



TruAge[®]

EMA Day on the Hill

MAY 17, 2024

TruAge At-A-Glance

Who is TruAge?

- TruAge is a groundbreaking digital identification solution that enhances current age-verification systems at all retail points of sale and protects user privacy. TruAge is a mission-driven, not-for-profit company developed by NACS and Conexus—for the industry, by the industry.

What Problems Does TruAge Solve?

- TruAge enhances the accuracy, speed, privacy, and flexibility of the traditional carding process, resolving the three biggest demands that consumers are asking of retailers: Give me a fast, frictionless experience, provide more last-mile delivery options beyond the storefront, and protect my privacy.

How Does TruAge Work?

- It works by using a mobile platform to verify age, which is what consumers say they prefer, as payments and commerce go digital. At the same time, it doesn't expose sensitive personal information. TruAge accesses only four lines of data out of dozens on a traditional driver's license to verify age and protect against identity theft: your driver's license number, issuing state, expiration date, and date of birth.

Where Will TruAge Be Accepted?

- Our goal is for TruAge to be universally accepted at all physical and online retailers nationwide where age-restricted products are sold.


Why Is NACS Leading This?

- NACS and Conexus, its standards-setting partner, are a natural fit to launch this program. Convenience stores sell **32%** of all age-restricted items in the United States, and nearly **40%** of all transactions in a convenience store include an age-restricted product.

Convenience Stores Process 54 Million Age-Restricted Transactions Every Day. Nearly 40% of Daily Transactions Include an Age-Restricted Item.

