AppEsteem Plans to Call Out Unethical Bundlers as Deceptors Innovative consumer protection program expands – will target widely decried tactics of software bundlers

March 1, 2018, BELLEVUE, WASHINGTON – AppEsteem Corporation, a certifier of software applications, announced plans today for a pioneering project to call out software bundlers that AppEsteem believes may harm and mislead consumers. The project launches in early April 2018 and aims to make the downloading of software applications safer for consumers.

Widely decried by <u>cybersecurity experts</u>, <u>scholars</u>, <u>consumer groups</u>, and <u>regulators</u>, unethical software bundlers use deceptive practices to trick consumers into downloading apps that are harmful, or that the consumers don't want. This stealth method of distributing malware has plagued the internet for years, defying repeated efforts to curb it.

This sneaky approach preys especially on children and seniors. In their quest to try a new game or respond to an upgrade warning, they end up downloading unnecessary apps that change their security and browser settings for the worse, exposing them to greater risks of identity theft and leaving them with a search provider they don't want.

Even sophisticated technology users can become victims: no matter how well they read the bundled offers, one missed checkbox can make a mess of a person's computer, leading to unwanted files and slower computer performance. Consumers end up spending money on software repair packages to remove the unwanted apps from their machines, for professionals to repair them or, in some cases, to buy entirely new computers as replacement machines.

<u>Experts estimate</u> that millions of consumers are exposed to these practices every day, leading to billions of dollars in annual losses.

"Parts of the software downloading industry have been a cesspool for so long, a troubling myth has taken hold: certain categories of malware and fraud cannot be contained. Consumers repeatedly become victims, and the world chalks it up to the chaos, complexity, and disorder of the internet," said David Finn, AppEsteem's Chief Operating Officer, a former federal prosecutor and former leader of Microsoft's Digital Crimes Unit.

"We don't accept that. We think more can be done to protect consumers, and we're committed to doing it."

Founded in 2016 and led by veterans of the cybersecurity industry, AppEsteem identifies apps and services that it believes may harm consumers by applying a comprehensive and stringent set of Deceptor Requirements. AppEsteem developed these requirements with input from leading cybersecurity companies, software vendors, regulators, and consumer groups, to help ensure that consumers fully consent to what happens on their devices, aren't unpleasantly surprised, and don't feel cheated.

AppEsteem reviews apps and services against these requirements and publicly posts violations under its Deceptor Program, identifying software and services that may harm consumers as "Deceptors."

In addition to combing the internet on its own for Deceptor candidates, AppEsteem learns of potential Deceptors through apps submitted by cybersecurity companies, software vendors, and the broader public. If consumers think they may have been harmed by a misleading app or software bundle, they can submit the details to AppEsteem directly, at no cost, at https://customer.appesteem.com/reportapp.

Since March 2017, AppEsteem has identified almost 300 Deceptors. Most of them are system optimizer software applications, affecting millions of consumers. A quarter of these software applications have cleaned up and many others have stopped distributing altogether. AppEsteem provides its Deceptor website, completes its reviews, re-evaluates subsequently modified Deceptors, and removes fixed apps from its active Deceptor list, all for free.

Following its success with system optimizers, AppEsteem's expanded effort will focus on software bundlers, who use various techniques to offer additional apps during the installation process of popular software. To maximize the fees paid from advertisers and at the expense of consumers, devious bundlers rely on trickery and deceit to induce more installs.

Beginning in April, AppEsteem will publicly disclose a list of bundlers it believes are Deceptors, including details about the alleged violations, on its website at https://customer.appesteem.com/deceptors. AppEsteem will also publish instructions on how bundlers can submit for free re-evaluation.

"We founded this company to create a world where consumers can install and use apps without fear," said Finn. "That world can only exist if Deceptor bundlers are held accountable for the harm they may cause consumers."

In addition to the Deceptor Program, AppEsteem offers free certification services to any app vendor or software bundler. By registering an app or bundler under AppEsteem's free Deceptor Notification program, a company can receive 30 days' notice to cure any Deceptor issues before AppEsteem publishes the Deceptor information on its website. Companies may register for Certification or Notification at www.appesteem.com.

AppEsteem has seen diverse reactions among vendors called out as Deceptors since it launched its program in early 2017. A significant number of vendors have welcomed the introduction of clear and transparent requirements. Some have acknowledged the harm that misleading apps can cause consumers and made changes in their apps immediately upon learning they were designated as Deceptors. Others haven't, continuing to put profits first and trying to avoid efforts by cybersecurity companies to protect their customers.

AppEsteem expects a similar reception with the expansion of the Deceptor program announced today. But given the hundreds of millions of dollars that software bundlers generate, some companies may fiercely defend their profitable revenue streams regardless of the impact on consumers. Others will no doubt ensure their bundles are safe and compliant or benefit from AppEsteem's free certification program.

"By giving fair warning to bundlers, we hope they will all take a hard look at what they are doing, and those who need to will clean up now – for the sake of all consumers," added Finn. "But if they continue to put profits ahead of consumers, we won't hesitate to call them out."

For bundlers or other interested parties who want to learn more about the new program, AppEsteem will host a conference call on Thursday, March 8, at 10:00 am Pacific time, and again at 4:00 pm Pacific time. Anybody interested in joining the call should contact David Finn at dfinn@appesteem.com.

About AppEsteem Corporation

Founded in 2016 and led by veterans of the cybersecurity industry, AppEsteem offers technology and services to help the software monetization industry thrive by encouraging the development and distribution of clean apps through a robust set of certification requirements. The company offers free certification to all app vendors, companies with related services, and bundlers.

With help from consumers, cybersecurity companies, and app vendors who submit apps they believe are misleading to AppEsteem, the company also aims to discourage fraudulent practices by helping to identify software and services that can harm consumers. AppEsteem funds its free Deceptor and Certification Programs by offering premium services for certified apps. For more information, please visit www.appesteem.com.

More Information

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