

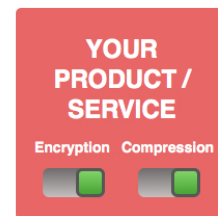
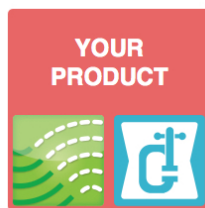
# Integrating Encryption & Data Compression Technology in your Product/Apps

## Integrating PCC's VPN technology into Partner Apps

### Introduction

Private Communications Corporation's (PCC) primary go to market strategy is focused on partnering with other technology companies including telecom operators, device OEMs, wifi service providers and anti virus companies amongst others.

PCC offers three different levels of partnerships:



#### Value Added Distribution

Partner with PCC to resell our Private WiFi and/or DataCompress products alongside your own.

#### Private Branding

Offer our technologies to your customers with your own branding. PCC can create white labeled, fully customized products in a matter of weeks, with partner-provided application icons, product name, logo, account information and various help files.

#### Technology Integration

Use our APIs to integrate our encryption and/or compression technology into your client apps and services. Differentiate your products with the added value of a more secure, optimized mobile experience.

This paper focuses on the Technology Integration option, which can include encryption and/or data compression. In the near future, we will be adding malware filtering. In addition, there is the potential for us to provide cloud-based processing of custom apps provided by our partners for services such as parental controls.

## The Encryption Opportunity



It is increasingly clear that encrypting data communications is becoming a must have service in a world of commoditized, open wifi. Whether seeking to protect against hackers and identity thieves or avoiding intrusive government surveillance, security experts ranging from the FTC to the European Union and other communication and security agencies, all recommend encryption.

Encryption is particularly important in public WiFi hotspots, such as coffee shops, parks, hotels and airports. All public WiFi is inherently insecure, since it uses simple radio waves. An ordinary laptop can easily be converted to a 'receiver' to intercept everything being sent or received in the hotspot.

PCC's Private WiFi product is one of the world's leading VPNs, focused exclusively on protecting WiFi communications. All Internet communication, whether from browsers or client apps, is encrypted between the user's mobile device and our cloud-based servers.

Our APIs allow you to build those same capabilities directly into your client application, providing your customers with a secure communication channel for all their Internet communications.

## App Design

We feel that encryption can add value to many different types of apps, but especially wifi connectivity utilities, connection managers and Internet security packages. Depending on your intended target audience, there are a variety of types of integration that are possible.

PCC can advise on product design, which could include:

**Manual on/off switch** – Users can request encryption whenever they are engaged in any sensitive communication.

**Intelligent activation** – Automatic encryption on unsecured WiFi, such as away from home/ office, but not for secured connections (secure WiFi, Ethernet, etc.). Your app could manage activation silently in the background, or allow users to control in settings.

# Private Communications Corporation

**User selectable virtual locations** – Allows user to select server locations around the world (generally to access blocked content).

**Always on** – Some applications, such as parental controls, require enforced utilization of VPN. Others, such as VOIP, require constant access even as network switches from wifi to carrier. PCC can assist in evaluating these advanced requirements.

## The Data Compression Opportunity



It is clear that mobile data usage is exploding and unlimited data plans are being eliminated. Most users (58%, according to Citrix) now frequently exceed their monthly quotas.

We feel there will be significant interest and demand for data compression. Presently, few consumers are aware that the technology exists – which is reminiscent of where VPNs were a few years ago.

But a marketing message along the lines of “Save up to 50% on your data plan for only \$1.99 per month” is clearly compelling.

**Note:** While accurate, this claim has to be carefully communicated. Savings achievable via data compression varies greatly depending on the type of data being downloaded and any prior optimization by the website. Text (including HTML) and images compress well. Video, because we only have access to a pocketful at a time, compresses very little.

Our 50% claim is based on benchmarks we do across a set of 10 different websites. Some compress very little (e.g., ESPN at 8.6% in a recent test) others much more (WSJ at 63.3%). We usually attach a phrase indicating that ‘your data savings may vary’.

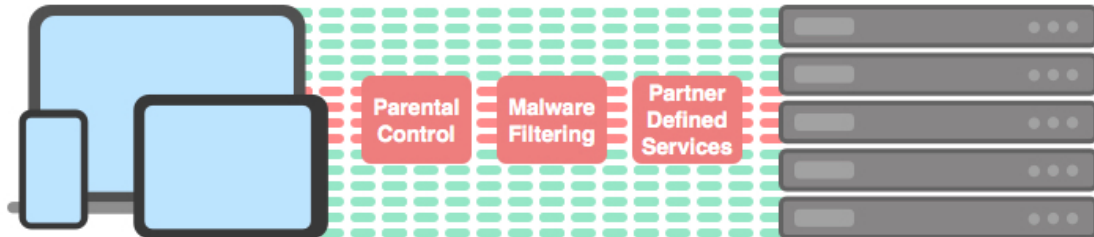
PCC’s compression technology covers all inbound data communications.

## App Design

Data compression can either be offered as a stand-alone service, or paired with encryption.

If offered together, we think that the optimum service would automatically compress mobile data connections and encrypt unsecured WiFi.

## Other Services



PCC will add filtering for malware sites as an additional service in the near future. Your version could either use PCC's list of blocked URLs or you could provide your own proprietary list.

We also have the ability to integrate services developed by partners into our server architecture. So a service that requires cloud-based processing, such as parental controls or URL / malware filtering, can be rolled out quickly and with modest investment on your part.

## Server Network(s)

Your apps will be supported by PCC's world-wide server network. Since our roots are grounded in privacy and security, we use dedicated servers, not shared providers such as Amazon. We can expand our network quickly if needed to accommodate your users, wherever they are in the world.

Alternatively, PCC can establish a dedicated server network, custom designed for your requirements and managed by PCC. Your servers can either be co-located with ours or could be in your own locations.

In either case, the network is built with geo-location optimization and multiple levels of rollover for extremely high availability and user service. Each server in the network is constantly monitored for performance and new user connections are automatically re-directed if needed. Additionally, the network itself can automatically activate reserve servers or create new virtual servers on the fly to handle unexpected spikes of usage.

## Onboarding

We have extensive experience in onboarding our partners and will work to get you up and operating as quickly as possible, the process includes:

**Technology integration** – Our technical team collaborates closely with each partner to develop customized solutions.

**Customer Service** – We provide templates for typical customer questions and conduct a series of train-the-trainer sessions so that partners can handle Tier 1 customer service inquiries. Our Tier 2 Customer Support personnel are always available to assist with any complex technical issues.

**Marketing** – We share our marketing collateral so that our partners have a starting point to create their own messaging.

## Commercials

Since every partner's needs might be different, the pricing for integrating PCC's encryption and/or data compression technologies is bespoke to really fit in with a partner's commercial model. This is to ensure that the services can be offered to a partner's existing or new customers in the most friction-free and non disruptive manner. We have business models ranging from revenue share, licensing fees, per device and per user licensing, etc. to deliver on this promise.

## In Summary

PCC believes in partnership and it is at the core of our business strategy. By integrating PCC's technologies into your offerings, you can support your product line with added value or create new bespoke products, which create new revenue streams.