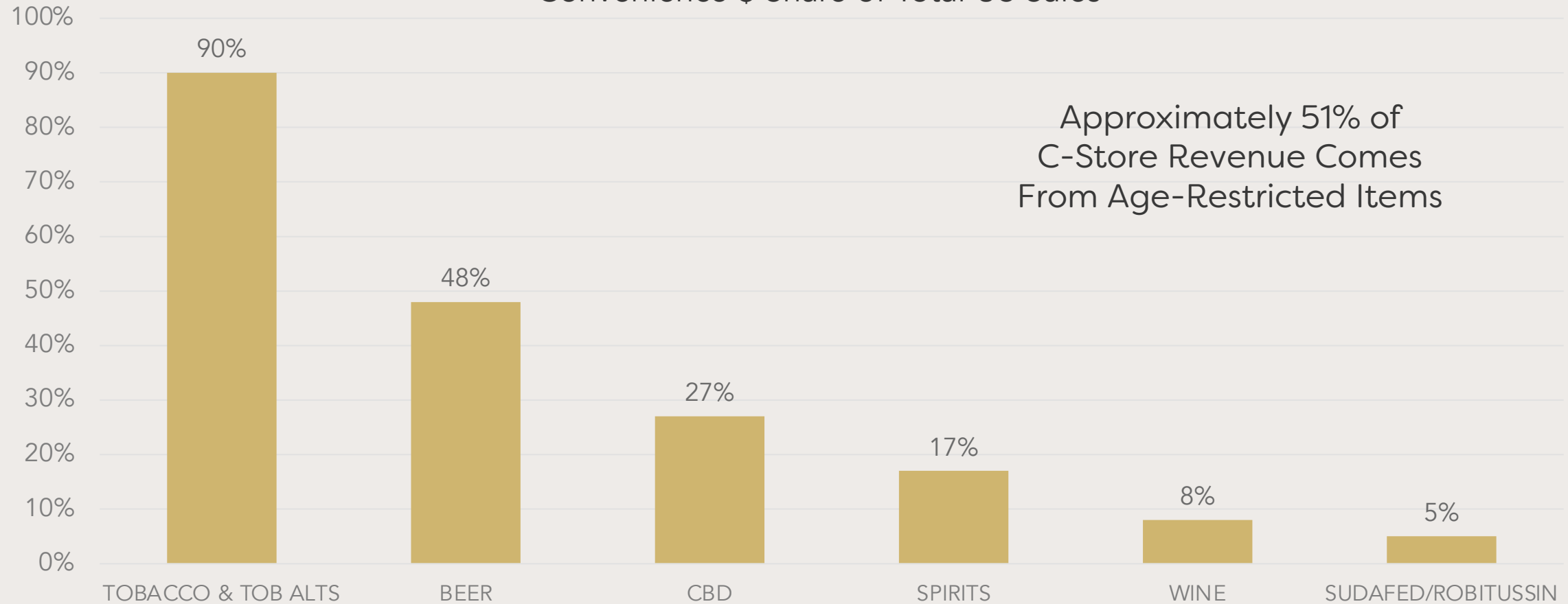


54 MILLION

 = 1 MILLION

C-Stores Are The Single Largest Channel For Both Tobacco And Beer Sales

Convenience \$ Share of Total US Sales



• Source: Nielsen AOD ((Latest 52 Weeks Ending 7/30/2022) – does NOT include Lottery Tickets)

• Markets: xAOC + Conv (Tobacco + Tobacco Alternatives, Beer, Wine, Spirits, CBD, Dextromethorphan); xAOC + Conv + Liquor Plus + Military Exchanges (Beer/FMB/Cider, Wine, Spirits)



Making C-Stores an Obvious Target for Stings and Fines, Landing Us in the Headlines for the Wrong Reasons

5 Springfield convenience stores dinged in alleged sales in underage tobacco sting

Five CNY smoke shops and convenience stores caught selling flavored vapes to minors

by Emma Misiaszek | Wed, June 21st 2023, 3:42 PM UTC

TEANECK

Six Teaneck convenience stores charged with selling vapes to minors

read

am Quinn

orthJersey.com

4 a.m. ET April 25, 2023

TAKING ACTION

Richmond convenience store in hot water for allegedly selling alcohol to underage customers

by: [Delaney Murray](#), [Rolynn Wilson](#)
Posted: Jun 15, 2023 / 11:16 PM EDT
Updated: Jun 15, 2023 / 11:21 PM EDT

DEKALB COUNTY

Underage drinking sting catches multiple Dunwoody stores selling alcohol to minors



By [WSBTV.com News Staff](#)

March 21, 2023 at 1:50 pm EDT

13 stores cited for underage alcohol sales

BY TIMES-NEWS STAFF Jun 22, 2023

More than 40% of the stores that recently were checked for compliance with rules to prevent the sale of alcohol to people under 21 failed the check.

[Crime & Safety](#)

Holmdel Convenience Store Sold Vapes To Minors, Police Say

The store's owner and an employee were arrested and charged on Thursday following a multi-agency investigation, police said.

HEALTH AND SCIENCE

FDA threatens to fine Walmart, Kroger and convenience store chains for selling tobacco to minors

 Maggie Fitzgerald
[@MKMFITZGERALD](#)



The Current Age Verification Solutions Offered by POS Vendors Today Leave Retailers and Their Employees Exposed to Significant Risk

PRODUCT FEATURES	CURRENT
Scans most Driver's Licenses	✓
Calculates Age From Birthday	✓
Provides Retailer Admissible Proof Age was Verified at Purchase	✗
Validates Authenticity of Document to Shut Down Fake IDs; Checks for License Expiration	✗
Prompts for Mandatory Scanning Situations	✗
Complies with Manufacturer & Regulatory Mandated Volume Limitations	✗

There are a Variety of Stand Alone, For-Profit Services that Provide Age Verification Services, But at a Hefty Financial & PII Cost

BIOMETRICS

- Leverages facial recognition & AI to estimate age
- Violates consumer privacy and data handling lacks consumer trust
- Not tied to valid document
- For profit companies

TRIANGULATION

- Uses array of publicly-available sources to triangulate validation of identity and age; leverages most significant amount of PII
- Consumer has to permit a “background check”
- For profit companies

