



2015 Annual Report



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Executive Director's Letter

From the Desk of H. West Richards

Support. Collaboration. Results. These are just a few of the words that mark a successful organization – and a good year. The American Transaction Processors Coalition (ATPC) has a lot to be proud of in 2015, and much to look forward to in 2016. We will continue the course forward but this 2015 Annual Report provides an important moment to reflect upon all we accomplished, and to say thank you to our members, partners and those champions who helped to advance the payments industry in Georgia's Transaction Alley.

Support and engagement is exemplified by our members, sponsors, and especially our Board of Directors (see page 12). A special thanks to our Chairman, Tony Catalfano, for his early investment in the ATPC, tremendous vision and stewardship, and countless hours getting us up-and-running, recruiting other members, trips to Capitol Hill, and his investment in innovation through Worldpay's \$1 million gift to launch the FinTech Accelerator at the Advanced Technology Development Center.

Collaboration takes many forms, especially during our busy and productive 2015. In Washington, we've been fortunate to receive the support of Senator Johnny Isakson who co-founded the U.S. Senate Payments Innovation Caucus and Representative Lynn Westmoreland who co-founded the similar committee in the House of Representatives. And Congressman Sanford Bishop carried the water on the first ATPC-driven legislative initiative, to insert supportive language for our industry and Transaction Alley in the Appropriations Bill. And we've moved beyond the Georgia Delegation, meeting with more than 100 Congressional offices, and even received calls from those outside our state to learn more about Transaction Alley.

Partnership continued within Georgia too. The Georgia University Board of Regents, led by Mark Lytle, remains committed to creating the nation's first FinTech payments curriculum, and made progress garnering the true industry needs to frame the course offerings. And perhaps most notably, our collaboration with the Metro Atlanta Chamber of Commerce, Technology Association of Georgia, and corporate partners Worldpay and Barry McCarthy of FirstData joined forces to launch the Georgia FinTech Task Force. The group recruited its first core members and will be announcing plans and the direction forward in early 2016.

The ATPC was also fortunate to accompany Governor Deal and the Georgia Department of Economic Development (GDECD) on a trade mission to Brazil. Governor Deal's support was critical in recruiting Silicon Valley-based Merchant e-Solutions, a division of global payment processor Cielo, which announced plans to move their U.S. headquarters from California to metro Atlanta – an outcome that materialized in January *and will count towards 2016 wins*. The ATPC member-company plans to begin moving approximately 140 jobs to their Buckhead office space, with intentions of adding workforce in the next couple of years.

Results are measured in many ways, including the commitment of time, finances, partnership, and reputation lent to the ATPC, as outlined above. But we also have some impressive accomplishments built upon the foundation set in 2014. First, our members made significant investments in Georgia, both infrastructure and talent, in association with our Re-Up Georgia campaign. Worldpay moved the first of their workforce into new offices on 17th Street in Atlantic Station, and expects to fully occupy their new United States headquarters by late-2016. When completed, the move will include the close to 400 new

employees and the relocation of 1,200 total staff members. InComm also stepped to the plate, creating more than 275 new jobs and investing upwards of \$20 million across four Georgia locations (their Atlanta headquarters, Peachtree Corners call center, Suwanee data center and existing Alpharetta offices).

The ATPC also played a part in a big legislative win on Capitol Hill, with passage of the Cybersecurity Information Sharing Act (CISA) as part of the FY 2016 Omnibus Appropriations Act. It passed both chambers of Congress and was signed by President Barack Obama in late-2015. The final legislation authorizes companies to voluntarily share cyber data, addresses existing systemic vulnerabilities, and provides liability protections while maintaining merchant and consumer privacy and civil liberties.

There are many other victories to celebrate but nothing sums up 2015 like the media coverage, and hard work by all parties that led the *Atlanta Journal-Constitution* to declare that “Georgia ‘FinTech’ moves to top of job creation push.” A coalition launched just a little more than a year-and-a-half ago, with an initial focus of rallying the Georgia Congressional Delegation to the cause of a critical but often overlooked and self-hidden industry, has now become the most-visible economic development force in the state of Georgia. Thanks for all your hard work, this is a jetpack on the back of our 2016 agenda.

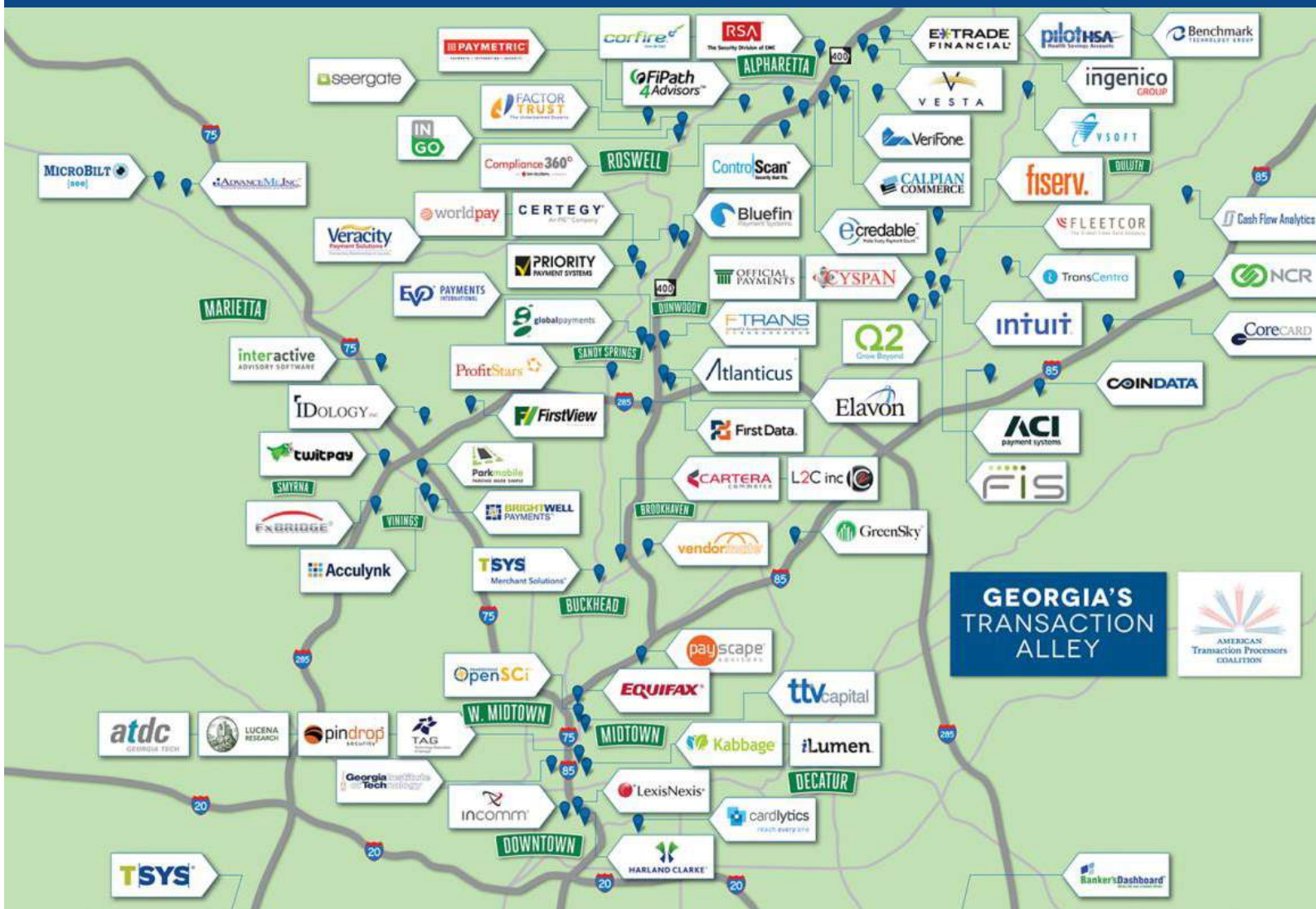
Best regards,

A handwritten signature in cursive script, appearing to read "H. West Richards", followed by a small circular flourish.

H. West Richards

ATPC OVERVIEW

ATPC Overview



"We almost always catch people off guard that almost three quarters of all transactions with credit, debit and gift cards go through this region."

Hala Modellmog, President and CEO, Metro Atlanta Chamber
at InComm's expansion town hall event in December

Mission

The American Transaction Processors Coalition was created to protect, promote and preserve the interests of Georgia's transaction processing industry through proactive public relations and government affairs activities.

Vision

- **PROTECT industry from over-regulation**
- **PROMOTE industry impact to drive action**
- **PRESERVE current ability to do business**

What We Do

Federal Approach

- Proactive PR to build cover and pressure for elected official action
- Educate Congressional, Administration and Regulatory staff about industry needs
- Direct lobbying with ATPC board and consultants

Georgia Approach

- Proactive PR to educate elected officials and the public about the industry
- Connect industry leaders and elected officials to personally demonstrate impact and potential
- Promote legislative activity that keeps Georgia competitive in Transaction Processing

INDUSTRY OVERVIEW

Industry Overview

Global Economic Impact

The global payment processing (merchant acquiring) industry generates \$50 billion, with projected growth to \$65 billion after the 2015 numbers have all been tallied. Alternative payment methods like mobile could add another \$6 billion for 2015. Future growth will be driven by U.S. and European product innovation and consumer demand in countries with low credit card penetration.

Atlanta and parts of Georgia are currently the epicenter of a growing financial services industry often referred to as Financial Technologies or FinTech. This sector is made up of companies that develop the products and provide services supporting the financial service industry's technology needs. These FinTech companies and their products and services form the core of the global economic payment- processing infrastructure.

The Payment Processing Industry is dynamic and growing supporting the more than \$4.4 Trillion in credit card transactions that occurred in the U.S. last year alone. The global Financial Services Industry continues to grow by seven to nine percent even in the middle of a recession with virtually all other sectors declining. This growth is explained largely by the dramatic and continued migration from paper to electronic payment, increasing profits, driving efficiency, mitigating risk, focusing market intelligence and increasing access to markets everywhere that is connected to the Internet.

FinTech and the World: America's Opportunity

The world continues to migrate towards electronic payment processing for purchases as diverse as energy bills in Sub-Saharan Africa to soda from a vending machine in Brazil. Building the security and technical tools and systems to meet this growing demand is a huge opportunity and American companies are poised to play the leading role within the right regulatory and economic environment.

