



know who to trust. **guaranteed.**

## **The Strongest Trust Signal in eCommerce**

**Growing Merchant Revenue and Improving  
Merchant Profitability - Guaranteed**

# buySAFE Introduction

- buySAFE provides qualified retailers with the Internet's only explicit third-party endorsement of their trustworthiness and reliability backed by a willingness to guarantee their transactions with a bond guarantee.
- Today, buySAFE is involved in 79 eCommerce transactions every minute!
- buySAFE Merchants enjoy exclusive offers and exceptional services from many of buySAFE's best-in-breed eCommerce partners



- Almost 4,000 online merchants, including many of the largest e-retailers and *Internet Retailer Top 500* are using buySAFE



# What factors drive a buyer's decision to make a purchase with you?

## 1. Product selection

*Was the shopper able to find a product they want to purchase?*

## 2. Product price

*Was the product available at a reasonable price?*

## 3. Ease of use

*Was it easy for the shopper to move through your site and checkout?*

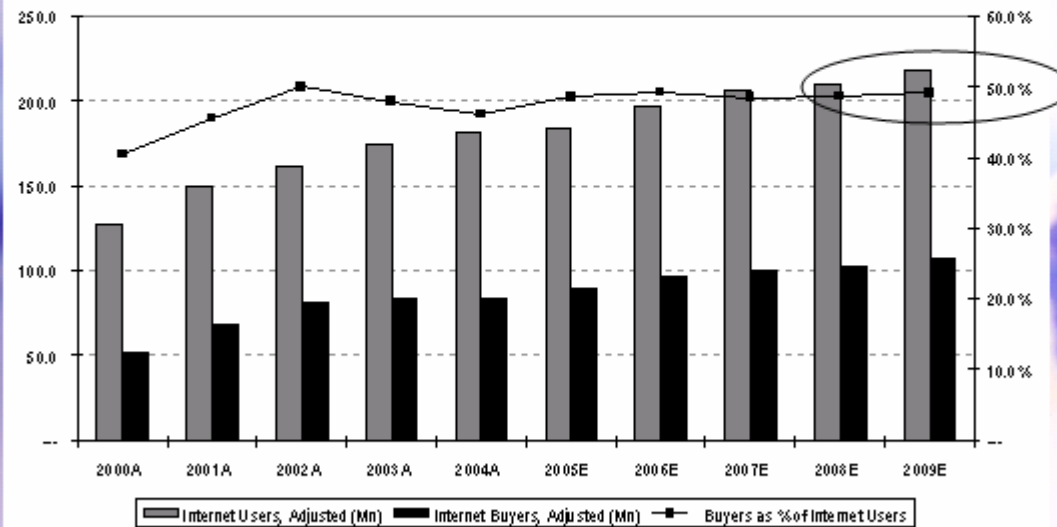
## 4. Consumer confidence

**Defined : The shopper's level of certainty that if they buy, everything will go as promised.**

# Only 50% of Internet Users Buy Online – a big opportunity!

## Internet Still Very Nascent (3)

- In US, only 50% are Buyers
- Hasn't Grown Tremendously
- Trust remains an Issue



Source: IDC; Bear, Stearns & Co. Inc. estimates.

PESA Presentation

September 20th, 2006

**BEAR  
STEARNS**

Source:  
Bob Peck  
Managing Director  
Bear Stearns

## If consumer confidence impacts conversion, how “confident” is the typical online shopper?

In a recent survey conducted by a major Internet retailer, Internet buyers were asked to, **“Indicate your level of concern when shopping on a website you are not familiar with.”\*** The following are the results:

	Not Concerned	Slightly Concerned	Concerned	Very Concerned	Extremely Concerned	Sum:
Non-delivery of merchandise	4%	19%	26%	20%	30%	76%
Item misrepresented (e.g., inaccurately described / counterfeit item / damaged)	3%	14%	23%	30%	30%	83%
Product does not work well or breaks quickly (buying a lemon)	4%	13%	24%	27%	33%	84%
Return / Refund policy not honored	4%	15%	24%	24%	33%	81%
Personal information security / identity theft	4%	10%	14%	17%	55%	86%

U.S. Auto Parts Network  
(Internet Retailer #166)  
August 2006 survey  
959 Respondents

# The reason consumers perceive risk ... most consumers have either been burned online or they know someone who has

There is a huge monetization opportunity for any merchant that eliminates the perceived risk consumers feel when shopping online.

