

Who is I⁴ Commerce?

- ► I⁴ Commerce is a rapidly growing *payment technology company* connecting retailers with customers by improving the purchase experience.
- ➤ We power PayCapture, a real-time *credit decisioning engine* designed to enhance the consumer experience, serving the unique credit needs of multichannel merchants.
- ► We possess *payment marketing expertise* leveraging experience with more than 260 leading brand retailers which assists merchants in marketing 'payment' as a way to drive bottom line results.





Discussion Points

- ► Reaching an untapped market
- Solution overview
 - Bill Me Later[®]
 - Other Third Party Billing Mechanisms
 - · How they can prevent fraud



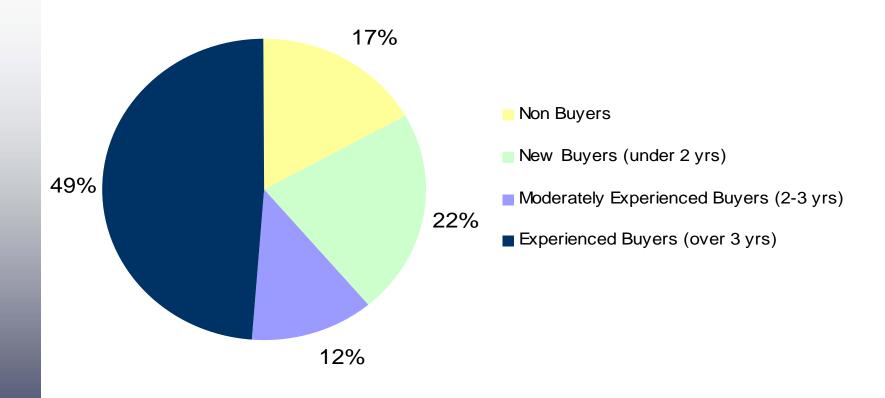


Reaching an Untapped Market





Almost 40% of Online Users are New to Web Buying or Not Buying Yet



Likewise, 40% of online shoppers buy infrequently or not at all

Source: Javelin Research 2006





New Web Buyers are Motivated by Non Traditional Payment Methods

	Non Buyers	New Buyers	Experienced Buyers
Primary Motivation	Security fears prevent purchase	Convenience drives purchase & Security fears limit purchase	Discounts & hard to find merchandise drive purchase
Motivation Detail	45% said they don't shop online due to security & privacy concerns	When asked what would encourage them to buy more online, new vs. existing buyers were: 100% more likely to say a non credit card payment option 67% more likely to say more convenient checkout & payment	When asked what would encourage them to buy more online, existing vs. new buyers were: 24% more likely to say discounts or free shipping 33% more likely to say hard to find merchandise
Comfort w/ Online Shopping	Very low	Low	High

38% of Bill Me Later® shoppers are new to web buying vs. 27% of shoppers using other payment methods

Source: Javelin Research 2006





Bill Me Later® Reaches Non Standard Segment of New Web Buyers

Only Those Who's Tenure Shopping Online is Less Than 2 Years

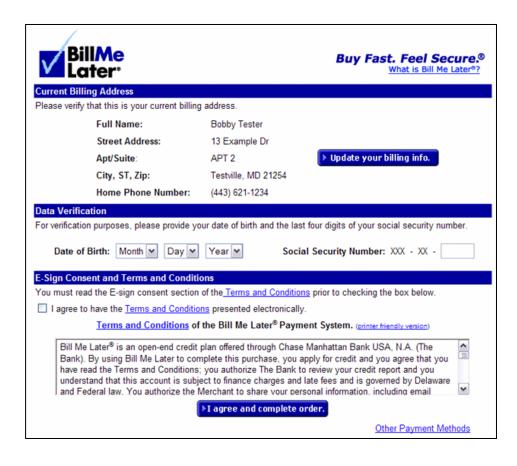
	Bill Me Later®	All other online buyers
Children under 18 in household	78% at least one	51% at least one
Age groups	58% Age 25 - 44	35% Age 25 - 44
Income groups	57% \$35,000 to \$100,000	37% \$35,000 to \$100,000
Payment cards owned	2.5 card	2.8 cards
Store-branded cards owned	1.1	0.8
Gender	59% Female	53% Male
Kids	41% two of more	34% two or more

140



Bill Me Later® Acceptance Page

Complete Bill Me Later® Single Page Application Form



Quick and Easy

- 1 Verify Address
- 2 Enter DOB & Last 4 SSN
- 3 Check "I Agree"
- Click Button to "Complete Order"





Billed Like a Credit Card

Customer Billing Experience

- 25 day interest free grace period
- Pay in full or finance over time

All merchants' transactions on the same bil





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Bill Me Later Minimizes Fraud

- ► Elimination of credit card number and expiration date as purchase credentials.
- ► Use of proprietary dB's and algorithms to perform a thorough authentication of the transaction.
- ► Transaction-based underwriting model that extends credit one request at a time.
- ▶ Bill Me Later recently named "most trusted form of online payment" by Gartner Research over credit cards, debit cards, AMEX, PayPal, eCheck.





Other Third Party Billing Mechanisms

- Secure e-bill changes the venue of the actual purchase transaction to the customer's web-banking site which improves security.
- ► E-Wallets improve the ability to perform rigorous authentication by centralizing the purchase process.