DOCUMENT VERIFICATION

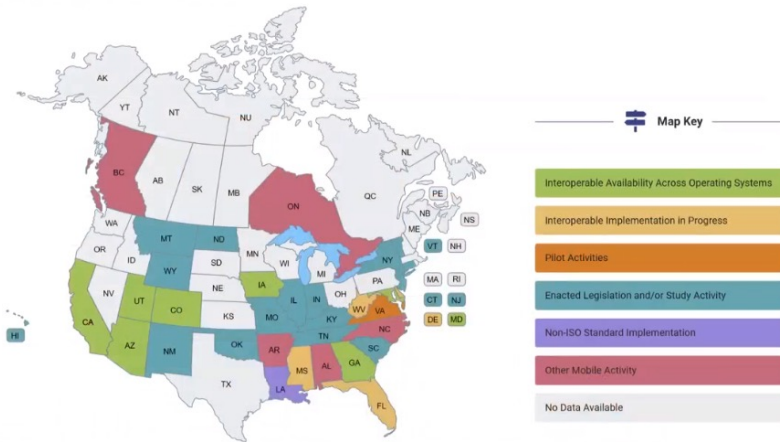
- Ties directly to a valid, state-issued ID
- Leverages PII to verify identity, not just age
- Typically requires image capture of front and back of license
- For profit companies

Mobile Driver's Licenses and More Stringent Privacy Laws Are Set to Disrupt Current Age Verification Practices

Mobile Drivers Licenses Are Coming, But Struggle with the Retail Use Case

- AAMVA wants retailers to install dedicated new equipment and pay annual fees for the “right” to accept mDLs at retail
 - The AAMVA solution has gotten no traction at retail

State of States on Mobile DL



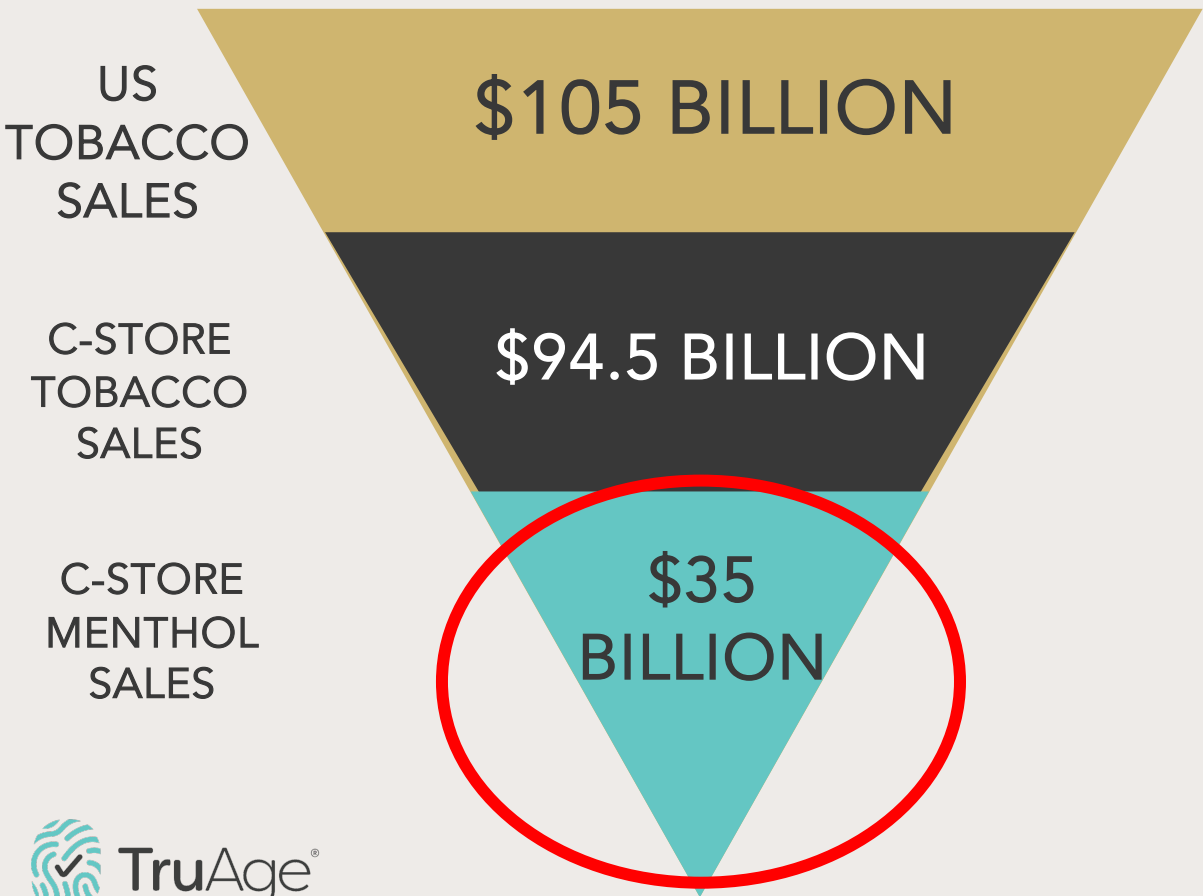
Source: securetechalliance (modified to update CA status)

