

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ASKELADDEN L.L.C.,
Petitioner,

v.

LIBERTY PEAK VENTURES LLC,
Patent Owner.

Case IPR2023-00422
Patent No. 8,905,301 B2

PETITION FOR *INTER PARTES* REVIEW OF
CLAIMS 1-20 OF U.S. PATENT NO. 8,905,301 B2

Mail Stop PATENT BOARD
Patent Trial and Appeal Board
United States Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

Table of Contents

I.	MANDATORY NOTICES UNDER 37 C.F.R. §42.8(a)(1).....	1
A.	Real Party-In-Interest Under 37 C.F.R. §42.8(b)(1)	1
B.	Related Matters Under 37 C.F.R. §42.8(b)(2)	2
C.	Lead and Back-Up Counsel Under 37 C.F.R. §42.8(b)(3)	2
D.	Service Information Under 37 C.F.R. §42.8(b)(4).....	3
II.	PAYMENT OF FEES UNDER 37 C.F.R. §42.103	3
III.	GROUND FOR STANDING UNDER 37 C.F.R. §42.104(a).....	3
IV.	IDENTIFICATION OF CHALLENGE UNDER 37 C.F.R. §42.104(b) AND RELIEF REQUESTED.....	4
A.	Claims for Which IPR Is Requested (37 C.F.R. §42.104(b)(1)).....	4
B.	Art and Statutory Grounds on Which the Challenge Is Based (37 C.F.R. §42.104(b)(2))	4
V.	SUMMARY OF THE '301 PATENT (Ex1002).....	5
A.	Specification.....	6
B.	Claims.....	10
C.	Prosecution History	10
VI.	CLAIM CONSTRUCTION UNDER 37 C.F.R. §42.104(b)(3)	12
VII.	APPLICATION OF THE PRIOR ART TO CLAIMS 1-20, FOR WHICH IPR IS REQUESTED UNDER 37 C.F.R. §42.104(b)(4)-(5)	12
A.	Level of Ordinary Skill in the Art.....	12
B.	Claims 1, 4-5, and 7-16 Are Anticipated Under 35 U.S.C. §§ 102(a) & 102(e) by Foss (Ground 1) and Claim 14 is Additionally Rendered Obvious Under 35 U.S.C. §103(a) over Foss in view of the Admitted Prior Art (Ground 2).....	13

1.	The Disclosure of Foss (Ex1008)	13
2.	Independent Claims 1 and 7 are Anticipated by Foss (Ground 1).....	18
a.	[1PRE] 1. A method comprising:	19
b.	[7PRE] 7. An article of manufacture including a non-transitory, tangible computer readable medium having instructions stored thereon that, in response to execution by a computer-based authorization system, cause the computer-based authorization system to perform operations comprising:	20
c.	[1A/7A] receiving, at [a, the] computer-based authorization system, a transaction request associated with a debit account, wherein the debit account is associated with a separate account;	23
d.	[1B/7B] sending, using the computer-based authorization system, an account information request that includes account information of the separate account;.....	28
e.	[1C/7C] receiving, at the computer-based authorization system, status information of the separate account in response to the account information request; and	30
f.	[1D/7D] authorizing, using the computer-based authorization system, the transaction request based on the status information.	32
3.	Dependent Claims 4-5, 8-13, and 15 Are Also Anticipated by Foss.....	35
a.	Claim 4.....	35
b.	Claim 5.....	36
c.	Claim 10.....	37
d.	Claims 8 and 11	38
e.	Claims 9, 12-13.....	39
f.	Claim 15.....	42

4.	Dependent Claim 14 is Anticipated by Foss (Ground 1) and/or Rendered Obvious over Foss in view of Admitted Prior Art (Ground 2).	45
5.	Independent Claim 16 is Anticipated by Foss (Ground 1)	48
a.	[16PRE] 16. A method comprising:	49
b.	[16A] receiving, at a computer-based authorization system, a transaction request associated with a debit account, wherein the debit account is associated with a separate account;	50
c.	[16B] authorizing, using the computer-based authorization system, the transaction request based on the status information associated with the separate account; and.....	51
d.	[16C] after authorizing the transaction request, sending, using the computer-based authorization system, a fund transfer request to a financial institution associated with the separate account, wherein the fund transfer request corresponds to the transaction request.	51
C.	Claim 3 Is Anticipated Under 35 U.S.C. §§ 102(a) & 102(e) by Foss (Ground 1) and/or Rendered Obvious Under 35 U.S.C. §103(a) over Foss in view of Gopinathan (Ex1010) (Ground 3).....	54
1.	Claim 3 is Anticipated by Foss (Ground 1)	55
a.	The Disclosure of Foss (Ex1008)	55
b.	Element [3A]	57
c.	Element [3B].....	58
2.	Claim 3 Is Rendered Obvious Under 35 U.S.C. §103(a) over Foss in view of Gopinathan (Ex1010) (Ground 3).....	59
a.	The Disclosure of Gopinathan (Ex1010).....	59
b.	Foss and Gopinathan are analogous art.....	63
c.	Element [3A]	64
d.	Element [3B].....	66