Consider that Raymond James analysts believe the worldwide merchant acquiring service revenue market opportunity to be worth nearly \$46 billion in 2013 and growing to more than \$53 billion by 2015. Domestically, they believe the current merchant acquiring service revenue market is worth about \$13 billion, with possibly an additional billion next year. Converting the remaining 46 billion cash and 13 billion U.S. point-of-sales transaction to a credit card payment would increase these figures by at least 50 percent or an additional seven to eight billion dollars annually. Traditional merchant acquirers and payment card networks, led by ATPC members (and other sources like Square, Groupon, LevelUp, etc.), will play important global roles in influencing and enabling this electronic payment transition to occur.

Regulatory Environment

The 2008 "crash" led to significant financial reform – namely the Dodd Frank law – which brought scrutiny and ongoing oversight from 19 federal agencies and departments. Privacy, cyber security, fee structures are top issues facing the industry, which has few advocates on Capitol Hill. The challenging regulatory environment is compounded by a lack of accurate information and visibility on the federal regulatory and legislative landscape.

Raymond James believes that many of these regulatory actions will require a “nationwide, top-to-bottom upgrade cycle of U.S. point-of-sale (PoS) equipment in the next four to five years,” when retailers begin complying with new regulations introduced for the industry. Stricter security requirements for the payment card industry and adoption of the Euro MasterCard Visa payment standard (EMV) acceptance (chip-and-PIN) internationally will require between eight to 10 million PoS upgrades – if not complete replacement.

FinTech in Georgia

More than 70 percent of U.S. transactions go through Georgia, which was made possible in the past by the state’s progressive stance and positive business climate, attracting the largest processors. The industry matured and its needs are changing because of global financial services growth and competitor saturation. FinTech companies must continue to find new ways to expand their business and grow.

These companies need to improve infrastructure; develop new technologies for mining, manipulation and managing data; ensure a strong pipeline of skilled workers; and reinvent the industry’s complete value chain. Those companies able to meet these changing needs will ultimately retain global industry dominance.

Georgia’s national leadership in business and higher learning indicators provides a rich universe to ensure future Financial Services growth with the right support from Washington and our state capitol. Consider this:

- Georgia ranks first in the U.S for entrepreneurship (Kauffman Index of Entrepreneurial Activity) and has had the largest increase of any state in the last decade, providing a healthy marketplace for financial services.
- The Atlanta region ranked fifth in total research and development expenditures in 2011 (\$1.49 billion) – a 46 percent increase compared to five years ago.
- Atlanta tied for third in the number of engineering/engineering technologies bachelor’s degrees awarded in 2011, behind L.A and New York (tied w/Boston).
- Atlanta ranked eighth with 277,831 total students enrolled and seventh for total undergrad enrollment with 228,155 students

Industry Comparison

Payment processing currently equals the entire U.S. movie industry (worldwide annual sales) and is dominated by Atlanta, just as Los Angeles dominates films.

- 85-plus billion of 135 billion global payments were processed in Georgia (2012)
- More than 15 million global card-enabled merchants rely upon Georgia companies
- The industry employs 40,000 people in Georgia and 105,000 people globally

Compared to other industries in the state:

- Transaction Processors: annual revenue exceeds \$30 billion
- Film industry: \$3.1 billion, a 29 percent increase
- Life Sciences Industry: \$17 billion with more than 65,000 employees

The FinTech and payments processing industry is rapidly evolving. The ATPC worked collaboratively with the Technology Association of Georgia (TAG) on their Georgia FinTech Ecosystem Report White Paper, with updated statistics, to be released early in 2016.

LEADERSHIP

Board of Directors

Tony Catalfano – Chairman, ATPC Board of Directors



Tony has served as CEO of Worldpay, US since March of 2012. He previously joined Fiserv in 2002 through the company's acquisition of Electronic Data Systems Corp's (EDS) Consumer Network Services (CNS) business. During his time at Fiserv Tony served as Division President Electronic Payments business, and Division President of Fiserv's Bank Solutions Division. While Tony has gained significant payments industry experience throughout his career, he has also developed key strengths in IT, leadership, change management and business transformation. Tony has nearly 25 years of experience in the payments industry. He was elected as the founding Chairman of the ATPC in December of 2013. He also serves as a Trustee of the Atlanta Ballet.

Thierry Denis – Board Member President, Ingenico North America



Thierry Denis serves as President of Ingenico North America, reporting to the CEO and Chairman of Ingenico, Inc. Mr. Denis has overall responsibility for driving the development and execution of Ingenico's business strategy in the United States and Canada. He has been in his current position since April 2011.

Mr. Denis has been with Ingenico for more than 21 years, 17 of which he spent in the Asia Pacific region. He managed the Australian subsidiary of Ingenico, with more than 60 staff members based in offices in Sydney and Melbourne with overall responsibility for the company's operations in

Australia and New Zealand.

Mr. Denis has a strong sales and technical background and has been successful in expanding the international business of Ingenico. He has served in a range of senior executive positions within the company, including R&D Manager and Software Director for Asia Pacific. In 2004, Denis was appointed Director of the South East Asian region based in Singapore where he remained until 2006 when he returned to Australia to take up his position as Managing Director.

Pamela Joseph – Ex-Officio Board Member Former Vice Chairman, Payment Services, U.S. Bancorp



Pamela Joseph is the former vice chairman of payment services with U.S. Bancorp. Pamela has served in this position since December 2004. Since November 2004, she has been Chairman and Chief Executive Officer of Elavon Inc., a wholly owned subsidiary of U.S. Bancorp. Prior to that time, she had been President and Chief Operating Officer of Elavon Inc. since February 2000. Before joining Elavon, formerly known as NOVA, in 1994, she served with Visa International as director over new market development. Prior to her tenure with VISA, she served more than eight years in the banking industry with Wells Fargo Bank. Joseph is a member of the board of directors of Paychex, Inc. She also sits on the board of

directors for Centene Corporation and is chairman of WLA Kids, an organization that helps educate young women in Africa. She earned a bachelor's degree in business administration from the University of Illinois.

Bruce Lowthers – Board Member
Executive Vice President, FIS
President, Global Retail Payments Division



Bruce Lowthers is executive vice president for FIS, which is ranked as the world's No. 1 Fintech provider. He is currently the President of the Global Retail Payments division, which delivers approximately \$3 billion in revenue derived from payment processing and ancillary services. Bruce's business unit, which is supported by more than 5,000 employees, serves three markets: financial services, emerging commerce and retail services.

Previously, Bruce served FIS in a number of executive positions, including division executive of card services, head of product sales and global sales operations, and general manager of the global payments software business.

Prior to joining FIS, Bruce held the position of senior vice president of community markets for eFunds, where he was responsible for the P&L for all payment and risk products for that market. He also held executive officer positions at four startup companies.

Currently Bruce is on the board of directors of the Armed Forces Financial Network, Electronic Funds Transfer Association, American Transaction Processors Coalition and MedicAlert Foundation

Bruce holds a bachelor's degree in business administration from the University of Massachusetts and began his career as a certified public accountant.

Scott Meyerhoff – Board Member
Chief Operating Officer and Chief Financial Officer, InComm



With more than 20 years of corporate experience, Scott is currently the Chief Operating Office and Chief Financial Officer at InComm, an Atlanta-based prepaid and payments technology company that innovates new commerce solutions to reward consumer loyalty, drive foot traffic at retail and provide unique gift-giving opportunities. He has completed multiple public debt and equity offerings, raising in excess of \$1 billion, and he has played a key role in more than 100 mergers and acquisitions.

Prior to joining InComm, Scott spent time consulting in executive capacities at companies such as Arthur Andersen, Intercept, Infor Global Solutions and Intersect. Prior to InComm, Scott was the Founder of and Partner in The Intersect Group, a provider of tailored finance, accounting and technology solutions. Under Scott's direction, Intersect was named to the prestigious Inc. 500 List in 2010.

Scott resides in Atlanta with his wife and three children.

Ed O'Hare – Board Member
SVP of Corporate Development, Elavon



Ed O'Hare oversees Elavon's Corporate Development activities. He has over 15 years of experience in Mergers & Acquisitions, Alliance and Partnership development and general business development with financial institutions and other financial service companies.

Prior to Elavon he had positions with MasterCard International, Smith Barney and National Data Company in roles relating to sales and servicing of financial institutions.

He graduated from Villanova University with a bachelors of science in business administration and received an MBA from the Goizueta Business School at Emory University.

Marcelo F. Perez – Board Member
CFO and Head of Corporate Development, Merchant e-Solutions



Marcelo Perez joined Merchant e-Solutions in September 2012 as the CFO and Head of Corporate Development. Prior to joining Merchant e-Solutions, Marcelo was Head of Corporate Development at Cielo S.A, responsible for Corporate Strategy, Business Intelligence and Mergers & Acquisitions. From 2000 to 2010, Marcelo was the Vice President of Strategic Alliances at Visa Inc., based in Miami, Florida. He participated in the development and implementation of several projects and joint ventures between Visa, its member banks and other strategic partners within Latin America. Prior to Visa, Marcelo worked at GE Capital Services of Stamford, Conn., as Manager of Finance & Business Support. During this time, he developed and implemented Consumer Finance projects in the United Kingdom, India, Japan, Australia, Czech Republic, Brazil, Chile and Argentina. He also served as interim Chief Financial Officer for GE Capital's Global Consumer Finance, South America Division, based in Sao Paulo, Brazil, with responsibilities for Finance and Business Development. Previously, Marcelo worked in senior executive capacities at Citibank N.A. Global Consumer Bank in Buenos Aires, Argentina.

Marcelo has a Master of Business Administration (MBA) in Finance and International Business from New York University's Leonard N. Stern School of Business and Accounting and Business Administration degrees from Universidad Nacional de Córdoba in Argentina.

Staff and Volunteers

H. West Richards, Executive Director



West spent the last 25 years advancing corporate interests and public policy in both the public and private sectors. He worked for seven years in the U.S. House of Representatives, serving as a legislative director, press secretary and chief of staff; and had oversight responsibilities for what is now the House Committee on Transportation and Infrastructure. In 1990, he was the youngest chief of staff in the House and the youngest staffer with direct House Subcommittee oversight responsibilities.

