

LOCAL HEROES

STORED VALUE, GIFT & VIP CARDS



Re-loadable Merchant Gift Card Available with Your Logo or Custom Designed with Your Artwork



Pre-Loaded Gift Card Valid at all Local Heroes Merchants & Are Available at Various Locations Throughout The Santa Clarita Valley

Recognized as one of North America's leading providers of in-store and real time electronic loyalty, stored value, VIP and gift card programs, Local Heroes offers a suite of value added applications that allow its merchants access to turn-key CRM (Customer Relationship Marketing) programs. Local Heroes has built an extensive range of products to manage your stored value and gift card requirements and can customize a variety of value added applications to fit any merchants marketing strategies. Small to mid-size merchants can now deploy the same tools and technologies that will level the playing field with their larger counterparts. These larger chains have already proven the many advantages of stored value and gift cards. The Local Heroes platform will keep your best customers more loyal and in the process, eliminate the high cost and administrative overhead of a paper-based system and direct marketing. Last year alone in the United States large chains exceeded over 400 billion in gift card related transactions and fully entrenched the idea of gift cards into the mindset of almost every consumer.

PUTTING THE POWER OF INTELLIGENT MARKETING ONTO A CARD AND INTO YOUR CUSTOMERS' HANDS

Merchant gift cards can be selected from an inventory of pre-designed cards which then are thermal imaged with your logo in two colors. Gift or VIP cards can also be manufactured in small quantities whereby merchants have the flexibility to custom design the entire card. A gift card acts as a year round billboard advertising your business. Through years of developing significant industry relationships, Local Heroes has the ability to offer these cards at a substantial savings to its merchants. Gift cards can have either a preset value or be loaded at the point of sale. For restaurants, Local Heroes can offer a portable, wireless terminal that can accept payment and issue a gift or VIP card simultaneously all performed tableside. Re-loadable gift cards have no value until the time of purchase and activation, with their value decreasing each time they are used, displaying a statement on the cardholder's receipt. Activation and redemptions are completed in seconds by simply swiping the gift or stored value card through the magnetic stripe reader on your countertop terminal, the same terminal that accepts credit and debit cards. Gift cards can also be activated using a toll-free call center.

Merchandise returns can be handled through the issuance of a gift card ensuring that the value spent will remain with the merchant. Preset gift cards can substitute as cash at Quick Service merchants who wish to dramatically speed up their transaction times. Your staff will no longer need to make change and customers need only reach in their wallet to hand over their VIP card for payment in under 4 seconds. Cards can be pre-valued in any denomination or swiped on your terminal and instantly loaded or reloaded.

Gift cards keep your customers more loyal and create additional opportunities to gain new customers, as cards are purchased for family and friends. Once the value of a gift card is redeemed, instead of discarding, the card instantly transforms into a VIP card that can be presented for future reward transactions. Through years of experience and successful implementations, Local Heroes can assist you in creating turn-key and cost effective promotions using loyalty, stored value, VIP and gift cards. Local Heroes gives you the flexibility to adjust your marketing throughout the year, as seasonal business cycles dictate. Each time you sell a gift card, you receive the money before giving any product or service away and any unused portion is considered breakage or is donated to your selected charity.

Local Heroes branded gift cards will be sold at strategic locations throughout the Santa Clarita Valley and will be valid at every participating Local Heroes' merchant. The value that is spent on Local Heroes' gift cards is cleared to the recipient merchant's account thru an automated clearing house (ACH) transaction, each business morning.

As with all Local Heroes gift card products, merchants can build participation and excitement for other marketing programs by adding interactive promotions that include:

- ◆ Instant Random Win Programs
- ◆ Daily, Weekly & Monthly Contests (the more a customer swipes his/her card the more chances to win)
- ◆ Instant Real-time Messaging to drive future behavior
- ◆ Instant Auditable Electronic Coupons, printed on the transaction receipt
- ◆ Real-time Point Accruals and Redemptions

INTERNET DRIVEN GIFT CARDS TO ADD INCREMENTAL REVENUE

Internet gift cards are available for purchase on your current website thru an interface created by Local Heroes that connects to the Local Heroes' platform. This interface also interacts with your personal webpage contained in the Local Heroes on-line Merchant Directory. Gift cards can be purchased on-line and instantly sent to whomever is to receive the card, either by mailing a physical card or by emailing a printable secure voucher (PSV). An email confirmation is sent to the person making the purchase and to the recipient.