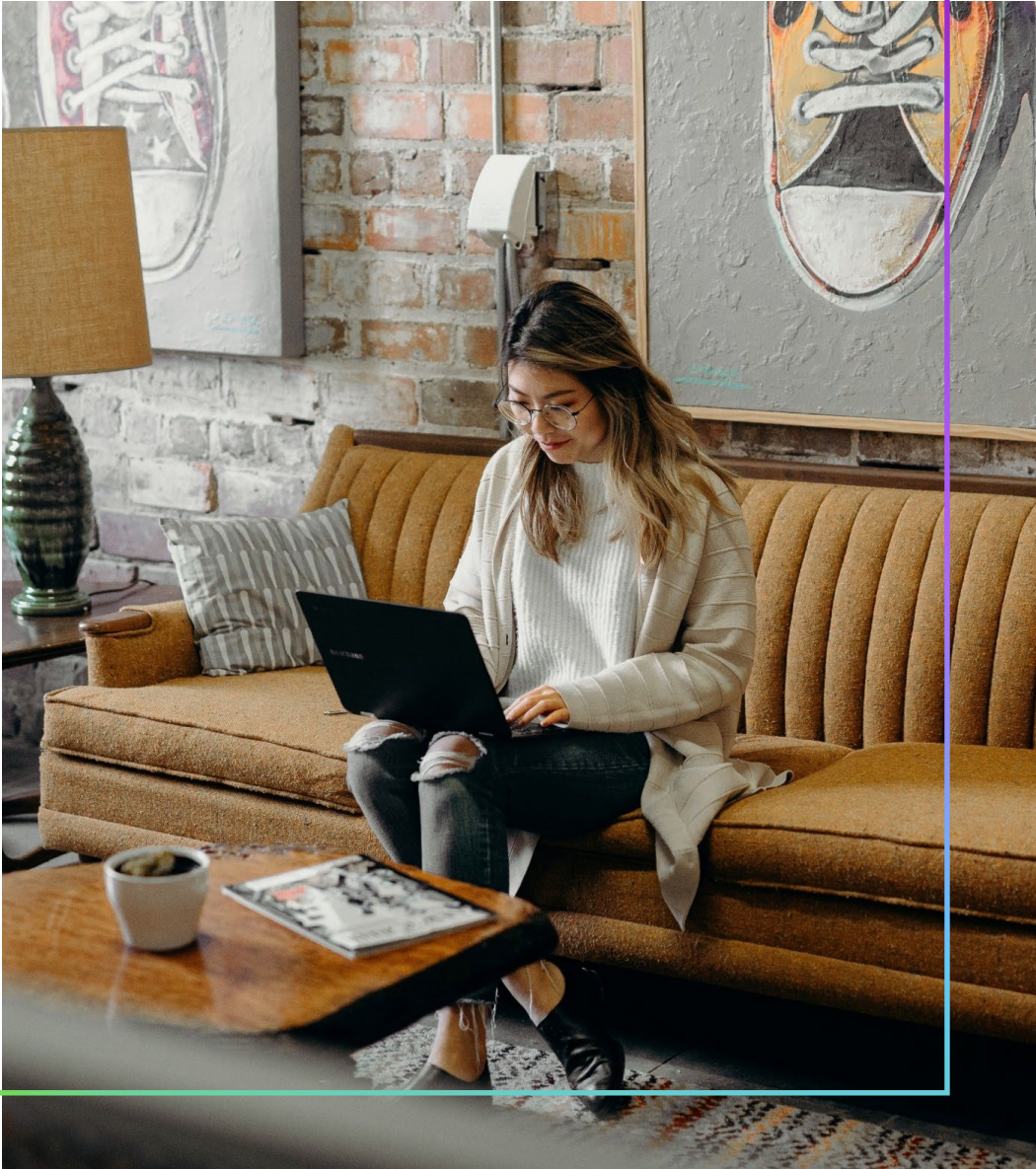


Keep more subscribers and revenue every billing cycle



Vindicia Retain

Deliver a frictionless retention experience

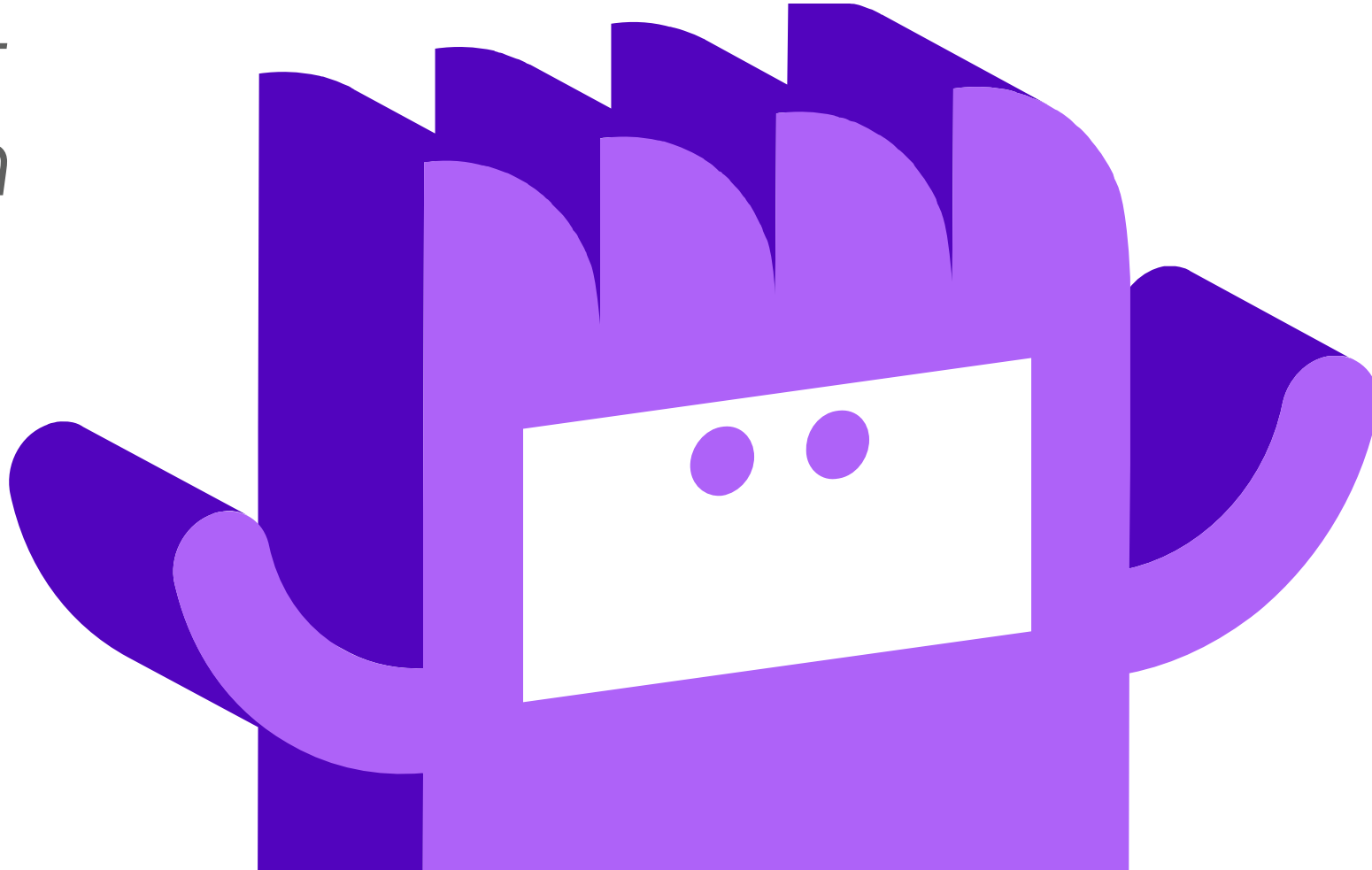
Media Finance Focus 2022

Chris Allan
VP Sales, East

The opposite of retention

Churn

“The monster that every subscription or SaaS business must face”



Ensuring an understanding with the terminology

What causes churn?

Active (or voluntary) churn

High prices

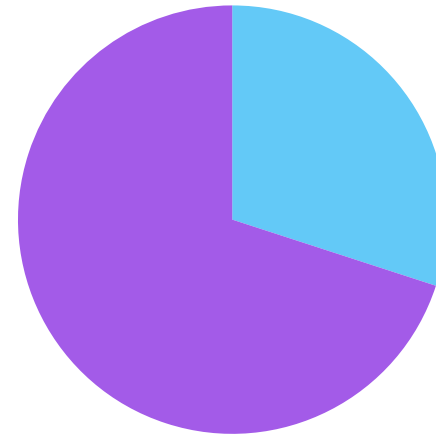