Consumers & Regulators Are Increasingly Concerned with Privacy

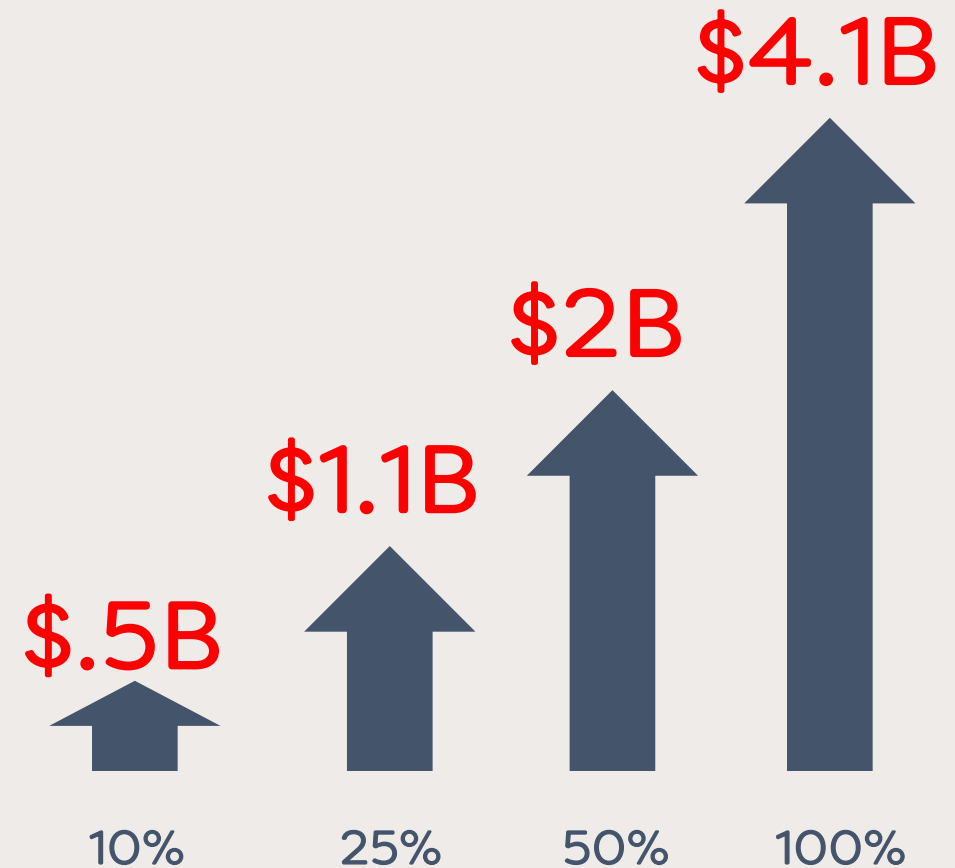
- The capture and transmission of Personally Identifiable Information (PII) is coming under increased scrutiny
- Some states have banned the scanning of driver's licenses because systems can't guarantee the 33+ points of data aren't being captured
- Consumers are pushing back on sharing unnecessary PII such as name and address; as well as practices that image capture their IDs, facial recognition and the like