D.	Claims 2, 6, and 17-20 Are Rendered Obvious over Foss in view of Hirka (Ex1009) (Ground 4).....	68
1.	The Disclosure of Foss.....	68
2.	The Disclosure of Hirka.....	69
3.	Foss and Hirka are analogous art.....	72
4.	Dependent Claims 2 and 6 Are Rendered Obvious over Foss in view of Hirka (Ground 4).....	72
a.	Claim 2.....	72
b.	Claim 6.....	74
5.	Dependent Claims 17-20 are Rendered Obvious over Foss in view of Hirka (Ground 4).....	76
a.	Claim 17.....	76
b.	Claim 18.....	79
c.	Claims 19-20.....	81
VIII.	Conclusion.....	85

TABLE OF AUTHORITIES

Page(s)

CASES

<i>Phillips v. AWH Corp.</i> , 415 F.3d 1303 (Fed. Cir. 2005) (en banc)	11
--	----

STATUTES

35 U.S.C. §102(a)	5, 13, 65, 68
35 U.S.C. §102(e)	5, 13, 65, 68
35 U.S.C. §103(a)	5
35 U.S.C. §282(b)	11
35 U.S.C. §§311-319.....	1
35 U.S.C. §315.....	4

OTHER AUTHORITIES

37 C.F.R. §42.8	1, 2, 3
37 C.F.R. §42.10	3
37 C.F.R. §42.15	3
37 C.F.R. §42.100	11
37 C.F.R. §42.103	3
37 C.F.R. §42.104	4
37 C.F.R. §42.108	1

EXHIBIT LIST*

<u>EXHIBIT NO.</u>	<u>DESCRIPTION</u>
Ex1001	U.S. Patent No. 7,837,100 B2 to Bonalle et al. (“ <u>the ’100 Patent</u> ”)
Ex1002	U.S. Patent No. 8,905,301 B2 to Bonalle et al. (“ <u>the ’301 Patent</u> ”)
Ex1003	Expert Declaration of Ivan Zatkovich in Support of Petition for <i>Inter Partes</i> Review of Claims 1-17 of U.S. Patent No. 7,837,100 B2 and Claims 1-20 of U.S. Patent No. 8,905,301 B2 (“ <u>Zatkovich Decl.</u> ”)
Ex1004	<i>Curriculum Vitae</i> of Ivan Zatkovich
Ex1005	Prosecution History of the ’100 Patent (U.S. App. No. 11/478,140) (“ <u>the ’140 Application</u> ”)
Ex1006	Prosecution History of the ’301 Patent (U.S. App. No. 12/907,955) (“ <u>the ’955 Application</u> ”)
Ex1007	U.S. Pat. Pub. No. 2007/0198404 A1 to Hirka et al. (“ <u>Hirka ’404</u> ”)
Ex1008	U.S. Pat. Pub. No. 2004/0225604 A1 to Foss et al. (“ <u>Foss</u> ”)
Ex1009	WIPO Pub. No. WO 02/21374 A1 to Hirka et al. (“ <u>Hirka</u> ”)

<u>EXHIBIT NO.</u>	<u>DESCRIPTION</u>
Ex1010	U.S. Patent No. 6,330,546 B2 to Gopinathan et al. (“ <u>Gopinathan</u> ”)
Ex1011	“Financial transaction card originated messages – Interchange message specifications – Part 1: Messages, data elements and code values”, ISO 8583-1, First Edition (published June 15, 2005) (“ <u>ISO Standard 8583-1</u> ”)
Ex1012	Declaration of Glenn J. Perry (“ <u>Perry Decl.</u> ”)
Ex1013	Letter Agreement Between Glenn J. Perry and Askeladden L.L.C. dated May 20, 2020

* Petitioner Askeladden L.L.C. has filed simultaneously with this Petition, a related Petition for *inter partes* review for U.S. Patent No. 7,837,100 (Ex1001), which issued based on the parent application of U.S. Patent No. 8,905,301 (Ex1002). Since exhibits and subject matter overlap, for the Board’s convenience and the parties’ convenience, the same exhibits, including a common Declaration of Ivan Zatkovich (Ex1003), and a common Declaration of Glenn J. Perry (Ex1012), are being submitted in both proceedings.