Poor service

Loss of engagement

New competitors

Passive (or involuntary) churn

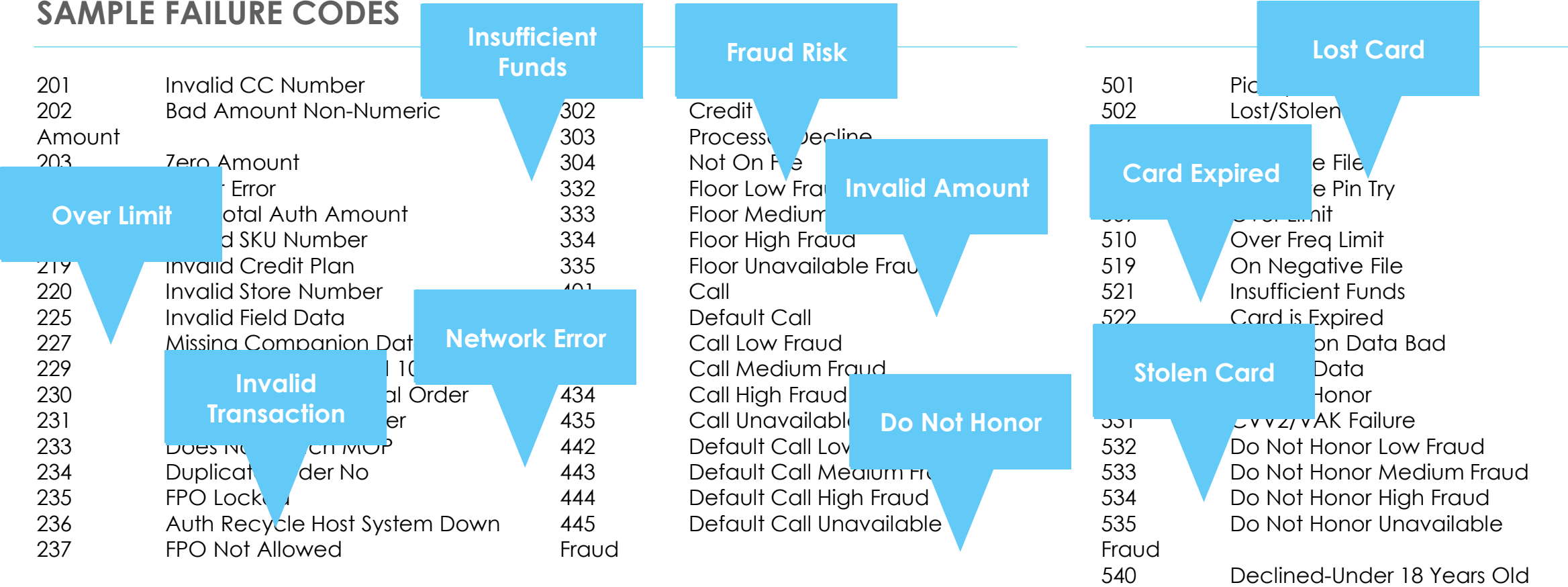
Failed payment transactions



30%
of all churn is
passive churn

Why do transactions fail?

SAMPLE FAILURE CODES



When transactions fail, merchants retry the transactions again and again -

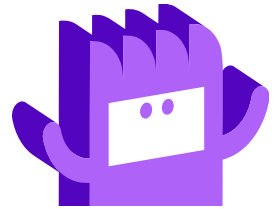
but...retry can only go so far, and when retry fails you are left with a “terminally failed transaction”

What can be done beyond retry?



