



Blaze Mobile Wallet

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A revolutionary integrated, consumer centric, and user friendly mobile application

Published: January, 2008

Revised: October, 2011

Executive Overview

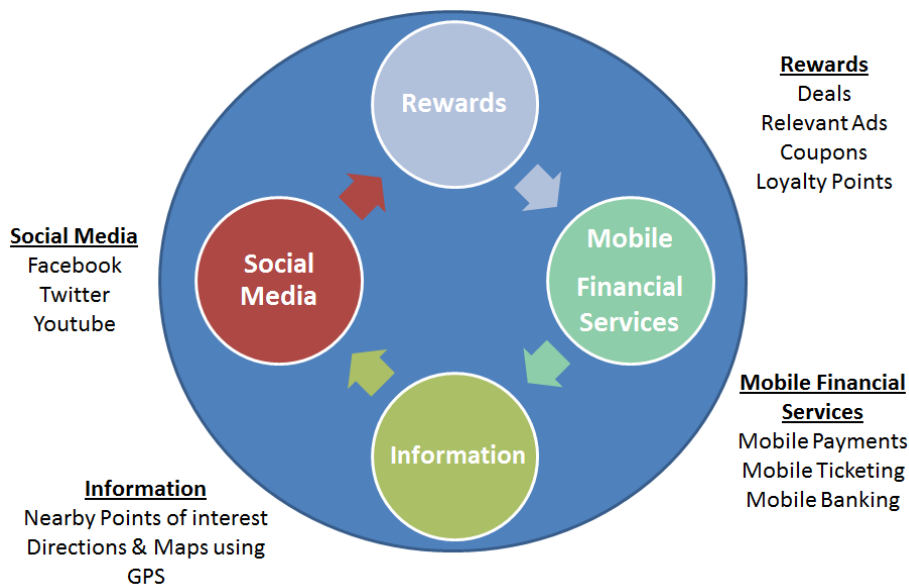
The cell phone is the one thing that most people don't leave home without. People are using their cell phone to pay bills, transfer funds, and check their account balances. Unfortunately, consumers must use separate applications to take advantage of these capabilities which limit their adoption.

Because of the convergence of several key factors, it is possible to integrate all of these functionalities into a single robust application and provide a much better user experience. Some of the key factors driving this convergence are that cell phones are becoming more sophisticated in terms of computing capability, carrier networks are becoming faster, and retail locations are equipped with contactless payment terminals that allow for a consumer to use their cell phone as a payment device.

The purpose of this white paper is to provide an overview of Blaze Mobile's mobile wallet that is completely integrated, holistic, and user friendly. Blaze was developed with the view that a consumer, with any level of technological sophistication, could more readily apply and enjoy the services offered and would use them more frequently if they were quick, easy, and accessible. A humorous video from an episode of the TV show "Seinfeld" demonstrates the challenges and space limitations that leather wallet can have <http://www.youtube.com/watch?v=yoPf98i8A0g>

"Microsoft Windows wasn't necessarily better than the Macintosh; Word didn't improve on WordPerfect or Excel on Lotus. Even Internet Explorer was only as good as Netscape. Microsoft's genius was integrating them seamlessly to make them easier for a customer to default to. *"It's still about writing software that is easier to use, and the easiest-to-use software is always the kind that's integrated . . ."* by Fred Vogelstein, Fortune Magazine, May 2005 "Gates Vs Google".

Blaze embraces this concept and provides an unprecedented compelling rich set of mobile services that are fully integrated and easy to use.



Videos which show the product features are listed below:

- Whole Foods, Best Buy, Office Depot, Rite Aid, and "Reward Card" Feature <http://www.youtube.com/watch?v=E2gktN--bqs>
- Noahs Bagels, McDonald's, Jack N Box, and 7-11 , and "Search" Feature <http://www.youtube.com/watch?v=fymoJAdvlWM&feature=channel>
- Fan using Blaze to buy a hot dog and fries at Giants Baseball game and "Mobile Banking" feature <http://www.youtube.com/watch?v=9RH6c17kK04>
- Movie Ticketing Purchase <http://www.youtube.com/watch?v=83bM7jtSQV&feature=channel>
- Blazin' in a Taxi in NY and "Expense Report " feature <http://www.youtube.com/watch?v=8aWpzGE431k>
- Social media integration, coupons , contactless payment, and ticketing in Blaze Wallet V 2.0 available at <http://www.finovate.com/fall10vid/blaze>.