Lack of a Better Solution to Age Verification is (and Will Become More) Costly to Retailers if We Don't Build the Solution We Want

Product Bans Hurt Retail Revenue & Profitability



New Entrants See Age Verification as A New Revenue Stream
Potential Cost of "Age" Swipe Fees
(based on carding rate)



TruAge is a Mission-Driven, Not-For-Profit Company Developed by NACS
For the Industry, By The Industry




TruAge®

TruAge is committed to safely
and simply keeping age-
restricted products out of the
hands of minors



TruAge Offers Retailers the Most Comprehensive (and FREE!) Solution to Age Verification

PRODUCT FEATURES	CURRENT	
Scans most Driver's Licenses	✓	TruAge can also scan CA mobile driver's licenses, as well as TruAge tokens that can be embedded into your loyalty apps
Calculates Age From Birthday	✓	Calculates age from birthday
Provides Retailer Admissible Proof Age was Verified at Purchase	✗	We append a unique reference token to retailer's T-Log that can be unlocked under subpoena and submitted as evidence
Validates Authenticity of Document to Shut Down Fake IDs; Checks for License Expiration; Does Not Capture PII	✗	TruAge looks at 4 data points to ensure ID presented in authentic and still valid, while protecting PII
Prompts for Mandatory Scanning Situations	✗	Built in prompts for regulatory or manufacturer requirements to assist frontline staff
Complies with Manufacturer & Regulatory Mandated Volume Limitations	✗	Enables systemic volume limitations within and across transactions to keep you—and your frontline team—in compliance

All While Keeping Consumer Needs Front & Center

PRIVACY

**Prove Your Age.
Protect Your Privacy.**

A typical driver's license scan can pick up 33+ pieces of personal information. TruAge only looks at four (4):

- DL issuer, DL number, Expiration date and DOB
- We never capture a consumer's name, address or any other personal information

CONVENIENCE

Your ID Your Way

Consumers can enjoy TruAge several ways:

- By using their traditional driver's license
- By on-boarding with the TruAge app
- By using their California mobile driver's license with TruAge

No matter which they choose, consumers enjoy all of the privacy protections TruAge offers

FREE

Always Free to Use

The TruAge app is completely free to consumers

Because we do not capture any personally-identifiable information, we cannot "sell" data to advertisers

The TruAge App is available in both the Apple and Google Play app stores

TruAge Leverages Best Practice Verifiable Credential Standards While Protecting Customer Privacy and Retailer Data