Subscription business success

Vindicia solution



Vindicia
Retain

Recover 15 - 30% of terminally failed payment transactions

Reduces churn, increases revenue

Extends customer lifetime value

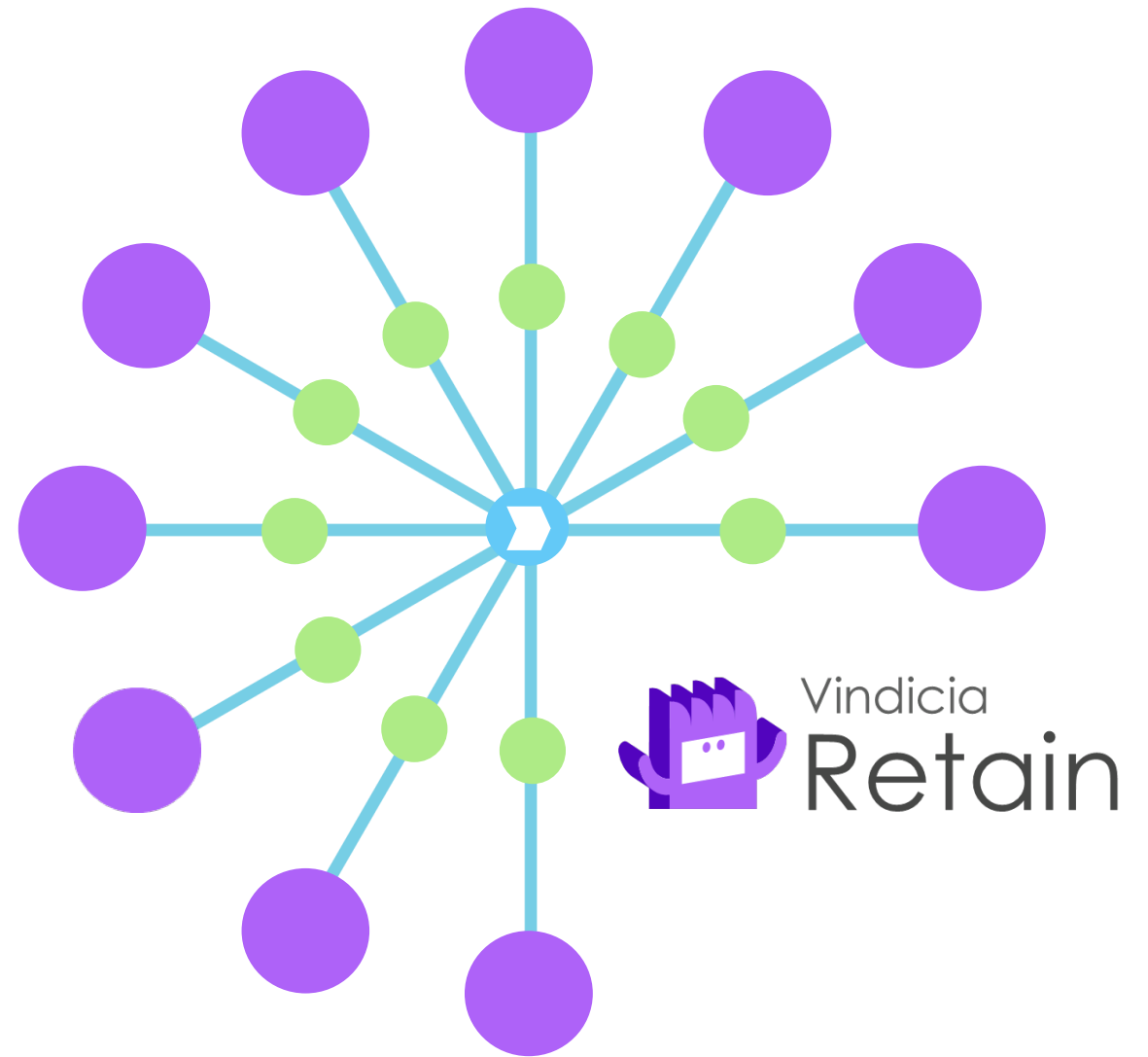
Improve the customer experience

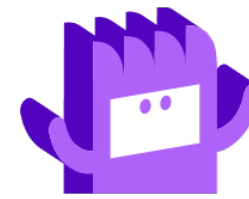
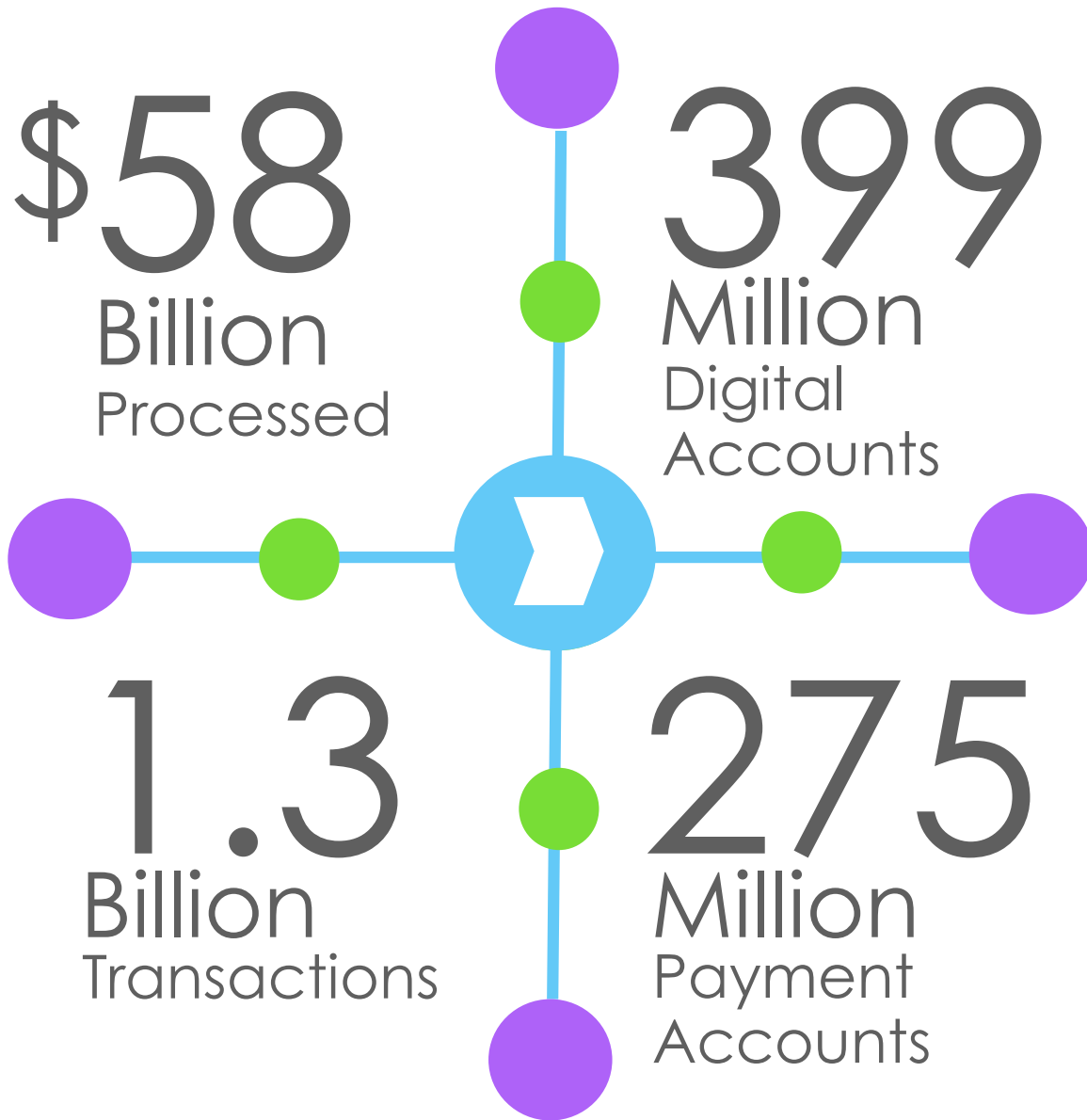
Uses existing billing platform

