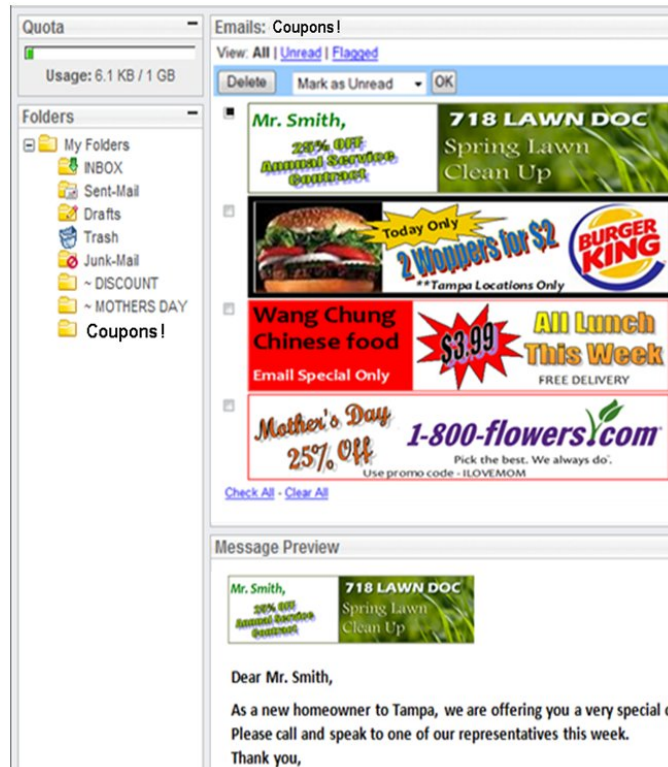


MamoMail

World's First Opt-in Mailbox



© 2010 Mamomail Inc. (May 2010)

Mamomail Highlights

Choice Marketing™: A new consumer-centric - consumer controlled, non-intrusive, marketing channel and engagement protocols where users have the choice to “opt-in” to the channel.

- Consumers have a separate mailbox that contains the best of targeted and personalized offers and coupons. They pick the time to engage. Consumers have new and innovative functionalities and features that improve email experience.
- For direct marketers - we have broken the permission barrier: A new target marketing delivery channel where permission is unnecessary. Instead of delivering to (and often intruding into) the personal in-box, the emails are delivered to a separate mailbox and thus permission is not required.
- Marketers will have unprecedented reach and access plus new message displaying, handling and campaign management technologies.
- A digital delivery and service alternative to direct (postal) mail and targeting the \$56 Billion spend in direct mail. To marketers, perhaps the top value proposition of direct mail is that it is the last remaining unsolicited channel and we will enable that feature in email.
- Email efficiencies merged with best of the traditional marketing practices and demographic data to result in the lowest cost delivery and targeting: no printing, no postage, no permission, etc.
- Local merchants to national marketers have immediate targeted deliveries with no lead time and across all email channels – via a self-service email campaign creation and targeting system.
- Local merchants can create and have their offers delivered instantly using the intuitive email targeting methods, instead of weeks or months in a direct mail campaign.
- Compelling new revenue for the ESPs and ISPs: \$1 to \$10 p/mo. from about 5% of their users.
- A ground floor email innovations and business model pioneering opportunity.

What the Adwords Revenue Model is to Search, Opt-in Mailbox is to Email.

Mock Ups and Views Examples of our Choice Marketing - Opt-in Mailboxes

The screenshot displays an AOL Mail interface with a custom 'Valpak' mailbox. The mailbox contains several promotional banners for various services and products, including lawn care, fast food, Chinese food, flowers, shoes, and car services. The interface also shows standard email navigation elements like search, delete, and mark as unread.

