

Mobile Express Capital Corporation



Who is MECC?

Mobile Express Capital Corporation (MECC) is a leading provider of turnkey ATM programs for retailers, financial institutions and ATM owners. MECC differentiates itself from other companies in the market in its operations focus, and attention to the special requirements needed when providing a strategic component of the ATM as a financial delivery channel. MECC strives to provide cost-effective ATM solutions and opportunities without sacrificing the quality of service and reliability that corporate retailers and financial institutions expect.

Formed in 1996, MECC was created to provide turnkey ATM service to allow retailers and small to mid-size financial institutions to leverage MECC's expertise and allow MECC's customers to focus on their core business. Although ATMs are a highly effective service channel for retailers and financial institu-

tions of all sizes, there are few channels which inherently require as many third party vendors to provide the integral components needed for operations.

In addition to managing armored car, maintenance contractors, telecom providers and processors, and financial networks, there may be several internal departments that have some level of responsibility for the ATM depending on the size of an organization. With the number of entities, people and costs involved, it is often a challenge for a company to leverage the ATM with existing human and financial capital. MECC helps company's leverage their resources in order to take advantage of or create growth opportunities that would otherwise not be possible.



Expansion of MECC Product Offerings

MECC has always operated as a niche player within the highly fragmented ATM industry choosing to focus on turn-key ATM operations rather than the predominant processing only model offered by the majority of organizations that are sales based and offer the sale of an ATM and the resale of network access through a third party processor.

In 1999, MECC began to expand its ATM offerings beyond turn-

key ATM placement for retailers and casinos and began to work with financial institutions who also had high service level standards and who were able to leverage MECC's resources.

MECC has continued to develop its programs with a customer focused approach that has enabled MECC to continue to return value to its clients and their customers

MECC now operates four primary product categories:

- Shared Access Network
- Managed Service
- Turnkey Placements
- ATM Processing

More information on each Program is contained in the pages within

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- How can retailers increase store traffic through the ATM?
- I have many retail contacts and opportunities to place ATMs, but who will operate the machines?
- I manage a small community bank and do not have the staff to operate an ATM or justify that expense, but how can I compete?
- Are all entities reselling processing truly the same?

Shared Access Network

The Shared Access Network was created in 1999 to provide a selective ATM network, continually increasing in size in which participating ATMs would be branded with MECC's Shared Access service mark, allowing participating financial institutions' customers to receive surcharge-free withdrawals. MECC is responsible for marketing the program to the financial institutions and their customers and has measurable success in driving traffic to participating retail locations. Although surcharge is not received on these transactions, the increase in traffic, the customer loyalty developed and the dollars withdrawn in the retail locations and the associated

profit provide more benefit than the surcharge foregone.

Working with a major oil company and several other retail partners, MECC has proven that it can drive traffic to retail locations and provide a range of retail locations that expand financial institution customers convenient cash access.

In the increasingly competitive convenience store market, the ability to drive traffic into the store where higher margin products are sold provides a quantifiable benefit for retailers. Since inception, the Share Access Network has enabled participat-

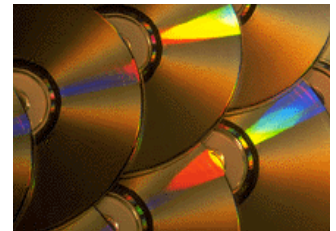
ing ATMs to increase withdrawal volume per ATM more than 300% on average per year from the existing participating card base. Overall withdrawal growth per ATM has been more than 25% in an environment that has seen continued decreases in per machine volume as ATMs have proliferated.

MECC maintains an atmfinder website as well as produces marketing campaigns that continually reinforce the participating locations to allow for continued growth.