Increase revenue by 10-15%

The Network Effect of data

*Unique analysis
based on extensive
processing*





Vindicia
Retain

More
Data

More
Insight

More
Value

Secret sauce

What's happening?

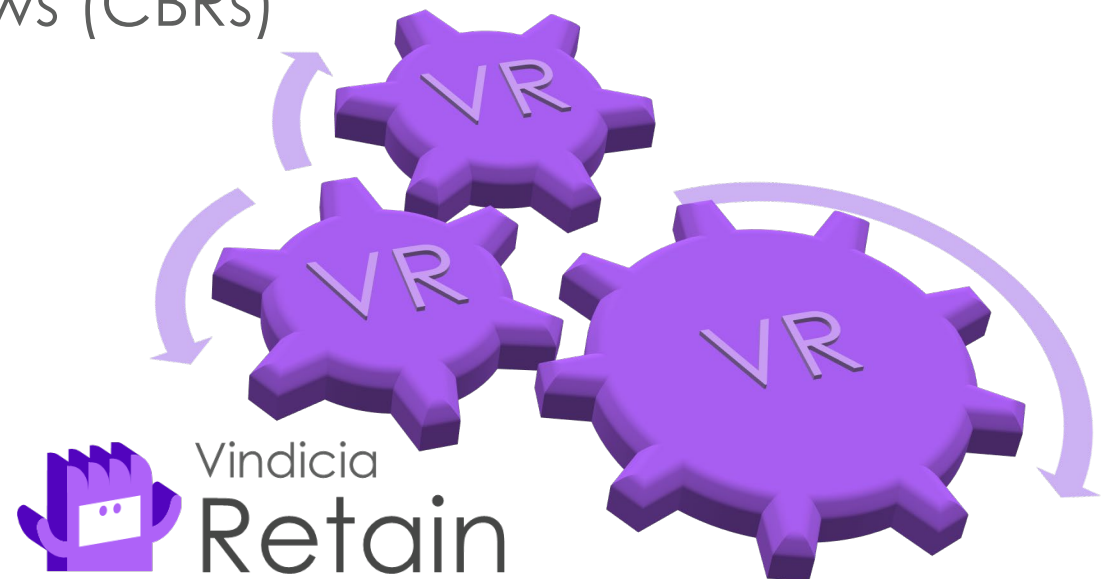
Evaluates transaction data

Understands error codes

Use of ML algorithms determine “most appropriate” presentment technique

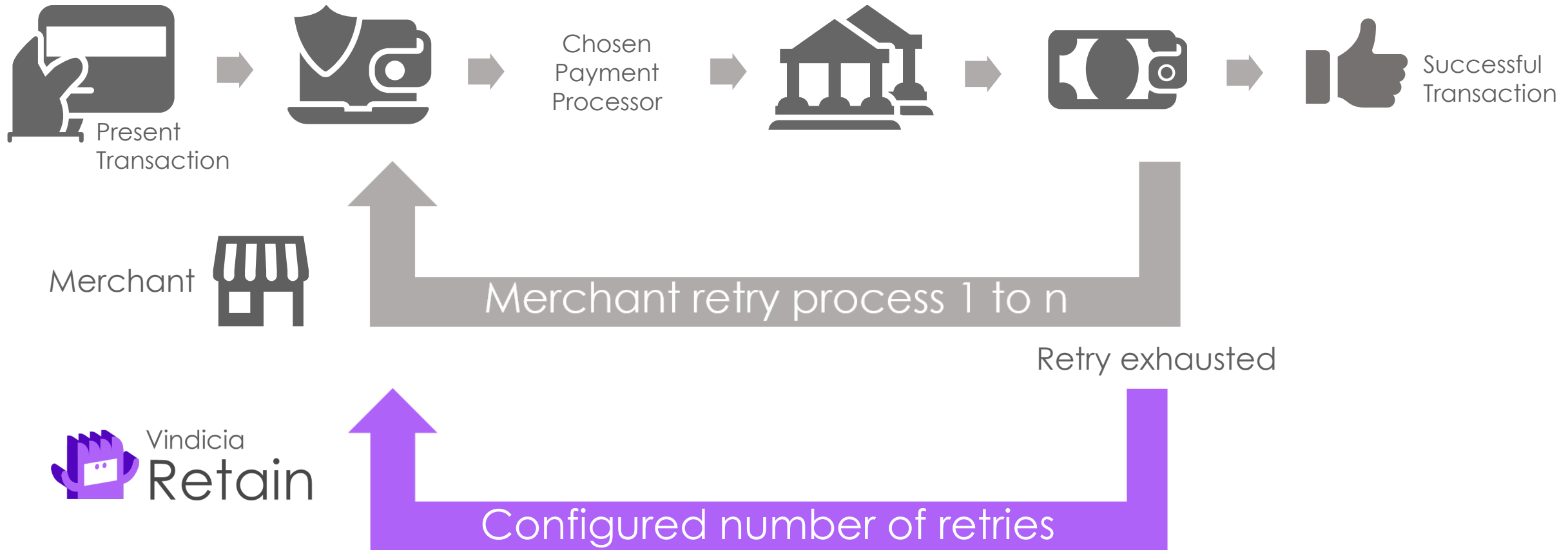
Leverages Vindicia transaction network effect

Refined via on-going Client Business Reviews (CBRs)