Send & Create

- Send 4 data points to TruAge server
- Create pseudonymous persona in database



Verify & Send

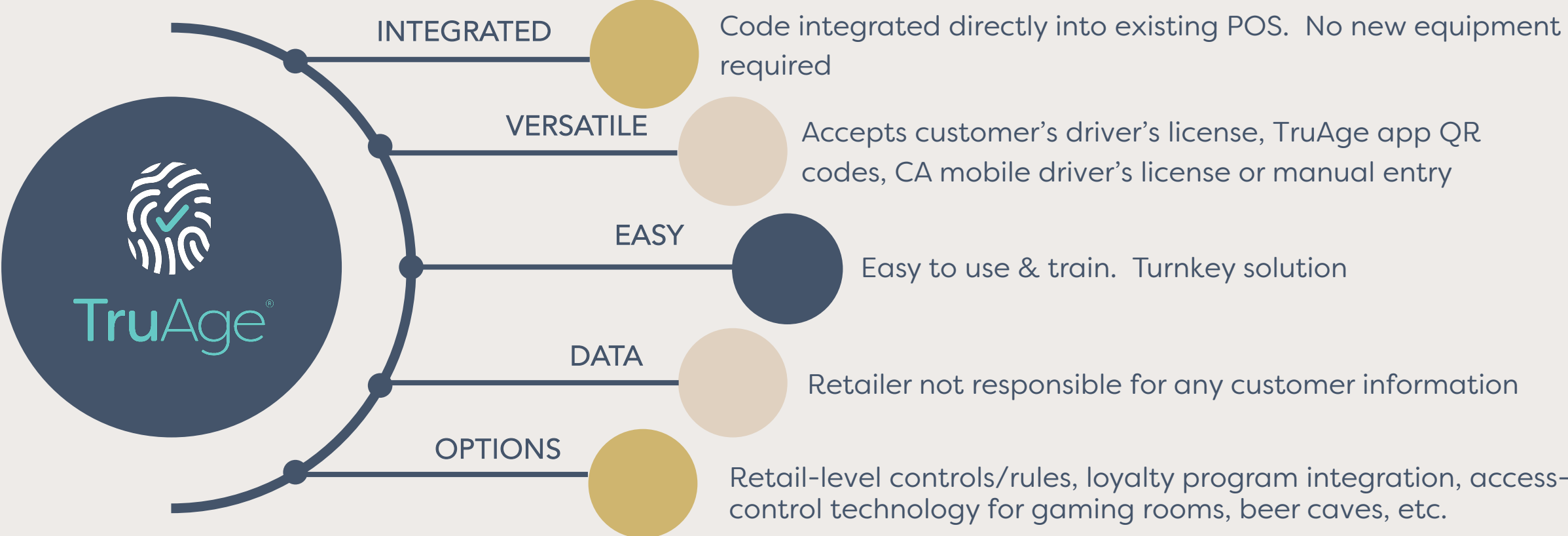
- Check for Age, ID Authenticity & Open to Buy
- Send encrypted pseudonymous token ID to transaction log




Traditional Driver's License, CA mobile driver's license or TruAge App (QR code app)*

**Manual entry always available for alternate IDs*

Designed By and For Manufacturers & Retailers, TruAge was Built with the Needs of These Audiences In Mind