Pursuant to 35 U.S.C. §§311-319 and 37 C.F.R. §42, Askeladden L.L.C. (“**Petitioner**”) respectfully petitions for *Inter Partes* Review (“**IPR**”) of Claims 1-20 of U.S. Patent No. 8,905,301 B2 (“**the ’301 Patent**,” Ex1002), which is assigned to Liberty Peak Ventures, LLC (“**Liberty Peak**”). Petitioner also submits the Expert Declaration of Ivan Zatkovich (Ex1003) in support of this Petition. Since there is a reasonable likelihood that at least one of the challenged claims is unpatentable, Petitioner requests institution of an IPR under 37 C.F.R. §42.108.

I. MANDATORY NOTICES UNDER 37 C.F.R. §42.8(a)(1)

As set forth below and pursuant to 37 C.F.R. §42.8(a)(1), the following mandatory notices are provided as part of this Petition.

A. Real Party-In-Interest Under 37 C.F.R. §42.8(b)(1)

Pursuant to 37 C.F.R. §42.8(b)(1), Petitioner Askeladden L.L.C. certifies that it is the real party-in-interest in this proceeding. In support, Petitioner submits the Declaration of Glenn J. Perry in Support of Petition for *Inter Partes* Review of Claims 1-17 of U.S. Patent No. 7,837,100 B2 (a distinct Petition) and Claims 1-20 of U.S. Patent No. 8,905,301 B2 (this Petition) (Ex1012) and supporting exhibits (Ex1013). As demonstrated in the Perry Declaration and supporting exhibits, no other party is in privity with or exercises control or could exercise control over Petitioner’s participation in this proceeding, the filing of this Petition, or the conduct of any ensuing trial. (Ex1012, ¶¶22-28; Ex1013).

B. Related Matters Under 37 C.F.R. §42.8(b)(2)

To date, Liberty Peak has filed four patent infringement lawsuits with respect to the '301 Patent:

- *Liberty Peak Ventures, LLC v. The Charles Schwab Corporation*, No. 2:22-cv-00376 (E.D. Tex.) (filed: Sep. 28, 2022; pending). Defendants' answer and counterclaims have been filed.
- *Liberty Peak Ventures, LLC v. Zions Bancorporation, N.A.*, No. 2:22-cv-00195 (E.D. Tex.) (filed: Jun. 08, 2022) (terminated: Oct. 4, 2022).
- *Liberty Peak Ventures, LLC v. Regions Fin. Corp.*, No. 2:21-cv-00417, (E.D. Tex.) (filed: Nov. 9, 2021) (terminated: Jun. 2, 2022).
- *Liberty Peak Ventures, LLC v. Citigroup Inc.*, No. 6:21-cv-00711 (W.D. Tex.) (filed: Jul. 08, 2021) (terminated Jan. 24, 2022).

There are no other lawsuits or PTAB proceedings Petitioner is aware of involving the '301 Patent, or the '100 Patent, which is based on the parent application to the '301 Patent and for which another Petition for IPR is being filed simultaneously. To the best of Petitioner's knowledge, none of the grounds set forth in this Petition have been previously considered by the USPTO or any court.

C. Lead and Back-Up Counsel Under 37 C.F.R. §42.8(b)(3)

Pursuant to 37 C.F.R. §§42.8(b)(3) and 42.10(a), Petitioner provides the following designation of lead and back-up counsel and related service information.

Pursuant to 37 C.F.R. §42.10(b), a Power of Attorney accompanies this Petition.

Lead Counsel	Back-Up Counsel
Charles R. Macedo (Reg. No. 32,781) Amster, Rothstein & Ebenstein LLP 90 Park Avenue New York, NY 10016 Telephone: (212) 336-8074 Facsimile: (212) 336-8001 E-mail: cmacedo@arelaw.com	Keith Barkaus (Reg. No. 51,431) Amster, Rothstein & Ebenstein LLP 90 Park Avenue New York, NY 10016 Telephone: (212) 336-8043 Facsimile: (212) 336-8001 E-mail: kbarkaus@arelaw.com

D. Service Information Under 37 C.F.R. §42.8(b)(4)

Service information (by e-mail, postal mailing, or hand-delivery) for lead and back-up counsel is provided in the above designation of lead and back-up counsel. Petitioner also consents to electronic service by e-mail at PQI-LPV @arelaw.com, with a copy to cmacedo@arelaw.com and kbarkaus@arelaw.com.

II. PAYMENT OF FEES UNDER 37 C.F.R. §42.103

The undersigned hereby provides authorization to charge Deposit Account No. 01-1785 to cover the \$41,500 fee for this Petition. 37 C.F.R. §42.15(a). If this amount is insufficient or excessive, the Commissioner is authorized to deduct any underpayment from, or credit any overpayment to, Account No. 01-1785.

III. GROUNDS FOR STANDING UNDER 37 C.F.R. §42.104(a)

Petitioner certifies that the '301 Patent is available for IPR, and the provisions of 35 U.S.C. §§315(a), 315(b), and 315(e)(1) do not bar or estop Petitioner from requesting IPR of Claims 1-20 on the grounds raised herein.