West focused his energies after leaving Capitol Hill on helping the Georgia Institute of Technology prepare for the 1996 Atlanta Centennial Olympic Games, serving as Special Assistant to the President and developing the university's public relations strategy.

West joined the Law Firm of Troutman Sanders, LLP in 1997 to create the first Internet Trade Association based in Georgia (second in the nation). As Executive Director of the Georgia e-Commerce Association (GECA), he pioneered the largest statewide public/private Internet lobby in the U.S. and helped to develop Internet e-Commerce regulation that was eventually adopted by the State of Georgia and the federal government.

GECA boasted more than a dozen Fortune 500 members and nearly 50 smaller corporations and governmental agencies and NGO's. West was recruited away by PMG.net to execute a commercial restructuring initiative, shifting the core business of this small Internet enterprise from web to advanced application development. This resulted in a five-fold increase in sales and the creation of alliances with Ariba Software, Deloitte Consulting, iXL and Anderson Business Consulting. Today, according to the Gartner Group, PMG.net is now recognized as the most successful Enterprise Service Catalog software firms in the world.

West then joined Andersen Business Consulting to lead their I.T. Business Development practice in Georgia, and then left to found two small technology start-ups, selling one in 2007. He then served as EVP of XS International, a premiere high-performance computing enterprise.

West has remained active in politics along the way, serving as a strategic advisor in one Georgia gubernatorial campaign and two Congressional contests. He maintains strong political ties across the state of Georgia and in Washington, D.C.

West served as Executive Director of the Coalition for Independent Seniors from 2004 through 2014, representing the largest U.S. Reverse Mortgage companies, several of which are backed by prestigious Wall Street firms like Guggenheim Partners, Knight Capital and JAM Equity Partners. He led a team of federal lobbyists, consultants and media relations experts to represent industry concerns in the U.S. Congress. This organization enjoyed tremendous success during a time when the Reverse Mortgage Industry was facing an existential threat in Congress.

Finally, he co-founded the ATPC in 2014 with the prestigious Washington, D.C.-based law firm Hunton & Williams, LLP. In his role as Executive Director, West works with both the private

and public sector to create economic development opportunities for the industry, which has a high concentration of enterprises in Georgia. The ATPC is headquartered in Atlanta with offices in Washington, D.C.

West graduated from Carnegie-Mellon University with a degree in Public Policy & Management and a concentration in Management Information Systems.

**Robert Green, Secretary
Senior Attorney, Holland & Knight, LLP**



Robert is a senior attorney at the Atlanta office of Holland & Knight, LLP. He previously led business development for the Atlanta offices of Hunton & Williams. Throughout his career, he has worked with a wide range of financial institutions and service providers, including some of the largest banks in Georgia, Florida and the Federal Deposit Insurance Corporation. He has provided legal and technology advice regarding compliance, processing, data, new product development, joint ventures, partnerships, outsourcing, information technology and global expansion to major U.S. data aggregators, the largest payment processors in the world and other IT enabled companies.

Robert is also the publisher of Atlanta Trend, a newsletter dedicated to the senior executive leadership of metropolitan Atlanta.

Michael Wasserfuhr, Finance Director SVP and CFO, Vesta



Michael is SVP and Chief Financial Officer at Vesta. He previously served as Chief Financial Officer at Worldpay US and Ingenico North America. Ingenico N.A. is a member of the Ingenico Group, which is headquartered in Paris, France. Ingenico is the leading provider of payment solutions, enabling banks and merchants to manage their payment activities across all sales channels (in-store, online and mobile). Before joining Ingenico, Michael held similar senior executive positions with Putzmeister America and TUV Rheinland of North America.

Mr. Wasserfuhr is actively engaged in promoting the payment industry in Atlanta and beyond (member of TAG FinTech's Steering Committee). He is a member of the Association for Corporate Growth (ACG) and he was an outside Director to the German American Chamber of Commerce of the Midwest (2009-2011).

Michael holds an MBA and PhD from Justus-Liebig-Universität Giessen and is a registered CPA. He was born in Germany and holds dual citizenship. He lives with his wife and two daughters in Atlanta.

Committee Structure

Leadership, oversight, idea generation and hard work are typically the core ingredients of successful nonprofits, industry trade associations and coalitions. That's why the ATPC established a committee structure to drive organizational development, member benefits and public policy creation. Each of the four committees is chaired by a board member and comprised of member company employees, staff, volunteers and industry experts.

Administrative Committee

Responsibilities Include: legal; human resources; board activities; and event planning

Committee Members: Thierry Denis (member company proxy Michael Wasserfuhr); Pam Joseph (member company proxy Edward O'Hare); and Bruce Lowthers (member company proxy Susan Lorenz)

Policy Committee

Responsibilities Include: federal, state and local government relations initiatives; recommending policy positions; expanding or reducing the scope of policy related projects; recommending partnerships and alliances with other trade associations or coalitions; and recommending the development of future policy subcommittees or additional task forces.

Committee Members: Bruce Lowthers (member company proxy Susan Lorenz); Scott Meyerhoff (member company proxy Bob Skiba); Tony Catalfano; and Board Affiliates Brad Fauss and Amit Khosla (FIS) will provide additional support as administrative and subject matter experts.

Membership Committee

Responsibilities Include: new member recruitment and existing member retention; and coordination with the Finance Committee

Committee Members: Tony Catalfano, Pam Joseph, Ed O'Hare and Marcelo Perez

Finance Committee

Responsibilities Include: managing and planning financial growth; and forecasting, projections and goal setting with the Membership Committee.

Committee Members: Scott Meyerhoff (member company proxy Bob Skiba); Marcelo Perez; and Thierry Denis (member company proxy Michael Wasserfuhr)

FEDERAL GOVERNMENT ACTIVITY



"This was an important milestone for the industry. It was recognition of the ATPC and serves as symbol of the delegation's resolve to come together on behalf of the industry. The stage has been set for further support from our members."

Rep. Tom Price, on the action taken to the CFPB's Proposed Rule on Prepaid



"I am very pleased to co-chair a caucus to support the payments industry that is so centralized in Georgia. The Senate Payments Innovation Caucus will work to educate others in the Senate on how to support industry innovation and related policy issues to keep our payments industry number one in the world."

Sen. Johnny Isakson, on the formation of the Senate Payments Innovation Caucus

Why Support America's FinTech Companies?

The FinTech industry provides good-paying jobs for Americans of all education levels, skillsets and economic stratus. Industry employment opportunities include equipment manufacturing and distribution, call center support and high-tech developers. But perhaps as important, FinTech companies are financially stable, growing and currently ahead of competitors around the world.

According to Raymond James, FinTech companies often generate "80 percent or more recurring revenue, strong free cash flow, low capital expenditures, top-line growth of 10 percent, and earnings per share (EPS) growth of 15 percent on 20 percent margins. Many transaction processing companies manage a clean balance sheet with no debt and lots of cash."



"I appreciate the work the Transaction Processors Coalition and businesses in the industry here in Georgia have done over the past year to help stem the tide of over-regulation in Washington, DC, and grow jobs here in Georgia."

Rep. Lynn Westmoreland, during his visit to InComm's Newnan distribution facility

2015 Federal Government Activity

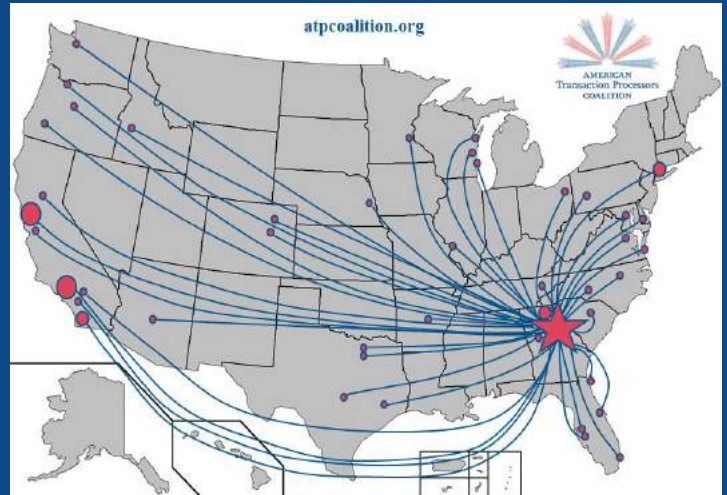
In 2015, the ATPC expanded beyond the “hometown delegation” that they established relationships with, and support from the previous year. The ATPC’s influence grew to leaders from Delaware, Michigan, South Dakota and more, with the creation of both the U.S. House Congressional Payments Technology Caucus and U.S. Senate Payments Innovation Caucus.

Building off its base to communicate regularly with members of Congress, the ATPC was able to generate support for critical payments industry issues as they came to the forefront on Capitol Hill.

The ATPC is now positioned to use their influence to convene stakeholders across all levels of government and industry, as showcased through the activities in the following pages.

ATPC Increases Influence on Capitol Hill

The ATPC was keenly focused on becoming a Congressional resource on issues related to the payments industry in 2015. The Coalition already had good relationships with members of the Georgia Congressional delegation and leveraged the hub and spoke member model to extend its reach in 2015. This map shows Atlanta's Transaction Alley as the hub of the payments ecosystem in the United States, but illustrates the industry's impact beyond Georgia's borders, as members have additional offices, distribution centers and physical centers across America.



"Payments 101" Congressional Staff Briefing

Initial feedback from members of Congress and their staff during founding ATPC conversations was that few FinTech companies visited them to share information about the industry. And as a result, there was limited Capitol Hill knowledge about how the payments system functions and how various pieces of pending legislation impacted companies in the FinTech space. That's why the ATPC partnered with Congressman Lynn Westmoreland (R-GA), senior U.S. House Financial Services Committee Member, to hold a "Payments 101" briefing for Congressional staff in Washington on January 28, 2015. West Richards, Steve Karp from Worldpay, Greg Boardman from Ingenico North America, and Amit Kholsa from FIS presented to the group of more than 40 attendees representing 36 Congressional offices at the Cannon House Office Building on Capitol Hill.



Capitol Hill Fly-Ins

July Mini-Fly-In

The ATPC staff and member-companies continued their regular fly-ins, building off the successful visits throughout 2014.