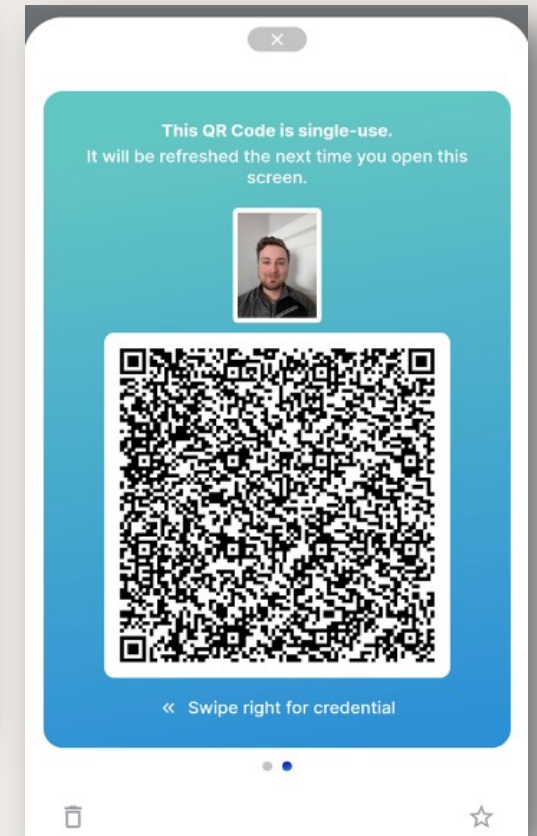
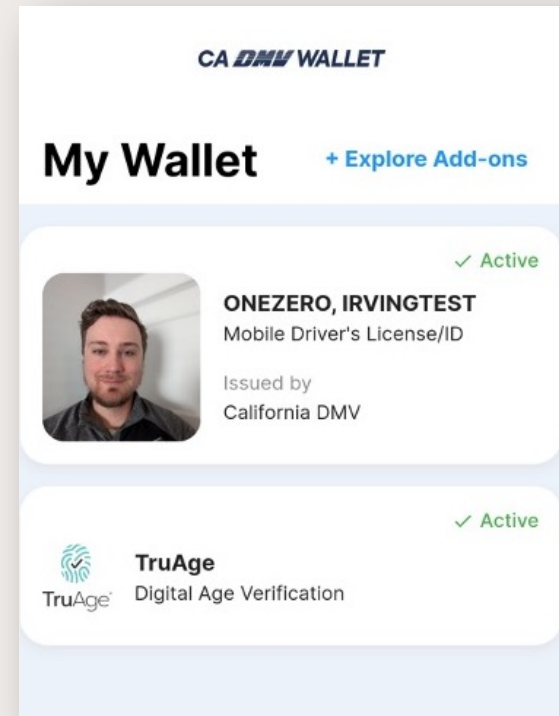
California Has Partnered with TruAge to Enable a Frictionless Solution for Mobile Driver's License Acceptance at Retail and Consumers Are Excited



CONSUMER DEMAND IS STRONG

95K+

TruAge Mobile User adoption since mid-August 2023, despite ZERO public-facing advertising



TruAge Enjoys a Favorable Position with Regulatory Agencies, as well

Consumers Want It. Regulators Like It. Our Industry Needs It.

- TruAge has established a seat at the table with key regulatory bodies
- Not-for-profit structure and compliance with all states' privacy laws viewed very favorably
 - Sets us up well for further mDL integration (12 states already offer digital licenses while 18 others—including Illinois' latest announcement) are working toward implementation)
 - Provides credibility
- Wide-ranging Government Relations and Public Health support and alignment:
 - States Attorneys Generals (NAG)
 - National Governors Association (NGA)
 - U.S. Food & Drug Administration (FDA)
 - NCSLA – State Liquor Administrators



**REGULATORS
ARE READY**

**Regulatory Agencies
support TruAge and
want to see it in
action**

Now We Just Need You, the Retailer! TruAge's Availability is Expanding

Available Now



Coming Soon

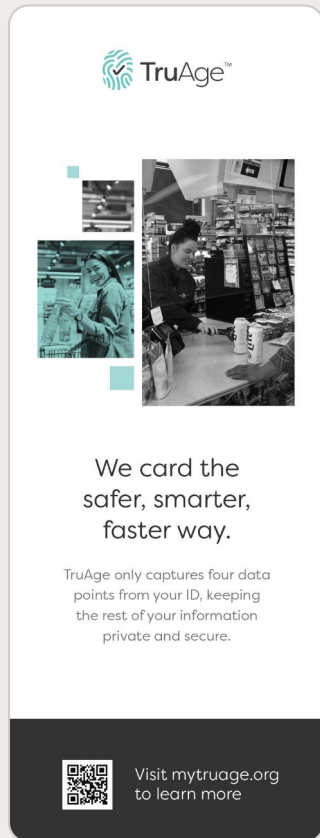


Active Negotiations



We Provide Free, Turnkey Support Services for Retailers So That You Can Focus on What's Important

In-Store Marketing Materials



TruAge™

We card the safer, smarter, faster way.

TruAge only captures four data points from your ID, keeping the rest of your information private and secure.

