

## In This Issue

- [Credit CARD Act of 2009](#)
- [Does Your EIPP Solution Allow You to Automate the Complete Purchase-to-Payment Cycle?](#)
- [Banking on the Growth of GPR](#)
- [Results of First Data's 2009 Consumer Loyalty Study](#)
- [New Technologies in Fraud Prevention a Worthy Investment](#)

## First Data Related Events

- [July 13 – 15, 2009](#)  
ACA Annual Convention and Expo  
[Register for this event](#)
- [October 4 – 7, 2009](#)  
AFP Annual Conference  
[Register for this event](#)



**Joe Samuel,**  
Senior Vice President,  
Public Policy and  
Community Relations

## Credit CARD Act of 2009

After months of political and legislative wrangling, the U.S. Congress passed landmark legislation to reform certain credit card lending practices, and the bill was signed into law by the President on Friday, May 22. First Data is thoroughly reviewing the new law and will be providing more information to customers in the coming weeks. In the meantime, we thought it would be helpful to give clients a [high-level summary of the new law](#). (The summary is neither an exhaustive list of the new law's provisions, nor should it be construed as legal advice.)

The intent of this new law is to provide more robust credit card lending consumer protections. Since January 2007, Congress has paid very close attention to credit card lending practices and has been working toward passage of this type of legislation. In brief, the new law will impose new restrictions on card issuers in a number of ways, as listed below.

- Rate Increases/Fees
- Payments
- Periodic Statements
- Subprime Cards
- Prepaid Cards
- Age Restrictions

Except where noted, the **law will be effective February 2010**. It also authorizes various federal agencies, such as the Federal Trade Commission, and banking regulators, such as the Federal Reserve Board, to develop additional regulations implementing certain provisions in the new law.

First Data recently hosted a [webinar](#) for our financial institution customers to further explain the law's various provisions and discuss those implications with respect to the services and products that First Data provides. We hope you will take advantage of this opportunity to learn more about this landmark law and its effect on credit card issuer practices in this country.

Download a replay of the webinar through the First Data customer portals below.

- [First Data Client Site](#)
- [FundsXpress](#)
- [STAR STATION](#) (Communications & Bulletins/Regulation and Credit Accountability Disclosure Act of 2009)

If you do not have access to any of these online customer environments, please request a copy of the presentation by e-mailing [UDAP@firstdata.com](mailto:UDAP@firstdata.com).

## Upcoming Webinars

→ July 22, 2009  
End-to-End Loyalty Webinar  
[Additional information will be sent directly to you via e-mail](#)

## Get Plugged Into Training Opportunities

**Debit/STAR STATION Clients**  
Coming this summer: new and improved client training and documentation site

**Credit Clients**  
New and updated credit product learning plans are available on the [Client Web site](#)

**Internet Banking Clients**  
New Web-based training courses are now available on the Client Support site under the Training tab

## Does Your EIPP Solution Allow You to Automate the Complete Purchase-to-Payment Cycle?

For years we've been hearing about the promise of paperless business-to-business (B2B) transactions. But the reality is that, excluding the largest enterprises, **nearly 90 percent of all B2B payments are still made with paper checks** stuffed into envelopes and sent through the mail. The problem with most Electronic Invoice Presentment and Payment (EIPP) solutions is that they do not handle the actual transfer of funds between businesses. First Data's new white paper, *What If Your Automated Electronic Invoice Presentment and Payment (EIPP) Process Were Really Automated?*, discusses **a new breed of EIPP solutions that enables payment from within the EIPP solution**—allowing businesses to automate the complete purchase-to-payment cycle.

## Banking on the Growth of GPR

General purpose reloadable (GPR) prepaid cards can be used anywhere debit cards are accepted, and there are indications that **2009 may be an exceptional year for these cards despite—or possibly because of—the faltering economy**. However, there are still obstacles to widespread consumer adoption of GPR cards, including consumer education, fees, functionality and reload capability. Read First Data's new Market Insight, [Banking on the Growth of General Purpose Prepaid](#), to **learn about the vital role of financial institutions in influencing the adoption of GPR cards** through pricing, policies and infrastructure that form the foundation for the entire value chain.

## Results of First Data's 2009 Consumer Loyalty Study

First Data Competitive Intelligence conducted its 2009 Consumer Loyalty Study with 2,449 U.S. consumers in April 2009. The study focuses on rewards programs with financial institutions, the travel sector and the retail sector.

### Key Insights

- Debit rewards membership increases while credit membership decreases
- Credit and debit rewards members equally satisfied with programs
- Debit card least influential rewards program

If you are considering offering or refining a loyalty program for your customers, read the key insights of the study within the [2009 Financial Institutions Rewards Programs – Consumer Insights](#).

## Stay Connected

Request more information about [First Data products and solutions for your business](#)

[Sign up to receive future editions of First Data VantagePoint news](#)

[Give us feedback. We'd love to hear your thoughts](#)

## New Technologies in Fraud Prevention a Worthy Investment

**Fraud and cybercrime are quickly becoming one of the most expensive issues companies face.** As a result, companies are beginning to “plan” for fraud losses on their balance sheets as an expected cost. Rather than investing in fraud prevention technology that can drastically improve real-time transaction security, they merely budget for the losses their in-house systems will not be able to catch. However, they are only looking at the simple loss of the transaction amount. In reality, the cost of fraud is much higher over the long run.

As **one of the premier fraud protection providers**, First Data is in a unique position to study the benefits of the various types of fraud prevention used by a wide array of financial institutions and quantify the different results each solution provides. In February 2009, **First Data completed an informal internal analysis of 2008 reported fraud instances to discover how debit transactions are being affected by fraud**—comparing companies that used basic rules-based decisioning to those that used our Fraud Risk Identification Service (FRIS), or a combination of both. When the speed each method was able to recognize fraudulent transactions and the average loss sustained were compared, the results were surprising. [Learn how the different methods measured up](#)—including **which method led to a 50 percent improvement in fraud-loss-per-card prevention.**