H. West Richards, along with Gregory Boardman of Ingenico North America, and Amit Khosla of FIS Global, participated in a “mini” Washington, D.C. fly-in the last week of July. The trio, along with Tom Worrall of Whitmer & Worrall held 11 meetings, most notably with representatives from all members of the Senate Payments Caucus. Cybersecurity legislation and recruitment for the payments caucuses in both the House and Senate was the prime focus of these visits. Upon return, the team was pleased to report recruitment successes with Reps. Carter, Allen, Woodall, Price, and Rothfus joining the Caucus.

These meetings led to a request from members (especially those outside the Georgia Delegation) to learn more about this critical industry, and set the stage for a possible U.S House Payments Technology Caucus tour of Transaction Alley.



November Fly-In



The ATPC board of directors, member-company delegates and other stakeholders (including representatives from Atlanta Mayor Reed's office) embarked on a full-day of Capitol Hill meetings beyond the Georgia delegation in November of 2015. The fact that members outside of Georgia's Congressional Delegation sought meetings with the ATPC signaled a new phase of engagement (and success) for the organization and our

mission. The group met with every office comprising the Senate Payments Caucus, and several members of the House Payments Caucus that covered representation from Delaware, South Dakota, Pennsylvania, Michigan and homegrown leaders like Reps. Westmoreland and Price, and Sen. Perdue.

Fly-In delegates split into two groups, the first cohort meeting with Sen. Johnny Isakson, an early champion for the ATPC and its mission. And the second group crossed the river to Arlington for a tour of the Department of Homeland Security's National Cybersecurity Communications and Integration Center.

The purpose of the fly-in was twofold. First, to thank members of the Senate who voted for passage of the Cybersecurity Information Sharing ACT just prior to our visit. Second, the group socialized the concept of holding a cybersecurity forum in Transaction Alley, hosting members of the Payments Caucus and bringing together federal, state and local cyber officials with industry CIOs, CTOs and other executives.



Challenging the Consumer Financial Protection Bureau



The American Transaction Processors Coalition (ATPC) submitted comments to the Consumer Financial Protection Bureau (CFPB) in response to the regulator's proposed new rules for prepaid accounts.

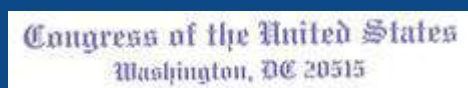
"While we applaud the CFPB's intentions to protect consumers, we are highly concerned that the proposed regulation will actually have the reverse effect by cutting off consumer access and stifling innovation," said ATPC Executive Director H. West Richards. "Prepaid accounts are increasingly important tools for consumers and businesses alike. The CFPB needs to take the time to fully understand the potential unintended consequences of these rules before moving forward."

The ATPC also engaged Congress in the fight, on behalf of the industry, forging a bipartisan consensus within Georgia's Congressional Delegation that the proposed regulations could overly burden the state's transaction processing industry. Members of the delegation

challenged the CFPB and the U.S. Treasury to fully study – before finalizing the rule – the risk of unintended consequences that would limit consumer access and stifle innovation in the financial technology industry, if approved as written.

ATPC Executive Director, H. West Richards, and Tom Worrall from Whitmer & Worrall began socializing an extension request to the CFPB timeline within offices of the Georgia Delegation on Capitol Hill. Within short order, members supported the drafting of a letter to CFPB, from the Georgia Congressional Delegation on behalf of Transaction Alley members, requesting an extension to the existing comment period. The CFPB proposed rule change document checked-in at more than 870 pages, requiring more time for an adequate review and response from the industry.

ATPC staff and members participated in more than a dozen meetings on Capitol Hill, ultimately securing signatures of support from thirteen of the Georgia Congressional Delegation's fourteen members. The signatures are particularly noteworthy because they include 100 percent of Georgia's Democratic Caucus and the four members of Georgia's Freshman Class. This was accomplished in one of the most chaotic times on the Congressional calendar.



A special thank you goes to Congressman Tom Price (R-GA), current Chair of the House Budget Committee, for his willingness to champion the ATPC initiative, and helping to ensure this significant success. Congressman Tom Price's office hand-delivered the letter to the CFPB on behalf of the entire Georgia Delegation.

Why is this particular milestone significant?

Georgia is tied with Michigan as the sixth largest and most influential Congressional Delegation.

This is the first time a state Congressional Delegation has ever assembled around any sort of “ask” by the Payments industry. While this “ask” was not to change a rule or to advance legislation, it was a real “ask” that required internal consideration from each and every member of the Delegation and their staff. This was the first Georgia Delegation letter sent to the Obama Administration in 2015, and first in the 114th Congress.

Participation in our letter was the first official signatory act conducted by the freshman class of Georgia's Congressional members in the 114th Congress. And participation in the letter was the first official signatory act by Georgia's collective Democrat Caucus members in the 114th Congress, some of which have close White House ties.

ATPC established a springboard of support, not only on the prepaid issue, but other payments-related issues that came to face the 114th Congress down the road. And the ATPC successfully drafted and placed an Op-Ed in the influential Roll Call Congressional publication thanking the Delegation for their support and calling on the CFPB to extend the review period.

Thanks to ATPC's Capitol Hill fly-ins, the Georgia delegation recognized us, knew our mission and knew our value to the state. In early November 2014, ATPC was the first organization to alert the Delegation on the CFPB issue. And then in early December, ATPC was the first organization to provide the Delegation with hand-delivered updates and information on the

CFPB prepaid issue. And the ATPC secured their support in January 2015, after numerous meetings and ongoing dialogue.

The exercise of securing delegation support for the first time since ATPC's inception was equal in importance to the actual request itself. But this was just the first step in a longer battle, and the ATPC will remain engaged on this prepaid issue as things continue to unfold. The ATPC is now focused on securing a similar commitment of support from Georgia's U.S. Senators.

"This was an important milestone for the industry. It was recognition of the ATPC and serves as symbol of the delegation's resolve to come together on behalf of the industry," said Congressman Tom Price. "The stage has been set for further support from our members."

Georgia's two senators joined their House of Representative Colleagues in a bipartisan challenge to proposed regulations which could overly burden the state's transaction processing industry. Their action came as another member of Georgia's delegation grilled the nation's top economic official on the significant compliance costs to both industry and governments of the proposed regulations.

U.S. Sens. Johnny Isakson and David Perdue joined the effort, writing [a letter](#) asking the CFPB to extend a comment period on the rule by 60 days. The senators wrote that the proposed rule "may go too far" and "will likely create numerous unintended consequences."

"The transaction processing industry is critically important to the economic health of the State of Georgia," the senators wrote. "Based on our conversations with our constituents, we are not convinced that the CFPB has struck the proper balance in the Proposed Rule."

The senators' letter echoes [a similar request made by thirteen members of Georgia's delegation to the House of Representatives in January](#).

"[W]e owe it to consumers and the thousands that work in this industry to 'get it right,'" the House members wrote. The CFPB has not yet replied to the request.

Separately, Congressman Sanford Bishop, a senior Democrat representing Georgia's Second District, challenged U.S. Treasury Secretary Jacob Lew to review the high potential costs associated with the proposed rule.

[Commenting at a hearing for the Subcommittee on Appropriations for Financial Services](#), the congressman noted the CFPB's proposed rule has the potential of imposing "significant" compliance costs to both the prepaid card industry and customers, including state and local governments that use prepaid cards to disburse benefits. Congressman Bishop told Secretary Lew that governments are the largest users of prepaid products because they are a far more cost-efficient payment option than paper checks, according to a Department of Treasury analysis.

The congressman also emphasized the importance of the payments industry to Georgia's economy, noting that payments firms based in the state form "the center of gravity for the entire payments industry across the globe."

In response to the Congressman's questions, Secretary Lew said, "I agree with you that prepaid cards are more efficient in many cases for government transactions," adding "I very much

understand the value.”

Secretary Lew committed to Congressman Bishop that he would follow up with the CFPB to determine whether a cost/benefit analysis has been conducted to evaluate the impact of the proposed rule.

“This show of support is the fulfillment of our founding vision to build awareness among Georgia’s Congressional delegation about the important role that transaction processing companies play to the state’s and nation’s prestige, and economic competitiveness in an increasingly digital and global payment economy,” said ATPC Executive Director H. West Richards. “We thank Georgia’s delegation for stepping in to ask critical questions, and we will continue to educate Congress and the CFPB on the potential consequences of the regulation.”

Rep. Westmoreland Visits InComm’s Newnan Distribution Facility

InComm welcomed Rep. Lynn Westmoreland (R-GA) and Coweta County Commissioner Bob Blackburn (District 3) to their Newnan warehouse and distribution facility in June, marking the first time either had visited the facility. The event began with an overview of the company, whose headquarters are located in downtown Atlanta, but also maintain a security and compliance office in Columbus, in addition to the Newnan facility and others across the state. InComm employees, members of the ATPC staff and others were provided a tour of the facility following the discussion about the company, economic development goals and legislative issues.

The 100,000 square-foot facility, InComm’s flagship of their 16 distribution centers around the world, exclusively services several well-known, national-chain merchants. Located in Coweta County, the warehouse is part of Westmoreland’s 3rd district of Georgia, and the Congressman was able to interact with some of his constituents that make up the approximately 80 employees regularly working in the facility.





“Having Georgia leaders like Congressman Westmoreland visit and tour InComm’s Newnan Warehouse Facility is critical to the growth of the payments industry in Georgia,” said Robert Skiba, executive vice president at InComm who also chairs the Board of the Network Branded Prepaid Card Association. “Visits like this provide a unique opportunity for members of Congress to meet their constituents working hard to grow our local economy, and the opportunity to discuss how measured and appropriate regulatory policy will promote innovation and grow good paying jobs in Georgia.”

The Congressman spoke with InComm executives and directors during the visit about some of the pending legislation that could affect the company and other American Transaction Processor Coalition (ATPC) member-companies.

“Congressman Westmoreland has been an early champion for Georgia’s FinTech companies on Capitol Hill, and an early sponsor of the American Transaction Processors Coalition (ATPC),” said H. West Richards, Executive Director of the ATPC. “He, along with fellow Georgia Congressional delegate David Scott and two other members of the House have been



instrumental in developing the newly formed Congressional Payments Technology Caucus.

ATPC is working closely with Congressman Westmoreland and his office to expand the Congressional Payments Caucus.”

