

Check Imaging - the Way of the Future

Every year in North America, more than 44 billion checks are physically transported from one institution to another before being cleared by a bank. An industry-wide initiative exists to modernize the process by legalizing the use of digital images instead of paper checks. Check 21 legislation in America, and a similar law in Canada, will make this initiative a reality by the end of 2006. It is estimated that digitized checks and image exchange will save in the range of \$1 billion to \$2.1 billion in North America.



Checks need to be standardized so that imaging software can capture data and consistently produce high quality images from paper checks. Standards will specify items such as size, background colors, a mandatory serial number field, and the position of signature and date fields. Organizations will have to reformat their checks to comply with the new standards.

PIREL can help you successfully implement the electronification of paper checks with a robust electronic Check Printing Solution. With PIREL software you can capture data from any source, and generate high quality electronic checks that conform exactly to the new standards. The modular, versatile design of our software is compatible with already existing business applications.

Additional benefits of a digital imaging solution include immediate access to checks over a network, online presentation to customers, and the easy addition of logos or formatting changes as often as needed. Moreover, with the PIREL Check Printing Solution, you save money in tangible expenses like paper costs and storage resulting in a quick ROI.

Let PIREL demonstrate to you how you can benefit from digitizing your checks or other documents. Send us a sample datastream from any source - an ERP, a mainframe, or other business system. We will generate a check image that you will be able to view over the Internet shortly after from the convenience of your office.

At PIREL, we thrive on challenges. And we have never failed yet. Go ahead ... Put us to the test!

A handwritten signature in black ink, appearing to read 'Denis Pigeon'.

Denis Pigeon - Founder & President

Advantages of Digitizing Checks

The PIREL Check Printing Solution helps you to conform to the new check imaging legislation. As well, digital imaging brings you additional benefits.

Improved Customer Service

- Check images are presented to customers via online banking promptly after a debit is made.
- Check images are offered in a variety of formats to suit your customer's needs. For example, businesses might prefer a CD-Rom of check images.
- Faster replies to customer inquiries.
- Increased efficiency of the check approval and printing process.
- Improved corporate image through the use of advanced laser graphics.

Savings and Greater Efficiency

- Elimination of obsolete check stock and errors due to manual preparation of checks.
- Fast ROI with quick savings in paper and storage costs.
- Easy installation of software.
- Optimized PDF format results in small file sizes that don't slow down a network.
- Check reconciliation is easier and more efficient, with daily check reports distributed automatically to offices or branches as needed.

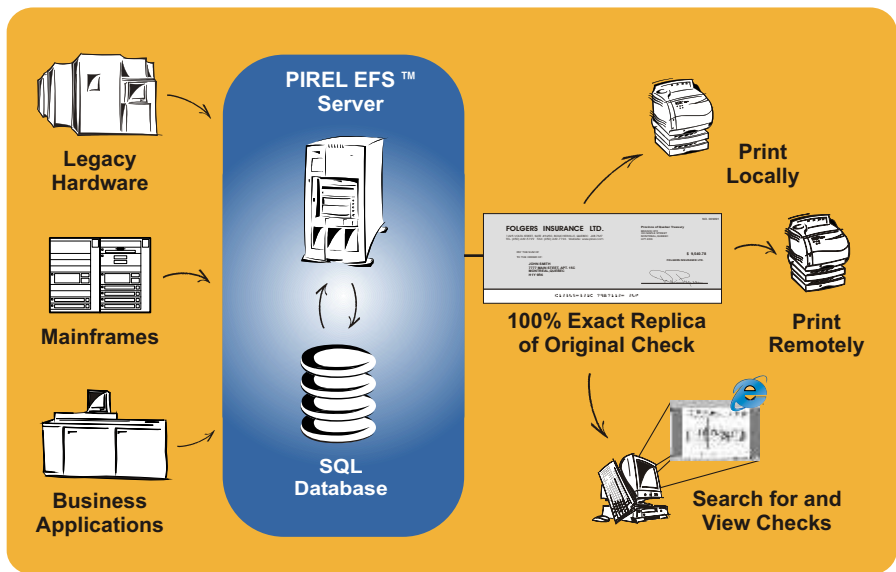
Increased Security of Data

- With PIREL software, security of data is insured with measures such as password encryption, user authentication, and session security.
- Check images offer an unprecedented opportunity to enhance fraud prevention by providing the foundation for sharing profiles and flagging suspicious activity.