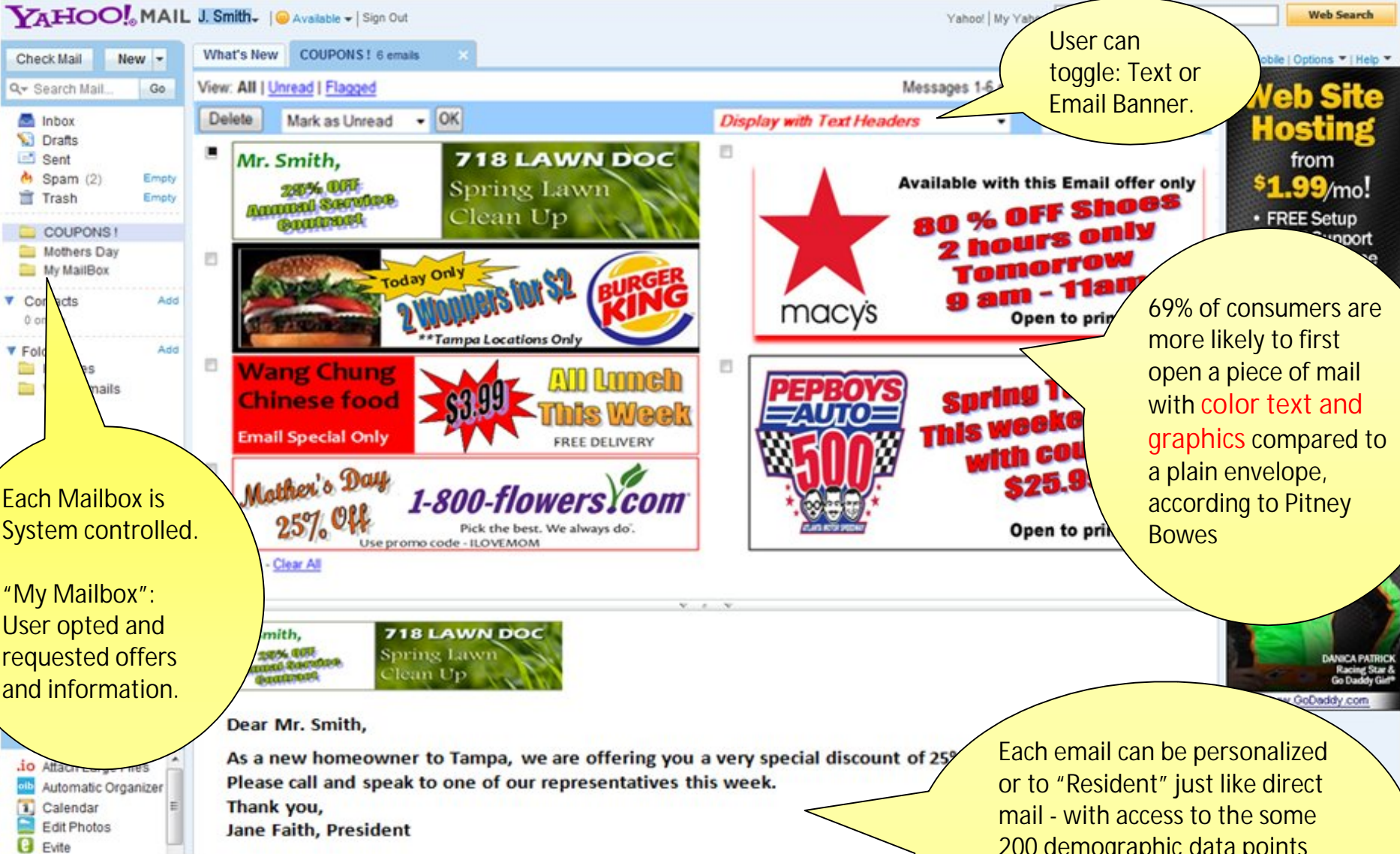
A Coupons (or a "Valpak") Mailbox: Perfectly complements the monthly direct mailers – in e-mail.

Consumer: Best of targeting and the convenience of emails organized in separate non-intrusive mailbox.

Distribution: Installed by ISPs or directly by consumers via plugins at affiliate merchant and partner web sites.

The separate Opt-in Mailbox has intrinsic benefits as well – as the emails are conveniently sorted and available instead of being mixed into their personal in-box.

Our unique and novel: "Email Banner" Subject Line vs. Text Subject Line. Similar in purpose to the direct mail creatives: Different, fun, useful and effective for both consumer and marketer - conveys information quicker and easier and a more compelling call to action.



User can toggle: Text or Email Banner.