“I appreciate the work the Transaction Processors Coalition and businesses in the industry here in Georgia have done over the past year to help stem the tide of over-

regulation in Washington, DC and grow jobs here in Georgia,” said Rep. Lynn Westmoreland after the event.

More than 70 percent of all payments in North America are processed through Georgia FinTech companies who employ more than 40,000 people locally. And we are fortunate to have the Congressman support and promote Georgia’s payments industry in his district and on Capitol Hill, to help ensure we retain the best talent, and our prominence in the industry,” said Skiba.

In 2014, the Newnan facility fulfilled more than 1 million orders, containing approximately 91 million cards. The Newnan team is projected to send more than 100 million cards across the globe in 2015.

Cybersecurity Information Sharing Act (CISA)

Cybersecurity is mutually recognized by government and the payments industry as a top priority. The ATPC exerted its influence through Congressional meetings and also as a thought-leader by drafting and placing two op-eds in *PaymentsSource* and *The Hill* on the subject. The ATPC tracked the legislation, lobbying for its passage in both chambers, from its origin through passage in December.



The ATPC drafted the following statement, encouraging Congress to pass cybersecurity legislation that was lingering in committee and on the floor for too long.

American Transaction Processors Coalition Supports Passage of Critical Congressional Cybersecurity Bills

FinTech Industry Group Understands Importance of Continuing Momentum in the Nation’s Capital

The American Transaction Processors Coalition (ATPC) is calling on the U.S. Senate to get the Senate Intelligence Committee information sharing bill, Cybersecurity Information Sharing Act (S. 754) to the floor before the Memorial Day recess. The House of Representatives recently passed the Protecting Cyber Networks Act (PCNA) and National Cybersecurity Protection Advancement Act of 2015 (NCPAA) – H.R. 1560 and H.R. 1731, respectively. Both bills would help companies protect their customers’ data and thwart cyber-attacks.

ATPC endorses these important cybersecurity bills, with the strong suggestion that companies who share critical security information with the government will have enhanced liability protections. This measure will benefit not only the payments processing industry that ATPC represents, but all American businesses operating in this age of information and security threats.

The ATPC applauds the House of Representatives for passing the bills with strong bipartisan support, indicating broad lawmaker agreement on the best approach for addressing cybersecurity in the United States.

“Cybersecurity is incredibly important to the payments industry, and we appreciate the bipartisan momentum in Congress to work with us to help protect American businesses and consumers,” said ATPC Executive Director H. West Richards. “This bipartisan approach is reflected in the Georgia delegation’s continuing engagement with the ATPC to fight on behalf of the payments industry which is critical to our state’s economy.”

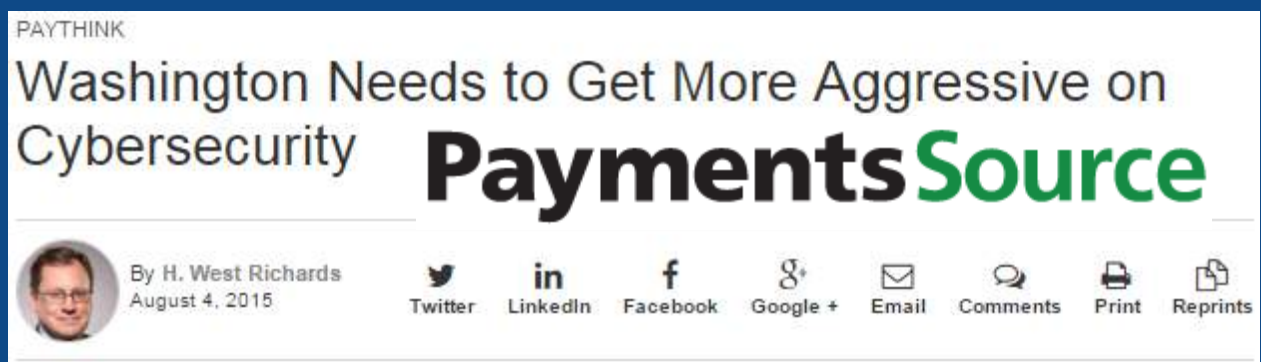
“Cyber-attacks are among the biggest threats to our business and the American economy, writ-large, so it is encouraging to see Congress take this strong bipartisan action,” said Tony Catalano, President and CEO of Worldpay US and Chairman of the ATPC. “We hope the Senate will act soon so we can protect our member companies and our customers.”

ATPC will continue to monitor and support these bills as they move through Congress.

PaymentsSource Op-Ed

The Coalition also exerted influence in the payments industry through the placement of the following cybersecurity op-ed in trade publication *PaymentsSource*.

Just about every week it seems there’s a new headline about another cyber attack on a major corporation or government agency.



Hackers are working overtime disrupting systems and stealing vital data like social security numbers and medical records. That kind of data can prove highly valuable to hackers. But there is perhaps no more profitable target for hackers than the electronic payments platforms, through which billions of dollars are passed every day. Recent highly visible attacks have given pause to consumers and businesses alike. As payments move irreversibly to digital platforms, how do we make sure they are secure?

In answering that question, FinTech companies—including those in the American Transaction Processors Coalition (ATPC)—are spending millions of dollars each year to protect their

systems. Their customers rely on secure systems so consumers can have peace of mind when making a transaction and continue shopping with that merchant.

Those investments are important, and have made electronic payments extremely safe. But faced with global cybersecurity threats, no one company can or should be expected to do it alone. The only truly effective way to combat these cyber threats and protect their customers is by working together and in partnership with government to share information on threats and ways to combat them.

That is why the ATPC has been lobbying Congress to pass comprehensive cybersecurity legislation. The House of Representatives has already passed two strong bills (the Protecting Cyber Networks Act and the National Cybersecurity Protection Advancement Act). We are now urging the Senate to take up and pass the Cybersecurity Information Sharing Act (S. 754) as soon as possible.

These bills promote information sharing around cybersecurity between private companies. Instead of being forced to act independently, these bills would afford the opportunity to share data on cyber threats and ways to combat them.

This won't just help companies, including payments processors, become more secure. A more-secure environment will also allow companies to free up resources that they are currently devoting to security to invest more in product innovation, talent recruitment and expansion.

It is clearly time to act. As both FBI Director James Comey and Director of National Intelligence James Clapper both testified before Congress recently, cyber attacks are now increasingly recognized by the law enforcement and intelligence communities as the top domestic threat.

Though some cyber attacks attract more news attention than others, any company with a physical storefront or an online payment presence needs to be aware of the threats. According to the Global State of Information Security Survey 2015, the number of detected security incidents rose by 48% from 2013 to 2014 – a 66% year-over-year increase from just five years ago. That equates to approximately 117,000 attacks detected each day.

We may never be totally immune to the threat of cyber attacks, but we have the opportunity now to equip the private sector and government with strong new tools to help significantly minimize their impact. Financial technology companies make attractive targets, which is why we are among the leaders in pushing through these bills. The House of Representatives gave strong, bipartisan support to its cybersecurity legislation. We look forward to the Senate following suit.



October 05, 2015, 02:00 pm

Congressional action on cybersecurity would send strong message to China

By H. West Richards

Pope Francis' visit to America garnered wall-to-wall media coverage but the second most popular news story has the greater consequence for businesses, consumers and our national security. Chinese President Xi Jinping met with business executives in Seattle, President Obama at the White House and representatives to the United Nations in New York amid growing concerns related to Cybersecurity threats emanating from his country and other state actors and terrorist groups around the globe. Xi sounded the right tone of cooperation as Obama and American business leaders took him to task but only Congress has the means to immediately make us safer.

Obama is to be applauded for his continued chiding of China's alleged state-sponsored corporate espionage as well as hacking into federal agencies and the Pentagon, while also working to secure a cyber arms control agreement that prevents first strikes against either country's critical infrastructure. But White House efforts have produced few results besides perhaps, securing a more conciliatory Chinese tone, all while the number of attacks on American businesses and data stored by U.S. government agencies continues to grow exponentially.

Perhaps no system is more attractive to hackers or those wanting to disrupt America's economy than our national electronic payments platforms, which consumers use more than ever. According to the Federal Reserve Bank, credit and debit card payments grew from one-third of noncash payments in 2000 to two-thirds in 2012; and debit card payments have grown by more than three billion transactions each year between 2009 and 2012. Yet business and consumer confidence in this vital system erodes with each cyber attack, and as government fails to take meaningful steps to protect our increasingly vulnerable data. Consumers will continue to expand their use of digital payment platforms, raising the question how the system and data will be kept secure.

"FinTech" companies – including members of the American Transaction Processors Coalition (ATPC) – are helping to answer the question by spending millions annually to protect their systems. Their customers will lose consumer business if the system fails to protect transactions at merchant stores or online marketplaces.

Electronic payments are extremely safe because of this investment and vigilance but no one company should have to go it alone when being confronted by the types of global cybersecurity threats being discussed with the Chinese president. Working together, and in partnership with government to share information on threats and ways to combat them is the only truly effective protection against cyber threats.

That is why the ATPC is calling on Congress to immediately pass comprehensive cybersecurity legislation. The House passed two strong bills (the Protecting Cyber Networks Act and The National Cybersecurity Protection Advancement Act) earlier this year and the Senate must now pass the Cybersecurity Information Sharing Act (S. 754).

These bills create an environment where private companies can freely share cybersecurity threat and attack information, and best practices with each other instead of being forced to act independently. This approach will foster a more secure payment environment while also allowing companies to move some of their current security expenditures to product innovation, talent recruitment and expansion.

Xi Jinping might be returning to China but no amount of rhetoric shared during his visit will reduce cyber attacks, which FBI Director James Comey and Director of National Intelligence James Clapper both recently told Congress is the top domestic threat recognized by the law enforcement and intelligence communities.

Threats to merchants and consumers are real and not going away, whether transactions take place at a physical storefront or through an online portal. The Global State of Information Security Survey 2015 reports that the number of detected security incidents rose 48 percent from 2013 to 2014 – a 66 percent year-over-year increase from just five years ago. That means 117,000 attacks took place each day.

The threat of cyber attacks may never go away but strong new tools exist to help the private sector and government significantly minimize their impact. America's payment rails and the financial technology companies that manage them are juicy targets, which is why we are among the leaders advocating for legislative action. The Obama administration and American businesses called for Chinese government support in ending cyber attacks. But the U.S. Senate can make us all more secure now, by following the lead of their House colleagues to pass cybersecurity legislation along solid, bipartisan lines.