Introduction

Blaze enables consumers to transform their cell phone into a mobile wallet. Blaze Mobile's patent-pending Blaze Mobile wallet brings mobile commerce capability to handheld devices wherever and whenever a customer desires. Blaze provides customers a versatile, user-friendly format for contactless purchases and ticketing, money management, integrated marketing, coupons, rewards programs, entertainment, enhanced services, and community – all in a secure environment as depicted below.

Both regular (over 200 million existing) and new NFC cell phones can utilize Blaze's Mobile Wallet. NFC (Near Field Communication) is a short-ranged radio frequency protocol that enables communication between devices in close proximity. NFC has become a standard for the payments industry. Blaze on NFC cell phones also enables electronic downloads of coupons, movie trailers, promotions, and more via "smart" enabled posters.

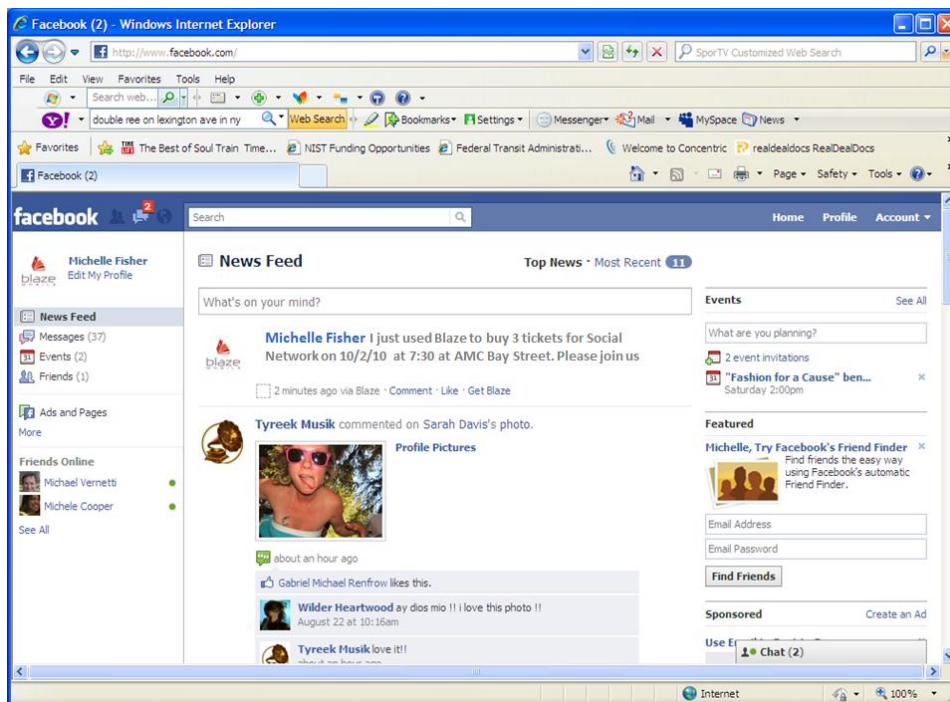


* Contactless purchases can be enabled on regular cell phones by attaching Blaze Mobile's Blaze Debit MasterCard® with PayPass™ payment stickers.

Ticketing and Contactless Purchases

Ticketing

Blaze enables customers to purchase entertainment tickets, including movies, sports, and other events, through their mobile phone. Once tickets are purchased, they are downloaded to the cell phone and the event venue is able to allow entry via a contactless reader. (In the case that the venue is not NFC enabled, a barcode, or user phone number would be used to allow entry). Movie tickets can be purchased up to 7 days in advance. Customers are also empowered with necessary information that includes show times, critic reviews, and trailers, etc. "After purchasing a ticket, you can post the information about the event on facebook. Blaze creates a customized message for you with the movie name, theatre name, date, and location. A user can post this customized message "as is". or edit it with a message such as "Join us at the movie" or create your own. Smart" movie posters enable customers to tap their NFC cell phone to retrieve movie wallpaper, trailers, or coupons.