69% of consumers are more likely to first open a piece of mail with color text and graphics compared to a plain envelope, according to Pitney Bowes

Each email can be personalized or to "Resident" just like direct mail - with access to the some 200 demographic data points being tracked per USA household, and with total transparency.

Each Mailbox is System controlled.

"My Mailbox": User opted and requested offers and information.



label:coupons

Search Mail

Search the Web

Show search options
Create a filter

Compose Mail

Inbox (35)

Buzz

Starred

Sent Mail

Drafts (5)

COUPONS !

Mothers Day

My MailBox

Link E-mail

OtherInbox (12)

more

Contacts

...

"Mother's Day" Mailbox:
The system will auto-install a few weeks prior to and then auto-remove after the holiday.

Psychics - Free to Start - LivePerson.com/Psychic - Chat Live with a Psychic - Updated

Remove label "Coupons" Report spam Delete Move to ▾ Labels

View: All | Unread | Flagged

Delete Mark as Unread OK Display with Text Headers Order... OK

Mr. Smith, 25% OFF Annual Service Guarantee 718 LAWN DOC Spring Lawn Clean Up

Today Only 2 Winners for \$2 BURGER KING ** Tampa Locations Only

Wang Chung Chinese food \$3.99 All Lunch This Week FREE DELIVERY Email Special Only

Mother's Day 25% Off 1-800-flowers.com Pick the best. We always do. Use promo code - ILOVEMOM

Available with this Email offer only 80% OFF Shoes 2 hours only Tomorrow 9 am - 11am macys Open to print coupon

PEPBOYS AUTO 500 Spring Tune up This weekend only with coupon \$25.99 Open to print coupon

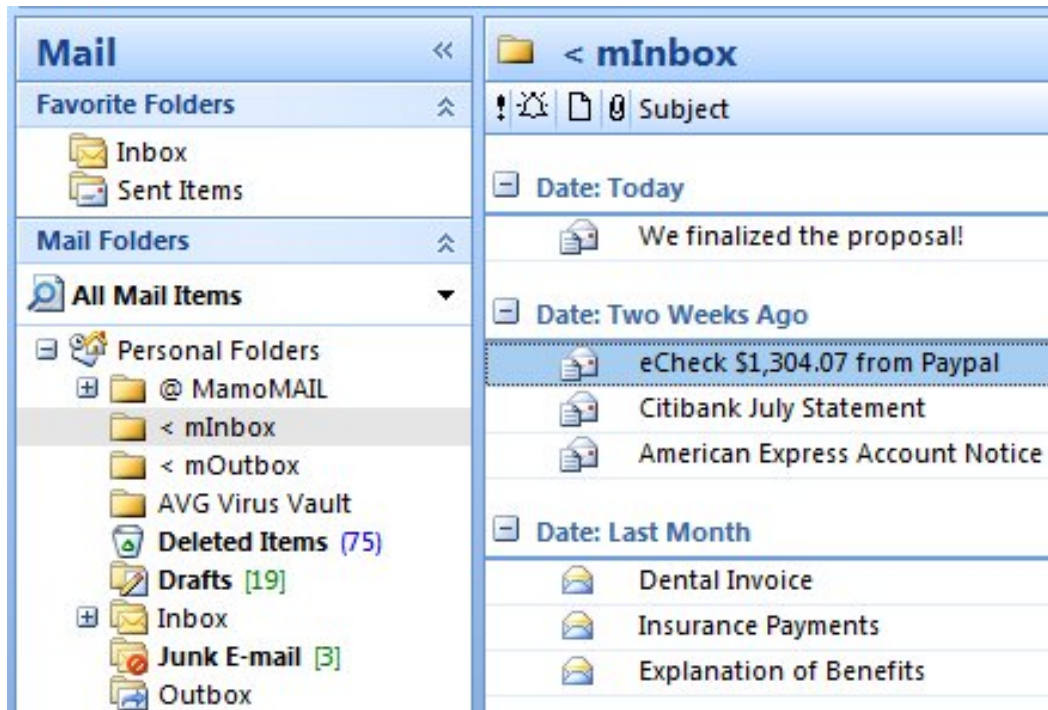
Select: All, None, Read, Unread

Remove label "Valpak" Report

The System can automatically delete or replace this offer after the "11 AM"...

