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American Conference Institute's 9<sup>th</sup> National Forum on



# PREPAID CARD COMPLIANCE

Essential Legal and Practical Strategies for Structuring Products,  
Mitigating Risk, and Ensuring Compliance

January 30 – 31, 2014 • Washington Plaza Hotel • Washington, DC

## Compliance strategies & updates from:

U.S. Department of the Treasury  
Federal Trade Commission  
Federal Deposit Insurance Corporation  
The Federal Reserve System  
U.S. Department of Justice  
U.S. Department of Homeland Security  
Office of Foreign Assets Control (invited)  
Alabama Securities Commission  
Idaho Dept. of Finance  
Conference of State Bank Supervisors  
National Consumer Law Center  
National Cyber Forensics Training Alliance  
Visa Inc.  
American Express  
Citigroup  
Green Dot Bank  
Wells Fargo Bank  
The Bancorp Bank  
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MetaBank  
Blackhawk Network, Inc.  
Starbucks Coffee Company  
Galileo Processing  
Unirush, LLC  
SunTrust Banks Inc.  
ACE Cash Express  
Fiserv, Inc.

## Our distinguished faculty will provide you with expert advice and key insights including:

- Federal regulatory and enforcement initiatives, compliance obligations, and fraud risks and schemes
- The **state framework**: developments affecting money transmitter issues, unclaimed property, escheatment/dormant accounts & their intersection with fraud, preemption, fees and expiration dates, cash redemption and licensing
- Impact of *NACS v. Board of Governors* on interchange, routing and exclusivity, and the latest on **Durbin and Reg II FAQ** including applicability to prepaid and virtual card programs, PIN/activation, and exemption of interchange fees
- The latest on CFPB and prepaid cards: money transmitters, **Reg E, GPR and new issues raised, comments on ANPR**, abusive practices by third parties, and more
- UDAAP issues and **oversight of third parties** who market and sell prepaid cards, including agent location visits and third-party payment processor considerations
- **FinCEN Initiatives: Anti-fraud, customer due diligence, virtual currency**, cross-border monetary instrument rule, customer identification processes, SAR filings, and prepaid access implementation
- Prepaid cards and the **international landscape**
- **Develop, implement and maintain an AML and OFAC compliant prepaid card program**
- **Add on features and enhancements to prepaid cards** including credit, overdraft, advance deposit, remote deposit capture and more
- **Identity theft and fraud**: abusive uses of prepaid cards, how the government is responding and steps you can take to **deter fraud**

## Distinguished Co-Chairs



Judith Rinearson  
Bryan Cave LLP



Ky Tran-Trong  
Visa Inc.



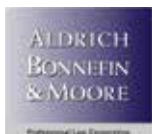
Chris Daniel  
Paul Hastings LLP

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## Plus, don't miss the Interactive Master Classes:

- A** Prepaid Compliance 101 for Program Managers and Issuing Banks
- B** Emerging Payment Systems: Legal, Regulatory, and Compliance Considerations
- C** Debit and Credit Cards: New Regulations and Reforms

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Register Now • 888-224-2480 • [AmericanConference.com/PrepaidCardDC](http://AmericanConference.com/PrepaidCardDC)

Be a part of the premier legal and compliance event for the prepaid card industry (east coast edition) – the one brought to you by **ACI** and the one now in its **9<sup>th</sup> installment**. The dates are **January 30-31, 2014**, and it's taking place at the Washington Plaza Hotel in Washington DC. **DON'T ACCEPT IMITATION CONFERENCES.**

The prepaid card industry continues to be faced with a rapidly moving legal and regulatory landscape. It is experiencing unprecedented challenges at the **federal and state** levels, including:

- *NACS v. Board of Governors*
- The Federal Reserve Board's FAQ guidelines for PIN and activation at point of sale
- Reg II's exemption on interchange fees for prepaid cards
- Bank exams now extending to the **program manager**
- CFPB's GPR Rules and new issues raised
- FTC's proposed telemarketing rules
- Third-party oversight and **third-party** payment processor considerations
- Implementing the final FinCEN prepaid access rule, and monitoring AML and fraud
- The continued evolution of **money transmitter statutes** and controversial escheat laws

In response, ACI's 9<sup>th</sup> National Forum on Prepaid Card Compliance will bring together an unparalleled faculty of regulatory and enforcement officials, compliance experts from industry leaders, and outside counsel specializing in prepaid card regulatory compliance who will provide you with best practices and targeted guidance in these most uncertain times for the industry.

