



Information Pack

NOVEMBER 2015



Credit card fraud and identity theft are of increasing concern to individuals and organisations alike.



For online shoppers who don't feel safe entering credit card information online



Small business operators (e.g., Plumbers, electricians) who may have to wait inordinate amounts of time for payment



Many businesses have customers who live in regional areas and don't have access to local banks or automatic teller machines (ATM).



Customers are reluctant to provide their full credit card details to a person they hardly know (e.g., Tradespeople, cashiers in restaurants, door-to-door collectors for charities)

The Product



- Its flagship invention, Handshake, was created to bring to market an application developed to enable customers of our clients to process credit card transactions via a low-cost, low-risk environment.
- Handshake enables our vendor clients to obtain credit card payments via SMS or data. SMS allows vendors the ability to collect payment in remote areas where data connectivity is difficult to obtain
- With Handshake, clients have the ability to receive customised reporting and feedback capabilities via the web interface, as well as well as download the transactions
- With transactions available in digital format, clients can load the data into an accounting package or spreadsheet,
- The system design requires limited training, which offers time-saving advantages to clients.
- Customers of our clients feel secure as they are only providing the vendor with a portion of their credit card number. Because of this Vendors meet their PCI DSS obligations.
- Handshake offers competitive advantages and enhanced data security over conventional merchant facilities.