IV. IDENTIFICATION OF CHALLENGE UNDER 37 C.F.R. §42.104(b) AND RELIEF REQUESTED

A. Claims for Which IPR Is Requested (37 C.F.R. §42.104(b)(1))

Petitioner requests IPR of Claims 1-20 of the '301 Patent.

B. Art and Statutory Grounds on Which the Challenge Is Based (37 C.F.R. §42.104(b)(2))

This Petition for IPR is based on the following prior art:

- (1) U.S. Patent Publication No. 2004/0225604 A1, entitled "*System for Providing a Checkless Checking Account*," to Foss et al. ("**Foss**," Ex1008), published on November 11, 2004.
- (2) The prior art as admitted by applicants both during prosecution leading to the '301 Patent in the '100 Patent (Ex1005), based on Hirka '404 (Ex1007), and in the '301 Patent.
- (3) U.S. Patent No. 6,330,546, entitled "*Risk Determination and Management Using Predictive Modeling and Transaction Profiles for Individual Transaction Entities*," to Gopinathan et al. ("**Gopinathan**," Ex1010), issued on December 11, 2001.
- (4) WIPO Publication No. WO 02/21374 A1, entitled "*System and Method for Linked Account Having Sweep Feature*," to Hirka et al., filed as International Application Number PCT/US01/26930, published on March 14, 2002 ("**Hirka**," Ex1009).

Petitioner requests cancellation of Claims 1-20 based on the following grounds:

Ground 1: Claims 1, 3-5, and 7-16 are unpatentable as anticipated by Foss (Ex1008) under 35 U.S.C. §§102(a) & 102(e).¹

Ground 2: Claim 14 is rendered obvious by Foss in view of the admitted prior art (Ex1005) under 35 U.S.C. §103(a).

Ground 3: Claim 3 is rendered obvious by Foss in view of Gopinathan (Ex1010) under 35 U.S.C. §103(a).

Ground 4: Claims 2, 6, and 17-20 are rendered obvious by Foss in view of Hirka (Ex1009) under 35 U.S.C. §103(a).

V. SUMMARY OF THE '301 PATENT (Ex1002)

The '301 Patent (Ex1002), entitled "*System, Method, and Computer Program Product For Issuing and Using Debit Cards*," was filed on November 19, 2010 as U.S. Serial No. 12/907,955 ("**the '955 Application**") and issued on December 9, 2014. The '955 Application claimed priority, through U.S. Serial No. 11/478,100, issued as U.S. Patent No. 7,837,100 (Ex1001), to a provisional application, having U.S. Provisional Appl. Ser. No. 60/695,855 and filed on July 5, 2005. For purposes of this Petition, Petitioner is assuming that the earliest potential effective filing date

¹ All citations to 35 U.S.C. §§102 and 103 are to pre-AIA versions.

is July 5, 2005 (i.e., the earliest claimed priority date of the '955 Application, which matured into the '301 Patent).

A. Specification

The '301 Patent, which “generally relates to debit cards” (Ex1002, 1:20), is directed towards providing “a system, method and computer program product for allowing companies that do not have the ability to offer consumers banking-type deposit accounts to issue pre-paid/debit-type cards to their customers.” (Ex1002, 1:33-37; Ex1003, ¶35).

It describes a “system, method, and computer program product...used to issue and track debit cards” which includes “an enrolling system that verifies an enrollee, associates an enrollee’s **main** and **overdraft account**, and issues a debit card,” as well as “an **authentication system** that receives **information** regarding a **requested transaction** of a debit card.” (Ex1002, Abstract; Ex1003, ¶36) (marked up to show “overdraft accounts” in **red**, “main [account]” in **green**, “authentication system” in **blue**, “information” in **dark gold**, and “requested transaction” in **purple**).² The “**main** and **overdraft account**” are “associated with the debit card” and the system

² For ease of reference, this color-coding scheme is used throughout to identify corresponding elements. Unless otherwise noted, colors and emphasis have been supplied.

“accepts or rejects the requested transaction based thereon.” (Ex1002, Abstract; Ex1003, ¶36).

Overdraft protection for transactions is provided, such that “in the event that the value of the purchase exceeds the **DDA** balance, the debit card 110 uses an overdraft feature.” (Ex1002, 7:28-29; Ex1003, ¶37). Following an overdraft, “the purchase is then transferred to a **customer’s existing credit or charge account** that has been **designated for use** as an **overdraft account**.” (Ex1002, 7:30-32; Ex1003, ¶37).