Users can download the plugin and install on any email or browser application - including wireless devices. Additionally, our system will provide free email encryption and authentication service for individuals for their own emails - to send and receive personal emails in and out of the Mamomail mailboxes.

Or: The user can elect to have, only a two folder system/view: Just the two mInbox and mOutbox - where all Mamomail authenticated emails are delivered to the m-Inbox:



(The above example shows the Mamomail service being used for delivery of encrypted and authenticated emails. Our users can use our encryption and authentication services for free.)

OPT-IN MAILBOX Key Points

- Consumers: They will get offers automatically and conveniently sorted; separated from their personal emails; plus there will be new and novel useful functions for email; they have the choice to engage; and the system has the burden to continuously deliver beneficial and relevant offers to keep them coming. No need to bother with permission*, opt-in, double opt-in, etc., they decide only if: The contents of the Opt-in Mailbox serve them.

(*Permission marketing is 10 years old, whereas the unsolicited target marketing is 150 years old in USA, and in Europe the first catalogs were printed by the Gutenberg Press in 1450 and perhaps delivered unsolicited and targeted to the houses of the nobles. Giving and remembering permission for marketing offers maybe as nearly burdensome to consumers as they are to marketers. **E.g., a Mother's Day offer auto deletes at the dead date.)

- Marketers: Asking permission before a targeted pitch is, well - almost un-American. We will enable marketers to focus on the marketing campaign itself, without the task and chore of permission and address acquisition. Also the permission degrades over time and address churn is up to 30% a year; and after all the work, filters still may block upto 20% of optin emails).
- Email Service Providers: The Opt-in Mailbox System can help monetize perhaps the greatest online asset - access to the email inbox; the email address data and profile associated to them – even as their members will derive new benefits and deepen their reliance on the email service.

How Opt-In Mailbox Will Work

1. The Mailbox(s) are installed by the Email SPs: Also users can self-install the plugins located at the System's merchants and marketer web sites, etc. – a form of affiliate partnering. We estimate about 5% of emails users will open the mailbox at least once a month and this will generate \$1 to \$10 per month.
2. Marketing offers are delivered: (Three main categories)
 - Personalized, database direct marketing.
 - Community or "Valpak" Mailbox.
 - MyMailBox or User Defined: Users can request or indicate desired offers or information.
3. The User does nothing: Only the choice to click on the mailbox(s), or not.
 - If they like the contents and service, they will come again - and thus the burden is on the System and its marketers to be accurate in the targeting and to bring the best offerings.
 - A rational, transparent delivery of beneficial and relevant offers and information.
 - Better deals and information, better targeted and personalized.
 - Convenience of Separate Mailbox: Automatically sorted; updated; a man-Friday like service.

We believe that most users will see that the services and the system are beneficial, functional and fair and that if the ads are in the opt-in mailboxes (i.e. automatically installed), that they will interact with them – some more than others. The Opt-in Mailbox is a nicer consumer centric engagement model that gives the consumer the power over the channel plus places a burden on the system to be continuously relevant.

User Examples

A merchant (Macy's, Zappos, or a local) at our web interface creates a campaign: A "Super 80% off, Tomorrow, 9AM to 11 AM, Ladies Shoe Dept." sale offering; Selects target demographics and sends; The system delivers the email to the opt-in mailboxes of the targeted accounts of the ISPs and ESPs in the distribution network.



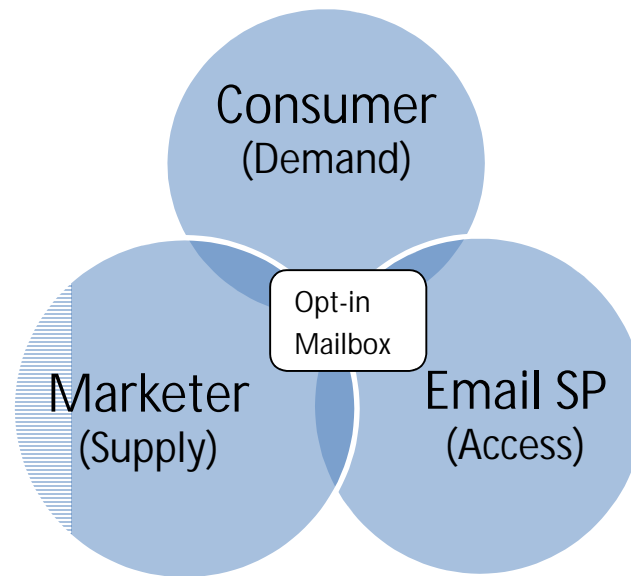
A marketer can create and send a targeted email offer instantly to a pre-installed base of mailboxes. 100% delivery.

