



Insuriti[®]
Internet Transmission Insurance[™]

*Building customer trust and confidence,
the fundamental element of any successful relationship*

March 17, 2009



Background

- *The industry is moving towards SaaS – approximately 13% of software sales.*
- *Market leaders have the opportunity to dominate this new market.*
- *Market leadership and domination depend on new technology and insurance solutions.*
- *Customers must trust the firm that serves as the steward of their data.*
- *The Insuriti patents provide the ability to insure and secure nonpublic customer data.*
- *Transurety now presents you with the opportunity to invest in another innovative set of products: Insuriti® – Internet Transmission Insurance.™*





Marketplace Need

- “Cyber criminals are now looking elsewhere for easier targets. Those who will likely be most at risk will be the small business and mid-market segments - companies with fewer or limited resources and outdated or inadequate security infrastructures.”
Computer Reseller News - October 13, 2008
- “75% of you are confident in partners security, but 72% of you don't examine how third parties handle personal data. 83% of you believe your security practices are effective, but 44% of you don't know how and when security incidents happen. Business continuity and compliance lead the reasons for investing in security. 40% of organizations use security as a marketing point, usually soliciting business on the grounds that they protect customer data better than their rivals.”
CIO Magazine - October 15, 2008 “Global State of Information Security”
- SMB company networks “are being pounded, and a lot of them don't even know it's happening” says Stephen Nacci - TLIC Worldwide, Inc..
 - “One in five small businesses have suffered a security attack”
 - “One in five respondents said that a security attack could put them out of business”*McAfee Study - “Does Size Matter? The Security Challenge of the SMB” July 2008*





New Internet Protection

The Next Horizon –

Extensive market feedback suggests that there is a potential multi-billion dollar revenue stream for the organization that owns or licenses the Insuriti patents. This opportunity, which we refer to as Insuriti® Internet Transmission Insurance, represents new products and services revenue. It also establishes best-practice data transmission standards. We invite you to join us as leaders in our brand new market.

Potential New Revenue –

Electronic Courier Services: new products for protecting Internet data transmissions

- Differentiate from competitors with leading edge secured and insured digital courier services
- Bonded Internet transmission guarantee: financially backed, verified delivery
- Insured transmissions: upper limit indemnification that protects against consequence of loss
- Targeting SMB (small or medium businesses) with new professional class transmissions service

Digital Risk Management Products and Services:

- New cyber insurance protection beyond technical security for key information
- Transfer the digital risk of confidential electronic information shared within workgroups
- Validated third-party data storage for compliance legislation





Regulatory Risks

Law, Regulation or Standard	Requirements Relating to Data In Transit	Who is Exposed	Fines, Penalties and Damages
Sarbanes-Oxley Act (SOX)	302 and 404 (internal controls over applications & systems affecting financial reporting)	Companies whose shares are traded on US public exchanges	Up to \$5 million in fines and 20 years prison time
Gramm-Leach-Bliley Act (GLBA) and Regulations	Guidelines III.C.1.a (encryption of electronic information while in transit) and Safeguards Rule	All businesses that collect or maintain consumer financial information	FDIC can assess \$5,000 per day up to \$1 million per violation - Up to 10 years in prison
Federal Trade Commission Act sec. 5A (FTC 5A)	Prohibits unfair/deceptive trade practices (including poor security for data in transit)	All businesses engaged in interstate commerce	Largest yet is \$15 million (ChoicePoint)
Fair and Accurate Credit Transaction Act (FACTA) "Red Flag Rule" - effective compliance date 11/01/08	Protect against unauthorized use or access of the information in connection with its disposal	Any person who possesses consumer information for business purpose	Federal Fines - Up to \$2,500 for each violation State Fines - Up to \$1,000 per violation Liable for victim losses
Fair Credit Reporting Act (FRCA)	Protection for the collection, dissemination and use of consumer credit information	Credit reporting agencies and information furnishers/creditors	Actual damages or a minimum of \$100 & a maximum of \$1,000 + punitive damages
Health Insurance Portability & Accountability Act (HIPAA)	164.312(e)(1) (technical security measures to protect electronic health information in transit)	Doctors and hospitals, payors (including employers with health plans) and health data processors	Up to 10 years in prison and \$250,000 fines





Customer Benefits

- Peace of mind that non-public information transferred electronically is financially guaranteed to be secure
- First comprehensive Internet data protection with insurance-backed warranty
- Transfer the digital risk with Insuriti's patented risk management solution
- Reduced postal and courier costs with secured data exchange
- Improved speed-of-business