**No specialized
equipment**



**Wide geographic
reach**



**Easy
accounting**

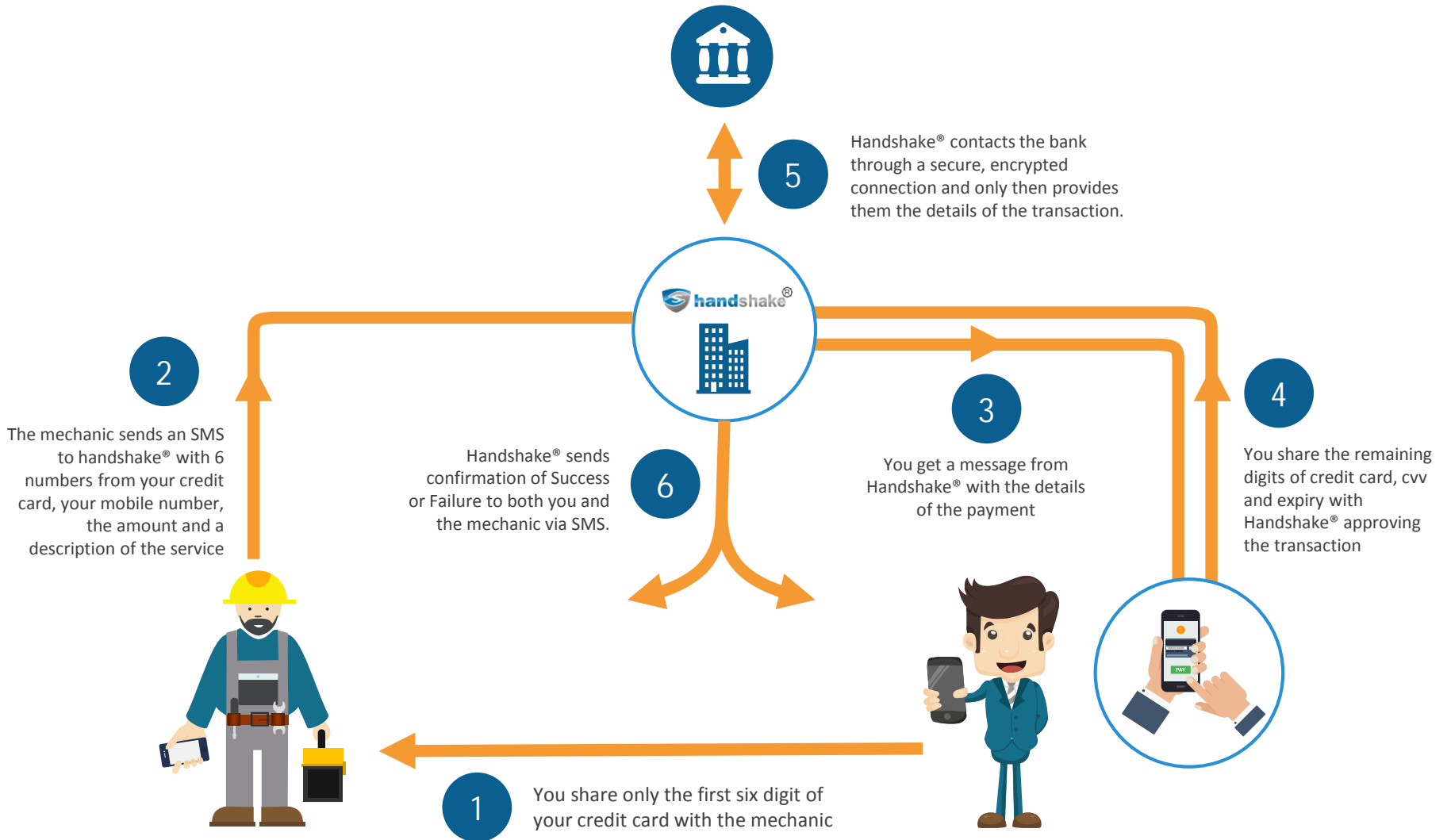


**Enhanced
security**



**Low
cost**

How it works





<https://handshake.com.au/About.aspx>

Key novel / unique feature



Handshake doesn't require customers to be registered with our client or with Handshake.



Customers' credit cards do not require a 'near field compatible chip' and therefore cannot be scanned out of a bag, wallet or purse. Recent media reports reflect the public backlash around near field technology.



Customers use their credit card directly and securely, without having to transfer funds prior to purchases.



Credit card details will not be compromised if a mobile phone is lost, as only partial credit card detail are sent from each phone device[DS1] involved in the transaction.



Handshake gives power back to consumers by protecting their visible credit card details, and requiring them to confirm each payment from their credit card mobile phone prior to processing.



In online Handshake transactions, complete credit card details are never stored in one place in a database or on the Internet.



Customers do not need to supply entire credit card details to our client: the payment transaction requires a partial number only.



The Data Center is situated on the outskirts of Melbourne CBD in the Southbank precinct of South Melbourne providing superb accessibility and anonymity.



12 Process cooling units (PCU's) provide ample cooling throughout the Data Center's data floor. The Data Center maintains redundant backup PCU's that allow us to maintain a constant return air temperature of 20 degrees C and 50% humidity to ensure stable server operation. The Data Center's raised floor provides cooling directly to all racks, cabinets and cages throughout its data center.



High-end routers, switches, load-balancers and firewalls ensure a world-class network of extremely high availability and performance. The entire core-network is designed around an N+1 redundancy model, ensuring no single point of failure through out the network. Routers are placed in a configuration that allows them to act as fail over for each other, as well as having redundant management engines and power supplies.



The dedicated facility has been purposely designed to provide the utmost security and redundancy to ensure your services are continually protected and monitored.



South Melbourne power grid location separate to City of Melbourne grid. An In building power substation - supplying 4000 AMPS N+1 UPS system supplies conditioned AC Power to the Data Center data floors. The UPS batteries ensure that the load is maintained whilst the generator back up unit reaches design operational parameters to service the entire requirements of the data center floor. The Data Center has on site fuel storage to service the generator system running at full load for a period of approximately 32 hours. Supply contracts exist with fuel vendors to ensure ongoing requirements are met.



Independently and fully PCI compliant

DESCRIPTION OF IP

The present invention provides a computer-implemented method for facilitating the transfer of funds from a sending account to a receiving account

- Receiving first data from a first device
- Transmitting request data to the second device
- Receiving from the second device second transaction data representing a second portion of the information required to transfer the funds
- Generating combined transaction data from the first transaction data and second transaction data for subsequent transmission to a transaction processor

Also provides a system for facilitating the transfer of funds from a sending account to a receiving account, the system including:

- A first message receiving component for receiving a first SMS message from a first device
- A first message processing component for processing the first SMS message to generate a request SMS message
- A request message transmitting component for transmitting the request SMS message through a Short Message Service Centre to the second device identified by the second device identification data
- A second message receiving component for receiving a second SMS message from a second device through a Short Message Service Centre; the second SMS message containing data representing a second portion of the information required to transfer the funds; and
- A message combining component for combining information in the first SMS message with information in the second SMS message to generate combined transaction data for transmission to a transaction processor.



PROPOSED PROTECTION STRATEGY

- Patent are pending for:
 - ARIPO (17), Canada, China, Eurasia, Europe, India, Israel, Japan, Malaysia, New Zealand, Phillipines, Singapore and USA
- Patents are in place for
 - Australia and South Africa
- Trademark for Handshake is in place for Australia
- Domain names have been secured for:
 - handshake.com.au
 - handshake.world
 - handshake.finance
 - handshake.works

