



FOR IMMEDIATE RELEASE

Contactless Data Readies Xalis™ Mobile Wallet

“One-tap” payment and promotion solution promises speedier shopper experience

Tucson, Arizona - June 17, 2010 – Contactless Data, a leader in Near Field Communication (NFC) technology -based applications, has completed the integration of Mobifetch™, its award-nominated promotion solution, into its cutting-edge payment solution, Xalis™.

The enhanced Xalis integrated payment and promotion solution, includes a back-end content management platform and a fully-featured, yet shopper-friendly mobile wallet software that leverages the secure smart chip component of an NFC handset.

Xalis Mobile Wallet software can simultaneously support up to 16 closed-loop/private-label payment cards, 16 shopper loyalty cards, and 128 digital coupons in its default configuration. Private-label/closed-loop payment cards may include prepaid, gift and EBT cards. Digital coupons include rebates, manufacturer and store -issued discounts.

The patent-pending Xalis checkout technology combines three important checkout actions into one streamlined and rapid process: (1) presentation of the frequent shopper card; (2) presentation and redemption of the coupons; and (3) presentation of the payment card.

This means that for a typical checkout transaction at a merchant's point of sale, Xalis enables a shopper equipped with an NFC handset to check out with a single “tap” on the NFC terminal. In less than a second, the system identifies and processes the exact combined data capture of 1 payment card, 1 loyalty card, and 10 redeemed coupons.

“This innovation brings profound benefits,” said Ismaila Wane, founder and president of Contactless Data. “In a typical scenario, a cashier equipped with a barcode reader may scan a shopping cart containing 10 items with associated coupons presented by the consumer. Present systems require manual scanning of paper coupons, along with separate swipes of a loyalty card and payment card, which may require easily over 12 seconds. With the Xalis technology, it would take only less than 750 milliseconds.”

In other words, the Xalis technology makes complex retail checkout transactions at least 16x faster with enhanced accuracy. This compares with the only 25-50% speed increase currently suggested by open-loop payment networks such as Visa with its contactless payWave

technology which yet doesn't guarantee lower interchange fees for merchants and thus not compel them to immediately adopt NFC.

Indeed, last month in Scottsdale, Arizona at the annual Smart Card Alliance Conference, executives of Walmart (NYSE: WMT) declared that the world's largest retailer needed a much more compelling business case to justify the upgrade of its point-of-sale terminals to accept NFC mobile transactions. And so far, the only business case proposed to them was around open-loop payment, which was not compelling enough to justify the upgrade of its point-of-sale infrastructure serving customers and members more than 200 million times per week at more than 8,400 retail units under 55 different banners in 15 countries.

“Xalis is what retailers such as Walmart, which handles hundreds of million redeemed paper coupons per year, should seriously consider as an alternative to what Visa or MasterCard are proposing,” said Wane.

Contactless Data anticipates that the Xalis technology could significantly speed up the checkout process for both consumers and merchants, resulting in the improvement of the shopper experience and potential increase of the merchant's bottom line due to speedier, more efficient checkout lanes.

Moreover, the Xalis technology would streamline the remote card and coupon issuance process without requiring issuers to invest in complex and expensive smart card chip platform development and deployment efforts in order to adopt NFC technology.

Perhaps most importantly, it would greatly simplify and expedite the acceptance of issued digital cards and coupons at merchant locations by providing an interoperable data exchange mechanism at the point of sale.

“We are confident that we've built a great technology and our unique value proposition should be compelling. We are actively working with various industry stakeholders to validate it and deploy it,” added Wane.

###

About Contactless Data, Inc.

Founded in 2007, Contactless Data, Inc. is a leading IT company specializing in the applications of Near Field Communication (NFC) technology into our everyday lives. Contactless Data's innovative NFC solutions include mobile payment, promotion, and healthcare applications. For more information, visit www.contactlessdata.com