## 2006 Top 10 NCL Internet Scams

National Consumer League's Fraud Center (fraud.org)

Category	% of all complaints
<b>Auctions*</b> <i>Goods never delivered or misrepresented</i>	<b>34%</b>
<b>General Merchandise</b> <i>Sales not through auctions, goods never delivered or misrepresented</i>	<b>33%</b>
<b>Fake Check Scams</b> <i>Consumers paid with phony checks for work or items sold, instructed to wire money back</i>	11%
<b>Nigerian Money Offers</b> <i>False promises of riches if consumers pay to transfer money to their bank accounts</i>	7%
<b>Advance Fee Loans</b> <i>False promises of business or personal loans, even if credit is bad, for a fee upfront</i>	3%
<b>Phishing</b> <i>Emails pretending to be from a well-known source, asking to confirm personal information</i>	<b>2%</b>
<b>Prizes/Sweepstakes</b> <i>Requests for payment to claim prizes that never materialize</i>	1%
<b>Internet Access Services</b> <i>Cost of Internet access and others services misrepresented or services never provided</i>	1%
<b>Investments</b> <i>Made false promises about returns on investments</i>	1%

\* In the fall of 2003, online auction giant eBay removed the link from its Web site to fraud.org. As a result, the number of auction complaints reported to NCL's fraud center has dropped to a fraction of its previous levels.

Risk-averse shoppers perceive risk despite the use of other "trust & safety solutions" because they don't address merchant performance issues



# buySAFE helps to replace consumer doubt and uncertainty with peace of mind.

buySAFE provides qualified merchants with **the Internet's only explicit third-party endorsement of reliability and trustworthiness** backed by a willingness to guarantee the transaction.

**buySAFE certifies this merchant is trustworthy and reliable, and we will guarantee it.**

www.merchant-site-url.com

- ✓ Business Inspected
- ✓ Transactions Monitored Daily
- Approved to Bond up to \$25,000

BUYSAFE BOND GUARANTEE PARTNERS

Liberty Mutual. TRAVELERS

CLICK TO VERIFY »

## 1 only the best merchants qualify

- ✓ Experienced
- ✓ Reputable
- ✓ Financially stable
- ✓ Committed to delivering on promises



## 2 Qualified merchants display a buySAFE Seal on their website

## 3 shoppers know it's safe to buy



## 4 transactions can be guaranteed up to \$25,000 upon checkout

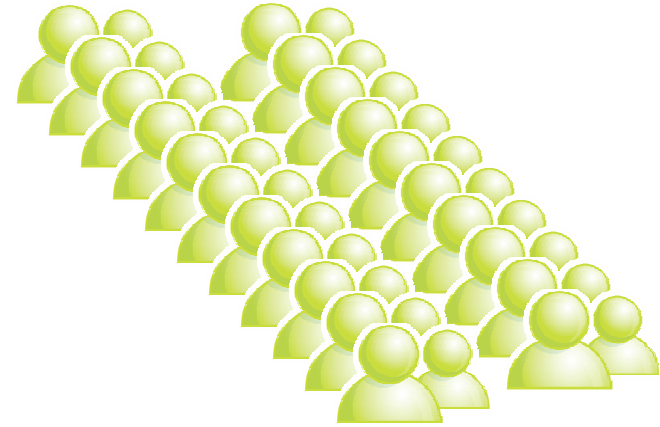


\* Surety bonds are provided by buySAFE's financial partners



# The buySAFE bond is a third-party guarantee that a buySAFE Merchant will honor all of their Terms of Sale

**buySAFE  
Merchant >>**



## buySAFE Bond guarantees Terms of Sale such as:

- ✓ Merchandise will be delivered as promised
- ✓ The item will not be counterfeit / misrepresented
- ✓ Return and refund policies, if any, will be honored
- ✓ Payment and shipping policies will honored
- ✓ Any other published terms of sales will be honored

**buySAFE IS NOT a satisfaction guarantee or return policy**

**buySAFE's explicit endorsement of the Merchant's reliability and trustworthiness is meaningful because we are willing to guarantee performance.**

\* Surety bonds are provided by buySAFE's financial partners



# How buySAFE Bonded Merchant program works on eBay

## The buySAFE Bonded Merchant program (eBay and Overstock.com Auctions)



Merchant displays the Bonded Merchant™ Seal to shoppers that:

- ✓ They have passed a rigorous business inspection and are continually monitored
- ✓ They have a track record for delivering on their promises
- ✓ **It's Free for the Buyer.** Merchant purchases bond guarantees from buySAFE on behalf of all of their buyers for ~1% of cart value

The screenshot shows an eBay listing for a "Clear+Blue+Red Case+Wall+Car Charger for Motorola V3". The listing includes a product image, a price of US \$4.99, and shipping costs of US \$5.99. The seller is "everydaysource", a "BONDED SELLER" with a "Protected Transaction Guaranteed to \$25,000" and a "VERIFY NOW" button. The seller's profile shows a 98.4% positive feedback score and a "Global No. 1" badge. The listing also includes a "Buy It Now" button, a "Watch This Item" button, and a "Buy safely" section with instructions to check the seller's reputation and how the buyer is protected.