PROBLEM

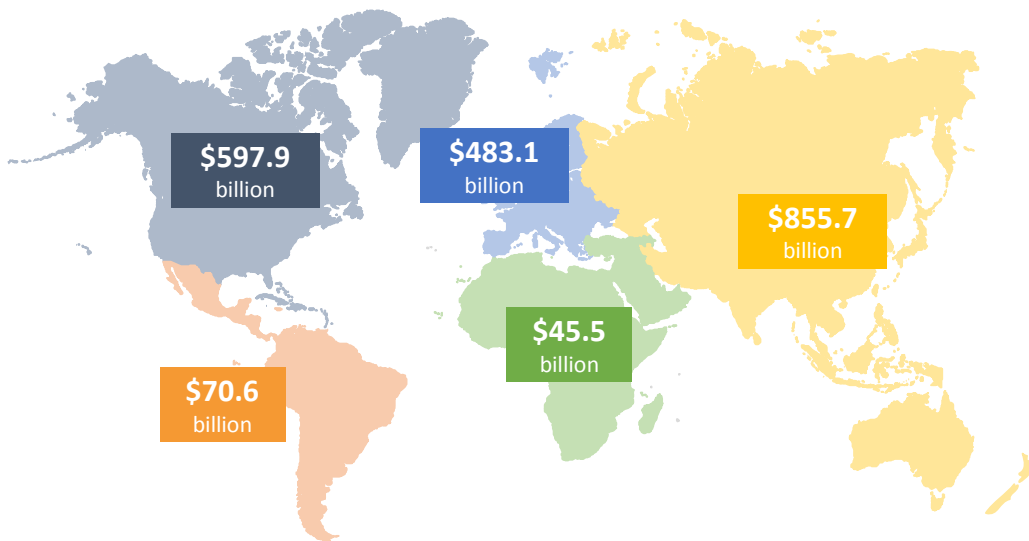
HOW HANDSHAKE HELPS

	PROBLEM	HOW HANDSHAKE HELPS
SPORTING CLUBS	<ul style="list-style-type: none"> Registration from multiple tables but single payment processing terminal long queues and time wasted for members and committee during registration. 	<ul style="list-style-type: none"> Authorise several devices for accepting payments
TRADESPEOPLE	<ul style="list-style-type: none"> Conduct the majority of their business using cash, and EFTPOS or phone-based credit payment system is often expensive 	<ul style="list-style-type: none"> Allows them to accept payments at the time of completing the job and provides paperwork via the Internet. Additional ease of accounting due to electronic format
RESTAURANTS	<ul style="list-style-type: none"> Mandatory requirement of PINs leads to long queues or additional equipment to facilitate payment. 	<ul style="list-style-type: none"> Split the bill, add a tip and leave feedback without additional merchant fees Cash can also be combined as part of the payment with a smart calculator
CHARITY COLLECTORS	<ul style="list-style-type: none"> Charity collectors cannot mobilize a large collection workforce to collect payments 	<ul style="list-style-type: none"> Authorise/de-authorise mobile phones as payment devices, as and when need Created platform for joint ventures to accept payments globally in multiple currencies at a very low merchant cost of 1%
EMERGING MARKETS	<ul style="list-style-type: none"> Regional customers find it difficult to be able to pay their bills due to the difficulty in getting to a local branch or agent[DS1] . Fraud is also a major problem with credit card details being passed on or hijacked. Capturing the tourist spend is also difficult as tourists prefer credit 	<ul style="list-style-type: none"> Offers a simple payment processing platform to accept payment anytime anywhere

Market size - International



Handshake enables credit card payments via a low-end mobile phone (without Internet access or additional hardware required) while ensuring that credit card information is disaggregated and secure. Handshake has enormous potential to reach a wide market and generate considerable income.



\$2052.7
billion

Global B2C ecommerce sales to increase to more than 2 trillion by 2016

\$41 million

Assuming \$150 per transaction there will be 13.68 billion transactions by 2016. If Handshake is able to capture a low 0.3% of this, the potential revenue could be more than \$41 million



Requires customer to be a member or enter full credit card details online if not. Transaction can only be completed via internet and with use of additional devices if customer not a member.



Requires internet and customer to provide full credit card details.



Requires additional equipment



Requires internet and or additional equipment

TIME TO MARKET?

Once satisfied with beta testing, then we are ready to go

Expectation is in next few months.

Going to Market

- Conduct demonstrations in countries where patents are in force to:
 - Banks and Utility companies
 - Charities
 - Financial Services i.e. Financial Planning licenses
 - Trade organisations e.g. Tradelink, Reece to attend their conferences and have them promote Handshake to their trade customers
- Attend Exhibitions both locally and globally
- Arrange investor luncheons and dinners and tap into the networks of any investors interested in partnering with Handshake
- Use social media to keep interested parties informed of our progress and to generate leads

Key Challenges

Overall

we need more developers to manage bugs (mainly due to external software updates) and to free up our main developers time to work on enhancements

Charities

legal assistance to obtain PBI/DGR status for our charity which in turn enable us to get the charity code for interchange fees thus making us very competitive on fees.

