

FRAUDSCIENCES RAISES \$11 MILLION IN PRIVATE EQUITY FUNDING TO RAMP UP ANTI-FRAUD TECHNOLOGY DEPLOYMENT

Palo Alto, Calif., Oct. 10, 2007 FraudSciences Corp., the leader in guaranteed online credit-card-not-present fraud detection and protection, today announced it has closed its Series B round of venture funding totaling \$11 million. Leading the investment round is Redpoint Ventures (Menlo Park, CA), with BRM Capital (Tel Aviv, Israel) continuing its funding support for FraudSciences, as well. This latest capital infusion will provide FraudSciences with the financial resources required for late stage development and rapid, ubiquitous deployment of its fraud analytics and transaction verification managed service that guarantees merchant revenue against fraud losses.

³We were attracted to FraudSciences because of its exceptional management team, robust technology platform, business model and strategic vision,² said Jeff Brody of Redpoint Ventures. ³With an aggressive go-to-market strategy already in motion, FraudSciences represents the type of technology company that will enable all levels of online merchants to confidently expand their markets and continue to grab retail market share.²

FraudSciences offers e-merchants managed fraud analytics technology with a full order value guarantee against all fraud-related charge backs. The technology has been thoroughly tested in over 150,000 online transactions with 99.99 percent performance accuracy, and less than 0.01 percent of transactions approved incur any fraud-related charge back fees. FraudSciences enables more online buyers to pay by credit card by verifying their identity faster and with more accuracy, thereby saving merchants from early customer abandonment and saving customers from the insult of invalid order rejection.

³FraudSciences represents an opportunity to expand both the markets served and payment options offered by online merchants,² said Eli Barkat of BRM Capital. ³Online merchants seeking to recognize new revenue streams through aggressive market expansion are now able to move confidently to provide customers with credible assurances that the Internet is a secure marketplace for shopping. FraudSciences is building a strategy that spells success for everyone involved, including merchants, payment processors and consumers, which is why we are so pleased to be an investor in the company. This technology has legs that can be built on for many security applications.²

³This new round of funding will enable us to leverage a new technology together with an existing ecosystem to rapidly enable our merchant customers to boldly enter new markets, without fear of fraud,² said Gadi Maier, CEO

and President of FraudSciences. ³Having top tier investors validates the significance of our vision.²

About FraudSciences

FraudSciences Corporation is the leader in guaranteed, online credit card-not-present fraud detection and protection, providing a 100 percent guarantee against fraud and charge backs for all online credit card payments, domestic and international. The FraudSciences philosophy is that online merchants need the same competitive playing field as brick and mortar retailers, including not being liable for credit card fraud. Online merchants significantly increase their business and enhance customer satisfaction with FraudSciences¹ hassle-free, consumer-friendly service. FraudSciences customers include leading names in e-commerce such as Ice.com, Diamond.com, NetShops, Adorama Camera and Goldspeed.com. Privately held, FraudSciences is venture-backed by BRM Capital and Redpoint Ventures. For more information visit www.fraudsciences.com.

About Redpoint Ventures

Redpoint Ventures focuses on partnering with and funding innovative companies that have the potential to define, lead, and change industries. Redpoint partners have many decades of experience and success in technology investing; combined with this foundation, the firm is able to leverage a thriving network of entrepreneurs, partners, and industry experts to accelerate building market-leading companies. Redpoint (www.redpoint.com) was founded in 1999 by partners from two of the top firms in the venture capital industry and currently has over \$2 billion under management. The firm is headquartered in Menlo Park, CA with offices in Los Angeles and Shanghai, China.

About BRM Capital

Founded in 2000, BRM Capital is an Israeli venture capital firm focusing on early stage, Israel related companies in the software, Internet, telecommunications & semiconductor sectors. The team is made up of seasoned and successful entrepreneurs with an unparalleled commitment to its portfolio. BRM¹'s approach is to combine its extensive investment, technological and entrepreneurial expertise to help build quality companies with disruptive technologies, capable of generating exceptional returns. With \$150M under management, BRM has developed a healthy portfolio of companies, several of which have enjoyed noteworthy exits, including Oplus (acquired by Intel Corporation), Passave (acquired by PMC-Sierra), Whale Communications (acquired by Microsoft) and ProSight (acquired by Primavera Systems). For more information visit www.brm.com.