After you have exhausted your retry process

Layering Vindicia Retain beyond retry



Doesn't "touch" the money

No impact on merchant downstream systems

Transparent to customer

Supporting businesses across the subscription landscape



TV, Video & Gaming



Health & Wellness



Publishing & eLearning



Telecom & Mobile



Sports & eSports



Retail, Box & Leisure



Home & Web Security



Finance & Business



Vindicia Retain success

Transaction recovery rates at some Vindicia clients

Major Client	Vertical	Success
Client A	Online Services	16%
Client B	Online Services	18%
Client C	Online Services	34%
Client D	Online Services	28%
Client E	Online Services	33%
Client F	Box subscription	12%
Client G	Publisher	37%
Client H	Publisher	55%
Client J	Publisher	33%

Forrester Total Economic Impact Study

Forrester conducted a TEI study of Vindicia Retain

(Formally Vindicia Select)

FORRESTER[®]

vindicia[®]
An Amdocs Company



Get the Report:

<https://vindicia.com/resources/analyst-reports-reviews/total-economic-impact-vindicia-retain-forrester-study/>

Forrester determined the three-year impact

Based on an analysis of Vindicia Retain, customer feedback and quantified benefit, cost, risk, and flexibility factors

18%

recovery of
terminally failed
transactions

687K

transaction
recoveries over
three years

6.2 months

added to
customer lifetime
recovery

Recover revenue from failed transactions

Capture 15 to 30% of previously failed credit card transactions

Increase revenue and extend customer lifetime value (CLTV)

Reduce dunning, collection and write-off costs

Improve the customer experience

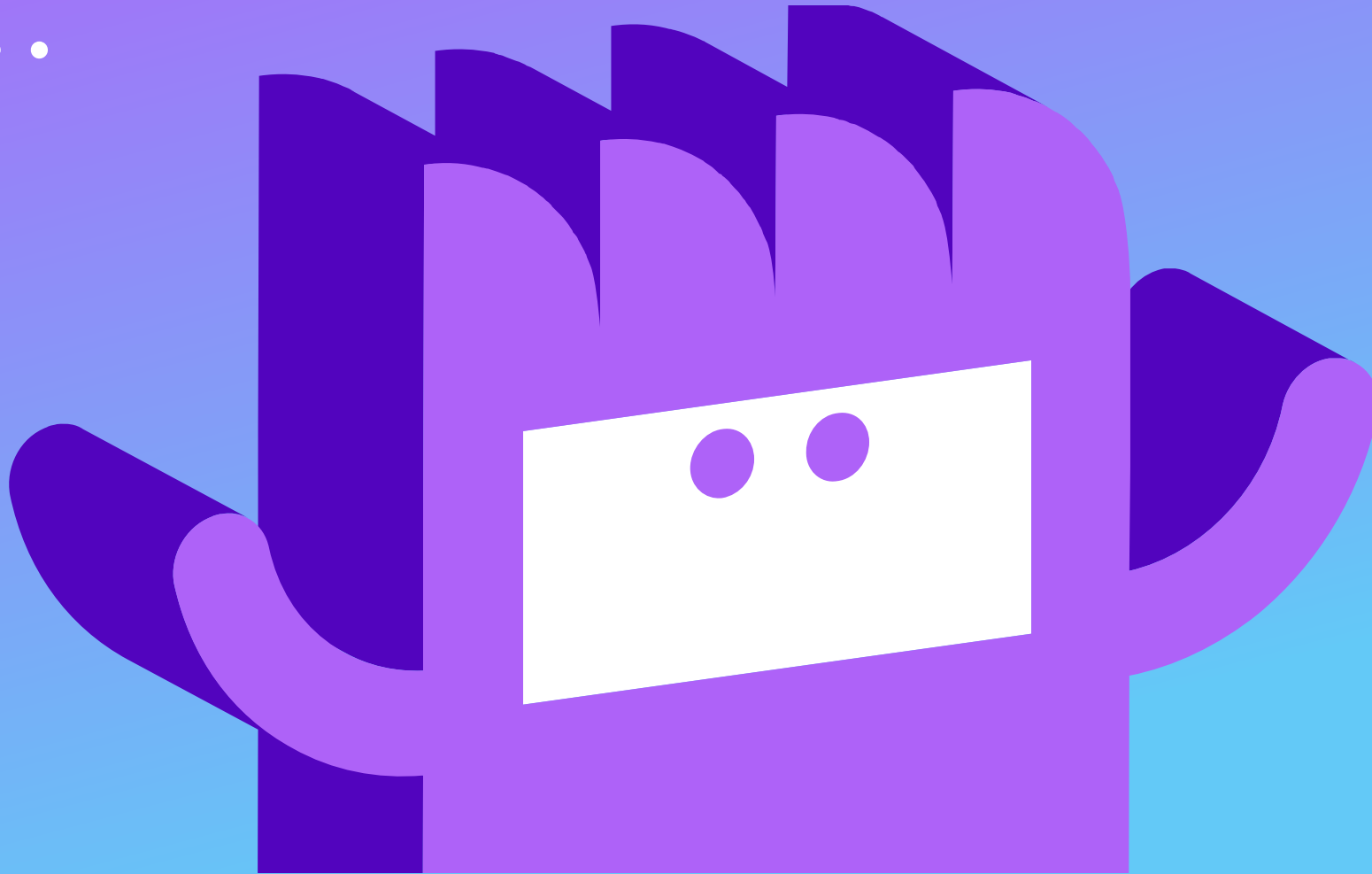
Non-invasive, risk-free, SaaS, deploy in days

Start seeing savings almost immediately

Secure – PCI Level 1 compliant



Thank you...



