

A Technology Source

Guide Prepared

Exclusively for

Currents Readers

who's in who technology

Answers, Etc.

Answers, Etc. Powercheck32 – From the Teller Window to the Bottom Line

PowerCheck32 is a proven, comprehensive software solution designed specifically for the financial services industry. Engineered as a client/server architecture with SQL backend, PowerCheck32 offers scalability and real-time data sharing without the need for expensive client options like Terminal Services or Citrix.

Simplicity: Simple, yet powerful. Now you can cash checks, payday advances, title loans, and other services, all in one easy transaction. With our integrated money orders, wire transfers, bill payments, stored value cards, prepaid services, customer verification tools, and risk management solutions, you will find that PowerCheck32 provides more options and more revenue generating opportunities for your business without having to manage multiple POS terminals. Whether you have a single store or several hundred locations, PowerCheck32 leads the way in efficiency, value, and innovation.

Designed to accommodate a variety of different business models with state-specific configurations and regulations, PowerCheck32 helps you stay compliant with comprehensive tools including state and federal Truth-in-Lending, Patriot Act, CTR, SAR, Velocity Controls, and more. Our regular software updates ensures continued compliance as regulations change.

Security: No other application can match the security of PowerCheck32. With features like Dual Approval, Teller Payout Limits, Client and Issuer Payout Limits, Teller Password Expiration, Disposable Passwords, and the ability to create an unlimited number of security groups, you can allow/disallow access to virtually all parts of the PowerCheck32 application. Velocity Controls and built-in Approval Settings firmly place business rules in your hands.

Success: Answers, Etc. has been an industry leader in the financial services market for 17+ years. Founded in 1989, there is a total of 45+ years of industry experience between the management team. Designed and tested by Financial Service Center owners, PowerCheck32 offers years of collaborative, real-world experience.

All transactions captured at the teller window flow into a store end-of-day balance sheet and into your preferred accounting package such as QuickBooks, Solomon, or Peachtree and right to the bottom line.

Call 800-275-1418 for a demo today.

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Cash-X Solutions

Internet Lending Profits, Pitfalls & Prophecy

The Internet payday loan market is the fastest growing segment for the payday loan industry, with opportunities growing globally. With over 224 million Internet users in North America alone, and approximately 2/3 of the population on the Internet, this represents the new frontier of growth.

Opportunity	USA	Canada
Industry Revenue	6,000,000,000	292,500,000
Customer Potential	13,333,333	750,000
Population	330,000,000	30,000,000
Percentage Users	4%	3%
Pop Internet use	67%	67%
Target Group %	34%	34%
Potential Internet Customers	4,466,667	251,250
Avg. Fees	\$45.00	\$65.00
Potential Internet revenue	\$2,010,000,000 USD	\$163,312,500 CDN

Given that 68% of North Americans have a connection, it is reasonable to assume that 34% of existing payday loan consumers will have an Internet access.

The key to future success is to take advantage of Internet marketing, reduced overheads and automation requirements. Software systems, integrated ACH programs, SVC's (stored value cards) and driving loan leads into your inbox will be critical.

With opportunity come pitfalls. Outsourcing leads can be a potential problem. Lag times between applicant and receipt could be enough that the customer has already been underwritten and accepted by an operator generating their own leads. Data entry of leads could result in errors in banking, or other critical info affecting results. Another pitfall is not having automated ACH. Integrating ACH payments into a program and allowing for due and overdue accounts to be managed within one system reduces error and costs.

The future holds the prospect of auto-underwriting. Customer applications will pull a series of verification services to determine historical defaults, SSN authentication, job propensity indicators, ABA and account verification. Only exceptions would be e-mailed to an underwriting team. The former applicants would immediately be funded through the daily ACH/ SVC processes.

Current Internet lending models can reduce overhead costs as much as 80%, including rent, labor, telephone, etc. True auto-underwriting could reduce them further. As in any industry approaching maturity, low cost producers (such as Wal-Mart) emerge as leaders. Other sectors such as banking and insurance have taken advantage of Internet/Call center solutions to achieve these cost savings. We can only anticipate that the Payday Advance industry is poised to follow in the footsteps of these other industries as Internet and Call Center opportunities expand.

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CashPass/Data Age

**Time is Money! Making the Most of Yours??
Integration of CheckMaster and CashPass Card Technology Gives You the Edge**

While set up in separate booths at a recent trade show, the folks at Data Age Business Systems, makers of CheckMaster, and those representing the CashPass Network got to talking. While describing their successful products and services, the light bulb went off! What about integrating CheckMaster with the CashPass Card? The result has created a buzz in the check-cashing world among business owners who want a fast, one-step way to cash checks without having to carry loads of cash or invest in costly security measures.

HOW DOES IT WORK?