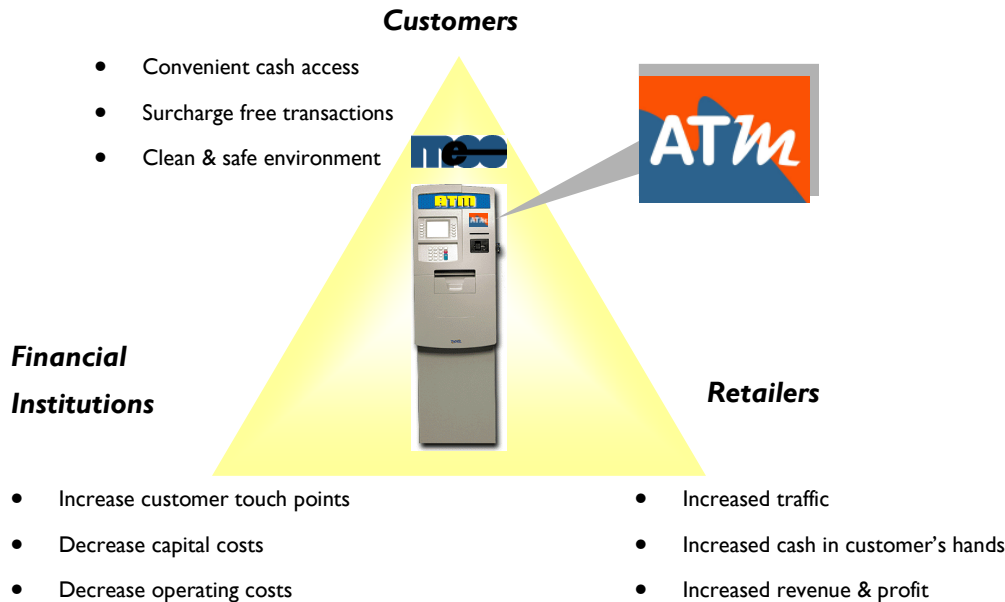


MECC Shared Access logo

"...participating ATMs have increased withdrawal volume 300% on average per year"



Shared Access Value Proposition



Advantage of Shared Access

The Shared Access Network includes only ATMs that are managed and monitored and included in cash and monitoring programs to insure the reliability that financial institutions require for their customers.

MECC has sought to create a network that is large enough to provide convenient cash access points for customers, while still being selective enough to provide value to MECC's participating retail partners. If the locations are not convenient or if the

traffic is not directed, the value to the retailer will be limited. MECC has accounted for these factors and has established a proven program that others have attempted to duplicate with less success.

with **SURCHARGE-FREE**[®] ATM transactions in locations where you see this logo...



100+ in the Dallas/Fort Worth Metroplex and growing!

ADDITION (3)	HICKORY CREEK (1)
ALLEN (2)	HURST (2)
ARLINGTON (3)	IRVING (4)
BENBROOK (1)	KELLER (1)
BURLESON (1)	LAKE WORTH (1)
CARROLLTON (5)	LANCASTER (2)
COPELL (1)	LEWISVILLE (2)
DALLAS (24)	MESQUITE (5)
DUNCANVILLE (1)	NORTH RICHLAND HILLS (2)
EULESS (1)	PLANO (11)
FLOWER MOUND (1)	RICHARDSON (5)
FORT WORTH (12)	ROCKWELL (2)
GARLAND (4)	SOUTH LAKE (1)
GRAND PRAIRIE (3)	THE COLONY (1)
GRAPEVINE (3)	UNIVERSITY PARK (1)

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Sample statement insert from financial institution client



Monitoring and Processing are only a few of the services offered through MECC's Managed Service.

Managed Service

Whether it is a retailer, financial institution, investment group or other ATM owner, there are entities that have found that the time and resources it takes to successfully operate an ATM or a portfolio of ATMs are significant.

Utilizing MECC for ATM operations, these entities can focus on ATM sales or relationships that do not require the building and maintaining of an ATM support staff.

For affordable rates, MECC can provide and coordinate any number or combination of services to provide the comfort and

security that the entities and their ATM client's seek.