Contactless Purchases

Customers can purchase products at any merchant location where contactless payments are accepted – currently more than 2 million payment terminal locations nationwide (and growing). Purchases can be processed with NFC or regular cell phones. To enable contactless payments with non-NFC cell phones, contactless NFC payment stickers provided by Blaze Mobile can be attached to non-NFC phones. Blaze is agnostic about the type of contactless card that is used (credit, debit, or prepaid).

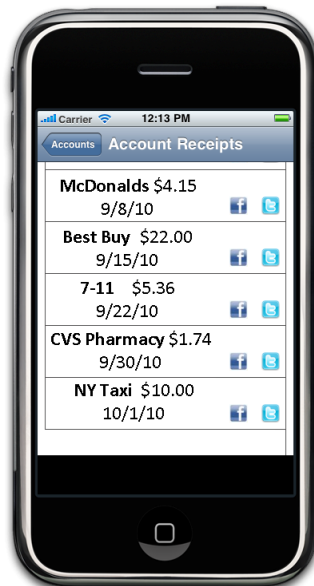


A partial list of the Contactless merchants is shown below:



Source: MasterCard

After a purchase, a user is able to view their transaction in the Blaze Mobile Wallet and can share it with their friends on facebook. The Blaze Mobile Wallet, automatically generates a customizable message listing the merchant and date of purchase. The user can post the message “as is”, edit and add more information, or create their own new message.










Support for Regular and NFC Cell Phones

Blaze is agnostic as to where NFC resides- inside the cell phone, sticker, or SD card. In fact, the first version of the Blaze Mobile Wallet was developed for the Nokia 3220 NFC and Nokia 6131 NFC cell phone. When Blaze Mobile realized it could not build a business with just 2NFC cell phones, they invented the patent pending NFC sticker in 2007 and recently the patent pending smart NFC sticker in 2010.



Blaze Mobile Wallet works with NFC cell phones, including the iPhone, as well as millions of existing cell phones that do not have an NFC chip. Almost all Blaze features can be used by non-NFC phones using a contactless NFC sticker which can be obtained from Blaze (describe how) for free. The table below shows the difference in available features for each category of phone :

Blaze Features	Regular Cell Phone with patented NFC sticker	Regular Cell Phone with Patent Pending NFC Smart sticker	NFC Cell Phone	Regular Cell Phone
	 + 	 + 		
NFC Contactless payments	One contactless card per sticker	Multiple contactless cards per smart sticker	Multiple contactless cards	N/A
Real-time receipts	✓	✓	✓	N/A
Mobile banking	✓	✓	✓	✓
Coupons	✓	✓	✓	✓
Coupon redemption with NFC	N/A	✓	✓	N/A
Coupon redemption with barcode or manual	✓	✓	✓	✓
Store rewards cards & view points	✓	✓	✓	✓
Bill pay	✓	✓	✓	✓
Tickets	✓	✓	✓	✓
Funds transfer	✓	✓	✓	✓
Search, directions & maps	✓	✓	✓	✓

The Blaze Mobile Wallet is currently available for over 2 dozen phones including the following:

Blaze Mobile Wallet Version 2.0

Ipnone available through itunes

Blaze Mobile Wallet Version 1.0

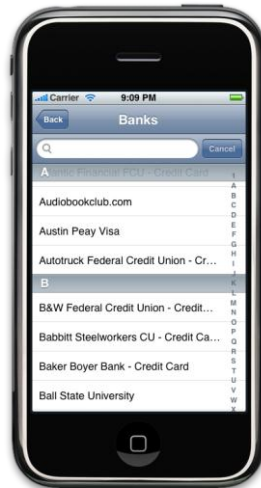
- AT&T (JAVA)- Over 1 dozen phones including Blackberry Curve, Blackberry Pearl, Nokia 6131, Motorola Razor, etc at <http://www.getjar.com/mobile/18367/blaze-mobile-wallet/>
- Ntelos (BREW)-Over 1 dozen phones including Motorola V3, V3M, V9, LG AX380 , Samsung R500, Samsung a870 , etc

Blaze Mobile NFC Sticker and mobile wallet patent number is 8,019,365

Money Manager

Integrated Banking

Blaze provides financial information from over 8,000 financial institutions (e.g. Bank of America, Citibank, Chase, Wells Fargo, Washington Mutual, Wachovia, etc.) This means that there is no need for the customer to download a single one-off application from each financial institution.