And (as a further example) it can be delivered through Location Based Local Marketing strategies – where phones of select “females” within select radius are targeted.

A concert promoter is faced with unexpected low ticket sales for a coming weekend event. She goes to the web site; searches the database for appropriate demographic values; plus optionally maps to third party demographic lists (related to music - such as magazine subscriber lists, etc.); she filters by the local geographic values and sends a last minute offer.

The merchant can do the entire process – designing to sending the offer - in few hours. There will be many other new and unique uses, functions and services – for both the end user and for the marketer – that will come up as the system gets used.

Mamomail unifies the respective interests of the three parties in a new space, each contributing and sharing their unique privileges.



The Opt-in Mailbox is perhaps the most direct channel and cost effective solution - for a direct marketing communication and direct consumer needs fulfillment – and where all the above three interests overlap.

“The Internet has put another print medium in its crosshairs: direct mail. The popularity of e-mail marketing is set to skyrocket as a result. This report details our forecast for a dramatic 39% drop in direct mail and corresponding rise in e-mail advertising (...total spend for email may grow from \$11.9 billion in 2008 to \$27.8 billion by 2013...). E-mail, in fact, quietly became the No. 1 interactive advertising format last year, surpassing banners and search advertising.”

More Benefits...

Email Service Providers - Balances the Spam cost and many members will welcome the service.

- New major revenue source and nearly all profit, recurring and a found money model; monetizing the email access and profile data.
- Projection: If placed on a 50 million email member system (USA and Canada); assuming that 5% are Opt-in Mailbox users (2.5 million); and if each clicks through only one email a month, at a rate of \$3 each, the projected revenue is \$7.5 million per month.
- Perhaps the most revenue per square inch and ROI of any web page display real estate.

Marketers - No more of the chore and tasks associated with the permission and email address acquisition; nearly every email is accessible, instantly from the original source.

- “Whatever you do with your email marketing, it all starts by (finding and) persuading people to submit their email address.” (Feb 2010, Email Marketing Reports) - No longer.
- Simple, guaranteed access and delivery. Marketers can focus on targeting and offerings.

Sans-Permission – We believe that the decade old email-permission practices primarily arose from: 1) the fact that email is open and uses public protocols; 2) the unique nature of the “personal inbox” is more personal and intimate than the prior personal communication channels of phone and mail and thus required new protections. Permission is the weakest link in email marketing - No longer.

Further, perhaps “any” large open system (email) should have a private, premium access, differentiated controlled access system and service - to benefit the senders and the recipients. Senders especially want differentiated services: We see this in the special handling delivery and services in postal mail (including the FedEx – a separate channel entirely) ---- this differentiated service supports a fee based valued added email service concept.

A Major Target is the Spend in Direct Mail

“Commercial e-mail returned a whopping \$43.62 for every dollar spent on it in 2009..the second highest marketing ROI came from Internet search advertising...\$21.85 for every dollar spent on it in 2009...Meanwhile, non-catalog direct mail returned \$15.22 for every dollar spent in 2009 while catalogs returned \$7.32, according to the study....Direct mail and catalog remain significant contributors to the US economy, accounting for over \$56 billion of advertising spending (postage, printing, design, etc.) last year (2008) and (direct mail) sales of more than \$547 billion...” (\$56 B/ 110 mil. US households = \$500.)

The top value of direct mail to marketers is that it is non-permission. Now that this is possible in email, Mamomail can singularly go after this \$56 Billion. Mamomail will merge the targeting and non-permission properties of direct mail with the efficiencies of the email. There are high costs and inefficiencies (e.g. some email comes long after permission) locked up in the permission email structure. The digital email has other inherent advantages over postal mail that will help us to directly compete with it: greener; conveniences of handling, etc.

