

NEWS RELEASE

For Immediate Release

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**INTEROPERABILITY OF IMAGE-SURVIVABLE CHECK SECURITY FEATURES
DEMONSTRATED AT BAI TRANSPAY**
Interactive demonstration proves ease and accuracy of validation

February 4, 2008 (Dallas)—PaymentsNation, Cheque-Guard, SQN Banking Systems, Orbograph, and Silver Bullet Technology will prove the ease with which image-survivable check security features (ICSFs) can be validated through use of an interactive demonstration at the BAI Transpay Conference at the Gaylord Texan in Grapevine, Texas, on February 5-7.

The five organizations are part of a collaborative effort working together to stop fraud by creating a system that allows multiple vendors' sophisticated ICSFs to be easily validated from any check image through a single platform using a single process. This streamlined solution tangibly demonstrates "interoperability."

"Interoperability is essential for preventing check fraud in an imaged-environment," said Frank Jaffe, a consultant and project manager leading the collaborative effort on behalf of PaymentsNation. "The industry trend for settling payments has shifted greatly toward image over the past few years. Today more than 40 percent of all check volume is presented in an imaged environment. With the increase in volume comes an accelerated need to prevent fraud specific to this type of payment processing. Speed and accuracy are always critical elements in the fight against fraud."

The project is particularly timely in light of a recent study released by the American Banking Association cited in a December 4, 2007, article in *USA Today*, that all types of check-related fraud cost banks \$969 million in 2006. That number is up more than 42 percent from the \$677 million lost by all banks in 2003. Although Check 21 was passed in 2001, it took the payments industry another two years to really begin using imaging as an accepted form of payment.

ICSFs help prevent fraud because they remain effective after imaging. Traditional check security features do not generally provide effective fraud protection when only an image is available. ICSFs use cryptographic techniques and a security mark to automatically validate that a check is authentic, unaltered, uncopied, and/or properly authorized. Security marks can be added at various points during the check lifecycle. In the case of commercial checks, they are most often printed when the check is issued to protect critical variable information such as the payee name and transaction amount.

Security feature interoperability validates that the feature is present, and that the check is not fraudulent. An ICSF framework provides a protocol to exchange validation information. Because the framework is flexible, validation processing can take place at any business entity using any computer or scanner type.

"ICSF interoperability enables a bank to use new check image security features—without limiting options based on other banks' choices," said Jaffe. "Banks can immediately improve check image fraud detection, and sell bank customers better fraud prevention and protection services."

During the BAI TransPay demonstration, conference attendees will receive sample checks from several organizations' booths, and can then take them to other participating vendor booths to validate the checks. The

sample checks containing image-survivable security features are then scanned and validated to show that checks with image-survivable features from multiple vendors can be validated from a single platform.

Cheque-Guard, SQN Banking Systems and Orbograph are leading providers of image-survivable check security features solutions, software and products. PaymentsNation houses and operates a registry of image-survivable check security features for the payments industry. Silver Bullet Technology provided RangerFlex software which enables the use of virtually any check scanner.

About PaymentsNation:

PaymentsNation, formerly NCHA/PRO, is a premier payments solution provider. The organization serves as both clearing house and information provider, offering educational events, forums, seminars, tools and resources for every type of payments professional. PaymentsNation offers a wide range of products and services, including payment system education, auditing, check settlement, collection item exchange, transportation contract management, risk management, training, clearing house rules, association administration services and advocacy. The PaymentsNation membership consists of approximately 800 financial institutions and holding companies that represent large, medium, and small banks, savings banks, credit unions, corporate credit unions, and banker's banks. Affiliate memberships are held by non-financial institutions. Visit PaymentsNation online at www.paymentsnation.com.

About Cheque Guard, LLC

Utilizing a full suite of custom software products, Cheque Guard provides innovative and customizable solutions for check fraud prevention, secure check printing, forms management, and image analytics to financial institutions of all sizes. At our core are three product groups that are designed with the Financial Institution in mind; ChequeSecure, our patented check fraud prevention product, utilizing an image survivable security mark; MICR Integrity Assurance (MIA); and ChequeSuite, check and forms management software. All three of these product categories address Security, Efficiency and Cost Effectiveness. With a forward-thinking management team and a committed and knowledgeable support staff, Cheque Guard builds value into every relationship. Visit Cheque Guard on the web at www.cheque-guard.com.

About Silver Bullet Technology, Inc.

Pensacola, FL-based Silver Bullet Technology, Inc. is the industry's foremost check scanner software developer, offering a comprehensive suite of Check 21 solutions and software tools. Silver Bullet has considerable experience working directly with financial institutions, scanner manufacturers and software vendors. Silver Bullet's newest software tool, Scout™, remotely tracks MICR and image quality and hardware performance, and displays the results in a concise web-based format. For more information, visit www.sbullet.com.

About SQN Banking Systems

For more than 20 years, SQN Banking Systems has provided integrated fraud detection and process improvement products for the financial industry, meeting the needs of financial institutions of all sizes. The SENTRY suite of products includes software for exception item processing, image fraud detection tools, automated signature comparison, signature verification and display, transaction analysis and safe deposit operations management. More than 500 SQN customers have improved their earnings and reduced check fraud losses by as much as 84 percent with SENTRY. For more information, visit SQN's Web site at www.sqnbankingsystems.com.

About Orbograph

Orbograph Ltd., a subsidiary of Orbotech (NASDAQ/NM SYMBOL: ORBK), is a leading developer of recognition solutions for the U.S. check and imaging processing and business process outsourcing markets. Orbograph's technologies are in use at hundreds of banks, financial institutions and service bureaus across North America, processing millions of documents each day. Through its recognition solutions, fraud detection, business process outsourcing technologies and image quality assurance applications, Orbograph enables customers to reduce costs, improve operational efficiencies and achieve rapid ROI. Visit Orbograph on the web at www.orbograph.com.

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