Volume

Success is determined by volume of transactions. This could happen quickly or over time depending on the size of the organisations who partner with Handshake.

Revenue

Charities (with DGR Status)

1% plus \$1

All other Organisations

1.5% plus \$1

We will earn minimum **\$0.30**
cents per transaction

BETA testing will provide further clarification of fees to be charged when released live to market.

Handshake has envisioned an innovative model for sharing the benefits to its investors, owners and employees. The model is based on preferential allotment of shares depending upon the risk of the investor in each round of financing.



15%
INVESTORS

Seed investment

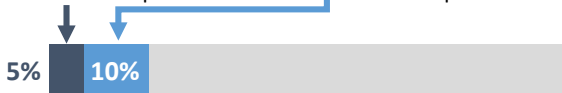
Investor 1
Investment = \$100,000
Ownership = 15%



Series 1 investment

Investor 1 Investment = \$100,000 Ownership = 5%
Investor 2 Investment = \$200,000 Ownership = 10%

10% = \$20,000



- Investors always own 15%, distributed on the basis of individual percentage contribution
- Previous investors receive 10% of the total amount invested by a new investor



3%
BUSINESSES

Business 1

Revenue contribution = \$100,000
Ownership = 1%

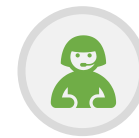


Business 2

Revenue contribution = \$200,000
Ownership = 2%



- Businesses own 3%, distributed on the basis of individual revenue contribution
- Shares allotted are "ghost" shares
- Shares convert to ordinary shares on listing



2%/4%
Staff/Senior Exec
(In trust)

4 employees

Annual Salary = \$50,000 each
Ownership = 0.5% each



- Employees own 2%, distributed on the basis of individual annual salaries
- Shares allotted are "ghost" shares
- Shares convert to ordinary shares on listing



Handshake is a Australian based company co-founded by David Strybosch and Richard Smythe.

It was created to bring to market an application developed to enable customers of our clients to process credit card transactions via a low-cost, low-risk environment.

Handshake enables our vendor clients to obtain credit card payments via SMS or data. SMS allows vendors the ability to collect payment in remote areas where data connectivity is difficult to obtain and without the need for touchscreen phones with Internet access or the latest operating system.

Handshake offers competitive advantages and enhanced data security over conventional merchant facilities.



David Strybosch
CEO & Co-Founder

Founded & Directed MyLife®. He is a Certified Financial Planner CFP® with over 15 years' experience and Australia wide clientele. One of David's clients once wrote "David is a visionary service provider, who has his clients at the centre of his business. In my opinion, MyLife has thrived (despite the global economic crisis) under his entrepreneurial guidance and leadership, and together with a great team has provided financial advice, guidance, and direction far beyond any of his peers. David is by far the best financial advisor I have had the privilege of doing MyLife with." With many testimonies like that it is easy to see that David is the right person to have driving the business which is able to provide you and your clients with the next level of confidence and security.



Richard Smythe
Senior Developer & Co-Founder

Holds a Bachelor of Science in Cartography and has over 25 years of real world experience developing software applications from GIS (Geographical Information Systems) through to Compact Framework applications for mobile phones. One of Richard's applications was awarded the "Best Business Application" award in a National Mobile Developer competition run by Sony-Ericsson in 2002. The application was a field force automation product which was able to synchronise over 20,000 products onto a handheld device running Windows Phone Edition and SQL CE. The comprehensive application was the first of its kind to allow a customer to sign on the screen and provided real time credit card processing and invoice/quote delivery. Richard has worked in several government and semi-government organisations and in his spare time volunteers with Angel Flight and the SES.



Nicholas Johnson
Adviser

With over 20 years of experience in fleet leasing across 15 different countries, Nick is driven by his passion for fleet management. Beginning his career at Lex, UK's largest vehicle leasing company, he has since held a variety of roles including Director of International Operations at Hertz Lease International and Managing Director at Axus Australia/New Zealand. Nick then moved to ANZ, where he was Managing Director of FleetPartners AU/NZ, Esanda Heavy Equipment and ANZ Vendor Services. He then became General Manager at Esanda Finance, ANZ's vehicle financing subsidiary. Leaving ANZ in March 2006 to put together a debt and equity structure where Nick led the purchase of Esanda FleetPartners from ANZ.

The road ahead



Run successful registration and beta testing



Partner with local charities



Major alternative to paypal or stripe in the credit card payment space



Global Reach

12 months

3 years



Complete licensing agreement with Major Bank, Utility and or Service Provider overseas where fraud is an issue and regional access to pay bills is problematic.



Partner with service based organisations



Preferred online EFTPOS solution.