Imitation conferences may lump Prepaid Cards in with Mobile Payments. But only the ACI event focuses solely on the Prepaid Card industry's legal, regulatory, and compliance concerns. Time and time again, our delegates tell us that the ACI conferences are the BEST way to find out how others are approaching the challenges facing the prepaid card industry while networking with the industry's leaders.

#### WHO YOU WILL MEET:

- Regulatory and Enforcement Officials
- Financial Products, Payments, and Retail Professionals, including:
  - General Counsel
  - Compliance Officers/Managers
  - Risk Officers/Managers
  - AML Managers
  - Privacy Officers
  - Data Security Officers
  - Regulatory Affairs Officers/Managers
- Private Practice Attorneys Specializing in:
  - Prepaid Cards
  - Financial Services Regulatory Compliance
  - Banking Law
  - Payment Systems
  - AML
  - Privacy/Data Security
  - Advertising & Marketing Law

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PLUS, be sure to also register for the Interactive Master Classes:

- A** Prepaid Compliance 101: The Nuts and Bolts of Prepaid Compliance for Program Managers and Issuing Banks
- B** Emerging Payment Systems: Legal, Regulatory, and Compliance Considerations for New Technologies and Evolving Products
- C** Debit and Credit Cards: New Regulations and Reforms and Their Impact on 'Traditional' Payment Methods

Register now by calling 1-888-224-2480, by faxing your registration form to 1-877-927-1563 or online at [www.AmericanConference.com/PrepaidCardDC](http://www.AmericanConference.com/PrepaidCardDC)

### MASTER CLASS | PRE-CONFERENCE

WEDNESDAY, JANUARY 29, 2014

4:00 – 6:00 PM

#### **A** Prepaid Compliance 101: The Nuts and Bolts of Prepaid Compliance for Program Managers and Issuing Banks

*Dawn Steele*

Vice President, Managing Counsel  
AML Compliance Officer  
ADP, Inc.



*James D. Russell*

Chief Compliance Officer  
ACHIEVECARD

#### Program Managers

- The "new" expectations from the regulatory community for program managers
- Regulatory Examinations
- Board oversight
- Chief Compliance Officer / BSA, AML, OFAC Officer
- What goes into a Compliance Management System
- Policies
- Procedures
- Risk assessments
- Vendor monitoring
- Marketing partner monitoring
- UDAAP issues
- Add-on products
- Overdraft protection
- Anti-money laundering programs
- Identification of high risk customer types, products/services, locations, CIP methodologies
- High-risk customer identification
- High risk customer monitoring
- OFAC risk assessment
- OFAC best practices
- Business Continuity
- Training
- Complaints

#### Issuing Banks

- The "new" expectations from the regulatory community for issuing banks
- Regulatory Examinations
- Oversight of Program Managers
- Liability for the actions of Program Managers

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## Day One – Thursday, January 30, 2014

7:15 Registration and Continental Breakfast

8:00 Co-Chairs' Welcoming Remarks



*Judith Rinearson*  
Partner  
Bryan Cave LLP



*Chris Daniel*  
Chair  
Payment Systems Group  
Paul Hastings LLP



*Ky Tran-Trong*  
Senior Regulatory Counsel  
Visa Inc.

8:05 Federal Regulatory and Enforcement Roundtable and Industry Response: Insights on the Latest Initiatives, Compliance Obligations, and Fraud Risk and Schemes



*Natalie H. Diana*  
Senior Counsel  
U.S. Department of the Treasury

*Carole Reynolds*  
Senior Attorney  
Division of Financial Practices  
Bureau of Consumer Protection  
Federal Trade Commission

*Koko Ives*  
Manager, BSA/AML Compliance Section  
Board of Governors of the Federal Reserve System

*Michael Bernardo*  
Cyber Fraud and Financial Crimes Section Chief  
Federal Deposit Insurance Corporation