**Oahu Publications Inc (OPI)
Eliminated Credit Card Fees in
a Landmark Partnership with A
Marketing Resource (AMR)**



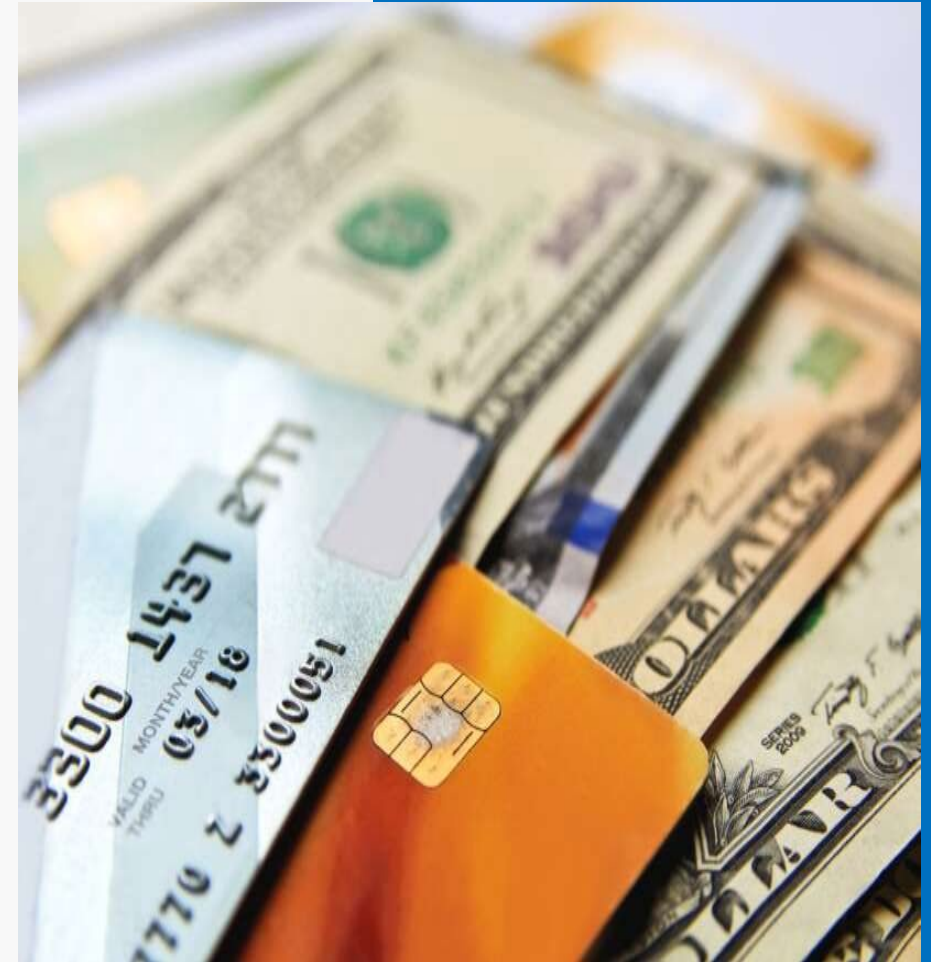
**Cash Discount Program
For Publishers**



CASH DISCOUNT PROGRAM FOR PUBLISHERS

Through Oahu Publication's longstanding relationship with A Marketing Resource (AMR), a patented and industry leading **CASH DISCOUNT PROGRAM** was implemented to completely...

...ELIMINATE 100% of OPI's Credit Card Processing Fees.



What is the Cash Discount Program?

AMR's CASH DISCOUNT PROGRAM...is a way for Publishers to eliminate all of the costs of accepting credit/debit cards. Subscribers and Advertisers who pay with cash, check, money order or ACH to avoid service fees while others will see a service fee line item on their receipt.

HOW IT WORKS...a nominal 3.99% service charge is applied to all credit/debit card sales. A discount is automatically applied when customers pay with cash, check, money order or ACH. No discount is given for payments via debit or credit card.

AMR's proprietary and patented Cash Discount program, which is integrated with NAVIGA, automatically determines all discounts and/or fees based on payment type.

WHO PAYS INTERCHANGE RATES AND FEES...the service fees are retained in an independent account held by CHFS to pay the interchange fees at the end of the month. OPI receives a deposit of the total amount of the sales, after a daily settlement (every 24 hours).

The patented technology automatically splits and retains the service fee amount, therefore you don't have to account for the revenue and pay taxes on the service fee.



WHO IS AMR?

A Marketing Resource

- AMR was established by CEO Ed Spagnola, in 2001 as a marketing agency for newspapers, cable, utilities, environmental services, and for call center sales and customer service programs.
- AMR and its dedicated employees have worked with over 400 newspapers since 2001, and 41 of the top 50 metro newspapers in the country on dozens of innovative programs.
- AMR's capabilities include audience retention and sales programs, customer service, classified & retail advertising sales, digital marketing, direct mail, email marketing, waste & recycling, and consulting.
- For OPI, AMR is used for call center services, Cash Discount Program, fulfillment/procurement, and digital marketing solutions.
- E&P selected AMR as a Top 10 2022 Business Partner Powerhouse.
- Joe Cooper, Area CDP President and myself head up this program.



WHO IS C&H?

C&H Financial Services

- C&H is an award-winning U.S. Merchant Acquirer providing credit & debit card processing services, PCI Compliance, POS Systems & Payment Gateways, ACH programs.
- Named the Most Outstanding Payment Processing Provider of 2018 by Corporate Vision Magazine
- #3 Top Financial Services company in the U.S. by *Inc.* Magazine
- C&H Financial Services, Inc. maintains an A+ BBB rating
- Anthony Holder, CEO, has been named CEO of the Year by *Acquisition International* and currently serves on the Forbes Finance Council.



AMR in concert with C&H Financial Services now provides leading FinTech solutions and Merchant Services to Publishers....

The Durbin Amendment (part of the 2010 Dodd-Frank law), created an opportunity which allows a business to offer a discount to customers as an incentive to encourage payment by alternative methods other than credit cards.

OPI applied this law to its **4 daily newspapers, 3 weekly's, 24 magazines and the second largest media group** - "completely eliminating the expense of accepting and processing credit cards."

Thus, a strategic partnership was formed.



WHAT IS REQUIRED?

Publishers are required to disclose **COMPLIANCE VERBIAGE** regarding the service fees on all invoices, payment portals and marketing collateral.

CASH DISCOUNT PRICING will be placed on every invoice and receipt to be compliant with all card brand rules.

CHFS provides all credit card terminals, payment gateway and virtual gateway terminals.



A background image showing the upper bodies of several people in business attire, including white shirts and a brown top, standing behind a desk with papers and a calculator.

WHAT IS REQUIRED?

Marketing and Communication

- **Advertisers** were notified with a letter outlining the changes taking place 30 days prior launch.
- Credit/Debit **EzPay subscribers** were given notice 30 days in advance regarding the service fee. Invoices also have the service fee pricing and verbiage included.
- Advertisers and subscriber notification letters both detailed how to avoid paying the service fee.
- All payment portals, landing pages, sales & marketing collateral, and customer care scripting includes Cash Discount compliance language.



4545 Kapolei Parkway Kapolei HI 96707

Account Summary

For Delivery To: ELIZABETH TAKISHITA
 Delivery Address: 2055 HOOHAI ST
 PEARL CITY, HI 96782-1424
 Account Number: 0742853
 Expiration Date: 10/30/2020
 Subscription Type: Monday – Friday, Sunday

Renewal Period

Credit Card Renewal Period

Save today by paying with check or bank draft

	Full Price	Cash Discount
EZPay Per Month:	\$17.13	\$16.47
3 MONTHS:	\$51.38	\$49.41
6 MONTHS:	\$102.76	\$98.82
12 MONTHS:	\$205.53	\$197.64

5 REASONS TO READ THE PRINT REPLICA ONLINE!

CONVENIENT
 Available at 4am.

