

## Help Us Fight Government Overreach in Payment Processing

Dear Valued Client:

The current regulatory and rules environment in payments has become particularly hostile toward third party payments processors, their sponsor banks (“**ODFI’S**”) and their merchants. The attacks are coming from numerous sources and are already impacting many merchants with special emphasis targeting those considered to be high risk (such as lenders and collectors to name only two) by financial regulators such as the FDIC. The Third Party Payment Processors Association (“**TPPPA**” – [www.tpppa.org](http://www.tpppa.org)) was formed 3 months ago to respond to these threats and educate regulators and Congress of the important role Payment Processors bring to the network and to create a minimum standard of compliance that ensures the future of a secure, cost effective payments network. Founding Directors of the Board include CEO’s of the major third party payment processors and Advantage ACH is proud to be represented. **In response to the current crisis created by overzealous government agencies and their attack on this industry, we are asking for your support as the TPPPA is literally the sole advocate for processors, ODFI’s, and merchants.**

As a point of context, the Department Of Justice (“**DOJ**”) recently and openly revealed an official program named “**Operation Choke Point**”. This is a coordinated attack on Third Party Payment Processors (“**TPPP’s**”) and their ODFI’s in an attempt to choke off payments (debits & credits) that the government finds objectionable. Instead of going after bad merchants they have decided to go after ODFI’s and TPPP’s. **Not once have they found evidence of wrongdoing**, but in the process the DOJ is intimidating banks into dropping TPPP relationships, leaving millions of small businesses scrambling for ways to process payments. The consequences of this government overreach put at risk the entire payments processing industry.

The efforts of the TPPPA are making a difference, but they are costly and we need your help to continue the good work we have begun. This includes but is not limited to hiring Wash D.C. agencies that get us in the door to have critically important meetings with congressional leaders on both sides of the aisle, as well as regulators. We sit on the Board to have a direct voice in helping to educate state and Federal regulators and Congressional leaders on the value of the payments network and ensure that we are **protecting your interests because your interests are our priorities**. The lending industry is specifically targeted as you know, and only last week NACHA proposed new 2015 guidelines for “returns” thresholds that by any reasoning would be considered further “choke points” if left unchallenged. Rest assured the TPPPA intends to vigorously fight back with statistical evidence and coordinated replies proving such changes are unwarranted.

We ask that you consider a \$25 per month contribution to the TPPPA (or more) for each location on file that we will debit during your normal monthly billing cycle in addition to all other fees due. We will separate out the contributions and immediately credit the association. Whatever you contribute will be completely passed through at 100% to the TPPPA. We will not sit on the money nor keep any portion of the contribution and also let you know each year-end how much you’ve contributed to the Association. **Naturally you can stop your contribution at any time simply by emailing us at our normal support email address.**

Please simply reply to this email to give your consent (using the sample language shown on the e-mail reply attachment) to a recurring monthly debit of \$25 per location, or whatever you can afford.

I cannot tell you how much we appreciate being able to serve you and your customers and for whatever support you can provide to the TPPPA in its endeavors to preserve all available payment processing options.

Respectfully,

Linden (Lin) Fellerman  
President & CEO  
Advantage Payment Systems / Secure Payment Systems



# Newly Formed Third Party Payment Processors Association Objects to Discrimination Against Certain Classes of Payments

## TPPPA Warns That Any Actions to Discriminate Against Legal Payments Could Put Payments Processing System at Risk



WASHINGTON, Aug 22, 2013 (BUSINESS WIRE) -- A group of leading third party payment processors across the nation has formed the Third Party Payment Processors Association (TPPPA). The not-for-profit association advocates for third party payment processors, their financial institutions and the merchants and consumers who benefit from the payment services these processors provide.

The founding members - all leading third party payment processors - came together in response to recent actions by regulators and law enforcement aimed at eliminating payments deemed to be objectionable.

"We object to the actions by anyone targeting any class of legal payments," said Marsha Jones, Director of the TPPPA. "When payment processors are targeted in an effort to shut down a class of payment or an industry, the entire payments system is put at risk. It is impossible to discriminate against a single class of payments without hurting the entire industry.

"Millions of consumers rely on the payments system to get paid by their employer, make their charitable contributions, pay their gym memberships, and much more. All of that is being put at risk by these actions.

"These kinds of actions threaten to cause irreparable and lasting harm to our members and to the entire payments network. We will work to educate the industry about the unintended consequences of these actions. We look forward to a productive dialogue with government officials and other industry leaders about how to ensure the safety, integrity and efficiency of the payments system."

### **About the TPPPA**

The Third Party Payment Processors Association is a not-for-profit association of leading third party payment processors. The Association advocates on behalf of third party payment processors, their financial institutions, and the merchants and consumers who benefit from the payment processing system. Members must apply and be accepted into the Association. All members agree to abide by a strict Code of Conduct.

SOURCE: Third Party Payment Processors Association