The customer comes into your store with a check. You scan the check and the appropriate information is automatically entered into the system. CheckMaster then exchanges that information with the CashPass Network, makers of the CashPass Card. Within seconds, you are able to give the customer the money on a CashPass Card, a pre-paid debit MasterCard. Users can get cash, buy gas and use the card anywhere MasterCard is accepted. The CashPass Card looks like any other credit or debit card and is FDIC insured, protecting the customer for up to \$100,000. The CashPass Card also provides a sense of self-esteem for customers now able to access all the benefits of credit and debit cards.

CASHPASS CARD VS. CASH

"Our customers prefer the CashPass Card over cash," says Brad Rixmann, Owner and Founder of Pawn America and Payday America. "The card gives them options they don't get with cash, like the ability to buy plane tickets, rent a car, reserve a hotel room or order flowers for delivery over the phone," Rixmann explains.

Before the integration of CheckMaster and the CashPass Card, check cashers spent a significant amount of time entering the customer's information into both systems. Without dual entry, the transaction takes half the time and half the work. As well, check cashers who use the CashPass Card do not need to keep large amounts of cash on hand. Check cashers save money on the security measures to protect that cash, which opens the door for investment in additional operations.

ADDITIONAL BENEFITS OF INTEGRATION

CheckMaster also provides ACH or Automatic Clearing House technology, which allows payday lenders to do away with

the hassles and delays of postmarked checks. Instead, the customer signs a form authorizing the check casher to take money out of their account. Then, on the agreed upon date, the check casher can immediately withdraw the funds instead of waiting several days for the check to clear.

The CheckMaster product also offers a complete point of sale front end with a fully-featured inventory control system designed for any retail company cashing checks. In fact, CheckMaster is the only program offering a unique, tailored program to liquor store owners who also provide check-cashing services.

"We were able to create a customized program for a liquor store owner who wanted to sell merchandise, cash checks and manage their specific beverage inventory all in one transaction," says John Miller, Vice President of Sales and Marketing for Data Age Business Systems. "The owner had searched three years for a program like this. We went ahead and customized it for him," Miller adds.

DATA AGE BUSINESS SYSTEMS-CHECKMASTER

Along with customized solutions and products, Data Age is proud to report an 18-year history, which serves as evidence of the company's strong commitment to its customers. Another prime example is Data Age's extensive conversion process of all products from a DOS-based system to a full Windows-based platform. The conversion allows Data Age to offer one of the only Windows-based software programs with one integrated solution for pawning, title loan, check cashing and payday loans.

THE CASHPASS NETWORK-CASHPASS CARD

The CashPass Network and CashPass Card are also on the cutting edge of check-cashing technology, allowing distributors countless benefits including a safe alternative to cash. As well, initial setup, training and professional marketing materials are provided at no cost. The CashPass Network works with you to determine the best price point for cardholder fees to facilitate higher response rates from your customer base and allow your business more flexibility in earning commissions.

TO LEARN MORE:

Data Age Business Systems, Inc.
(888)949-7296
e-mail: sales@dataage.com
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Digital Signage Systems

Web-Based In-Store Digital Messaging Solution

- Allows you to broadcast multiple message streams to various zones within your retail location.
- Do-It-Yourself... Control your own programming sequences remotely via the Internet through a Web browser. Access our searchable library of engaging sales content (still images, text, animations and even movies) with the click of a mouse.
- Broadcast customer bulletins immediately (such as holiday openings, new services, promotions, etc.) and synchronize your messages at multiple locations faster than ever before.
- Create peak and off-peak play schedules to target market your customers' profiles and interests as they shift throughout the day.
- Receives 10 times the eye contact of static signage.
- Reduces customers' perceived wait time by 15% or more.
- Message retention is up to 5 times higher than with static media.
- Influences purchasing decisions with promotional and cross-selling messages; studies show 5-25% sales lift on featured products.
- Engages customers with target content.
- Speeds deployment of new or changing content.
- Maximizes signage space by displaying multiple messages in the same space.
- Educates both customers and employees.