*Gerard (Jerry) W. LiVigni (invited)*  
Senior Compliance Officer, U.S. Treasury Department  
Office of Foreign Assets Control

*Seetha Ramachandran*  
Deputy Chief, Asset Forfeiture and Money Laundering Section  
Money Laundering & Bank Integrity Unit, Criminal Division  
U.S. Department of Justice

*Dan Larkin*  
Director of Strategic Operations  
National Cyber Forensics Training Alliance

*John Tyson*  
Vice President of Compliance  
ACE Cash Express

Moderator:



*Judith Rinearson*  
Partner  
Bryan Cave LLP

- The latest legislative developments in Washington
- Ensuring that your company has taken the necessary steps to satisfy regulatory scrutiny
  - Best practices for working with regulators to determine how best to meet compliance obligations
- A practical, how-to guide for preparing for examinations by the different regulatory agencies: CFPB, FinCEN, OCC, FDIC, etc.
  - Bank exams extending to the program manager
- Regulatory perspectives on prepaid add-on features and enhancements
- Ethics, marketing, and enforcement guidelines: hear from the FTC
  - FTC's proposed telemarketing rules and its impact on the prepaid space
- OFAC Compliance: When and how to disclose?; Who has to comply?; Strict liability for an OFAC violation
- Preparing for an increased regulatory focus on bank oversight of program managers
- Best practices for supervisory oversight of prepaid programs

- Recent enforcement actions and trends
  - Lessons learned from recent cases
  - Customer complaints
  - What are regulators looking for?
  - How do they expect programs to respond?
- What the prepaid industry should be on the lookout for
- The latest on fraud schemes including:
  - Cybercrime organization hacking into processors
  - Compromised prepaid debit card account
  - Eliminating the withdrawal limits and account balances of prepaid card debt account
  - End user fraud risk and scams
- US Treasury's final garnishment rule
  - Responding to garnishment orders to the extent prepaid cards have value

9:50 Morning Break

10:00 Preparing for & Responding to Increased State Regulatory and Enforcement Efforts: Key Developments Affecting Money Transmitter Issues, Unclaimed Property, Escheatment/Dormant Accounts and Their Intersection With Fraud, Preemption, Fees and Expiration Dates, Cash Redemption, Licensing, and More

*Doug Burnas, CPA*  
Review Examiner  
Louisiana Office of Financial Institutions



*Joseph Borg*  
Director  
Alabama Securities Commission

*Jim Burns, MBA, CFE, CRCP*  
Investigations Chief  
Idaho Dept. of Finance



*Chuck Cross*  
SVP Consumer Protection & Nondepository Supervision  
Conference of State Bank Supervisors

*Thomas Bell*  
Director, Money Transmitter Licensing  
American Express

Moderator:



*Wendy Harp-Lewis, CAMS*  
Chief Compliance Officer/Vice President, Corporate Legal  
InteliSpend Prepaid Solutions

- Complying with state consumer protection laws
- Legislative/regulatory efforts from CT, IL, and NJ to significantly control and regulate prepaid cards and kinds of cards that can be offered
- Preparing for and responding to increased state enforcement efforts: lessons learned from recent enforcement
- State banking departments views on prepaid products
  - How state banking laws and regulations impact prepaid
- Understanding the role of prepaid cards under state money transmitter licensing laws
- Recent developments in state money transmitter statutes designed to stay current with the evolving nature of electronic payments
- Money transmitter licenses and licensing requirements
- Types of prepaid products covered by money transmitter laws
  - Close loop vs. open loop cards
  - How do you distribute open loop cards?
  - Who needs to be licensed?
  - Some states exclusion of close loop cards
- Which prepaid add-on features and enhancements constitute money transmissions and which do not, and what are the regulatory implications?
- Possible multi-state approach to money transmitter licensing?

