



[Press Release]

January 14, 2014

CardFlex Japan Inc.
CardFlex Inc.
TAY TWO Ltd.
i2c Inc.
Kyodo-Printing Co., Ltd.
APLUS Co., Ltd.
Shinsei Bank, Limited

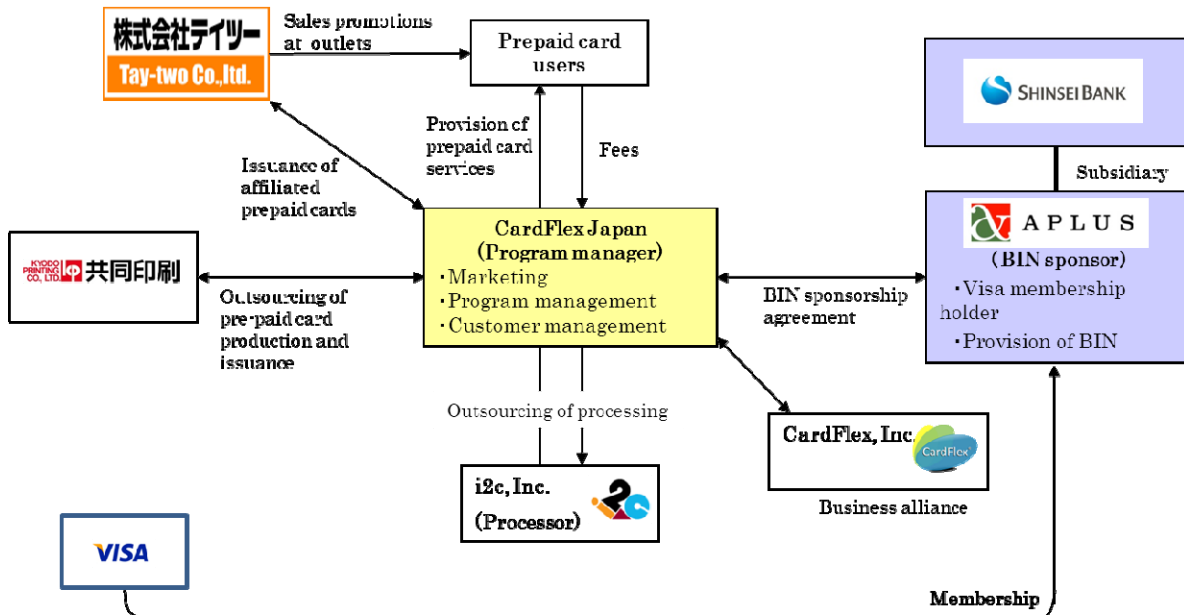
**The First“BIN Sponsorship-Program Manager Model Prepaid Credit Card”
in Japan, the “TAY TWO Card” Prepaid Visa to be Launched!!**

CardFlex Japan Inc. (Headquarters: Shibuya Ward, Tokyo; President: Kaoru Arai; hereafter “CFJ”) is pleased to announce that CFJ will begin issuing the “TAY TWO Card” Visa Prepaid, the first global standard prepaid card offered in Japan under the “Bank Identification Number (Hereafter “BIN”) Sponsorship-Program Manager Model” (Hereafter “the business model”).

The establishment of the business model was made possible through the support received from business partners CardFlex Inc. (Headquarters: Costa Mesa, California; Founder & CEO Andrew M. Phillips; hereafter “CFI”), in the form of global standard prepaid card program expertise and assistance in building the business model, and Shinsei Bank, Limited, (Headquarters: Chuo-ku, Nihonbashi Muromachi, Tokyo; President & CEO: Shigeki Toma; hereafter “Shinsei Bank”) in the form of support of the provision of BIN sponsorship through its subsidiary APLUS Inc. (Headquarters: Chuo-ku, Osaka City, Osaka Prefecture; Representative Director and President: Satoshi Noguchi; hereafter “APLUS”), which is engaged in businesses such as the credit card business. Additionally, a strategic alliance has been entered into in November 2013 with the Visa Certified Processor i2c Inc. (Headquarters: Redwood City California; Founder & CEO Amir Wain; Hereafter “i2c”) to adopt i2c as a processor for prepaid card

payment processing, and the flexible issuance of prepaid cards has been made possible through the establishment of a system with a dedicated communication line with i2c, which was created in collaboration with Kyodo Printing Co., Ltd. (Headquarters: Bunkyo-ku, Koishikawa, Tokyo; President: Yasuaki Fujimori; hereafter “Kyodo”).