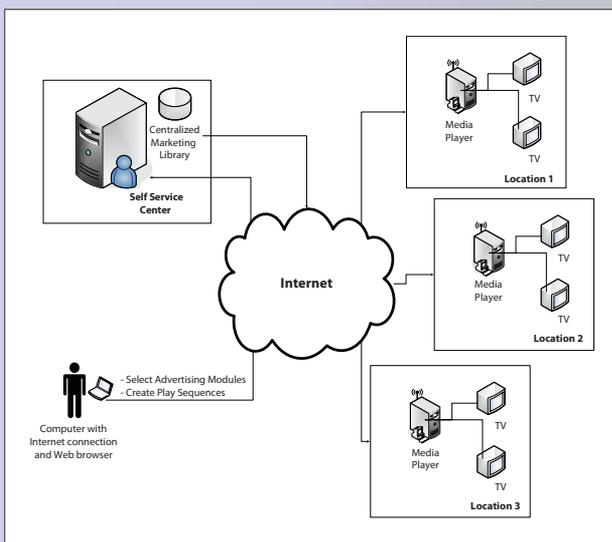


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Lyons Commercial Data

Better Data. Better Results. Section 326 for Money Service Businesses

Entitled "International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001," the USA Patriot Act took effect in October 2003, and set forth procedures that have been followed by banks ever since. While this legislation is aimed at banks, the broader term of "financial institutions" makes it applicable to investment and insurance companies, brokers, travel agents and Money Service Businesses.

Amidst concerns regarding terrorism's link to money laundering following September 11, 2001, financial institutions, including Money Service Businesses, are stepping up customer verification procedures as a result of the USA Patriot Act.

Section 326 of the Patriot Act requires financial institutions to:

- Verify the Identity of Customers
- Check Customer Names Against Government Watch Lists
- Archive and Maintain Verification Records

What Do Money Service Businesses Need to Do?

Like traditional financial institutions, Money Service Businesses must collect and verify client information including:

1. Complete Name
2. Address
3. Date of Birth
4. Social Security Number

Official government documents must be used in conjunction with identity verification (IDV) software or services to verify the above information. Thorough IDV ensures compliance with the Patriot Act's "Know Your Customer" requirement. Once the identity is verified according to USA Patriot Act standards, the customer name must be cross-referenced against the Office of Foreign Assets Control's (OFAC) SND list.

For more than a decade Lyons Commercial Data has been helping traditional financial institutions reduce risk and ensure compliance. Today, the same powerful tools are available to Money Service Businesses and non-traditional financial service centers.

Contact us for more information or a free demo:
 800-684-0388
 www.lyonsreg.com



Pay-O-Matic

Electronic Bill Payment Services Give Customers One More Reason to Visit

Did you know Pay-O-Matic, the largest check casher in New York State, also offers Electronic Bill Payment Systems (EPS) service to other financial service centers and retail establishments?

As a component of Pay-O-Matic's top-notch customer service, the company continually strives to expand its product offerings to meet the needs and requests of its retail customer base and other financial service centers in New York State; and its EPS services are a complement to its other business-to-business offerings.

Pay-O-Matic is a licensed money transmitter in the state of New York. Its Electronic Bill Payment Services division serves the needs of the millions of New York City customers who depend on face-to-face cash transactions to pay regular expenses such as telephone, gas and electric, and cable television. Moreover, because the New York City Housing Authority (NYCHA) authorizes Pay-O-Matic, customers can make NYCHA rent payments through Pay-O-Matic's EPS program.

Agents find that offering electronic bill payment services gives their customers even more reasons to visit frequently. In addition to check-cashing services, customers benefit from the service in two ways: first, they can make a variety of payments at one location; and second, they receive faster crediting to their accounts. Cash payments are accepted only in conjunction with valid account information. In most instances, both funds and reconciled account data are sent electronically on the next business day following collection; some are sent the same day.

Pay-O-Matic's Electronic Bill Payment Services division operates through the company's wholly owned locations (currently 94 outlets) as well as an agent network of 650 locations. Collectively, these locations represent approximately 95 percent of the New York City bill payment market, and process over 12 million payments annually. Pay-O-Matic's fees to agents are the lowest in the industry.

Please contact us if you would like additional information on how these services could expand your customer base.

The Pay-O-Matic Corp.
 160 Oak Drive
 Syosset, NY 11791
 Phone: 516-496-4900
 www.payomatic.com
 See our ad on page 7



Smith Haynes & Watson

Collections and Technology: Smith Haynes & Watson is the Industry Leader for Payday Loan Collections

In an industry where default is highest among all creditors of unsecured loans, Smith Haynes & Watson has taken their knowledge of the payday loan business and paired it with the current technology innovations to create what William Dugan calls "the best in the business." "I saw an industry that was lacking collection strategy and proven results. Understanding how to find debtors in a fair and appropriate approach is how we have taken payday loan collections to a new level."

SH&W is a collection agency that specializes in the exclusive collection of payday loans. Inspired by CEO William Dugan's frustration with outside agencies that broke promises based on big returns and great service, he has created success. "The understanding of payday loans, our results driven track record, and our state-of-the-art skip tracing technology are the secrets to success." The technology that SH&W provides is essential to the expanding of their business. Although Dugan will not fully disclose in detail their strategies, he did say that spending their own money on locating a debtor is something that SH&W prides themselves on. "There are several reasons for the lack of a good payday loan collection agency. The one that stands out is an agency's unwillingness to spend time and money on locating debtors."