FEDERAL

STATES

- Unclaimed property, escheatment/dormant accounts and their intersection with fraud
  - Regulatory trends affecting escheat periods
  - Under what conditions does remaining value escheat to a specific state?
  - Identifying and assessing the escheat safe harbors afforded by some states
  - Addressing problems with interstate rules
    - Obtaining residential address of the person who owns the property
    - Which state gets the first party claim?
  - Unclaimed property issues when selling a card to a cardholder who lives outside of the U.S.
    - Delaware escheat laws on cardholders who were sold cards and live outside of the U.S.
  - Examining the practice of companies that audit unclaimed property
- Federal Preemption
  - CARD Act versus some States' unclaimed property laws
  - CFPB's stance that State laws are not protective of consumers
- National brands and networks: how to overcome the challenges of complying with various state level regulations
- Pre-emption issues post-Dodd Frank
  - Determining whether federal laws subsumes state laws
  - Examining recent case law

### 11:30 **The Latest on CFPB and Prepaid Cards: Money Transmitters, the Extension of Reg E to Prepaid, GPR and New Issues Raised, and Comments on ANPR**

*Cheryl Slipski*  
Business Development, Payments  
Google



*Ky Tran-Trong*  
Senior Regulatory Counsel  
Visa Inc.



*Joel D. Feinberg*  
Partner  
Sidley Austin LLP



*Andrew J. Lorentz*  
Partner  
Davis Wright Tremaine



*Obrea O. Poindexter*  
Partner  
Morrison & Foerster LLP

- CFPB's report on payday lending and its impact on prepaid cards
  - CFPB's initiatives on top of state activity and other bank regulators on unsafe and deceptive practices
  - Limiting cycle on acquiring new loans on top of old loans
- CFPB's Reg E preemption determination
  - What does it mean?
  - What did we learn?
- GPR under Reg E
  - Offering Reg E protection by contract
    - Incorporating disclosures into the terms and conditions
    - Provisional credits within 10 days which potentially creates a fraud risk against the bank
    - How do you obtain information about the consumer? What are the associated costs?
- Supervision of non bank covered persons or larger participants
- CFPB and Payroll Cards: Senate activity and best practices

### 12:30 **Networking Luncheon**

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1:30

### **The Impact of NACS v. Board of Governors on Interchange, Routing and Exclusivity, and the Latest on Durbin and Reg II FAQ Including Applicability to Prepaid and Virtual Card Programs, PIN/Activation, Exemption of Interchange Fees for Prepaid, and More**

*Michael F. Day*  
Senior Corporate Counsel  
Blackhawk Network, Inc.



*Deborah S. Thoren-Peden*  
Partner  
Pillsbury Winthrop Shaw Pittman LLP



*Brad Fauss*  
EVP and General Counsel  
Brightwell Payments, Inc.

#### National Association of Convenience Stores (NACS) v. Federal Reserve Board (FRB)

- Whether current standards remain in place during stay
- The latest on reimbursement of merchants for higher Interchange fees during period in which higher fee caps were in place

#### FAQ

- Updates on Federal Reserve Board's recent FAQ (effective March 13, 2013 and updated on May 30, 2013) on PIN and activation
  - Acquiring the PIN at point of sale
- Routing instructions and having the merchant select more than one routing at point of sale
- Network exclusivity
  - Allowing both PIN and signature functionality
  - Impact on program managers
  - Addressing fraud issues

#### Interchange Fees

- Reg II's exemption on interchange fees for prepaid cards
  - Satisfying certain conditions
    - Card accessed by check and card is only means of access
  - Federal Reserve Board's position of permissible access to funds
  - Fashioning prepaid cards that are marketable but still complying with regulation

#### Durbin Amendment

- Updates on Durbin Phase III
  - Routing Rules: how to have more than 1 routing network on an open loop gift card?
- Analysis of the amendment's provisions
- The GPR card exemption
  - Limitations on card functionality
  - Offering services other than point-of-sale transactions
- Assessing whether a prepaid product is really exempt
  - How to apply exemptions; pitfalls
- Effects on the Prepaid industry since the final rule came out
  - Impact of the final rule on revenue models for GPR cards that are not exempt
  - Identifying and capitalizing on potential growth opportunities that Durbin presents for exempt products
- Non-exempt prepaid products
- Ensuring compliance with the final rule's requirements

2:30

## Compliance with FinCEN's Initiatives: Anti-Fraud, Customer Due Diligence, Virtual Currency, Cross Border Monetary Instrument Rule, Customer Identification Processes, SAR Filings, and Lingering Implementation Issues with Prepaid Access



*Marilyn D. Barker, CAMS*  
Senior Vice President, Chief Regulatory Counsel  
Director of AML Risk Management  
The Bancorp Bank



*Patrice Motz*  
Financial Crimes Risk Management  
Wells Fargo Bank, N.A.