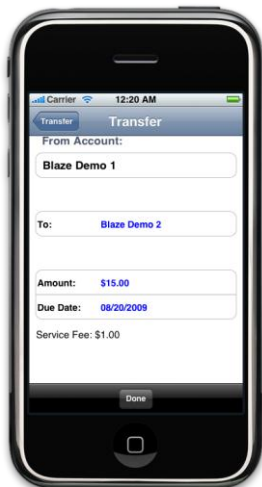
Account Management

Blaze's Money Manager provides access to important financial management capabilities for busy customers who are on the go. Customers can add credit cards, checking, and savings accounts directly into the blaze wallet as well as view their account balance, account limit, and transaction history.



Funds Transfer

Funds transfer can be made to other individuals in the U.S. and internationally as well as to different accounts within the same financial institution (e.g. Savings to checking and vice-a-versa)



Peer 2 Peer Money Transfer

Money transfers can be made with by tapping any two Blaze enabled NFC phones with the Peer 2 Peer Money Transfer (P2P) feature. A simple process of selecting the Transfer Funds option, identifying the recipient's account and confirming the transfer moves money from one account to another. Upon completion a confirmation is sent back to the account initiating the transaction.



Expense Reports

Consumers can create expense reports by simply selecting transactions that re displayed in their mobile wallet. The transactions are based on any credit card, debit card, checking, savings account loaded into the Blaze Mobile Wallet and thus can result from in store purchases with a contactless sticker, magnetic stripe card, online payment, etc.

The consumer can download the expense report as an excel spread sheet from the Blaze Wallet Self Care Web Portal which the consumer can print, download to their PC, or import into accounting software.



Loading a Prepaid Card Account

Consumers can load a prepaid MasterCard © account using cash or payroll direct deposit. Multiple loading stations are available through the Global Re-Cash network and also through the following merchants: CVS Pharmacy, Rite Aid, Walgreen's, Radio Shack, and CoinStar.

Withdrawing and Spending Funds

In the short term, Blaze subscribers will be able to withdraw cash from ATM machines if they have a Blaze prepaid card. In addition, with a Blaze Prepaid MasterCard ©, payments can be made wherever MasterCard is accepted.

In the longer term, when contactless terminals are set up for 2-way communication, a consumer will simply be able to obtain cash from merchants by waiving their cell phone at the POS terminal. Upon doing so, the consumer's account is validated for available funds, receives the cash from the cashier, the cash amount is deducted from the consumer's account, and a receipt is printed. The transaction is also recorded in the consumer's mobile wallet.

Coupons & Rewards

Coupons

Blaze gathers and stores electronic coupons from any type of merchant. Coupons are either sent to the mobile wallet through Blaze or a user can receive coupons with a mere touch of the cell phone against “smart” enabled posters, postcards, or similar applications. Users are able to view customized advertising and receive customized coupons when they register for Blaze.



Rewards & Loyalty Points

Customers can store their airline, hotel, and other rewards and loyalty points programs. Blaze also displays the points from these programs in real-time. Furthermore, users earn rewards points by purchasing entertainment tickets, rating movies, giving feedback, and referring friends. These rewards points can be redeemed for merchandise.



What's Nearby

In addition to providing customer transaction capability, Blaze includes Enhanced Services that help and encourage the user to more readily employ its services.

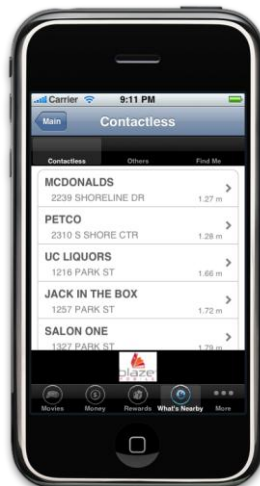
Points of Interest

Find points of interest from over one dozen categories such as restaurants, shopping malls, golf courses, gas stations, regular merchants, theatres, ATMs, etc.



