

November 5, 2014

## Small Business Owners Not Ready To Accept Contactless Payments

NEW YORK, Nov. 5, 2014 /PRNewswire/ -- [Newtek](#) Business Services, Inc. [NASDAQ: NEWT], [The Small Business Authority](#)<sup>®</sup>, with a portfolio of over 100,000 business accounts, announced today the findings of its SB Authority Market Sentiment Survey, a monthly window into the concerns of independent business owners. Based on a poll of over 1,000 respondents, the key finding from the October survey is 82% of business owners do not currently have a POS terminal or method of taking credit and debit cards ready to accept near field communication (NFC) contactless payments, such as Apple Pay. Additionally, 93% of business owners are not planning on upgrading their existing terminals to be able to accept contactless NFC payment options.

The full October 2014 results showed the following:

Poll Question	Poll Answer	Percentage
Is your existing POS terminal and method of taking credit and debit cards ready to accept Near Field Communication contactless payments, like Apple Pay?	Yes	4%
	No	82%
	Unsure	14%
Are you planning to upgrade your POS terminal(s) to make Contactless NFC payment options like Apple Pay available to your customers?	Yes	7%
	No	93%

Barry Sloane, Chairman, President and CEO of [The Small Business Authority](#)<sup>®</sup> commented, "A valuable attribute of our polling process is that its views are real and are entirely independent from our own business philosophies, initiatives and ways of thinking. Our recent October poll depicts indifference towards contactless mobile payments and the use of contactless/NFC-type communications in the near future. This somewhat surprising sentiment and information source tells us that there is a significantly greater need within the payments industry to explain and demonstrate the benefits and significance of mobile and contactless payments to merchants and merchant acquirers. Most of our clients still do not understand the new Europay, MasterCard and Visa ("EMV") requirements and clearly do not see the importance and value of mobile payments away from traditional swipe or contact payment sources."

Mr. Sloane continued, "We believe consumers will ultimately determine payment methods among the most effective choices, and merchants will adapt to consumers' demands and needs. In particular, the younger generation, which is the growth market, uses their mobile phones for everything, and this future force of consumption will drive the method by which consumers pay. This poll is extremely valuable and useful in analyzing the current state and knowledge of merchants' and merchant acquirers' feelings about contactless payments, which we feel will change dramatically over time. If mobile payments provide more security, lower costs and greater convenience, the current state of affairs and sentiment of business owners will change as it will be clearly be in the best interest of consumers and merchants to adopt new technologies. We will continue to poll our clients periodically and note the trends."



**About Newtek Business Services, Inc.**

[Newtek Business Services, Inc.](#), [The Small Business Authority](#)<sup>®</sup>, is the Authority for the small- and medium-sized business

(SMB) market providing a wide range of business services and financial products under the Newtek® brand. Since 1999, Newtek has provided state-of-the-art, cost-efficient products and services and efficient business strategies to over 100,000 business accounts across all 50 States to help them grow their sales, control their expenses and reduce their risk.

Newtek's products and services include: [The Newtek Advantage™](#), [Electronic Payment Processing](#), [Managed Technology Solutions \(Cloud Computing\)](#), [eCommerce](#), [Business Lending](#), [Insurance Services](#), [Web Services](#), [Data Backup, Storage and Retrieval](#), [Accounts Receivable Financing](#), [Payroll](#).

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#### **Note Regarding Forward Looking Statements**

*Statements in this press release including statements regarding Newtek's beliefs, expectations, intentions or strategies for the future, may be "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. All forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from the plans, intentions and expectations reflected in or suggested by the forward-looking statements. Such risks and uncertainties include, among others, intensified competition, operating problems and their impact on revenues and profit margins, anticipated future business strategies and financial performance, anticipated future number of customers, business prospects, legislative developments and similar matters. Risk factors, cautionary statements and other conditions, which could cause Newtek's actual results to differ from management's current expectations, are contained in Newtek's filings with the Securities and Exchange Commission and available through <http://www.sec.gov>.*

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