According to Dugan, a results driven agency is easy to operate. "The numbers are right in front of our clients. Everyone likes something they can see." While other agencies are making empty promises, SH&W is doing what they do best. The results come from hard work, fast response to inquiries, and time spent working with clients. Their hard work has really paid off and their "results" are working for them.

As competition and regulations have exponentially increased and profits have decreased, wider profit margins need to come from somewhere. SH&W has proven to use the best known resources to become the industry leader in the recovery of payday loan debt, with the results to prove it.

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Teletrack

Automated Risk Analysis

Bring Consistency, Control and Speed to your Advance Origination Process

As the payday advance business has grown, a streamlined approval and denial process has proven to be a necessary function of the risk assessment procedure. Teletrack offers these scoring and decisioning capabilities to help bring consistency, control and speed to the origination process by accurately assessing an applicant's likely performance on an agreement.

Teletrack's DecisionManager™ offers payday advance providers an automated method of assessing an applicant's likely performance on an agreement. Teletrack's scoring module produces a score by analyzing a combination of data from the Teletrack databases, Social Security number information and application data. Teletrack's predictive model produces a consistent score and DecisionManager provides a consistent application decision based on that score and your company's business rules.

When a payday advance company uses Teletrack's scoring and decisioning tools, application information and Teletrack data are automatically analyzed against a validated, industry-specific scorecard as well as the company's business rules and requirements. The resulting analysis triggers either a score or an approval-denial of the application, which is returned to your system in seconds.

"What's the advantage to using decisioning? You put yourself at every location to make the decision, because it's your policy and your rules going into effect automatically," says Rich Alterman, Senior Vice President of Product Development for Teletrack. "There is going to be consistency on whether or not to approve a payday advance. Decisions are based entirely on facts and data and not on how your store employees are feeling that day. It takes out the subjectivity."

Teletrack makes implementing an automated decision into the origination process easy. When a business implements DecisionManager, Teletrack explains every business rule. The final decision is provided by analyzing information including approval score cutoffs, maximum advance amount, number of rollovers, cooling-off periods, number of allowable open advances and a percentage of income. Teletrack also provides a forecast table to help determine an appropriate cutoff score. In addition, DecisionManager reports allow you to monitor the system and make adjustments to your business rules based on the performance of a single store compared to other stores within your organization.

For more than seven years, Teletrack has helped payday advance providers to bring consistency to the origination process using DecisionManager. Today, more than 40% of Teletrack customer storefronts use scoring and decisioning to maintain a competitive advantage and minimize risk.

Teletrack, Inc.

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www.teletrack.com
See our ads on pages 12 & 13



TellerMetrix

TellerMetrix Adds to Its Leadership Position

There's a point in the growth of a great business where numbers add up to more than local market leadership. Take Starbucks. One day it's the top coffeehouse in a city in love with—and seemingly fueled by—a really great cup of java. The next, Seattle's premier barista is drinking in super-caffeinated success far beyond its flagship market.

TellerMetrix can relate.

In a city full of neighborhood financial service businesses that have fallen in love with technology—and watched it fuel their growth—TellerMetrix has long been the leading provider of POS software and systems. But as new numbers show, the company isn't just the leading provider of tech solutions in its flagship New York market.

A recent TellerMetrix customer survey found users of TellerMetrix software and systems handle over \$8 billion in combined transaction volume a year. Notably, some \$6 billion of that annual dollar volume is generated by 14 million check-cashing transactions. The other \$2 billion takes the form of related transactions (payday lending, bill payment, money order, wire transfer, etc.). That adds up to 27 million transactions a year supported by TellerMetrix products.

In addition to serving the Greater New York region (metro NY/NJ/CT/PA) since its founding in 2000, TellerMetrix has watched its multi-state market footprint stretch south to Florida, north to Massachusetts, and west of the Mississippi.

The company's service capability is as varied as its geographic reach, too. It offers turnkey systems and technical support to go with the front-end and backroom transaction solutions it provides check cashers, banks and payday lenders. Already in 2006, Tellermetrix has introduced POS for commercial checks. And it's just announced true Check 21 capability, which allows for direct electronic check deposits to either an approved bank or a qualified processor.

For all its growth, however, the TellerMetrix mission has stayed constant: Help neighborhood financial service providers quickly and respectfully service customers in volume while effectively addressing the growing list of regulatory-compliance and fraud challenges their businesses face.

Is TellerMetrix succeeding in that mission? Only the marketplace can say. But the numbers would seem to speak for themselves.

Tellermetrix Inc.

Rockaway, NJ
Phone: 877.224.3257
www.tellermetrix.com
See our ads on pages 33, 35, 37, & 39