Important: Infopia customers must activate buySAFE in Infopia's system to benefit from integration

# Off of eBay, buySAFE gives Merchants a way to improve conversion by replacing doubt and uncertainty with guaranteed peace of mind.

## The buySAFE Bonded Merchant program (Fully integrated)



Merchant displays the Bonded Merchant™ Seal to signal to shoppers that:

- ✓ They have passed a rigorous business inspection and are continually monitored
- ✓ They have a track record for delivering on their promises
- ✓ **It's Free for the Buyer.** Merchant purchases bond guarantees from buySAFE on behalf of all of their buyers for ~1% of cart value

**CARTER'S FINE JEWELRY**

Contact Us  
Order Status  
Testimonials  
Site Map  
Shopping Cart

WEDDING RINGS ▶ FINE JEWELRY ▶ FASHION-FORWARD JEWELRY ▶ FOR SOMEONE SPECIAL ▶

Search

Shop for Your Fine Jewelry Piece

- Wedding Bands
- Earrings & Pendants
- Necklaces
- Rings
- Gold & Rubber Bracelets
- Steel & Gold Jewelry
- Solid Gold Bracelets
- Gold Ankle Bracelets
- Fashion-forward Jewelry

Shop by Material

- Gold Jewelry
- Rubber & Gold Jewelry
- Specialty Jewelry

Questions?

**buySAFE bonded**  
GUARANTEED TO \$25,000  
9.19.06 VERIFY

### Your Shopping Cart

Continue Shopping Proceed to Checkout

#### Gold Bracelets

Estimated Shipping Date: Monday, January 1st 2007 (if ordered and paid today)

Remove Items  
 Check to Remove

**14k 2 Tone Open-Link Gold Bracelet** Quantity you desire:

Update Totals

Price Breakdown	Price	Total
Base Price	\$195.00	
<b>Line Item Total:</b>		<b>\$195.00</b>

**Additional Services**  
Select any one of the value-added services available for you.  
**Just select the desired service below**

Expedited Service (+\$19.99)  
Our expedited service gives our patrons the option to have their items placed ready for shipment within 4-5 hours following receipt of funds.

Sub Total: \$195.00  
Sales Tax: NA  
(Only for Florida Residents. Available at checkout)

**buySAFE PURCHASE BONDED**  
YOUR PURCHASE IS BONDED WITH BUYSAFE  
Learn more about buySAFE Free!

**Grand Total: \$195.00**

# buySAFE's Certified Merchant model enables a eCommerce merchants to use buySAFE free of charge as the buyer pays for the bond guarantee

## The buySAFE Certified Merchant program (Fully integrated)



- Merchant displays the Certified Merchant Seal to signal to shoppers that:
- ✓ They have passed a rigorous business inspection and are continually monitored
  - ✓ They have a track record for delivering on their promises
  - ✓ **It's Free for the Merchant.** No hidden fees or long term commitments. buySAFE revenue comes from the bond guarantees purchased by buyers for 2-5% of cart value

## The buySAFE Certified Merchant Program is now available on eBay for sellers using Infopia and KyoZou.

**COMPSource**  
Est. 1991  
1.888.COMPSource  
266-7766

Huge Government Discounts on products from over 300 vendors!

search for products **GO**

**MOTHERS DAY GIFT IDEAS** \*Click For Details

Need Help Deciding?

Accessories | Cameras | Computers | Input | Memory/Cpu | Monitors | Multimedia | Network | Notebook/PDA  
Printers | Projectors | Scanners | Software | Storage | Supplies | Telephony | Ups Surge | Video Cards

More Searches  
- Ez Search  
- Manufacturer Search  
- Advanced Search

Shopping Tools  
- Configurators  
- View Cart

Order Tracking

Company Info

Affiliate Program

Best Sellers List

Rebate Center

Service Tools

buySAFE certifies this merchant is trustworthy and reliable, and we will guarantee it.