EASY
 Read the paper exactly
 how it appears in print!

SEARCHABLE
 Find stories and advertisements
 that interest you the most!

SHAREABLE
 Easy to share, email
 and print articles!

COMPLETE
 One click access to the
 newspaper for the past 30 days.



Welcome Message



Digital Access
 Including Print Replica is

Included In Every Subscription!



Go to
www.staradvertiser.com/activate
 to activate your digital access

OR call 808-538-6397
 to speak with a customer service representative.

As an incentive for customers we provide a discount to pay with cash by giving a 3.99% discount on the service fee for this transaction. Pay by cash, check, money order or bank draft and save! U.S. Patented -US 8131619 B1, US 8478689 B1, US 8423439 B1. In the event the subscriber miscalculates service fees or other items, subscriber authorizes merchant to modify amount(s) and apply any adjustment.

West Hawaii Today

75-5580 Kuakini Highway | Kailua-Kona, HI 96740
 808.329.9311 | fax 808. 329.4860 | westhawaii.com

October 1, 2020

John EZPay
 1234 Oak Street
 Anytown, HI ZIP

John,

First and foremost, I hope you are safe and well in these most difficult and unprecedented times. Our 58 journalists have been working tirelessly to bring you the most up-to-date and local health information and guidance as it pertains to COVID-19. Educating our readers on how to protect themselves and their families is our top priority.

Unfortunately, local news publishers all across the nation are now facing a financial crisis, including the Honolulu Star-Advertiser, due to the continued shut down of the local economy. The Star-Advertiser relies heavily on local advertising and with so many businesses shut down our profitability has been severely impacted.

Beginning November, subscribers who utilize credit/debit cards to pay for their subscriptions will be charged a service fee of 3.99%. If you would like to avoid the fee, you can transition your payment method to bank draft and continue paying for your subscription through easy and convenient monthly bank account deductions.

Below you will find a Bank Draft Recurring Payment Authorization Form that can be filled out and returned to us via mail at Star-Advertiser, 4545 Kapolei Parkway, Kapolei, Hawaii, 96707. You may also visit www.staradvertiser.com/myaccount and change your payment to ACH by clicking on the "Payment" tile.

Our commitment to you is still unwavering; to provide our readers with the most comprehensive, relevant, local and differentiated content throughout the Covid-19 crisis and beyond.

If you have any questions or concerns, please do not hesitate to reach out to us at (808) 538-NEWS.

Mahalo nui loa,

Aaron J. Kotarek
 SVP, Audience & Operations

*As an incentive for customers we provide a discount to pay via cash, check or ACH by giving a 3.99% discount on the service fee for this transaction. U.S. Patented -US 8131619 B1, US 8478689 B1, US 8423439 B1. In the event the subscriber miscalculates service fees or other items, subscriber authorizes merchant to modify amount(s) and apply any adjustment.

RECURRING BANK DRAFT PAYMENT AUTHORIZATION FORM

Please return this form OR attach a voided check. A charge will appear on your bank statement each month. Delivery will continue until The Star-Advertiser is notified otherwise.

Name: _____ Signature: _____ Date: _____

Bank Name/Financial Institution: _____ Sub Acct #: XXXXXXXXXXXXXXX

Routing Number: _____ Checking Account Number: _____

Actual Invoice

* As an incentive for customers we provide a discount to pay with cash by giving a 3.99% discount on the service fee for this transaction. Pay by cash and save!

U.S. Patented -US 8131619 B1, US 8478689 B1, US 8423439 B1.

Total Due	\$8,913.97
Service Fee 3.99%	\$355.67
Check/ACH Discount *	-\$355.67
Payment Amount by Check/ACH * [23]	\$8,913.97
Payment Amount by Credit Card	\$9,269.64

Go to
www.staradvertiser.com/activate
 to activate your digital access
OR call 808-538-6397
 to speak with a customer service representative.

As an incentive for customers we provide a discount to pay with cash by giving a 3.99% discount on the service fee for this transaction. Pay by cash, check, money order or bank draft and save! U.S. Patented -US 8131619 B1, US 8478689 B1, US 8423439 B1. In the event the subscriber miscalculates service fees or other items, subscriber authorizes merchant to modify amount(s) and apply any adjustment.

INVOICE/STATEMENT

5	BILLING DATE	03/31/2022
3	TERMS OF PAYMENT	NET 30 DAYS
6	BILLED ACCOUNT NO	130245
2	CLIENT NAME	

10	11	12	14	13	15	16	17	18	19
START	STOP	NEWSPAPER REFERENCE	DESCRIPTION	PRODUCT	SIZE	BILLED UNITS	TIMES RUN	RATE	AMOUNT
02/09	02/09	I01367274-02092022	DR* SAC FEB 2022 Sales Tax	ROP MIDWEEK WEDNESDAY	3.00 x 5.0000	15	1		\$480.00 \$22.62
02/14	02/14	I01367274-02142022	DR* SAC FEB 2022 Sales Tax	ROP STAR-ADVERTISER	2.00 x 5.0000	10	1		\$160.00 \$7.54
02/17	02/17	I01367274-02172022	DR* SAC FEB 2022 Sales Tax	ROP MIDWEEK WEDNESDAY	3.00 x 5.0000	15	1		\$480.00 \$22.62
02/21	02/21	I01367274-02212022	DR* SAC FEB 2022 Sales Tax	ROP STAR-ADVERTISER	2.00 x 5.0000	10	1		\$160.00 \$7.54
02/23	02/23	I01367274-02232022	DR* SAC FEB 2022 Sales Tax	ROP ADVERTISER	2.00 x 5.0000	10	1		\$160.00 \$7.54

* As an incentive for customers we provide a discount to pay with cash by giving a 3.99% discount on the service fee for this transaction. Pay by cash and save!

U.S. Patented -US 8131619 B1, US 8478689 B1, US 8423439 B1.