PIREL Check Printing Solution

How Does it Work?

Check data from business applications or legacy hardware is captured, indexed, and archived in an industry standard SQL database. The PIREL Composition Module, installed on the PIREL EFS™ Server, generates a PDF image that is a **100% exact replica** of your company's check, with all logos and images exactly as specified. The PDF image is archived in the database. You can print, view, or search for checks with a user-friendly web-based tool from PIREL. Checks are viewed or printed locally or remotely - in another city, or even another country.



The electronic version of paper checks offers many advantages that our customers - who include several of the top banks in North America - already enjoy:

- A searchable archive of checks.
- Easy transmission over a network or the Internet.
- Quicker check reconciliation and so much more.

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PIREL welcomes and values your comments, suggestions, and questions. These may be submitted on our website at www.pirel.com/en/contactus.html. We look forward to hearing from you!

Word from a New Member of the Management Team

Sales and Marketing

Edward S. Zahurak - Executive Vice-President, US Sales
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As Executive Vice-President, US Sales for PIREL, I am responsible for managing, developing, and implementing sales and marketing strategies of the PIREL Product Suite in the United States. With more than 25 years of experience in sales related to establishing ATM banking networks, and in sales of computer related systems to the financial industry, I have a broad understanding of these sectors and their needs. I am excited about joining the PIREL team, and I believe that PIREL software is an excellent choice for companies who are looking for an economical, scalable check printing solution that will lead to compatibility with the new Check 21 legislation.

The Check Clearing for the 21st Century Act (Check 21)

Check 21 states that an electronic check image has the same legal status as the original check. This legislation will affect every financial institution and its customers in North America.

It is the most significant change in check processing methods in the last thirty years. Essentially, Check 21 is designed to improve the efficiency of the check processing system by decreasing processing times and transportation costs.

All financial institutions will be required to accept substitute checks (the electronic check image of a paper check) even if they choose not to change their internal check processing operations. The industry expects that eventually financial institutions will move to using only check images for processing.

The Check 21 Act will increase efficiency of check processing:

- Accelerate clearing cycles and increase available funds for investment.
- Reduce fraud.
- Eliminate the dependency on physical shipment of checks between financial institutions.

PIREL is positioned to help you implement a secure, cost-effective, and easily integrated electronic Check Printing Solution to modernize check printing processes and to adapt to the new legislation. Put us to the test!



Spotlight on a Customer's Success

Our financial customer is a global investment bank that provides brokerage investment banking, and asset management services to corporations, governments, and individuals around the world. With total assets of more than \$1 trillion they are one of the worlds leading investment and equity banks.

The Challenge

Before implementing the PIREL Check Printing Solution, our customer manually processed thousands of checks per day at its branches across North America. Processing each check, took anywhere from 15-30 minutes, while a customer waited at the counter. The bank wanted to automate the process, while continuing to print checks in-house.

The PIREL Solution

A centrally located PIREL EFS Server™ was installed to print and archive checks and reports.

Now, when a check is requested from a bank branch, the PIREL EFS Server™ intercepts data from existing legacy hardware, archives the check image, and directs the results to the appropriate printer at the requesting branch either locally, or in another city, province, or state.

A daily check report is sent to each local office. One of the more crucial challenges in implementing this system was to work within the existing IBM Global Solutions framework, and this was accomplished without the help of the mainframe manufacturer.

The Result

- Increased security and efficiency of the check approval and printing process.
- Daily check reports automatically generated.
- Seamless auditing process.
- Reduction of purchasing and inventory costs.
- Elimination of the errors due to obsolete check stock and the manual preparation of checks.
- Support for direct output to printers, fax machines, and email.
- Improved corporate image through the use of advanced laser graphics.



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