Outline of the “BIN Sponsorship-Program Manager Model.”



*Registration number for pre-paid third-party issuer is Kanto Local Finance Bureau No. 00661.
 *Deposits to be made to the Legal Affairs Bureau in accordance with the Act on Settlement of Funds.

This business model focuses on the issuance of internationally branded prepaid cards, a market which is growing mainly in U.S.A and Europe, and is a functional business model that is employed the world over that utilizes the functional diversity of prepaid cards to make the issuance of prepaid cards in line with the purposes of finely tuned programs possible. CFJ has received the understanding of Shinsei Bank regarding the future potential of the prepaid card market and this business model, and through the cooperation of the Bank has received BIN sponsorship through APLUS, a subsidiary of the Shinsei Bank Group. This partnership will allow CFJ to utilize Visa Worldwide Japan (Headquarters: Chiyoda-ku, Tokyo; Representative Director: Kazuhiko Okamoto), which is actively engaged in the issuance of prepaid cards in the Asia market, as its international card network.

This TAY TWO Card is the first step of achievement in which the TAY TWO Corporation (Headquarters: Okayama-City, Okayama Prefecture; Representative

Director: Hisashi Hori; hereafter “TAY TWO”), the parent company of CFJ, has over a period of two years utilized synergy in its existing retail business to seek new business that has the potential to grow independently.

In Japan cash is still relatively dominant as a method of payment. However, at the same time, due to online shopping, the expansion of the download market and an increase in the needs for the convenience of cashless payment methods, the convenience of international brand credit cards is increasing. However, despite the ratio of settlement by credit card growing year on year, credit cards only account for approximately 20% of payments made.

A possible reason for this situation is the dominance of international brand credit cards in Japan and the relatively delayed roll out of prepaid cards (compared to the rest of the world) which should match the preferences of Japanese consumers well.

The TAY TWO Card can be used at Visa merchant stores the world over (with the exception of certain outlets depending upon the settlement system they utilize) as a payment method in the same manner as a credit card to the extent the customer has charged the card in advance.

TAY TWO Cards can be obtained free of charge in stores directly operated by TAY TWO. Customers can utilize their TAY TWO Cards after registering their information and activating their card through the members’ website, and the prepaid cards can be loaded in TAY TWO outlets or through bank transfers.

Through the members’ website, customers are able to confirm their usage history in real time, as well as temporarily suspend their cards when not in use.* Additionally, customers will be sent a notification e-mail to their registered email address the card is utilized.

As seen above, TAY TWO Cards are internationally branded prepaid cards that are able to provide customers convenience of prepaid cards and cash availability. In addition, customers selling goods in TAY TWO outlets are able to opt to have their TAY TWO Cards charged in lieu of receiving cash.** Through this, TAY TWO is able to offer security to its customers, as well as bring the convenience of cashless operations to its store operations.

Going forward, CFJ plans to register as a funds transfer business in accordance with the Japan Payment Act , and with the support of the Shinsei Bank Group, make full use of CFI’s state of the art prepaid card program and MCP, i2c’s world class prepaid card processing system, to provide customers in Japan prepaid cards that offer highly

convenient services. CFJ will develop specific programs that satisfy the needs of Japanese customers, companies and public sectors with the support of the Shinsei Bank Group.

*Depending upon the merchant, there may be delays in the update of card usage history.

**This service will be offered starting in May 2014.

[TAY TWO Card design]



[TAY TWO Card Summary]

International Credit Card Brand	Visa
Card Name	TAY TWO Card Visa prepaid card
Commencement of Card Services	March 20, 2014 (Expected)
Maximum Loaded Amount	JPY 200,000
Loaded Method	In store charging at TAY TWO outlets, bank transfer
Card Expiration	Three years
Membership Fee	Free of charge (However, a reissuance fee will be charged in the event of loss, etc.)
Method of Card Delivery	Over the counter in TAY TWO outlets (reissued credit cards will be delivered through the mail)
Card Activation Process	In order to activate cards, customers must access the members' website and register their personal information. Customers will be able to load their cards at outlets when they first receive them. (Cards must be activated before use.)
Area of Utilization	Visa merchants in Japan and overseas (the credit card may be unusable in some merchant stores due to

	incompatibility of settlement procedures)
POS Payment Method	Single, lump sum payment
Notification E-mail	Customers must register their e-mail address in order to receive notification e-mails.
TAY TWO Point Card Function	The TAY TWO Card includes a point card membership function for all TAY TWO outlets including “FURUHON ICHIBA”. TAY TWO is planning to renew its point card system in mid of April, 2014.
Other Functions and Features	TAY TWO Card customers will be able to exchange points earned at TAY TWO outlets to charge their TAY TWO Cards. In addition, customers selling goods in TAY TWO outlets are able to opt to have their TAY TWO Cards charged in lieu of receiving cash (This function will be offered starting in May, 2014).

