

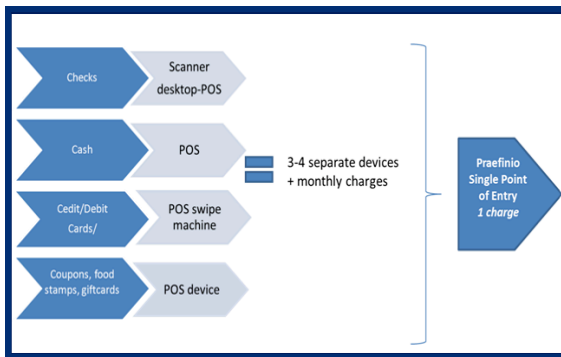
I. Executive Summary

Who We are

Advantage: XYZ operates in an immature, fragmented and leaderless market and may gain rapid market penetration and first-mover advantage.

XYZ develops the first remote cash capture (RCC) platform to enable millions of retailers, wholesalers and financial institutions to access provisional credit in real time for cash transactions prior to physical deposit at a bank. The RCC platform also works with credit card, EBT/ATM, gift card and government programs. XYZ’s platform exists at the point of sale, unlike other remote cash capture platforms, which cost upward of \$15,000 to \$25,000 and require a backroom safe. At a single point of entry, XYZ processes all payments on one registry and eliminates multiple countings, recounting, scanning and merging reports.

Convergent Payment Hub



Market Drivers

Due to tight credit and a weak economy, businesses must maximize cash flow, reduce expenses, stop theft and accommodate the growing use of cash (31% of payments). At the same time, community banks could use a low-cost service for clients and a way to lower branch costs. This “pre-educated” market for a payment hub and client-centric solution in the financial sector is ripe for XYZ’s payment platform.

- Creates a single point of entry to process payments and transactions of all types, eliminating the need for multiple hardware and software solutions to process transactions;
- Increases cash flow and purchase power;
- Reduces labor costs in banking and retail by streamlining manual cash handling process;
- Actively prevents internal cash theft at the POS, where U.S. retailers annually lose between \$50 billion and \$70 billion;
- Assists law enforcement to solve crimes like kidnapping and counterfeiting by employing optical character recognition (OCR) and creating the first real-time fingerprint database;
- Reduces hardware costs and simplifies software integration and interoperability with audit, inventory, treasury and payment systems.

Solutions Summary

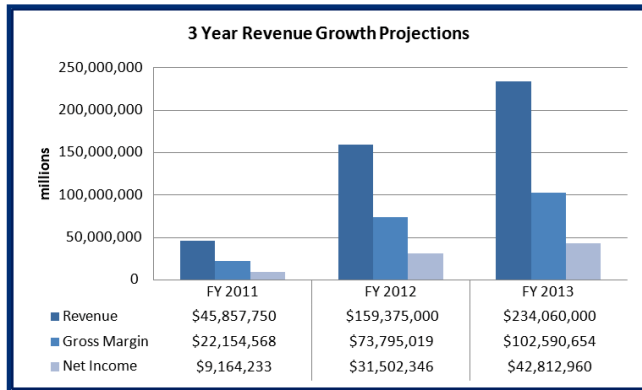
Financial Sector	Retail, Wholesale	Law Enforcement
Payment hub for clients	Treasury management: Improved cash flow, reduced fees	Real time counterfeit detection
BPR at branches	POS inventory, audit, tie-in, statement integration	Real-time fingerprint analysis (anti-terror)
Reduced labor and time	Labor savings up to \$250,00 annually	Real-time fingerprint analysis (kidnapping, missing children)
Real-time loss prevention, reduced security budgets, proactive prevention		

Market size: Unquantifiable. Measurement would require counting every bank branch with more than five tellers and every retail business with five or more POS positions or more than a single office. That said, XYZ’s projected sales estimate is less than one thousandth of a percent of its market.

Product Development, Market Penetration

XYZ narrows the concept-launch window and creates economies of scale through joint ventures and strategic alliances with component manufacturers (POS designers, scanner manufacturers) in order to offset what has traditionally been a time-consuming and expensive development cycle. Additional benefits from a development partner include extended distribution channels, installation and maintenance infrastructure, marketing presence and customer base.

Annual revenue growth: 4x in Year 2, 3x in Year 3; and cash-flow breakeven by Q1 of Year 2



For XYZ, users benefit equally at both ends of the pipe, from retailers to depositories. Our value proposition is our catalyst—creating a potential client bonanza for banks and a growing client base via distributors for XYZ. The product is also suited for government and law enforcement agencies.

Financial Data

XYZ business model relies on multiple revenue sources, both recurring revenue and one-time revenue. This occurs by way of Model 1 POS hardware installations and software upgrades.

Raise Amount, Use of Proceeds

XYZ seeks \$500,000 in development funds up front, which will fund the first phase: 12 months of development of the product and beta testing in multiple retail and banking chains. It will also begin to secure IP protection.

The second phase includes building inventory and distribution and adding staff and management. This phase will require an additional \$1.5 million in capital.

XYZ is also open to funding by strategic and government partners or developing a refined cost structure for development. Thus, a term sheet is not available at this time.

