



Chexar Releases Data on Mobile Deposit Capture Offering

The Company's Mobile Good Funds Solutions Were First to Market

Atlanta, Georgia, March 4, 2013 – Chexar Networks, Inc. (“CHEXAR®”), a leading provider of financial risk management solutions, released statistical data today that offers insight into mobile deposit capture for prepaid with immediate Good Funds™. Good Funds is characterized by those in the prepaid marketplace as “irreversible value,” which is required to load a prepaid instrument. Chexar has been providing Good Funds solutions for more than 12 years and has been delivering these services in the mobile channel for 8 months. Chexar clients have deployed mobile applications that can be used to take a picture of any legal check instrument and convert it, once approved, into immediate value loaded onto a consumer’s prepaid card. Chexar has also launched Spyke®, its network-based consumer solution, into beta testing. Consumers can enroll in Spyke and load funds to any eligible prepaid card.

For the three-month rolling quarter ending January, 2013, Chexar reports the following mobile remote deposit capture performance results:

- Month over month CMGR is 40%
- Month over month CMGR for first time enrollees is 21%
- Month over month CMGR for repeat customers is 56%
- Percent of customers demonstrating recurring and active use for at least six months is 23%
- Average number of mobile deposit transactions per month by a repeat customer is 2.1
- Average dollars loaded per month by a repeat customer is \$654
- Printed Payroll and Government checks account for 29% of total volume
- Two Party Personal checks account for 37% of total volume

Drew W. Edwards, Chexar founder and CEO, explained, “We are releasing these statistics to help the industry understand that consumers will adopt this service and stick with it maybe even to a greater extent than direct deposit of payroll. We are very pleased with the levels of active retention with nearly 1 out of every 4 customers that try our mobile remote deposit capture solutions still actively using it after six months. This is a life enhancing experience for many customers and we expect these retention levels to continue to improve over time. It is increasingly clear that our business model and approach to risk management is sound and that, with increasing consumer awareness and usage, our performance will continue to improve.”

According to a recent study by the Federal Reserve Bank of Atlanta, more than \$26 trillion each year is paid in checks, 22% of which is payable to a consumer. While overall check volume is declining at about 7% a year, those checks payable to a consumer are declining at less than 1% a year.

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Chexar's Spyke network is adding a new dimension to the company's risk management capabilities and further fulfilling on the promise of prepaid products to provide consumers with greater convenience, utility and access to their money. A consumer enrolls once in Spyke and can then load any eligible card or account in a single mobile application. Though many have, Chexar does not require that a card program choose the Spyke Network as its exclusive mobile remote deposit capture solution.

Edwards continued, "with the network, Chexar gains further economies of scale in risk management with a view of all of a consumer's RDC load transactions across different cards. In particular, we can protect against fraudulent enrollment in the service with a stolen identity and prevent a fraudster from attempting to load multiple cards with a single check or attempting to load multiple cards with legitimate instruments from a stolen check book. This helps us keep costs down for hardworking consumers who need access to more convenient money movement capabilities."

Chexar is also collaborating with other industry providers to champion a national solution to combat duplicate checks. Duplicate check deposits, both intentional and accidental, will be an increasing concern for brick and mortar banks and check cashers as mobile remote deposit capture becomes more ubiquitous because consumers are able to retain the check instrument.

Edwards added, "The duplicate check issue can be solved with relative ease through industry cooperation. Chexar developed a patent pending, real-time database called Dupex™ that captures and reports all Chexar items deposited on mobile devices. We are in early discussions with key industry players to combine our collective data on presented checks in order to deliver a comprehensive, automated solution to the marketplace. As soon as a single, real-time database is available to all financial institutions and check cashing providers, this problem will be resolved. In the interim, we will all have to factor the cost of duplicate checks submissions into our expense models."

About Chexar

CHEXAR® is the national leader for technology and solutions for converting paper checks into Good Funds defined as irreversible value. Chexar is currently deploying Spyke™ - The Good Funds Network™, as the market's leading solution to enable any consumer to convert any type of check into Good Funds from mobile and other remote capture devices.

The company's one-of-a-kind solutions combine multiple national databases, rules engines, and proprietary technology with redundant 24/7 risk management centers to achieve the industry's highest automated and overall approval rates without limiting check type and size. Today thousands of large financial institution and non-bank financial services locations utilize Chexar's technology and solutions to generate fee income and manage risk nationally.

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