[About CardFlex Japan Inc. and CardFlex Inc.]

CardFlex Japan, Inc. was established in May 2012 as a wholly owned subsidiary of Tay Two Corporation, a Japanese public company which runs retail businesses in Japan, in order to bring prepaid products to Japanese consumers. It is the exclusive licensee in Japan of CardFlex Inc., a technology-based financial services company dedicated to providing consumers with innovative prepaid card solutions and merchant processing services.

For more information, <http://cardflexs.co.jp/> (Japanese)

CardFlex® is a technology-based financial services company dedicated to providing customers innovative merchant processing services and groundbreaking prepaid card solutions. CardFlex® has customized prepaid products that help businesses streamline the distribution of their payroll; allow college administrators to electronically deposit student disbursements; or fully automate the tip & tip-out process for businesses in the hospitality industry.

For more information, www.cardflexnow.com.

[About TAY TWO Ltd.]

Tay Two Ltd. was established in 1990, and our business concept is that we offer friendly and easy-to-go entertainment goods to our customers.

Our core business is retail shop operating (selling and buying). The major store name is “FURUHON ICHIBA” (古本市場) and we have 114 direct managing stores (as of December 2013). Our main merchandise is TV game related goods, books, DVDs, CDs. Also, we have also EC sites named Furuichi-Online and its sales are growing so rapidly. Corporate site : <http://www.tay2.co.jp/index.html>
EC site: <http://www.furu1online.net/Index>

[About i2c Inc.]

From its Silicon Valley headquarters, i2c provides the infrastructure financial institutions, corporations, brands and governments around the world need to launch and profitably manage payment and next-generation commerce products. i2c's global, cloud-based platform supports virtually any prepaid, debit or credit program in plastic, virtual or mobile form. Clients on six continents use the i2c platform to build profitable, differentiated payment products and services that meet unique customer needs.

For more information, www.i2cinc.com.

[About Kyodo-Printing Co., Ltd.]

Kyodo Printing Co., Ltd. was established in 1897. Based on our corporate philosophy "using our core printing business to contribute to society in the spheres of lifestyle, culture and information industries", we respond to customers' needs by our collective capabilities through integration of various sections.

The field of our business lasts for many divergences including publications, commercial printing, business forms (data printing), smart cards and RFID tags, living and industrial materials, production of digital contents for digital devices and network related service, etc.

We offer "new value" to the society by pursuing innovations in printing technologies and developing a diverse array of products and services.

For more information: <http://www.kyodoprinting.co.jp/>

[About Shinsei Bank, Limited and APLUS Co., Ltd.]

Shinsei Bank is a leading diversified Japanese financial institution providing a full range of financial products and services to both institutional and individual customers. The Bank has total assets of JPN 8.9 trillion (USD 90.9 billion) on a consolidated basis (as of September 2013) and a network of outlets throughout Japan. In its Second

Mid-Term Management Plan starting from fiscal year 2013, Shinsei Bank sets the basic strategy to implement a new retail banking model to grow our core customer base to 5 million in the individual business and to strengthen and utilize expertise to support the growth of companies, including industries and regions by working together with customers in the institutional business. By achieving these strategies, we will endeavor to establish a business base unique to our Bank and to further increase our profitability. Corporate website (English): <http://www.shinseibank.com/english/>

The APLUS Group is the major subsidiary group of the Shinsei Bank Group Companies that is engaged in consumer finance.

With APLUS Co., Ltd. as the central operating company, the APLUS Group is involved in the shopping credit, credit card, settlement, and loan core businesses, and seeks to establish its position within the industry as the company that offers the "highest quality" services. The APLUS Group aims to contribute to the social lives and dreams of customers and the creation of prosperity by providing high added value services as an interchange agent between customers, business partners and manufacturers.

Corporate Website (English): <http://www.aplusfinancial.co.jp/en/index.html>