ATPC Works CISA Through Passage

After much encouragement from the ATPC and industry, the ATPC applauded the passage of the Cybersecurity Information Sharing Act (CISA – S. 754) by the Senate, and its inclusion in the FY 2016 Omnibus Appropriations Act, which passed both chambers of Congress and was signed by President Barack Obama.

The included language authorizes companies to voluntarily share cyber data, addresses existing systemic vulnerabilities, and provides liability protections while maintaining merchant and consumer privacy and civil liberties.

“Passage of this vital bill signals Congress’ and the administration’s clear intent to cement a sound cybersecurity framework for the benefit of our economy, and companies and the

merchants and consumers they serve,” said ATPC Executive Director H. West Richards. “We witnessed an understanding of the measure’s importance during visits with officials at the National Cybersecurity and Communications Integration Center during our November Capitol Hill fly-in, and in countless meetings on Capitol Hill as CISA and similar measures were debated the past few years, and today’s actions reinforce that perspective with Congressional commitment that ensures our country and our industry stand in a better, more-secure place today.”

ATPC actively encouraged cybersecurity legislation on Capitol Hill throughout the Congressional session, particularly amongst the House and Senate Payments Caucuses and Homeland Security committees. In May, the ATPC called on the U.S. Senate to get CISA to the floor after the House of Representatives passed the Protecting Cyber Networks Act and National Cybersecurity Advancement Act of 2015. These measures are significant to the FinTech and payments processing companies the ATPC represents, located in “Transaction Alley” – where more than 75 companies are headquartered in and around metro Atlanta.

President Obama reiterated his support for the bill, and signed the measure at the applause of Transaction Alley companies and the more than 40,000 people they employ in Georgia, and the 105,000 around the world.

Formation of U.S. House and U.S. Senate Payments Caucuses

The ATPC applauded the creation of the bipartisan U.S. Senate Payments Innovation Caucus in 2015. The caucus, led in part by Sen. Johnny Isakson (R-GA) will explore innovative technologies in the payments industry, including addressing issues in data security, consumer protection and the electronic payments industry. The caucus was also co-founded by Sens. Tom Carper (D-DE), Mike Rounds (R-SD), and Gary Peters (D-MI).

“Senator Isakson has already gone to bat for Georgia’s 40,000 financial technology employees, and we look forward to working with this caucus to forge broad and bipartisan support for the industry among his Senate peers,” said ATPC Executive Director H. West Richards. “The payments industry is a vital part of Georgia’s economy, and we are grateful that our delegation in Congress is working in a united front to support it.”

“I am very pleased to co-chair a caucus to support the payments industry that is so centralized in Georgia,” Isakson said. “The Senate Payments Innovation Caucus will work to educate others in the Senate on how to support industry innovation and related policy issues to keep our payments industry number one in the world.”

The creation of the Senate Payments Innovation Caucus followed the founding of the Congressional Payments Technology Caucus in the House of Representatives. Two Georgia congressmen, Lynn Westmoreland and David Scott, are founding members of that caucus.

Congressional Payments Technology Caucus Meet-and-Greet



Politicians, industry executives and other key stakeholders gathered in midtown Atlanta on September 1st for a Congressional Payments Technology Caucus Meet-and-Greet. The 52nd floor of the Bank of America tower played host to Rep. Lynn Westmoreland (R-GA), Rep. David Scott (D-GA), Rep. Tom Graves (R-GA) and a crowd of more than 100 FinTech and payments technology partners.

Rep. Westmoreland noted that there are a plethora of caucuses in Washington, D.C. but he has yet to see one as active as this newly formed Payments Technology Caucus. The Congressman asked that Georgia companies in the industry offer to host his staff in the upcoming year as they continue to learn about FinTech and desire to bring companies' input and information to the caucus.

In his remarks, Congressman Scott cited the fact that 70 percent of electronic payments are processing in Georgia. Furthermore, he noted that the payments industry is the fulcrum of commerce. Reps. Westmoreland and Scott are two of the four co-chairs of the Congressional Payments Technology Caucus.

With cybersecurity remaining a notable topic in the news and legislation in queue, the group in attendance was informed the next caucus meeting will be on chip technology in credit cards. In closing, Rep. Westmoreland thanked all the industry groups that came together to host the event, recognizing the ATPC for their leadership and advocacy in the industry.

STATE GOVERNMENT ACTIVITY

2015 State Government Activity

Engaging members of Georgia's Congressional Delegation was the initial thrust of ATPC activity. But rapid alignment of the Delegation and increasing member economic development concerns required a more robust and rapid focus on engaging state government officials at home. The ATPC invested time and resources in 2015, to educate Georgia's Executive and Legislative branches, and local government leaders, about Transaction Alley's existence and the economic impact of the FinTech and payments processing industry to the state's economy.

These efforts included numerous meetings with Governor Nathan Deal, Lieutenant Governor Casey Cagle, leadership of both Democratic and Republican members of the General Assembly and Georgia Department of Economic Development Commissioner Chris Carr.

The ATPC membership identified economic development and access to talent as the primary goals at the state and local level. The following section highlights some key initiatives to communicate those needs at the state and local government level.

Senate Bill 88

The way Georgians pay for items and are also paid by employers is changing rapidly, and is increasingly digital in nature. Governor Nathan Deal signed legislation into the Official Code of Georgia on May 6th that is intended to help the state and its merchants and employers keep up with the evolving market and workplace.

Georgia Senate Bill 88 (S.B. 88) created a new option for employers who wish to use alternative and more convenient forms of payment for their employees. Georgia law previously allowed for checks, cash and direct-deposit, but did not list prepaid debit cards as an authorized method. Under S.B. 88, which is now in full-effect, employers have the option of paying their employees with prepaid payroll debit cards. Georgia joins many other states already using the method.

Many of the state's key sectors – especially the service and agriculture industries – employ a number of populations that are typically under-banked (limited access to financial tools) or completely unbanked (no access to financial tools). This fact often eliminates direct-deposit as an option for the 12 percent of Georgia's population that are classified as “unbanked.” That figure does not include the approximately 417,000 under-banked households in the state. Prepaid payroll debit cards offer employers a secure alternative to cash and avoid many of the fraud and fee issues often associated with checks.

The prepaid card industry is heavily based in Georgia, part of the region termed “Transaction Alley” that begins in downtown Atlanta and runs north between Interstates 75 and 85 into the north metro area. ATPC member company, InComm, is leading the way in this innovative sector.

Educating Georgia's General Assembly and Key State Leaders

Georgia House Banking Committee and Democratic Caucus Briefings



In March, H. West Richards, Steve Karp of Worldpay and Greg Boardman of Ingenico North American presented to a full room of state legislators, largely comprised of members of the House Banks & Banking Committee. The lunch-and-learn session was designed to educate the decision makers on the magnitude of the payments industry in their own backyard and also walk them through the payments ecosystem and what goes into each credit, debit, and gift card swipe “behind-the-scenes” in a matter of seconds.

The ATPC also took part in the Technology Association of Georgia's (TAG) FinTech Day at the Capitol in February – presenting to a group of state legislators and officials over lunch as part of their Gold Dome fly-in.

That same day, the ATPC's delegation also spoke to members of the Georgia Democratic Caucus, which allowed industry experts and legislators to interact on a nearly one-on-one basis to answer questions.

FinTech Curriculum and Certificate Program

The ATPC, realizing their member companies are striving to attract and retain talent within a competitive Atlanta technology landscape, set up initial meetings with the University System of Georgia Board of Regents, Mark Lytle, Vice Chancellor for Economic Development, to discuss the needs of the industry.

Member companies and their HR directors sent their job openings and requirements to the ATPC for analyzing and use in meetings with the Board of Regents, illustrating that while many jobs are in fact “high-tech” and require special skills or certifications, many are also back-end customer service, call center, and sales-based.

With the Coalition’s assistance, Mark met with the HR contact at each ATPC member-company to find out what specific challenges each company faces, and how that aligns with the entire industry’s needs.

The ATPC also met with leaders from Emory University’s Continuing Education Program to discuss creation of a “FinTech Boot camp” program, that matched the school’s successful Health IT initiative in 2014.

The ATPC seeks to leverage these education partnerships to create the world’s first FinTech payments technical college certificate program and four-year degree curriculum.

TAG Legislative Roundtable

H. West Richards was invited to present to the Georgia General Assembly Cybersecurity Study Committee as part of TAG’s Legislative Roundtable 2015 event.

He briefed key legislators about the ATPC’s current cybersecurity efforts, and the Coalition’s needs and vision on the subject. It is through vehicles like this that West and the ATPC are able to gain recognition for their cybersecurity platform and be a thought-leader.



Trade Mission to Brazil

ATPC representatives traveled to Brazil in June as part of a trade mission driven by Governor Nathan Deal and the Georgia Department of Economic Development. The Governor's week-long trade mission included visits to Rio De Janeiro, Sao Paulo and other surrounding areas.



The governor extended invitations to ATPC Executive Director H. West Richards, Jay Morgan (ATPC's state government affairs consultant) and Holland & Knight Partner Roth Kehoe, and Senior Counsel Robert Green to help lead the Sao Paulo leg of the trade mission. The Governor's goal for the trip was to strengthen Georgia's ties with Brazil, which boasts the world's eighth-largest economy in real GDP.

The trade mission included an ATPC-led meeting with Cielo, the parent-company of ATPC member Merchant e-Solutions. Representing the payments industry in Georgia, H. West Richards facilitated the meeting between the governor, GDecD Commissioner Chris Carr, Cielo CEO Romulo de Mello Dias, and other Cielo senior executives. During the meeting, Commissioner Carr credited ATPC for creating connectivity between the State of Georgia and Cielo but also for its work in becoming an important resource for both the payments industry and the state's economic development agenda.

Merchant e-Solutions, a Cielo company, has a small Atlanta sales force but is headquartered in Silicon Valley. The company joined the ATPC in July 2014 at the Tier One level, selecting CFO Marcelo Perez as the company delegate on the Board of Directors. Governor Deal used the



meeting to tout Georgia's prominence in the industry, not only in the United States but also globally. The governor's goal was to demonstrate the state of Georgia's commitment to the Payments industry and to invite Cielo to consider expanding their operations in metro Atlanta – which they ultimately agreed to do.