Figure 7, which illustrates a “transaction authorization process 700” (Ex1002, 8:51) depicts the basic method claimed:

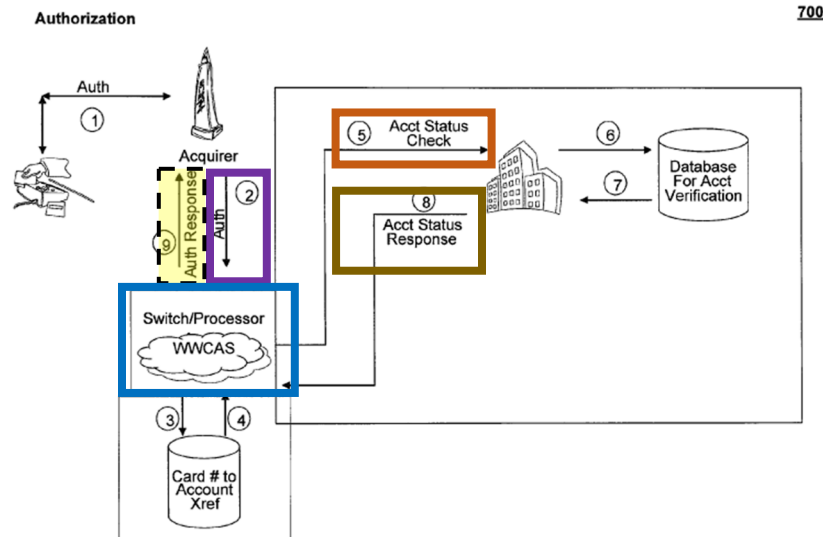


FIG. 7

(Ex1002, Fig. 7; Ex1003, ¶42). In particular:

- “step 1”, receiving debit card information at a merchant;

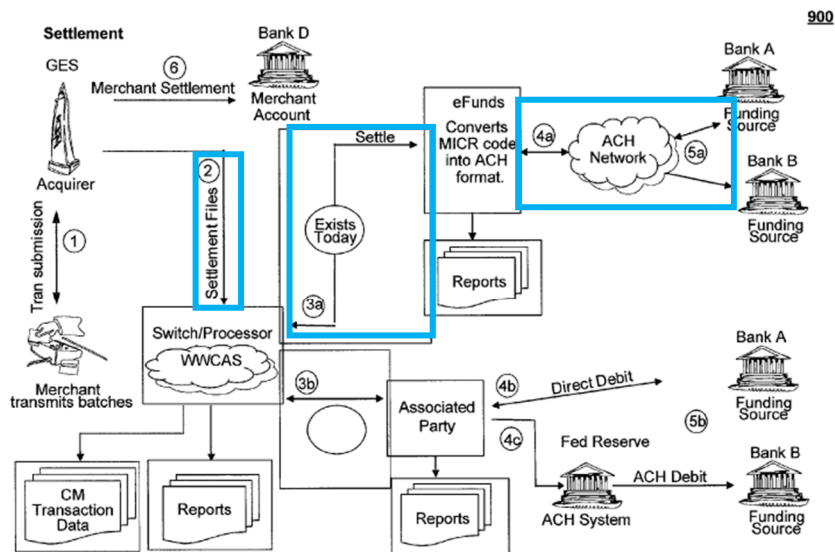
- “**step 2**”, notifying the **world-wide card authorization system** (also referred to as “**CAS**” or “**WWCAS**”, “an issuer system that authorizes point of sale transactions” (Ex1002, 8:60-9, Table 1)), or “**card issuer system** (e.g. **Amex-GES**)” “of the **requested transaction**”;³
- “**step 5, 6, 7, 8**”, which retrieve an “**account status**”; and
- “**step 9**”, **authorizing** the transaction.

(Ex1002, 8:51-63; Ex1003, ¶42).

As depicted in **steps 6 and 7**, it was known (and thus admitted prior art) for a “**third party system**” to verify the account being authorized “using information stored in another database” (e.g., a bank’s database). (Ex1002, 8:59-61; Ex1003, ¶43). This disclosure was consistent with Mr. Zatkovich’s experience at the time that card issuer systems and third party vendors facilitate transaction authorization by collecting transaction information from merchants and sending such information to banks, and vice versa. (Ex1003, ¶44).

³ As Mr. Zatkovich explains, the **WWCAS**, **CAS**, and **Amex-GES** were examples of well-known computer-based authorization systems that existed in the prior art at the time of the invention. (Ex1003, ¶44). Furthermore, well-known third party vendors such as “eFunds” or “First Data Corporation of Greenwood Village, Colo.” were likewise common at the time of invention of the ’301 Patent, as shown by the specification’s reference to existing third party vendors throughout the patent. (*See, e.g.*, Ex1002, 7:37-38, 8:8-9; Ex1003, ¶44). (*See also, e.g.*, Ex1003, ¶¶45-46, discussing Ex1011, ISO Standard 8583-1).

Figure 9, then depicts the “settlement process,” which follows “**step 9**” above (authorizing the transaction):



(Ex1002, Fig. 9; Ex1003, ¶47).

