

Tyfone Completes Beta Testing of its Secure Memory Card for Mobile Contactless Payments/NFC Rollout

Manufacturing Milestones and Twenty-One Completed Beta Tests Point to Dramatic Acceleration of Worldwide Mobile Payments Adoption

Portland, Ore. January 12, 2009: Tyfone, a global provider of mobile financial services infrastructure, today announced it has completed the Beta Testing phase of its u4ia™ Secure Memory Card (SMC) technology for highly secure contactless mobile payments. Tyfone also announced joint system testing with its manufacturing partner NXP, the co-inventor of NFC technology and leading vendor of NFC chips. Today's announcement offers the potential to dramatically accelerate the rollout and adoption of mobile payments on a global basis in order to meet the "huge latent demand" for these services as cited in a November 18, 2008 GSM Association (GSMA) press release.

Tyfone's u4ia™ SMC is a memory card based mobile contactless payments solution with integrated NFC chipset (secure element), controller and integrated antenna. The technology operates in any Secure Digital (SD) memory card slot, in any form factor (micro, mini, regular) and is rapidly gaining market acceptance as a single-strategy approach for both GSM and CDMA phones.

The company recently completed beta testing with 21 global leaders in the mobile contactless payments ecosystem. Tyfone anticipates a significant number of partnerships, market trials and/or full deployments will result from these tests. The joint system testing with NXP ensures sufficient production capacity for the multiple concurrent market trials the company forecasts.

"Joint testing has been completed," said Jack Gijrath, Director of Business Development Asia Pacific, NXP Semiconductors Identification Business Unit. "Our teams have worked together successfully to ensure that Tyfone's solution for NFC-based mobile payments adoption is fully operational."

As mentioned by Dan Schutzer, Financial Services Technology Consortium (FSTC) Executive Director, "Clearly there is strong demand for the many benefits associated with NFC and the 'mobile wallet' paradigm. While we support the GSMA's call for industry standards and increased emphasis by handset manufacturers to provide integrated NFC capabilities, FSTC believes that Tyfone's SD memory card secure element approach is a viable solution to accelerating the proliferation and adoption of NFC mobile payments on a global basis."

Tyfone's u4ia™ SMC currently works in hundreds of millions of phones worldwide and eliminates the requirement for carriers to invest in multiple related technologies, including: SIM, Single Wire Protocol (SWP) and NFC handsets, which together diminish the return on investment from NFC.

"We believe Tyfone is poised to deliver on the promise of mobile contactless payments several years ahead of the timeline that exists in today's paradigm," said Tom Spitzer, Tyfone CEO and Co-founder. "Our unique approach overcomes two major barriers - the availability of NFC-enabled handsets and the business case conflicts between the industry stakeholders. Industry thought leaders like Mobey Forum, NFC Forum and the SmartCard Alliance recognize the benefits of using a memory card approach for the Secure Element,

and today's series of milestone achievements all point to a significant acceleration of worldwide mobile payments adoption.”

Tyfone is currently scheduling market trials around the world with mobile operators, financial institutions, and closed-loop fare management providers. To learn more please contact Tyfone at (503) 866-5598 or carol.grunberg@tyfone.com

About Tyfone

Tyfone's u4ia™ SMC enables a neutral secure element without requiring a change to mobile phone architecture (SIM or non-SIM). Additionally, the Tyfone u4ia™ platform, through its software and middleware components, leverages Over-the-Air (OTA) functionality for access to the secure memory card.

Tyfone connects money and mobility via a highly secure, scalable and flexible Mobile Financial Services (MFS) infrastructure that is tailored to meet the evolving needs of mobile network operators, transportation agencies, retailers and financial institutions. With its complete MFS platform and global alliance partners, Tyfone is uniquely qualified to deliver issuer-centric turnkey solutions with fully-integrated contactless payments capabilities. To discover why Tyfone is becoming the partner of choice for MFS technologies to many of the world's leading organizations, please visit www.tyfone.com.

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