Locate Contactless Enabled Merchants

Merchants that are contactless enabled can be easily identified and selected by category and geographic vicinity, thereby promoting the use of Blaze contactless purchases.

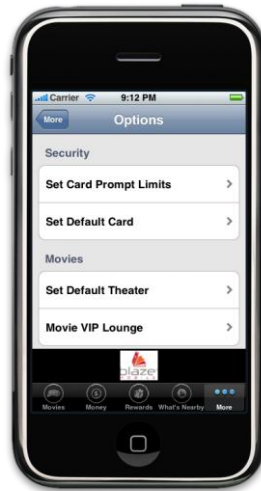


Directions and Maps

The directions/maps feature locates specific destinations and provides turn-by-turn directions and a viewable map with zooming capability.

User personalization

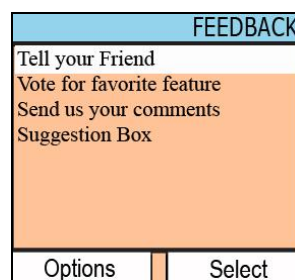
User personalization and customization are available with features like custom colour skins, opt-in for optional services, etc.



Community

Direct interaction through customer feedback via 'Vote for favorite features' and 'Suggestions for improvement' allows Blaze Mobile to keep a pulse on what is important to our customers and helps us be proactive in adapting, enhancing or adding features to the platform for continued growth. In addition, the 'Refer a Friend' feature enables customers to invite friends and family to the Blaze Community.

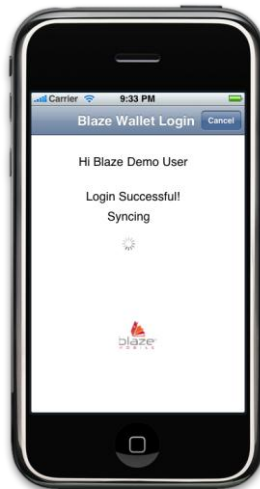
Furthermore, customers can interact with the service via various mechanisms, e.g., trivia, vote for your favourite movie, vote for your favourite feature, rate movies, etc.



Security

Increased access to information also raises concerns for the security and confidentiality of information. In order to protect the customer as well as information providers, the following security measures are integrated into the Blaze Mobile Commerce Platform:

- Secure access by SSL, Site Key, Encrypted Passwords, etc., and no account details are stored on the phone
- Set Personal Identification Number (PIN) on the Blaze wallet
- Set PIN for Transactions – further restrictions are available to limit the amount of individual purchases
- Ability to remotely lock phone or Wallet Over the Air (OTA)
- Multifactor Authentication
- Blaze Mobile and its financial service partners are PCI Compliant.



Extensibility

Future proofing and enhancing the Blaze Mobile Commerce Platform is supported by its adaptability to integrating 3rd party applications and the ability to add custom content such as maps (geographical, seating, corporate or university campuses, and others) events and schedules, alerts and notifications, customized branding, etc.

Advertising

The Blaze Mobile Advertising Network (BMAN) provides on the go consumers with more relevant and useful promotions. For advertisers, BMAN enables advertisers to cost-effectively target consumers whom have made a purchase at a specific retail outlet or who have a specific interest resulting in higher click-thru rates

Blaze Mobile Wallet Lite

Blaze Mobile Wallet Lite uses SMS and doesn't require an application download to the handset. Users can query credit card account balances, available funds, account limits, payment history, receive electronic receipts and more.

Self Care Web Portal

The Self Care Web Portal is a companion to Blaze that enables customers to manage their service via a PC in various ways: set-up their accounts; add credit, debit and pre-paid card information; add and manage contactless payment cards (for NFC phones only); manage payment methods and family share plans; view and store receipts; view and print tickets; view payment transaction history; add and manage reward and loyalty cards; opt-in for additional services; manage notifications; download reports, and much more. The Self Care Portal can be privately labelled.

How Blaze Works

Blaze is available both in SMS (Blaze Lite) and as a downloadable application (Blaze Plus) (Java and BREW are currently available. Windows mobile and Symbian will be available in the future). Users register for Blaze from a PC, Kiosk, or customer care center. After registration, consumers receive a text message. For those that are using BLAZE Plus, the text message includes a hyperlink which downloads the Blaze application Over The Air (OTA) seamlessly to the cell phone. The Blaze mobile commerce platform is based on n-tiered architecture which is completely flexible, modular, and scalable.