As part of the trip, ATPC representatives also met with Elavon, another member-company with operations in Brazil. One of the trip highlights included the American/Brazilian Chamber of

Commerce event in Sao Paulo, where ATPC, Elavon, and Cielo represented the payments industry portion of the Georgia delegation.

PUBLIC AFFAIRS OUTREACH

2015 Public Affairs Outreach Activity

Public affairs activities continued to raise Transaction Alley's profile in the media to drive awareness among the general public, economic development leaders and elected officials in Washington, under the Gold Dome and with local governments like the City of Atlanta. This work included media relations, direct stakeholder engagement and operational and logistical support for the ATPC. This year's work leveraged the foundation built in 2014 to reinforce the growing and positive industry perception and cement Transaction Alley's reputation as the premiere economic development initiative in Georgia.

The Coalition celebrated its one-year anniversary of its town hall launch in April 2014 and in a very short amount of time became a respected industry expert in the media. This is evidenced by reporters covering industry news, seeking member or staff comment for economic development news, or regularly quoting our facts in related industry and economic development stories.

Re-Up Georgia, ATPC's economic development initiative, saw two additional members join the charge following Worldpay US and their headquarters relocation announcement in 2014.

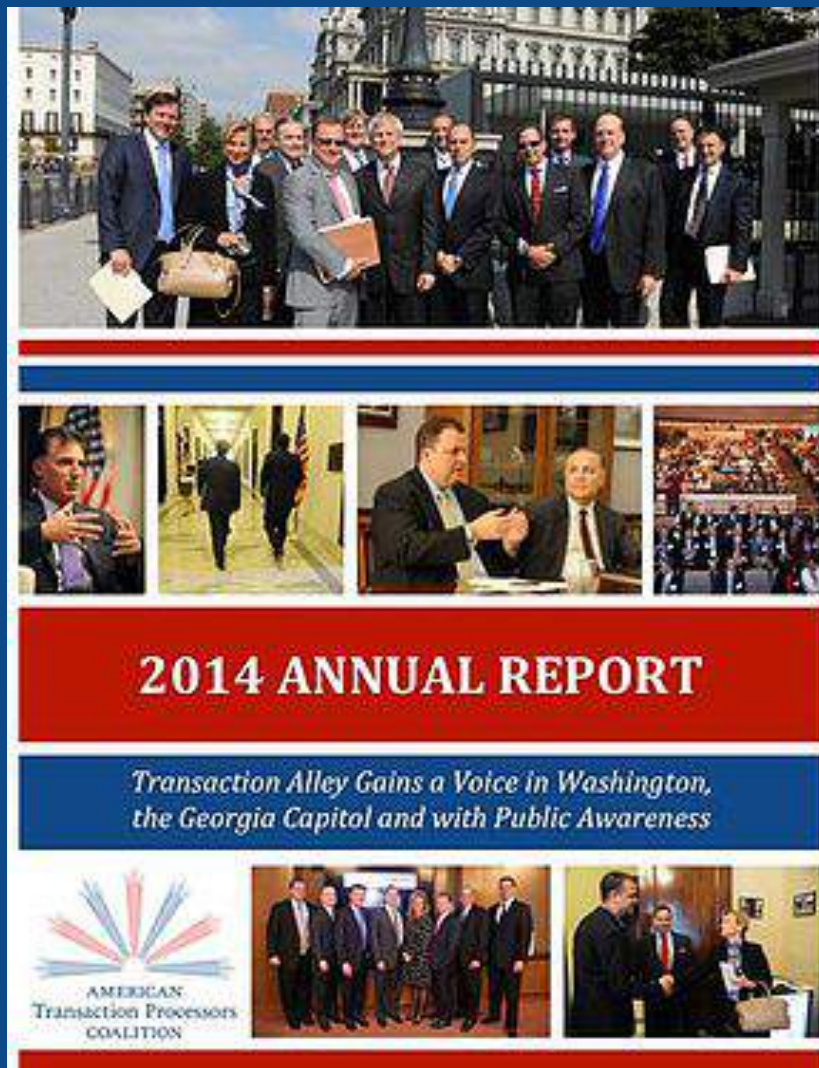
All of the media, Re-Up Georgia and other activities were supported by stakeholder engagement activities that ensured introductions to, and relationship building with City of Atlanta Mayor Kasim Reed, Council President Ceasar Mitchell, and economic development groups like Metro Atlanta Chamber and CareerRise.

The following section captures some of the key thought leadership and public affairs activities driven by the ATPC staff and members, in 2015.

ATPC Distributes 2014 Annual Report

From coining the term "Transaction Alley" to establishing committees, and completing three Capitol Hill fly-ins, the American Transaction Processors Coalition accomplished a great deal in its first year of existence.

These successes were memorialized in the ATPC's first Annual Report last year. A copy of the report can be found on the ATPC website, and was distributed to key stakeholders, including: members and affiliates; prospective members; Georgia's Congressional Delegation; other influential Capitol Hill targets; state and local government leaders; media; and current and potential economic development and academia partners.



Georgia FinTech Task Force

The public affairs team helped to coalesce and launch the new ATPC and Metro Atlanta Chamber (MAC) FinTech Task Force in September. Its purpose is to develop a strategy to grow and sustain the financial technology, or FinTech, industry in metro Atlanta. Below is content from the announcement press release, which received coverage in the [Atlanta Journal-Constitution](#) and the [Atlanta Business Chronicle](#).

“Growing jobs and attracting talent is central to our mission, and metro Atlanta is a natural hub for FinTech,” said MAC President and CEO Hala Modellmog. “The new FinTech Task Force will serve as a powerful catalyst for growing and sustaining the region’s financial technology ecosystem and adding jobs to our economy.”

The effort is modeled after MAC’s successful Mobility Task Force that launched in 2012, and will have three main goals: attract and grow companies in the FinTech industry; develop a skilled workforce and grow innovation.



“I’m honored to accept this role and responsibility to make sure Atlanta remains the center of financial technology and service innovation,” said Catalfano, who also chairs the ATPC. “I look forward to teaming with other business leaders to develop strategies that spur development, attract investment and grow the most capable FinTech workforce in the country.”

FinTech is a fast-growing industry in metro Atlanta. More than 40,000 employees work for 70 companies in the metro area, generating \$30 billion in revenue, according to the ATPC. Additionally, 85 billion transactions, or more than 70 percent of the more than \$4 trillion in U.S. credit card swipes, debit card payments and gift card purchases go through Georgia-based FinTech companies.

“Georgia’s Transaction Alley is the FinTech capital of the world and we need to work hard to keep it that way,” said H. West Richards, the executive director of the American Transaction Processors Coalition. “A focused plan to invest in people and generate investment in innovation will spur Transaction Alley’s growth and protect this vital Georgia industry. I believe one day we may look back on this initiative as the spark that helped to shape Georgia’s future as the next financial industry powerhouse to arrive on the world stage. We thank the Chamber for acting on this important need and look forward to our partnership.”

The group has now recruited its core members and will hold its first official meeting on February 26, 2016.

ATPC Guides Dutch/Flemish Trade Mission in Atlanta

Leadership in Netherlands and Flanders decided in the spring of 2015 that their U.S. trade mission would be held in Atlanta and was set to focus only on two industries: information security and logistics. After a number of meetings, ATPC successfully persuaded the Netherlands Embassy representatives in Washington, D.C. to add FinTech to their trade mission agenda.

The Coalition organized and scheduled tours of several area companies for the delegation during their October visit. This allowed the ATPC to present several of its member companies to the group as Elavon, Worldpay and Cardlytics agreed to host.

Premier ATPC supporters Atlanta Mayor Kasim Reed and Georgia Department of Economic Development Commissioner Chris Carr were very pleased that ATPC was able to get FinTech added to the Trade Mission Agenda.



Netherlands Prime Minister Rutte stated during his remarks, “Atlanta is gaining a reputation around the world as the Silicon Valley of financial technologies and information security. More than 70 percent of all online payments in the US go through Georgia’s ‘Transaction Alley’.”

In further remarks, Flanders Minister-President Geert Bourgeois said, “I am honored to be present here today together with my colleague from the Netherlands, Mr. Rutte, and Mayor Reed. Atlanta serves as an important gateway to the United States, and is a prime location for our Flemish companies to develop their business in the rest of the country, especially in the fields of FinTech, cybersecurity and smart logistics.”

The visit culminated with a dinner at the Atlanta History Center in Buckhead.





Global Atlanta's "Paying Atlanta Forward"

The public affairs team helped Trevor Williams, editor of *Global Atlanta*, pull together a special report detailing Transaction Alley's vast influence and sheer size, and impact in Georgia (and across the globe).. Titled "Paying Atlanta Forward," the report included interviews with key industry executives, including H. West Richards of the ATPC and representatives from Worldpay US and Elavon, among many other ATPC representatives.

The report was released at a lunch event that featured a presentation by H. West Richards on the regulatory challenges that the industry faces both in Washington, D.C. and within the state. Joe Kleinwaechter of Worldpay US participated in a panel on innovation, which is now a growing segment of the industry in Atlanta, and gaining deserved attention.

Re-Up Georgia

InComm Announcement

Member companies continued to support the Re-Up Georgia initiative by including the concept in their economic development initiatives. Their efforts are maximized through this campaign as ATPC lends its public affairs (and government relations) resources to ensure attendance of key dignitaries and media coverage.

InComm was the second company to participate in the program, holding a press conference at their downtown Atlanta headquarters on December 2nd to announce the addition of more than 275 jobs and investment of more than \$20 million in expansion across four locations. They will open a new call center in Peachtree Corners and a new data center in Suwanee. The existing Alpharetta office and Atlanta headquarters will also see office expansion and additional employees.

InComm commitments include:

- 275 new InComm associate hires and \$20 million CAPEX expenditure across all locations
 - 100 new associates as part of its expansion of its existing Peachtree Corners call center facility
 - \$3 million annual payroll
 - 20 new associates at the new Suwanee data center facility
 - \$1.5 million annual payroll
 - 125 new associates as part of its expansion of its existing Atlanta HQ
 - \$6.3 million annual payroll
 - 30 new associates at its existing Alpharetta office
 - \$2.3 million annual payroll



“Our city has emerged as a major hub for the Financial Technology industry and as a center of innovation because of our world-class colleges and universities, our strong pool of local talent, and our support of startups and entrepreneurs,” said Mayor Kasim Reed. “InComm has taken advantage of these resources to build its business and become the industry leader it is today. InComm is part of the Atlanta community, and we look forward to growing and prospering together.”