Total Due	\$8,913.97
Service Fee 3.99%	\$355.67
Check/ACH Discount *	-\$355.67
Payment Amount by Check/ACH * [23]	\$8,913.97
Payment Amount by Credit Card	\$9,269.64

INVOICE AND STATEMENT OF ACCOUNT

AGING OF PAST DUE ACCOUNTS

21	CURRENT NET AMOUNT	22	30 DAYS	60 DAYS	Over 90 DAYS	23	TOTAL AMOUNT DUE
	\$8,578.89		\$335.08	\$0.00	\$0.00		\$8,913.97
24	ADVERTISER INFORMATION						
6	BILLED ACCOUNT NUMBER	7	ADVERTISER/CLIENT NUMBER	2	ADVERTISER/CLIENT NAME		

Payment is due upon receipt.
 Accounts over 30 days will be assessed a
 finance charge of 1½% per month (18% APR)

The OPI “Success Story”

- Beta Site for the “Cash Discount Program” was launched on January 1, 2021
- Saved over \$1.2MM in annualized inter-change fees right to their bottom line
- Transitioned over 7,000 EZ Pay subscribers to Bank Draft/ACH (18K in total)
-- Bank Accounts do not have expiration dates
- Implemented Bank Draft payment option on their “Manage My Account” portal
- Streamlined payment methods by diverting all credit card processing to C&H while OPI maintained strong local banking relationship(s)
- The implementation of this innovation and subsequent success enables OPI the opportunity to demonstrate to Publishing peers how to utilize this patented Cash Discount Program
- OPI now acts as our Cash Discount Program testimonial to assist in marketing the Cash Discount Program to other publishing peers

SUCCESS STORY

Revenue Statements from OPI

Hawaii Consolidated All Divisions
STATEMENT OF REVENUE AND EXPENSE
For the Period Ending February 26, 2021

February 2021 Actual	February 2021 Budget	February 2020 Actual
11,596	55,375	129,537

Hawaii Consolidated All Divisions
STATEMENT OF REVENUE AND EXPENSE
For the Period Ending March 31, 2021

March 2021 Actual	March 2021 Budget	March 2020 Actual
5,379	2,000	93,183



Revenue Impact

The Cash Discount Program

BOTTOM LINE REVENUE

***Create a \$6M NEW revenue source
with 20% margins to see...***



Human Resources

- No additional head count was added for this program
- Zero impact on staffing



Advertising & Circulation

- Ad and circulation rates were not increased
- Zero circulation surcharges were applied
- No advertiser or circulation customers were lost

***\$1.2 million dollars bottom
line revenue***

SELL
Merchant Services
to SMB's
IN LOCAL MARKET

Create a New Revenue Stream!

*OPI has 60+ local merchants on
the program to date*

**Compliment Ad Sales &
Win-Back Customers**





A small service charge (either a fixed amount or percentage) is applied to all sales. A discount is automatically applied when customers pay with cash.

No discount is given when paying by debit card or credit card. The patented software automatically determines all discounts and actions based on payment type.

How it Works

Merchant ABC
1129 Northern Blvd
Suite 303
Manhasset, NY 11030

02/10/2017 15:31

Sale

Trans: #4 Batch: #1

American Express CHIP
*****1105

AMOUNT: \$56.64
FEE: \$1.50
TOTAL AMT: \$58.14

Resp: Approved
Code: 1234567890

App Name: American Express
AID: A000000025010801
TVR: 0000008000
TSI: E800

Thank You!

CUSTOMER COPY

..... DEJAVOO

1129 NORTHERN BLVD
STE 303
MANHASSET, NY 11030
877-358-6797

CR/DB Settle Daily Batch

=====

07/27/2017 12:46

Terminal Number:
SPINPROXYTES

Merchant 1
Batch Number: 7
Status: GB
Host Rsp:
GB00007 ACCEPTED

Trn	Crd	Tp	Acct	\$Amount	Tip

1	VIS	SL	9420	126.00	
				104.00	22.00
2	VIS	SL	9420	26.80	
				20.80	6.00

Records:				2	
Total:				152.80	
Total tip:				28.00	
Total w/o tip:				124.80	
Service Fee Total:				4.80	
TOTAL w/o Service Fee					
				148.00	
Total w/o fee/tip:					
				120.00	
End of Report					

What is Required?

Merchants are required to place signage disclosing the Service Fee on their front door/window and at the cash register.

Dejavoo Z series terminal or an approved POS is required to process transactions.



Why Don't Publishers Implement This Themselves?

IMPLEMENTATION

Cash Discount is NOT a surcharge:

Cash Discount is not a *surcharge* program as surcharges have been deemed illegal in numerous states. Surcharges have to be implemented across the board, and not in a segmented manner, and will be perceived as a price increase by your consumers.

Specific equipment required:

Only certain terminals or POS systems are set up to handle surcharging because the equipment needs to be able to recognize what type of card is being used. A Cash Discount terminal, and both the Advertising and Circulation systems, automatically calculate the service fee ONLY IF applicable.

You cannot surcharge on a credit card not present:

Any credit card payments taken over the phone or online are exempt from ANY surcharge program by law.

Statements are more complex:

Your statements and invoices will not reflect which transactions have been surcharged, and which have not, rendering reconciliation extremely difficult.

Surcharges only work on credit cards:

Pre-paid cards or debit cards cannot be surcharged because banks consider these as CASH.

A merchant cannot surcharge an amount greater than one's processing rate:

You're 18-24 months from launch:

Without partners well versed in the FinTech space one will would be hard pressed to launch this initiative such as this especially in an timely manner. Our program is turnkey with a launch within 90 days of commencement.



The patented technology automatically splits and retains the service fee amount, therefore you don't have to account as revenue, pay taxes on this, etc.

TESTIMONIALS



"This program provides our customers with the most competitive price points possible by utilizing convenient and compliant payment methods and we are excited to be the industry beta site form this initiative

Completely eliminating our exorbitant credit card fees allows OPI to reinvest capital back into our core competency of gathering and producing comprehensive and differentiated journalism along with the creation of a new revenue stream by selling merchant services to local SMB's."

Dennis E. Francis
President & Publisher
Oahu Publications, Inc. (OPI)

CASH DISCOUNT PROGRAM REFERRALS ELIMINATE PROCESSING FEES

by offering your customers a discount when paying by cash

JUST ASK US!

BallPark Pub

Rich Rogulich
312-735-3296



Cicci's Pizza

Quinn Newhal
720-244-1173



Dairy Queen

Joe Ellering
530-748-9099



Carl's Jr.

Mike Borchard
760-471-2494



KFC

Isreal Diaz
323-591-4395



CA Embroidery & Design

Brandon or Jeanee
209-224-8853





**Contact Us to Learn More About Completely
Eliminating Your Credit Card Fees!**

Oahu Publications Inc.

Hawaii's Largest Media Company



PHONE, TEXT & EMAIL

Tim Krug

tkrug@skybridgefinancialservices.com

612-801-4514