(DMA.org.) “In 2007, direct marketing accounted for 10.2 percent of total US GDP.” “...2009 will mark the fifth year in which direct marketing has captured more than half of all advertising spend nationwide....In 2010, total direct marketing ad spending is expected to increase 2.7 percent, yielding \$153.3 billion overall.”

We believe our Opt-in Mailbox and Code Set system can singularly target and substantially help transition the marketers from direct mail to email and can become the premier direct marketing channel (and brand) online or offline. It is a solution for the digital age.

The Revenue Categories

- Basic Fees: Access and guaranteed delivery; click through and conversion.
- Optional (but highly profitable): The ESPs and ISPs can provide email address data/lists that the marketers can map to their own demographic data (we will provide aliases). This means that the marketers are free from the tasks (chore?) to acquire and maintain permission and the email addresses - and it is from the most accurate and originating source.
- Users Requests: Users will request offerings, services and information (E.g. Las Vegas Vacation, organic dog foods). These will be accessible to marketers.
- Opportunistic marketing offers: The System will have God's eye view of the user responses to the offerings, purchases, request for information, and other interaction and activities through the mailboxes. It can use this data and suggest and help create offerings for its marketers.

Mamomail is an email distribution business model; essentially no cost of customer acquisition and marginal cost of operation.

We believe that the Opt-in Mailbox System can generate some \$1 billion by Y5 to Y7 – based on having installed base of 50%+ of email users in USA and Canada. We will get this from: 1) A share of the current email marketing spend (\$1.1 B, 2010); 2) The \$56 B direct mail and catalog spend; and pioneering a world first system for local merchants to create the offer, select targets (geographic filtered by additional demographics from the multiple third party databases) and deliver within hours.

The Mamomail Code Set Sample

- Our technology innovation is a XML specification that describes the email (e.g. meta-data envelope, packet, attachments) resulting in positive differentiation from a general email and special handling actions and functions upon delivery. We emulate the Postal mail and service classifications and functions - Special Handling and Delivery services and varying fee structure – in email. This is a basic example:

```
<VPeXML>  
<Sender>CompanyXYZ</Sender><DateSent>12/15/02</DateSent>  
<SenderId><SIC>7144</SIC><NAICS>714426</NAICS>  
<DB>01-22345678</DB></SenderId>  
<Category>01345</Category><!-- Denotes Gifts  
<DateActive>12/15/02</DateActive>  
<DateEnd>12/22/02</DateEnd>  
<SenderURL>GiftsRus.com</SenderUrl>  
<SenderEmail>sales@xmasgiftsrus.com</SenderEmail>  
<SenderContact><Name>Faith Q Public</Name>  
<Address>1 Love Lane</Address><City>Hopetown</City>  
<State>WA</State><Zip>12345</Zip></SenderContact>  
<AuthenticationKey>AJDSF02IJLKF023484821FJC8J3  
SOD82JDF32958F2=32FHJKEF</AuthenticationKey>  
</VPeXML> © VPeMail
```

- Mamomail Code Set technology will tag and indentify each email by: sender; recipient; SIC code; purpose or category (e.g. Easter); frequency; etc. The code set technology could provide for nearly any function or purpose that a marketer could think of for a campaign: testing, segmenting, tracking, etc. – from a single individual granular target or characteristic to broad spectrums or categories of the masses. This technology is an unprecedented solution set when used together with the concept of a “private” email delivery system. It will far surpass what has been available in direct mail and currently in email to “slice and dice” marketing campaigns.)

By creating the Opt-in Mailbox System and the Code Set for new email functionalities; targeting the huge bounty held up in permission email; offering an alternative to the direct mail; and having our business based on the low cost email distribution service model – Mamomail offers an opportunity to both expand the current art and a significant business venture.

Thank you.

Contact:

Michael Chung, Founder

Mamomail Inc.

mc@vpemail.com,

T 917-680-6870

www.linkedin.com/in/chungx

US Patent Pending Num. 20020188689

China Patent Granted Num. 02806973.0

Plus additional patents pending.

