About the Company

HDX is in the business of managing merchant transactions with consumers and facilitating payment. HDX develops and deploys touch screen POS system software and associated enterprise management tools and has developed and

deployed numerous POS applications. HDX also provides system hardware integration services, merchant staff training, system installation services, and post sale software and hardware support services. Leading edge technology also includes customer self serve kiosks and “line buster” mobile point of sale terminals. These products have been designed to dramatically enhance customer throughput and drastically reduce customer queues. These technologies are especially effective in high foot traffic environments that have limited cash register counter space, limited retail square footage, and the absence of a drive through.

HDX has pioneered an "instead of cash"® electronic based payment facilitation service. The Dexit® Prepaid Payment Service can be private branded for a specific merchant and enables customers to pay for items quickly and conveniently with the tap of a RFID (radio frequency identification) tag linked to a pre-paid account. The Dexit payment solution is especially well suited for corporate and institutional cafeteria environments where hundreds of customers purchase and pay for meals in compressed periods throughout the business day.

The TSX neither approved nor disapproved the contents of this release.

For further information, please contact:

Paul Howell
President / CEO
Hosted Data Transaction Solutions Inc. (HDX)
416-703-6462, extension 263

® Registered trademark of HDX – Hosted Data Transaction Solutions Inc.