*Perveez Faisal Islam*  
Director  
Compliance Advisory  
Services  
Centra Payments Solutions



*Donald J. Mosher*  
Partner  
Schulte Roth & Zabel LLP

- Consumer protection and compliance
  - Who is using your product?
- Advanced Notice of Proposed Rulemaking on Customer Due Diligence (CDD)
- FinCEN and Virtual currency
  - Guidance on virtual currency
  - Market for virtual currency
  - Prepaid access rule on virtual currency
  - Employing CIP programs
- FinCEN ANPR: Cross Border Monetary Instrument Rule
  - Licensing Cards as monetary instrument at the border
- How it will apply to prepaid products
  - Creating a requirement to report prepaid at the border?
- Law enforcement perspective vs. industry perspective
- Guidance issued on Customer Identification processes (CIP)
  - Requirements for reloadable vs. nonreloadable cards
- How the Industry is settling in post 'Prepaid Access' Rule
  - What changes did they have to make?
  - Ongoing issues with the Rule
    - Issued faced by corporate funded and business funded cards
- Assessing whether a prepaid program is excluded from the rule
  - Program features; type of program; potential pitfalls
- Applicability of the final rule to closed loop prepaid programs
  - Ensuring that your program satisfies the exemption requirements of the final rule
- Applicability to 'bank-centric' prepaid programs
  - Bank BSA requirements as compared to the requirements of the final rule
- Evaluating the rule's requirements for covered providers and sellers of prepaid access
  - SAR requirements
  - Customer identification requirements: what is really required for customer identification and verification?
  - MSB registration requirement for providers
- Enforcement of the rule
  - Consequences for compliance failures
  - What would a FinCEN enforcement action look like?

3:40

## Afternoon Break

3:50

## Given How AML and OFAC Laws Are Trending, How Do Banks, MSBs and Other Financial Institutions Develop, Implement and Maintain an Effective AML and OFAC Compliant Prepaid Card Program in Today's Landscape?



*Lisa M. Liban*  
Vice President & Assistant General Counsel  
Regulatory Compliance  
Fiserv, Inc.

*Dawn Steele*  
Vice President, Managing Counsel  
AML Compliance Officer  
ADP, Inc.



*Jeff Ross*  
Senior Vice President, BSA/AML/OFAC Officer  
Green Dot Corporation  
Green Dot Bank



*Judith Alison Lee*  
Partner  
Chair, International Trade and Regulation Compliance Practice  
Gibson, Dunn & Crutcher



*Carol R. Van Cleef*  
Partner  
Patton Boggs LLP

- Integrating red flags into your AML and OFAC programs
- The latest on the trending of AML laws toward "Fraud Facilitation Theory" and how it effects Prepaid
- Evaluating your existing AML program and identifying areas of gap or weaknesses
  - Accountability for deficiencies in AML programs
  - Effective ways to identify and verify customer information
- Developing and implementing effective AML procedures
  - Role of technology in AML programs
- Drafting contracts and agreements to support and enhance AML and OFAC compliance
- AML efforts when not part of a bank centric program
- Creating an OFAC risk assessment and compliance program within the context of prepaid
  - Prohibition on dealing with certain parties
- List of people, entities and organizations that US businesses and banks not allowed to deal with
- Assessing penalties for failing to comply with OFAC
  - Examining recent penalties issued by states; reaching settlement

5:10

## Prepaid Cards and the International Realm, Including the Impact of the CFPB's Revised Final Rule on Remittances for Cross-Border Money Transfers



*Ted Teruo Kitada*  
Senior Company Counsel  
Wells Fargo Bank, National Association



*Barrie VanBrackle*  
Partner, Co-Chair Consumer Financial Services  
Manatt, Phelps & Phillips LLP