18A ATLANTA BUSINESS CHRONICLE DECEMBER 4-10, 2015

TECH FLASH Reporter Urvaish Karkaria covers technology

UKARKARIA@BIZJOURNALS.COM 404-249-1057 @ATLANTECHAT181Z

PREPAID CARDS

Fintech firm InComm invests \$20M in 275-job expansion

Atlanta financial technology firm InComm will invest \$20 million in an expansion that will create 275 jobs in the state and generating \$30 billion in revenue.

payment security software will create a winning combination for retailers.

► No. 459 Brightree — 126 percent
► No. 489 Lancor — 116 percent

The press conference was followed by a town hall event and panel, moderated by InComm CFO and COO Scott Meyerhoff, with Hala Modellmog, President and CEO of the Metro Atlanta Chamber, Commissioner Chris Carr of the Georgia Department of Economic Development, and H. West Richards of the ATPC participating.

On December 7th, a headline on the front page of the *Atlanta Journal-Constitution* read, “Georgia ‘FinTech’ moves to top of job creation push.” A coalition launched just a little more than a year-and-a-half ago, with an initial focus of rallying the Georgia Congressional Delegation to the cause of a critical but often overlooked and self-hidden industry, has now become the most-visible economic development force in the state of Georgia.

AJC.com

Georgia ‘FinTech’ moves to top of job creation push

And consider this further praise: FinTech “moves to the top of job creation push.” That is according to the people who watch and report on Georgia’s business community and economic climate for a living each day. If that isn’t worth noting, reflecting upon and celebrating this holiday season, I am not sure what is!



And it should be noted that the economic development successes inside Transaction Alley will ultimately impact areas outside of Georgia. Furthermore, the moving of the economic development needle and the raising of Transaction Alley’s profile all combines to increase our clout in Washington, DC. All of ATPC’S initiatives are intertwined and combined they add a force multiplier effect that has become quite consequential.

Obviously that success is due to an ability to awaken, align and mobilize leaders in the payments industry, Congress, Georgia’s Executive Branch and General Assembly, and within the education and economic development sectors – and the corresponding support and hard work they’ve invested in moving the needle. We’ve created

and told a story, made people understand the relevance of that narrative and repeatedly rally them to the cause of this place we call Transaction Alley.

Worldpay Investment in Advanced Technology Development Center



Worldpay was the first company to leverage the Re-Up Georgia platform in 2014, when they announced a move to Atlantic Station, and the creation of hundreds of jobs. They included the platform again in their 2015 announcement of expanding Worldpay US’ commitment to accelerating payments technology innovation with a \$1 million gift and mentorship commitment to Georgia Tech’s Advanced Technology Development Center (ATDC).

Worldpay will fully fund a new Financial Technology accelerator at the ATDC for the next three years, which included hiring a FinTech expert to serve as an entrepreneur-in-residence to mentor start-ups. Worldpay executives are also mentoring entrepreneurs at the center, providing both payments expertise and

Worldpay’s global resources to support companies within the new program.

“As the leaders in modern money, Worldpay is creating new payments experiences for software and applications that business owners use to run their businesses smarter across all channels,” said Worldpay US President and CEO Tony Catalfano. “To sustain our competitive advantage, we must continue to innovate and attract top talent, both key drivers behind this groundbreaking partnership.”

“The ATDC has empowered scores of entrepreneurs to grow their ideas into successful companies,” added Catalfano, who also serves as the board chairman of the American

Transaction Processors Coalition. “Our commitment is about investing in the smartest, most-creative innovators so the next generation of financial technology will be built right here in Georgia.”

“We are always focused on bringing businesses to our state, but we also want to encourage the next generation of entrepreneurs to build their businesses right here in Georgia,” said Georgia Lieutenant Governor Casey Cagle. “This is a groundbreaking public-private partnership that will create jobs and help secure Georgia’s place as the country’s leader in financial technology for another generation. I congratulate Georgia Tech and Worldpay on this collaboration and look forward to seeing the results.”

The announced partnership underscores Georgia Tech’s statewide economic development mission.

“This gift from Worldpay will enhance the innovation ecosystem that is rapidly developing in Tech Square,” said Georgia Tech President G.P. “Bud” Peterson. “We are fulfilling our mission to create new products which will foster new companies and job opportunities for all of Georgia.”

In November, the ATDC held the first “FinTech Hack @ ATDC” which featured more than \$85,000 in cash and prizes – and mentoring. The ATDC said that this was their most successful hack-a-thon to date. Worldpay US partnered with other technology disruptors NCR and Yodlee over the weekend.

Transaction Alley Garners Additional Media Attention

The ATPC’s busy schedule and leadership in 2015 provided a ripe opportunity for additional media attention beyond national and local coverage reported in the 2014 Annual Report.



Tony Catalfano’s keynote at the Venture Atlanta conference kicked off coverage with a *Forbes* Magazine-produced article “[FinTech is All the Rage at Venture Atlanta](#).” Payments remained on the radar for local Atlanta publications, as *Global Atlanta* editor Trevor Williams spent months interviewing industry executives. Those discussions, along with the “Paying Atlanta Forward” event in November culminated in a payments [report](#), prominently featuring the ATPC and several of its member-companies.

Other reporters took notice too, as Phil Hudson of the *Atlanta Business Chronicle* interviewed both West Richards and Tony Catalfano for a [story](#) on the newly-formed Atlanta FinTech Task Force, in conjunction with the Metro Atlanta Chamber and Technology Association of Georgia.

FinTech Is All The Rage At Venture Atlanta

We know Fintech is big, but why is it so big in Atlanta?

With FinTech experts center stage at Venture Atlanta it became clear how critical this sector is to the region. According to the American Transaction Processing Coalition (ATPC), 70% of all U.S. payments are processed through Georgia's 'Transaction Alley.' With a sector so significant in our front yard, there is tremendous opportunity for entrepreneurship, great demand for talent, and ample, motivated resources to nurture that talent.



In perhaps the most profound case of the ATPC being recognized as a top-player in Transaction Alley, the Coalition's facts and founding were both mentioned in the November issue of *Delta Sky* magazine, which featured the top reasons Atlanta is a place to visit for business or personal travel.

The collage includes the cover of Delta Sky magazine featuring Zac Posen, a photo of a person at a computer, and a newspaper clipping titled "Finance Meets Tech" which discusses the fintech hub in Atlanta. The clipping mentions that Georgia leads the nation in payments processing, which encompasses card processing, electronic billing and more. Every year, trillions of dollars pass through Georgia, processed by companies that either sprang up in the city or relocated here to become part of the fintech hub. Those companies bring in some \$34 billion in annual revenue.

2016 CALENDAR OF EVENTS

2016 Calendar of Events

Proposed Quarterly Board Meeting Schedule for 2016

Month	Day	Venue
February	10	Federal Reserve Bank of Atlanta, Atlanta, GA
May	5	Atlanta, GA
September	13 – 14	Washington, D.C. (Board meeting and Capitol Hill Fly-In)
December	1	Atlanta, GA

2016 Important Dates

Event	Month	Day	Venue
ETA Transact 2016	April	19 – 21	Las Vegas, NV
NBPCA Power of Prepaid Annual Conference	April	28 – 29	Washington, D.C.
FIS Connect 2016	May	23 – 26	Orlando, FL
ATPC/U.S. Senate Payments Caucus/Federal Reserve Bank of Atlanta Cyber Forum Event	May or June	TBD	Atlanta, GA
PeachPay	July	TBD	Atlanta, GA
Republican National Convention	July	18 – 21	Cleveland, OH
Democratic National Convention	July	25 – 28	Philadelphia, PA
Money 20/20	October	23 – 26	Las Vegas, NV
PeachPay	November	TBD	Atlanta, GA

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2015 Members and Sponsors

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Tier Three Members:



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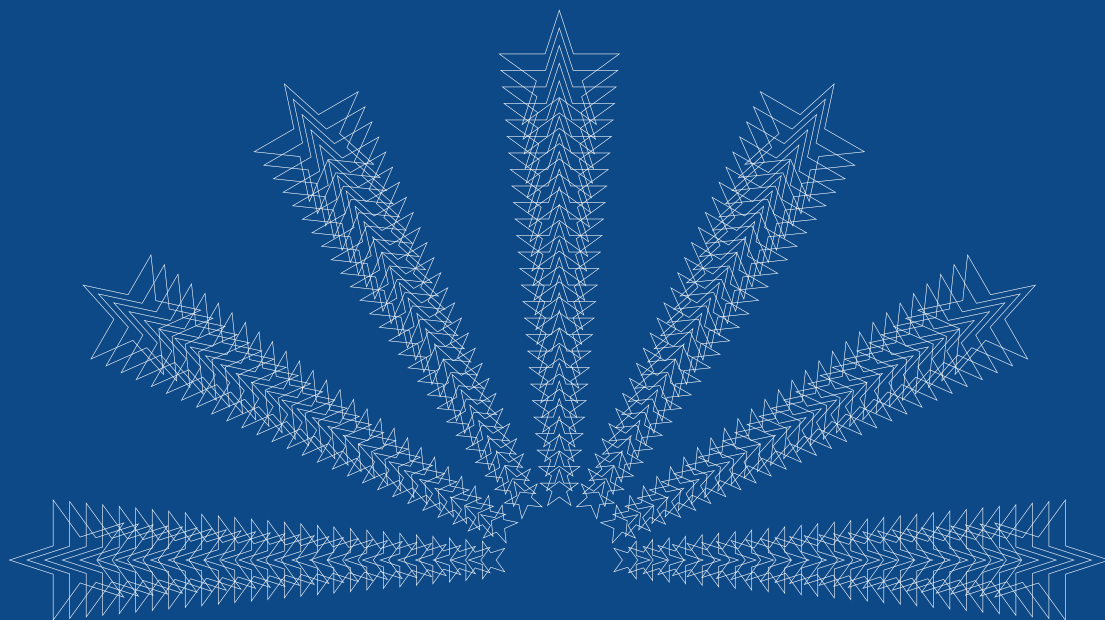


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AMERICAN Transaction Processors COALITION

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