Alex Pelaez, CTO

- Sr. Director Applications & Enterprise Architecture
- Adjunct Professor at Hofstra University
- PhD candidate

www.linkedin.com/pub/alex-pelaez/7/2b8/590

www.alexpelaez.com/

~~~~~

| ESP "A"               |                      | 2,000,000 Free Email Members |                |                  | Monthly |
|-----------------------|----------------------|------------------------------|----------------|------------------|---------|
|                       | A                    | B                            | C              | D                |         |
|                       |                      | <u>Access</u>                | <u>Address</u> | <u>Profiling</u> |         |
| <u>Delivery Rev.:</u> | Total Emails         | \$0.05                       | \$0.10         | \$0.15           |         |
| 25%                   | 500,000              | \$ 25,000                    | \$ 50,000      | \$ 75,000        | E       |
| 50%                   | 1,000,000            | \$ 50,000                    | \$ 100,000     | \$ 150,000       | F       |
| 100%                  | 2,000,000            | \$ 100,000                   | \$ 200,000     | \$ 300,000       | G       |
| 200%                  | 4,000,000            | \$ 200,000                   | \$ 400,000     | \$ 600,000       | H       |
| 500%                  | 10,000,000           | <u>\$ 500,000</u>            | \$ 1,000,000   | \$ 1,500,000     | I       |
|                       | J                    |                              |                |                  |         |
| <u>Click Revenue:</u> | <u>3 Click/Month</u> | K                            | L              | M                |         |
| <u>Users %</u>        | Total Clicks         | \$1                          | \$3            | \$5              |         |
| 1%                    | 300,000              | <u>\$ 300,000</u>            | \$ 900,000     | \$ 1,500,000     | N       |
| 2%                    | 600,000              | <u>\$ 600,000</u>            | \$ 1,800,000   | \$ 3,000,000     | O       |
| 5%                    | 1,500,000            | \$ 1,500,000                 | \$ 4,500,000   | \$ 7,500,000     | P       |

A: The percentage range of 25% to 500% represent the total emails for the month. 500% means that only an average of 5 Mamomail emails per month are delivered to each member – some may get none, others 10, this is relatively low. (“The average USA household receives 10 to 20 pieces of junk mail...every day.”)

B: 5 cents is the access fee, where the marketer has the emails addresses and knows exactly who they are targeting. 5 cents is comparable to the email list rental and send rates.

J: A range showing that 1% of users clicked 3 emails (out of the ave of 10 delivered). This is on the high side of open rates for opt-in email marketing. But, we will be using the best targeting methodologies and it is based on 1% of the users.

We can gross \$500,000 per month, plus some of the above click through fees - in a typical month. We believe that Mamomail portion will be in the range of 20% to 50%. In the advertising industry, 20% is the agency fee and we do much more than that here.

## ESP "B"

50,000,000 Total Email Members; 6 mil are ISP Subscribers.

| A                                       | B                           | C                       | D                        | E                          |
|-----------------------------------------|-----------------------------|-------------------------|--------------------------|----------------------------|
| <u>Delivery Rev.:</u><br>10% of Members | Total Emails<br>per Month   | <u>Access</u><br>\$0.05 | <u>Address</u><br>\$0.10 | <u>Profiling</u><br>\$0.25 |
| 1                                       | 50,000,000                  | \$ 2,500,000            | \$ 5,000,000             | \$ 12,500,000              |
| 2                                       | 100,000,000                 | \$ 5,000,000            | \$ 10,000,000            | \$ 25,000,000              |
| 5                                       | 250,000,000                 | <u>\$ 12,500,000</u>    | <u>\$ 25,000,000</u>     | \$ 62,500,000              |
| 10                                      | 500,000,000                 | <u>\$ 25,000,000</u>    | <u>\$ 50,000,000</u>     | \$ 125,000,000             |
| F                                       | G                           | H                       | I                        | J                          |
| <u>Click Revenue:</u><br>Click %        | 500 mil Emails<br>per Month | \$1.00                  | \$3                      | \$5                        |
| 0.5%                                    | 2,500,000                   | \$ 2,500,000            | <u>\$ 7,500,000</u>      | <u>\$ 12,500,000</u>       |
| 1%                                      | 5,000,000                   | \$ 5,000,000            | <u>\$ 15,000,000</u>     | <u>\$ 25,000,000</u>       |
| 2%                                      | 10,000,000                  | \$ 10,000,000           | \$ 30,000,000            | \$ 50,000,000              |