- International concerns
  - International payments moving onto cards
    - Issues with international reloading
  - CFPB's final remittance transfer rule for international money transfers (effective October 28, 2013)
  - Payments coming from abroad i.e. terrorist areas (Lebanon, Saudi Arabia)
  - International synergies or lack thereof- what can we learn from the international community?
  - E-money Directives in Europe
    - Practicality of adopting an e-money regime in the US to address a large segment of the market that traditional banks don't
  - EMV (chip) technology
    - New standard for cards, already used in Europe, US slowly adopting
    - Additional security in credit/debit/prepaid cards
    - Mandates for EMV technology here in the US
  - Regulation of prepaid around the world
  - Expansion of US programs into Europe
  - Reporting requirements when leaving the country

6:00

## Conference Adjourns

INTERNATIONAL

## Day Two – Friday, January 31, 2014

7:30 Continental Breakfast

### FOCUS ON THIRD PARTIES

8:00 **UDAAP Issues and Managing and Maintaining Oversight of Third Parties Who Market and Sell Prepaid Cards**



*John Hagy*  
Chief Legal Officer  
MetaBank



*Thomas G. Pareigat*  
General Counsel  
The Bancorp Inc.



*Mark A. Moore*  
Principal  
Aldrich Bonnefin & Moore,  
PLC



*Barton R. Bright, III*  
FVP & Senior Counsel  
SunTrust Banks Inc.



*James D. Russell*  
Chief Compliance Officer  
ACHIEVECARD

*Henry N. Thoman*  
VP and General Counsel  
Unirush, LLC

- Managing UDAAP Risk in the prepaid marketplace
  - Risk allocation through contract
  - Implementing a certification / attestation requirement
  - Practical strategies for collaboratively managing UDAAP risk
  - Monitoring for UDAAP risk
- How are regulators responding to third parties who engage in UDAAP?
  - Public policy underpinnings
  - Enforcement trends
  - What are the fines and penalties?
- Fee structures and related disclosures
- Potentially deceptive sales and marketing practices
  - Loyalty, identify theft protection, credit life, credit disability and other add-ons
  - Beyond fees and marketing; emerging trends in UDAAP risk
  - Implementing a UDAAP Risk Management program
  - Practical considerations for all players in the value chain
- Agent Location visits
- Third party payment processor considerations

9:10 **The CFPB's Standard for Abusive Practices by Third Parties**



*Allyson B. Baker, Esq.*  
Partner  
Venable LLP  
(Former Enforcement Attorney at CFPB)



*Ronald R. Rubin*  
Partner  
Hunton & Williams LLP  
(Former Enforcement Attorney at CFPB)



*Terrence P. Maher*  
Partner  
Baird Holm



*Nicole Ibbotson*  
General Counsel  
ITC Financial Licenses, Inc.

- What acts or practices by third parties does CFPB consider to be abusive?
  - Identifying the prongs; CFPB supervision of activities under its authority; what matters are now of significant concern to the CFPB?; what constitutes fairness, transparency, and competitiveness?
- Service provider liability
  - Supervisory standards for banks regarding oversight of third parties
  - Understanding vicarious liability
- Prepaid programs with non traditional third parties (insurance, healthcare, etc.)

10:10 Morning Break

10:15 **Add On Features and Enhancements to Prepaid Cards Including Credit, Overdraft, Advance Deposit, Remote Deposit Capture, and More**



*Chris Daniel*  
Chair, Payment Systems  
Group  
Paul Hastings LLP

*Lauren Saunders*  
Managing Attorney  
National Consumer Law  
Center



*Chris Trujillo*  
General Counsel  
Galileo Processing

*Patrice Peyret*  
CEO  
Banking Up

- Restrictions and cautions on adding credit and overdraft features to the GPR card or providing credit card products to the cardholders GPR
- Protecting the under banked and those with lower incomes
  - Avoiding credit products tied to paychecks
- Clamping down on pay day loan credit features tied with prepaid cards
- Regulatory initiatives by bank regulators
  - OCC action against prepaid card-payday lending partnership and bank regulator actions on deposit advance products
- Meeting the short term needs of the prepaid card holder
  - CFPB and FDIC proposed guidance
  - Meeting the small dollar credit needs of consumers such as college graduates
  - The future of offering deposit advance or pay day advance
- Remote Deposit Capture of checks into prepaid cards
  - Lessons learned