The screenshot displays the Blaze Self Care Web Portal interface. At the top, there is a navigation bar with the Blaze logo and menu items: PRODUCT INFO, GET BLAZE, BLAZE, and MY WALLET. Below the navigation bar, the user is logged in as Michelle Fisher. The main content area is divided into several sections:

- Home:** My Tickets, Money Manager, Rewards, My Account, My Balance, Coupons, Help.
- Feedback:** Comment field, Post Anonymously (Yes/No), SUBMIT button, and Additional Feedback Options.
- My Tickets:** A table listing tickets with columns for Date, Movie, and Theater.

Date	Movie	Theater
10/02/2010	Wall Street: Money Never Sleeps	AMC Van Ness 14
10/01/2010	Wall Street: Money Never Sleeps	AMC Empire 25
07/19/2009	Transformers 2	AMC Bay Street 15
07/15/2009	Transformers 2	AMC Van Ness 14
07/11/2009	Propaganda: The	Metropolitan Oaks Theater
- My Points:** Shows a total of 215 Points as of February 9, 2011, and lists recent transactions: Blaze Demo User, Fashion Oaks, and Michelle Fisher.
- My Receipts:** A table listing receipts with columns for Date, Merchant, and Amount.

Date	Merchant	Amount
12/22/2009	NYC TAXI 15 Rr	\$7.70
12/22/2009	NYC TAXI 1111 Rr	\$5.10
12/22/2009	NYC TAXI 31 Rr	\$5.50
12/22/2009	NYC TAXI MFD 4142 C25	\$5.50
12/22/2009	NYC TAXI MFD 2K31 C25	\$7.70
- My Loyalty Points:** Shows a total of 215 Points as of February 9, 2011, and lists features with columns for Feature, Process Date, and Points.

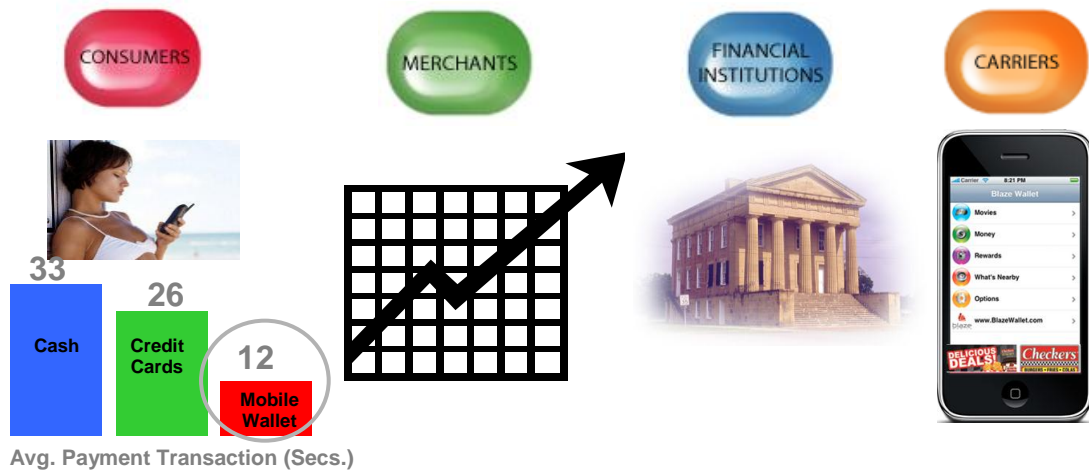
Feature	Process Date	Points
Tell A Friend	2011-02-07	10
Movie Rating	2010-10-05	5
Movie Rating	2010-10-05	5
Movie Rating	2010-10-05	5
Movie Rating	2010-10-05	5
- My Coupons:** A table listing coupons with columns for Coupon Description and Coupon Code.

Coupon Description	Coupon Code
Selfway Get grocery coupons	200
- Upcoming Movie Releases:** A list of movies including I Am Number Four, Unknown, Vanishing on 7th Street, and Big Momma: Like Father Like Son.
- Useful Information:** Introduction to Blaze, Blaze Whitepaper, User Guide, and FAQ.