| 5%                                      | 25,000,000                  | \$ 25,000,000           | \$ 75,000,000            | \$ 125,000,000             |

ESP B has the postal addresses of their current and perhaps prior ISP subscribers and of course the email addresses of the subscriber. The traditional direct marketers have the postal address and the demographic value associated to the postal address and name, but not the email address\*. ESP B can provide mapping of these two databases to yield an email address of the exact demographic profile. Some 200 data points are tracked per average USA household by the traditional direct marketers. Plus by adding the ESP's own online data from tracking, this could result in the greatest and most accurate data.

Using a conservative estimate, we are showing on lines G and O, that perhaps a gross of \$12,500,000 can be generated in a typical month from one "Discount" Mailbox and not including the other Mailboxes.

| Community/<br>Local Mailbox | 125,000,000              | Households in USA and Canada (13.5 mil) |                      |                | Monthly          |
|-----------------------------|--------------------------|-----------------------------------------|----------------------|----------------|------------------|
| <u>Delivery Rev.</u>        |                          |                                         |                      |                |                  |
| Yearly Growth               | Household Penetration    | Coupon/Offer 15* p/Month                | Access \$0.05        | Access \$0.10  | Profiling \$0.25 |
| 5%                          | 6,250,000                | 93,750,000                              | \$ 4,687,500         | \$ 9,375,000   | \$ 23,437,500    |
| 10%                         | 12,500,000               | 187,500,000                             | \$ 9,375,000         | \$ 18,750,000  | \$ 46,875,000    |
| 20%                         | 25,000,000               | 375,000,000                             | \$ 18,750,000        | \$ 37,500,000  | \$ 93,750,000    |
| 40%                         | 50,000,000               | 750,000,000                             | <u>\$ 37,500,000</u> | \$ 75,000,000  | \$ 187,500,000   |
| 60%                         | 75,000,000               | 1,125,000,000                           | \$ 56,250,000        | \$ 112,500,000 | \$ 281,250,000   |
|                             | 50,000,000               | Households                              |                      |                |                  |
|                             | 750,000,000              | If 15* Offers/Coupons p/Month           |                      |                |                  |
| <u>Click Rev.</u>           | <u>If 1 Click/Month</u>  |                                         |                      |                |                  |
| Click %                     | Total Clicks             | \$0.05                                  | \$1                  | \$3            | \$5              |
| 1%                          | 7,500,000                | \$ 375,000                              | \$ 7,500,000         | \$ 22,500,000  | \$ 37,500,000    |
| 5%                          | 37,500,000               | \$ 1,875,000                            | \$ 37,500,000        | \$ 112,500,000 | \$ 187,500,000   |
| 10%                         | 75,000,000               | \$ 3,750,000                            | \$ 75,000,000        | \$ 225,000,000 | \$ 375,000,000   |
|                             | <u>If 3 Clicks/Month</u> |                                         |                      |                |                  |
| Click %                     | Total Clicks             | \$0.05                                  | \$1                  | \$3            | \$5              |
| 3%                          | 22,500,000               | \$ 1,125,000                            | <u>\$ 22,500,000</u> | \$ 67,500,000  | \$ 112,500,000   |
| 15%                         | 112,500,000              | \$ 5,625,000                            | \$112,500,000        | \$ 337,500,000 | \$ 562,500,000   |
| 30%                         | 225,000,000              | \$ 11,250,000                           | \$225,000,000        | \$ 675,000,000 | \$1,125,000,000  |

Above \$37.5 mil is the gross revenue from the delivery at “5 cents each” (\$50/CPM) - many will be charged less, but many merchants will buy/rent additional demographic data. (\*The community mailers generally contain - 25 to 45 offers in the envelope – so our 15 here is a conservative figure.)

Or, assuming a target distribution to about 50 mil homes (40% of the North American households); say in Year 5; with 15 offers/coupons delivered p/month (or 750 mil); and 1% clicked through (7.5 mil); and at \$3 per click through; the projected revenue is \$22.5 mil – solely from the click throughs. (The \$3 is similar to a mailer response 0.5% to 1%, at \$50 CPM or about \$5 to \$10 per response.) These revenues to be shared will the Email/Internet Service Providers; other database services (e.g. InfoUSA, etc.)