As depicted in Figure 9, the settlement process, which as is indicated, and as Mr. Zatkovich explains, was typical of known settlement processes used with third party vendors at the time (*See, e.g.*, “exists today” (step 3a); Ex1003, ¶48) involves:

- “**step 1**”, submitting a “transaction to a debit card issuing company;
- “**step 2**”, generating “settlement files” and “**transmit[ing]** the files”;
- “**step 3a**”, **transmitting** “the settlement files and associated data ... via the **card issuer WWCAS** to a third party vendor, for example eFunds”;
- “**step 4(a)**” and “**step 5(a)**”, establishing “a connection to an **ACH network**” from the third party vendor and “between the ACH network and

the one or more funding sources (e.g., banks)” to allow for the settlement files to be transmitted.

(Ex1002, 9:31-49; Ex1003, ¶48).

In sum, the ’301 Patent holds out the alleged inventions as using existing debit card processing systems, where the debit card is also associated with a “separate account” such as an overdraft account. (Ex1003, ¶59). As discussed herein, this was well known in the prior art and not inventive at the time of the invention. (Ex1003, ¶59).

B. Claims

All three independent Claims 1, 7, and 16, as well as their respective dependent Claims 2-6 and 10-15; 8-9; and 17-20 are addressed by this Petition. (Each claim is reproduced in Appendix A; *see also* Ex1003, ¶61, Appendix B).

C. Prosecution History

The ’301 Patent claims priority to U.S. Application No. 11/478,140 (Ex1005, “**the ’140 Application**”) which ultimately issued into the ’100 Patent (Ex1001). (Ex1003, ¶67; Ex1002, cover page).

During prosecution of the parent ’100 Patent the Examiner cited and rejected the pending claims over U.S. Patent Publication No. 2007/0198404 A1, to Hirka (Ex1007, “**Hirka ’404**”), a related disclosure to the prior art, WIPO Publication WO 02/21374 to Hirka (Ex1009, “**Hirka”**) which is relied upon in proposed Ground 4 to

render Claims 2, 6, 17-20 obvious in combination with Foss. Notably, the Examiner did not consider Hirka in the same context as it is used here (i.e., for the summing of transactions and the use of multiple overdraft accounts) (Ex1003, ¶¶69-82).

With respect to the '301 Patent, the Claims were allowed based on the allegedly novel “account information request” with a corresponding response containing “status information.” (Ex1003, ¶¶90-93). However, this was well known in the prior art at the time of the invention. (Ex1003, ¶93). The examiner did not consider Foss (Ex1008) or Gopinathan (Ex1010), used as prior art in this Petition, in either application. (Ex1002; Ex1006; Ex1005; Ex1001; Ex1003, ¶93). Additionally, while Hirka was cited in the '301 Patent, the Office did not consider it with respect to dependent Claims 2, 6, 17-20 in conjunction with Foss or Gopinathan, as set forth in this Petition (Ex1003, ¶¶71-82; see *also* Ex1003, ¶¶83-93).

VI. CLAIM CONSTRUCTION UNDER 37 C.F.R. §42.104(b)(3)

The claims should be construed “using the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. §282(b).” 37 C.F.R. §42.100(b). Thus, each claim term should be given its ordinary and customary meaning as understood by a person with ordinary skill in the art as of the July 5, 2005 priority date of the ’301 Patent (“**POSITA**”), in accordance with *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc). Petitioner submits that, for purposes of this Petition only, the terms of Claims 1-20 are clear on their face and each claim term should be given its plain and ordinary meaning. (Ex1003, ¶94).

VII. APPLICATION OF THE PRIOR ART TO CLAIMS 1-20, FOR WHICH IPR IS REQUESTED UNDER 37 C.F.R. §42.104(b)(4)-(5)

A. Level of Ordinary Skill in the Art

As Mr. Zatkovich explains, for the purposes of the ’301 Patent, a POSITA would have a bachelor’s degree in computer science, computer engineering, data science, electrical engineering, or a related study, and would have at least one or two years of experience with payment processing systems, credit card and debit card payment transactions, and industry practices and standards for processing purchase transactions and authenticating participants. (Ex1003, ¶¶159-161).

B. Claims 1, 4-5, and 7-16 Are Anticipated Under 35 U.S.C. §§ 102(a) & 102(e) by Foss (Ground 1) and Claim 14 is Additionally Rendered Obvious Under 35 U.S.C. §103(a) over Foss in view of the Admitted Prior Art (Ground 2)

As **Ground 1**, Foss (Ex1008) discloses, expressly or inherently, all elements of Claims 1, 4-5, and 7-16. (Ex1003, ¶¶357-481).⁴ With respect to Claim 14 of the '301 Patent, as alternative **Ground 2**, Claim 14 is additionally rendered obvious over Foss in view of the admitted prior art. (Ex1003, ¶¶457-467).