Please find an example of how a consumer might use the Blaze Mobile Wallet throughout the day.

8:00 AM	10:30 AM	12:00 PM	3:00PM	6:00PM	8:00PM
Purchase a BART ticket or pay for Taxi	Purchase coffee at Tully's	Purchase lunch at McDonalds	View movie trailers, and buy movie tickets Receive coupon for free popcorn	Get directions to the restaurant	Scan tickets to enter movie theater
					
Create expense report	Receive coupon For fries	Check bank account balance		Check reward points	Redeem mobile coupon & tap to pay for your popcorn
					

Blaze benefits Consumers, Merchants, Financial Institutions, & Carriers



Avg. Payment Transaction (Secs.)

- Convenience
- Speed
- Reduce wait time
- Loyalty accumulation
- Security

- Increased sales
- Faster transactions
- Reduced cash errors
- Lower cash handling fees
- Reduced reconciliation time
- Improved inventory management

- Access to \$1 trillion in cash transactions
- Increased interchange
- Improved CRM
- Reduced customer care costs

- Increased Revenue (ARPU)
- Single consolidated app on deck vs. multiple apps from many financial institutions

Consumer Benefits

- **Convenience** – Consumers don't have to take out their card, swipe it through a terminal, or hand the card to a cashier, and no signature is required (for most purchases under \$25, according to card association rules).
- **Uniform customer experience** – Because Blaze provides an integrated view of account balances across more than 8,000 financial institutions, consumer will have the same experience on different handsets and carriers.
- **Faster transactions** – No swiping makes checkout faster and easier
- **Security** – Card skimming is eliminated since the consumer retains control of the phone.
- **Rewards and loyalty programs** – Receive and redeem coupons. Earn rewards points, store rewards program information from airlines, hotels, etc, and view these points.
- **Electronic Receipts** – View an electronic receipt of all purchases including those via NFC contactless payment

Merchant Benefits

- **Increase sales** – Consumers tend to purchase more products (20-40%) when using contactless payments versus cash; also important are consumers' tendencies to make impulsive purchases.
- **Faster transactions** – Transactions may be processed faster than cash purchases.
- **Support strategic marketing** – Promotional coupons can be used to promote sales.
- **Easy equipment upgrade** – Existing payment card terminals are easily upgraded at minimal cost.
- **Improved CRM** - Improved Customer Relationship Management since all transactions are digital.

Financial Institution Benefits

- **Increased interchange revenue** – Increase interchange revenue from the use of self issued contactless payments cards stored on the customer's cell phone and increased bill pay from self issued debit and credit cards. Studies by the card associations and issuing banks have shown a dramatic lift (20-40%) in transaction volume from contactless payments.
- **Reduced customer care costs** – Reduce customer inquiries to call centers for routine tasks such as account balance, transaction history, and funds transfer.

Carrier Benefits

- **Increase Data Traffic and Revenue (ARPU)** – Blaze operates on a carrier's data network, thereby increasing uptake of data contracts.
- **Maximize customer loyalty and minimize churn** – Blaze's compelling new services will provide product differentiation that decreases customer churn and increases loyalty.
- **Data services drive uptake of voice services** – For every picture exchange, ring tone, etc., a user will place 2-3 voice calls, thereby increasing the use of voice services.
- **Drive adoption and decrease customer care costs** – Blaze is a single application that provides integrated services and a consistent user experience across all financial institutions. Carriers will not have to support a myriad of applications.
- **Incremental Advertising Revenue** – Blaze enables revenue sharing with carriers from ads placed on the platform.

About Us

Blaze Mobile, via our patent-pending Blaze Mobile Commerce Platform application, brings mobile commerce capability to handheld devices wherever and whenever a customer desires. Blaze Mobile is a privately held company located in the San Francisco Bay Area, CA and was incorporated in March, 2005.

The Blaze Debit Prepaid MasterCard is provided by CardMarte Corporation. The Debit MasterCard Card is issued by Metabank and is FDIC insured. CardMarte is a member service provider for Metabank. MasterCard and the MasterCard brand mark are registered trademarks of MasterCard International Incorporated. Global Recash is a registered trademark of CardMarte Corporation.

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