Visit mytruage.org to learn more

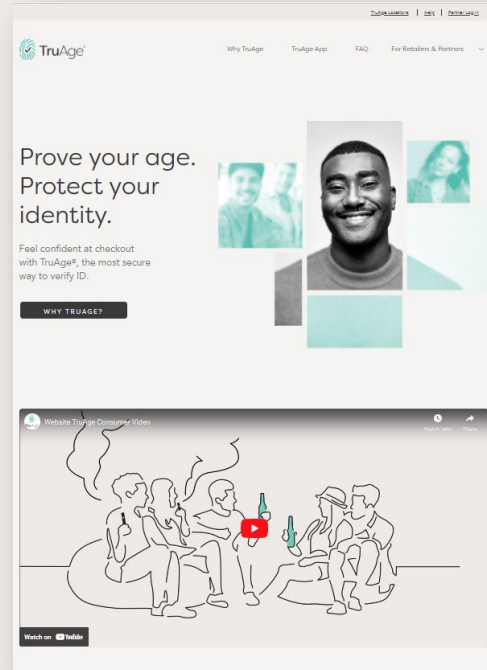


TruAge™

Checkout faster, safer, smarter

mytruage.org

Self-Service Web Portal & Support



TruAge

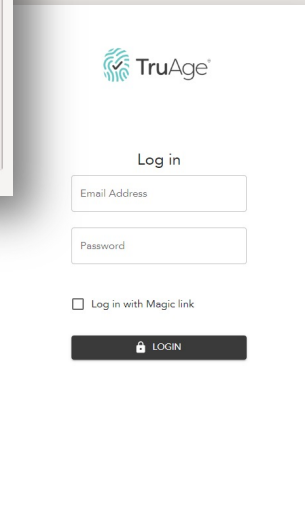
Why TruAge TruAge App FAQ For Retailers & Partners

Prove your age. Protect your identity.

Feel confident at checkout with TruAge®, the most secure way to verify ID.

WHY TRUAGE?

Watch on YouTube



TruAge

Log in

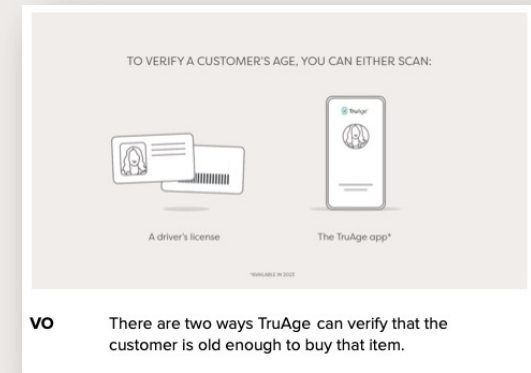
Email Address

Password

Log in with Magic link

LOGIN

24/7 Web-Based Training & Quizzes (for managers and their frontline teams)

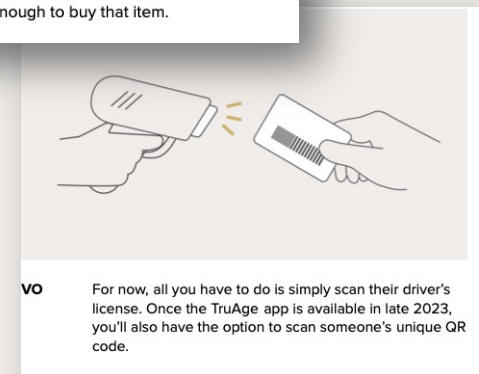


TO VERIFY A CUSTOMER'S AGE, YOU CAN EITHER SCAN:

A driver's license

The TruAge app*

VO There are two ways TruAge can verify that the customer is old enough to buy that item.



VO For now, all you have to do is simply scan their driver's license. Once the TruAge app is available in late 2023, you'll also have the option to scan someone's unique QR code.

How To Get Started



my
TruAge®



Visit mytruage.org to:

- Connect with the TruAge Team
- Get Your Questions Answered
- Begin the Activation Process to Implement TruAge in Your Stores