1. The Disclosure of Foss (Ex1008)

U.S. Publication No. 2004/0225604 to Foss (“**Foss**,” Ex1008), entitled “*System for Providing a Checkless Checking Account*,” was filed on August 22, 2003 and published on November 11, 2004, and thus is prior art under pre-AIA 35 U.S.C. §§ 102(a) & 102(e). (Ex1003, ¶131). Foss was not considered during prosecution of the '301 Patent or the '100 Patent. (Ex1001; Ex1002; Ex1005; Ex1006; Ex1003, ¶131).

Foss is directed towards “a system and method for providing a **checkless checking account** that provides transactional functionality of a branded card wherein the account is funded from the account owner’s personal funds” and “may be combined with a **credit component**.” (Ex1008, Abstract; Ex1003, ¶133). In other

⁴ **Grounds 1** and **3** for Claim 3 are discussed below in Section VII.C.

words, Foss discloses a debit card with an overdraft facility. (Ex1003, ¶¶132, 134-135).

Fig. 2 illustrates Foss' computer-based authorization system:

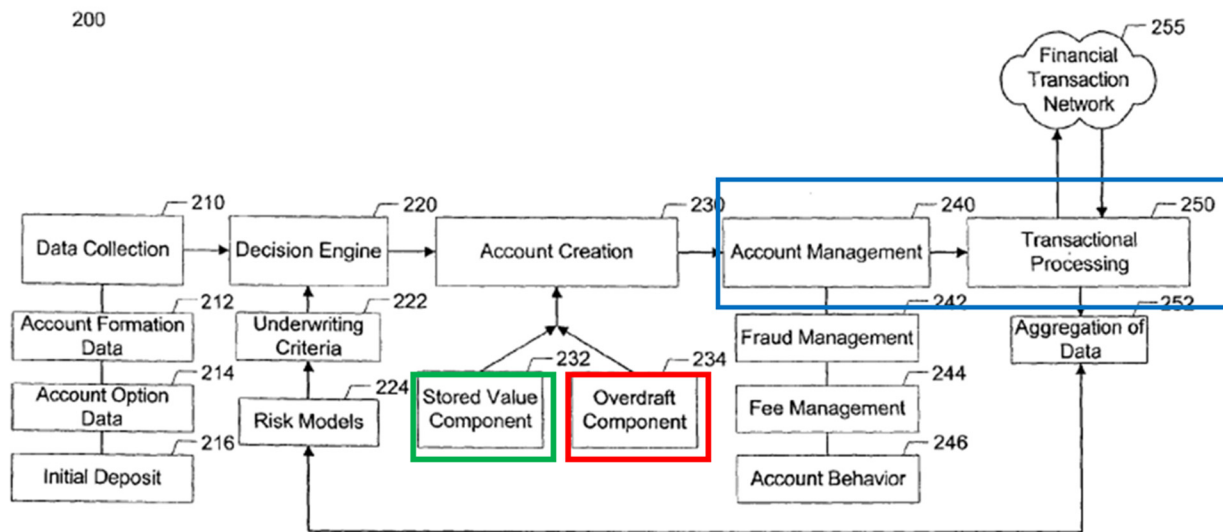


Fig. 2

(Ex1008, Fig. 2; Ex1003, ¶136). The “main functions or components” of the system include “**the account management component 240 and the transactional processing component 250.**” (Ex1008, [0033]; Ex1003, ¶137). Furthermore, the “functions or components of the present system could be combined or split in many manners.” (Ex1008, [0033]; Ex1003, ¶137).

As depicted in Figure 2, this system is also in communication with a “financial transaction network 255”. In embodiments, Foss teaches that the disclosed system, is "implemented in cooperation or in partnership with a bank or financial institution" (i.e., a different entity) and communicates "in real time" with such partnering banks or financial institutions. (Ex1008, [0018]; Ex1003, ¶138).

As part of Foss’ computer-based authorization system, Foss incorporates existing **Stored Value Systems** which “operate[] to create accounts for the issuance of a card and provide the settlement and authorization functionalities” (Ex1008, [0017] and were commonly operated by third party vendors (“credit card processing companies”) such as eFunds and First Data Corp, referenced in the ’301 Patent (Ex1002, 8:4-14), that were well known in the industry. (Ex1008, [0016], *see also* Ex1008, [0018]; Fig. 4; Ex1003, ¶139).

As illustrated in Figure 2, Foss proposes a modification to the existing **Stored Value Systems** where the third-party vendors also access **overdraft account** information by establishing a link between the **debit account** and the **overdraft account**. (Ex1008, [0018], Fig. 4; Ex1003, ¶140). In other words, Foss teaches the same innovation as allegedly taught by the ’301 Patent. (Ex1003, ¶¶140; 359-399).