These services include:

- Vault Cash
- Insurance
- Processing
- Armored Service
- Maintenance
- Accounting & reconciliation
- Reporting
- Financial institution branding
- Installation & relocation

MECC exercises a number of measures to provide reliable Managed Service. Utilizing only qualified, licensed and properly insured carriers and technicians clients are protected from exposure that may exist with other alternatives. Taking advantage of reciprocal monitoring processes from and to each ATM terminal as well as information from network processors, MECC combines operational monitoring with active cash management to provide the highest level of service and response time should a problem arise.

“...eliminate capital costs and decrease operating costs as well as eliminate the hassles associated with ATM operation.”

Turnkey ATM Placements

In addition to Managed Service, some retailers and financial institutions would prefer to avoid the capital expense related to ATMs and pay a recurring contractual amount for MECC to finance and operate an ATM or ATMs in locations that would be beneficial for their service or acquisition strategy.

Structures for deals are virtually limitless and can range from typical retail agreements in

which no payment is made by the retailer to MECC, and instead the retailer receives site rental for the use of the ATM space to ATMs operated for financial institutions in which surcharge transactions may be reduced and require subsidies from a financial institution. Structures can be participative or not depending on our clients goals and objectives and willingness to take or share in the risk in surcharge volume.

MECC has operated turnkey placements for financial institutions from \$5 million in assets to more than \$1 billion in assets, and has helped all of these institutions eliminate capital costs and decrease operating costs as well as eliminate the hassles associated with ATM operation. ATMs can be used in this manner to provide marketing presence as well as a service and delivery channel to our clients' customers.

ATM Processing

Considered the staple of the off-premise non-financial institution ATM market, ATM processing has become more of a commodity as processors merge and consolidate and Independent Sales Organizations (ISOs) resell processing services for continually decreasing rates.

Processing is a volume based business and in theory provides

advantages to those entities with the highest volume, but MECC's familiarity and use of multiple processors for redundancy and comparative performance has provided the company the opportunity to more carefully scrutinize the processing activity and insure that the proper network fees have been collected and that monies withdrawn and fees earned are paid on a timely basis.

Analyzing one retail operators processing activity prior to working with MECC, MECC was able to identify the exclusion of a regional financial network from the operator's current network access. Adding the appropriate network to the retail operators ATMs allowed the operator to decrease denials by 50% and increase revenues \$6,300 per month!



Processing requires not only network access and sponsorship, but timely reporting and remittance of earned fees.

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Service and reliability you can count on.



www.mobileexpresscapital.com

Please contact us if you are considering any strategy or opportunity utilizing the ATM delivery channel. Our client service focus, attention to detail, and commitment to excellence allow us to operate with unmatched efficiency and effectiveness.

We look forward to working with you and your team!

New Encryption Standards and the ADA

Fort Worth City Credit Union is a \$80 million financial institution with 12,000 members operating in Fort Worth, Texas. The credit union has long been known for providing excellent value to its members, the majority of whom work for the city of Fort Worth.

The credit union had operated one ATM for several years in one of the city's municipal buildings. The ATM had moderate volume, but had never generated any significant income and recurring communication issues and maintenance problems as the machine had been in service for more than 5 years.

To replace the ATM, the credit union would need a machine that would meet the new Triples DES (Digital Encryption Standard)

required by the financial networks and would need an ATM that met the proposed ADA requirements including ADA audio to allow the hearing impaired to use headsets rather than Braille decals.

MECC was able to work with the credit union and create a structure that allowed the credit union to replace its existing and problematic ATM with a new machine that was Triple DES compliant and meets the existing and proposed ADA requirements that are more stringently enforced in municipal and federal buildings.

Coordinating with the credit union, the credit union had its cash removed from the old machine, and MECC coordinated the removal of the old machine

and installation of the new machine to reduce the total downtime to under two hours, including armored car replenishment and ATM programming and testing.

MECC was also able to provide credit to the credit union for their older machine that was salvaged for parts.

MECC was able to eliminate the capital expenditure that the credit union would be facing while reducing operating costs and hassle for the credit union employees.