11:10 **Identity Theft, Fraud, and Cyber Crime: Abusive Uses of Prepaid Cards, How the Government is Responding and Steps You Can Take to Predict, Prevent, and Mitigate the Effects of Fraud in Prepaid**

*James Gaughran*  
Deputy Assistant Inspector  
Office of Inspector General  
U.S. Department of Homeland Security



*Mercedes Kelley Tunstall*  
Partner  
Ballard Spahr LLP



*Amy Ross Lauck*  
Partner and Co-Chair  
Payment Systems & Consumer Financial Services  
Lindquist & Vennum LLP

- Understanding the fraud risks of prepaid cards – what's now being found and predictors of what may be coming
- How prepaid cards are being misused: Identity theft; Emerging trends and patterns in tax refund fraud; Social Security Benefits fraud; pension fraud
  - Bills introduced at the federal level and congressional hearings
  - Treasury attention – Inspector General's report
  - A change in customer identification requirements?
- Lessons learned from recent enforcement actions involving prepaid
- Communication and collaboration with law enforcement
- Evaluating your current fraud deterrence program and identifying gaps or weaknesses
- Best practices and take away in what to use in your processes

12:05 **Conference Ends; Lunch for Master Class Participants**

# POST-CONFERENCE MASTER CLASSES

FRIDAY, JANUARY 31, 2014

1:00 – 3:00 PM

3:00 – 5:00 PM

## B Emerging Payment Systems: Legal, Regulatory, and Compliance Considerations for New Technologies and Evolving Products

*Jody Chafee*  
Director, Corporate Counsel  
Starbucks Coffee Company

*Brian Crist*  
Vice President  
Citigroup

*Christopher T. Brown*  
Managing Member  
Christopher T. Brown, Attorney at Law, PLLC

*Barrie VanBrackle*  
Partner, Co-Chair Consumer Financial Services  
Manatt, Phelps & Phillips LLP

A deep dive into new and emerging payment systems and recent developments as of the conference date, expected to include all or some of the following:

- Payment processing on mobile devices
- Prepaid mobile
- Virtual currencies
  - Facebook credits
  - Social media environments as payments platforms
  - Virtual currencies and complexities
- Digital currencies
  - Social coupons
  - Internet-based payments
- Who are the stakeholders and what are their incentives?
- Bank-based versus non-bank business models
- Preparing for the evolving state and federal regulatory paradigms and their impact on emerging payment systems
  - AML, consumer protection, and safety & soundness issues of novel business models
  - The CFPB, the Durbin Amendment, FCC involvement, state money transmitter licensing, and more compliance issues
  - FinCEN, and federal prudential regulation
- Data security considerations
  - Determining if you must be PCI compliant
- Privacy and marketing considerations
  - Disclosures delivered through mobile applications
  - Social media
- Assessing the international emerging payments landscape

## C Debit and Credit Cards: New Regulations and Reforms and Their Impact on 'Traditional' Payment Methods

Check back for speakers and more updates at  
[www.AmericanConference.com/PrepaidCardDC](http://www.AmericanConference.com/PrepaidCardDC)

With new and emerging reforms changing the face of the industry, credit and debit card companies are trying to stay afloat and remain in compliance. Participants in this Master Class will obtain a deeper understanding of the challenges and changes affecting the industry, and they will come away with best practices and effective solutions for the new regulatory paradigm. Topics to be addressed include:

- Impact of *NACS v. Board of Governors*
- How recent changes are impacting compliance initiatives
- Durbin and its impact on the debit and prepaid markets
- Developing prepaid products that qualify for the exemption
- Understanding new disclosure requirements
- Best practices for disclosures
- Modifying terms to ensure compliance
- Providing proper notice for opting into overdraft
- Navigating through increased transparency requirements, including additional disclosure on the Fed website
- 'Plain English' disclosures
- TILA/UDAAP violations in the context of card issuance

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Head of Sales, American Conference Institute

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Accreditation will be sought in those jurisdictions requested by the registrants which have continuing education requirements. This course is identified as nontransitional for the purposes of CLE accreditation.

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