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BUYSAFE BOND GUARANTEE PARTNERS  
Liberty Mutual TRAVELERS

CLICK TO VERIFY »

Description	Part No	Price	Stock	Qty	Adj. Price
art USB Flash drive - eed USB - black, sil	DTIU3/1GB	\$23.00	Yes	1	\$23.00

Subtotal \$23.00

Shipping and Handling Ground (Delivery within 2-7 business days) - (\$7.99)

Express Order Processing add \$4.99

**buySAFE PURCHASE BONDED**  
YOUR PURCHASE IS BOND GUARANTEED! \$0.92  
[Learn more about buySAFE](#)

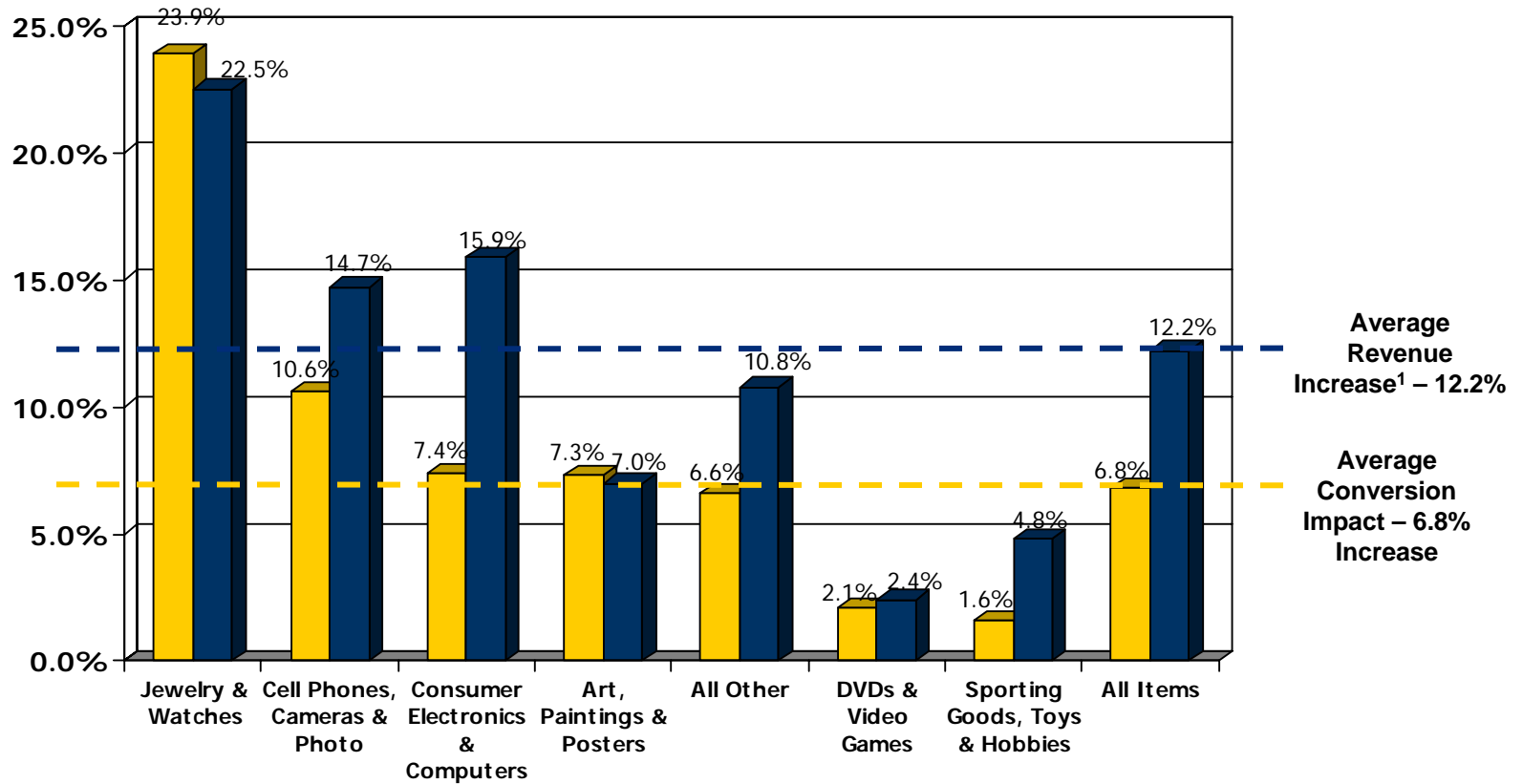
**Total \$31.91**

Update Basket | Continue Shopping | Clear Cart | **Check Out!**

**SAVE \$10** CHECKOUT WITH **SECURE-eBill**

# buySAFE's Conversion Impact Holds Across All Product Categories, With Exceptional Strength In Key Categories

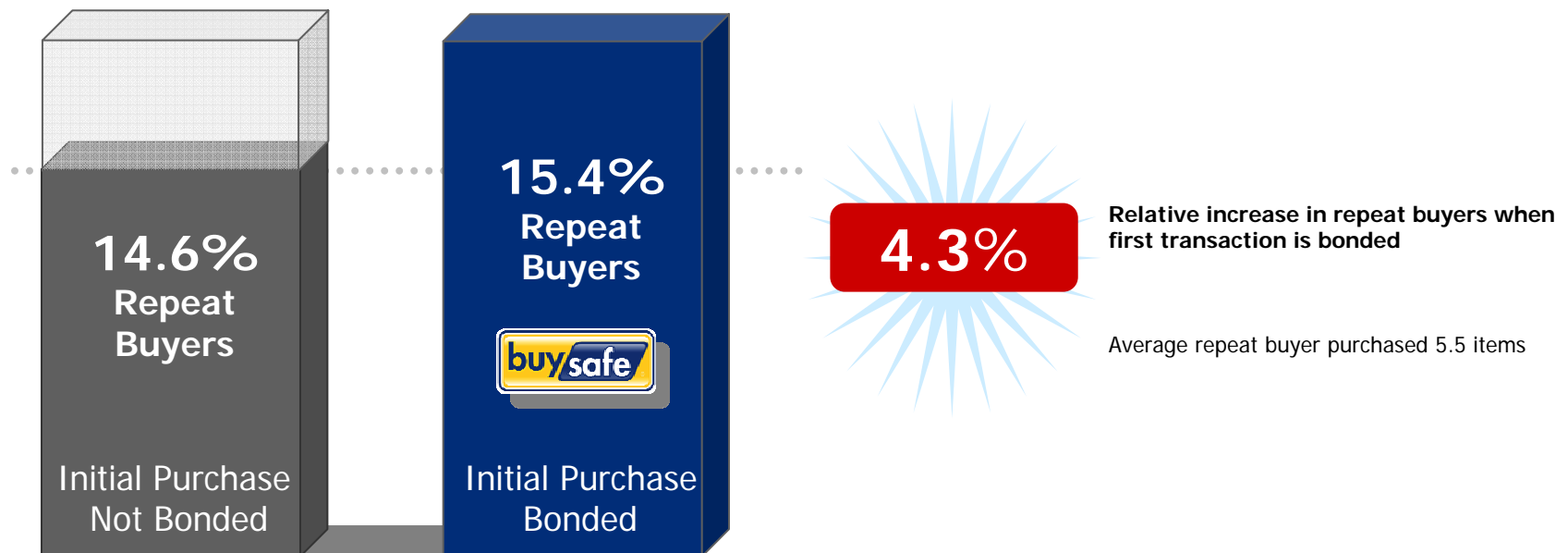
## buySAFE Conversion Impact by Product Category



<b>Test Samples:</b>	511,078	207,105	505,740	311,855	854,412	132,887	128,600	2,673,489
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<sup>1</sup> Average Revenue Increase combines impact of both changes in conversion rates and changes in purchase mix (e.g. average value of each purchase)  
 Note: Results based on buySAFE Impact Test, February – August 2006. ~2.7mm fixed-price items evaluated

# Buyers are more likely to become a repeat customer when their first transaction is bonded by buySAFE



\* A/B testing results ~237,000 unique buyers from April – September 2006

## Summary

- 50% of Internet users are afraid to buy online and those that do buy perceive a great deal of risk when shopping on a site they are unfamiliar.
- Only buySAFE can provide Merchants with an explicit, third-party endorsement of their trustworthiness and reliability backed by a willingness to guarantee the transaction – eliminating any perception of risk even among the most risk-averse Internet users.
- Deploying buySAFE on eBay as well as your own eCommerce Website can have a positive impact on your business!
- The buySAFE Certified Merchant Program is available on eBay for sellers using Infopia and KyoZou.
- To learn more:
  - Call 1-888-9-BONDED
  - Visit [www.buySAFE.com](http://www.buySAFE.com)