Insuriti® Opportunity

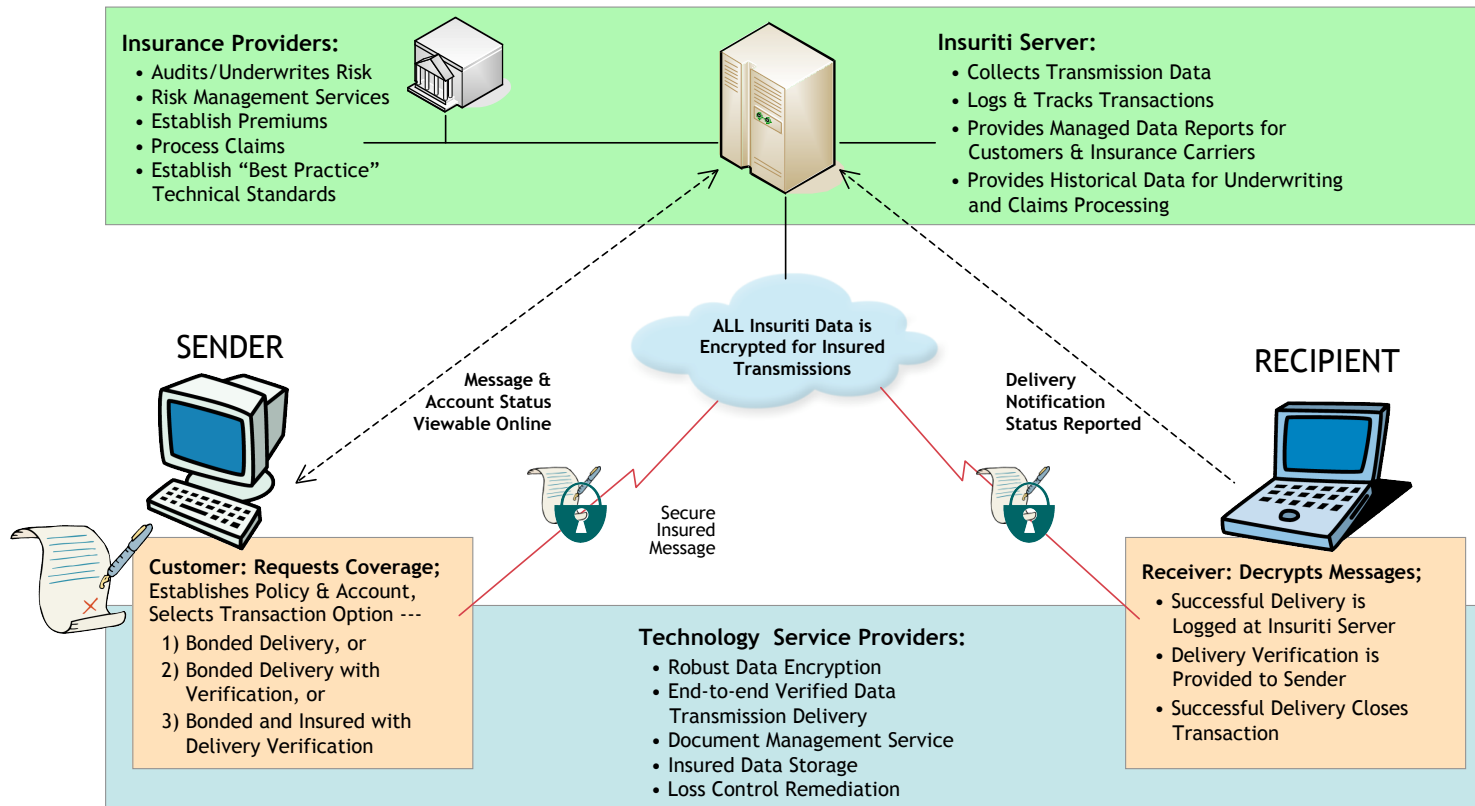
- Insuriti®- patented processes that provide for an end-to-end solution for securing, verifying and insuring the delivery of electronic data.
- The scope of the U.S. patents includes insuring, bonding and underwriting of data transmissions over the Internet.
- Insuriti is not a specific technology or insurance solution. It can be applied to any licensed and validated transmission technology or insurance program across most vertical markets.





Insuriti® Transaction Model

with Message Delivery Status & Reporting





Insuriti® Patented Processes

- **Bonded Internet Transmissions:** The first U.S. patent, #6,922,720, was issued July 26, 2005. This unique process patent provides for Bonding of individual Internet transmissions. Simply put, US-1 guarantees delivery of documents and messages sent over the Internet on a unique, verified transaction basis.
- **Insured Internet Transmissions:** The second U.S. patent, #7,020,692, was issued March 28, 2006. It establishes the insurance guidelines for the secure delivery of Internet transmissions. Its core attributes are virtually the same as US-1. The difference is the type of risk that is protected. Whereas bonding is essentially a service guarantee that covers lower limit losses, insurance transfers the risk for unforeseen, fortuitous events and the associated consequence of loss.
- **Underwriting Internet Transmissions:** The third U.S. patent, #7,246,157, was issued July 17, 2007. This patent provides the methods for assessing the risks associated with data transmission coverage. It helps to set the underwriting standards for best-of-class technologies and enables insurance providers to determine premiums and coverage limits.
- *Transurety currently holds five U.S. patents and also has patents pending for Canada and the European Union.*





Thank You!

AMAX Consulting represents Transurety, LLC, which owns the patents that provide for securing and insuring Internet data transmissions. The U.S. Patent & Trademark Office has issued five patents. Additional U.S. patents are pending. Similar patents are pending in Canada and the E.U.

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Insuriti® is a registered trademark of Transurety, LLC.