Figure 4, which is implemented by the computer system shown in Figure 2, as Mr. Zatkovich explains, covers the basic steps of the claimed invention (Ex1003, ¶141):

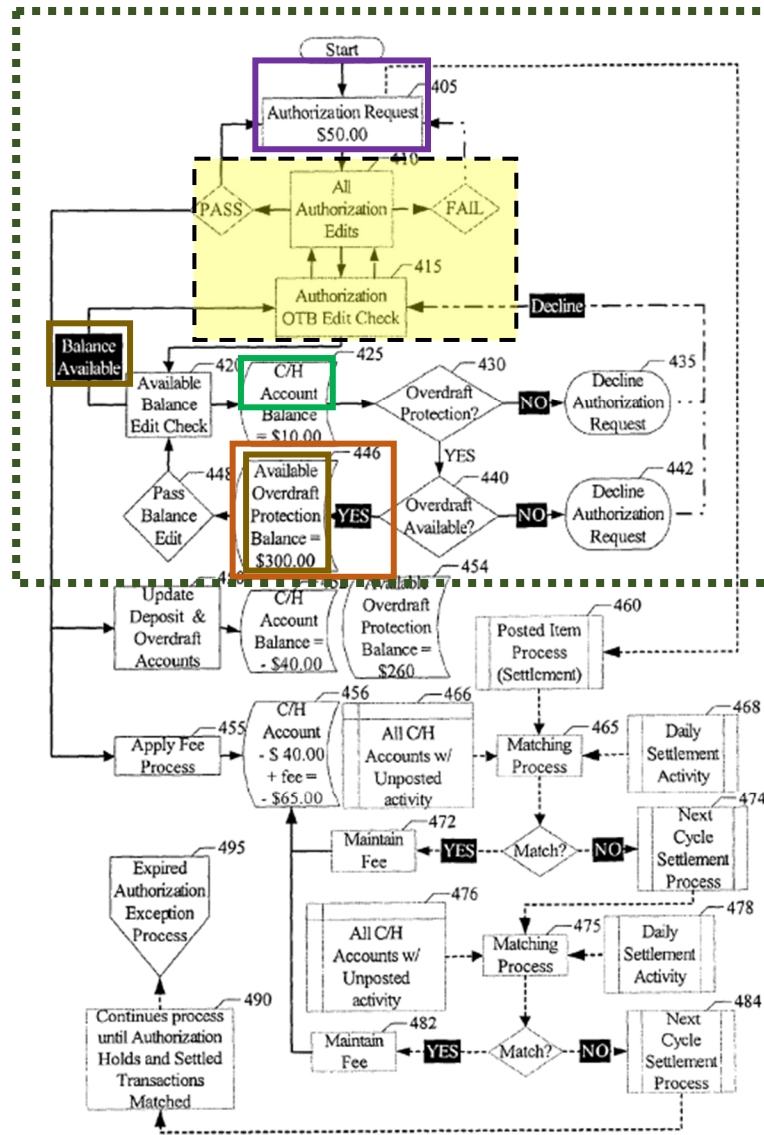


Fig. 4

(Ex1008, Fig. 4; Ex1003, ¶141).

For example, with respect to Claims 1 and 7, Foss discloses in Figure 4:

- Elements [1A/7A]: Foss discloses that a customer may have a “**basic card account**” with an “**overdraft option**” associated with the basic card account.

(Ex1005, [0065]). As depicted in Figure 4, given that the customer has an

account, “the first step of transaction 400 is **receiving an authorization request 405**” at a computer-based system (Ex1005, [0065]; Ex1003, ¶¶142; 371-381).

- Element [1B/7B]: Foss’ authorization process sends an **information request** with **account information** of the **separate account**. First, “[i]f the account has overdraft protection 430, the process checks if overdraft funds are available at step 440.” (Ex1005, [0066]; Ex1003, ¶¶142, 382-388). If funds are available, “**the available overdraft protection balance is checked at step 446**” (Ex1005, [0066]; Ex1003, ¶¶142, 382-388).
- Element [1C/7C]: As part of step 446 of Foss, **status information** (information regarding the balance) is returned to the computer-based authorization system. Foss discloses that “if overdraft funds are available at step 440, the available **overdraft protection balance** is checked at step 446” and “a pass balance edit 448 is returned to the available balance edit check at step 420.” (Ex1008, [0066]; Ex1003, ¶¶142, 389-393). Additionally, “a **balance available** is returned to the authorization OTB edit check 415.” (Ex1008, [0066]; Ex1003, ¶¶142, 389-393).
- Element [1D/7D]: Foss **authorizes** the transaction based on the balance available. Following the return of the balance available, the “**authorization OTB edit check 415 step then returns** either a fail (from step 435 or step 442) or **a pass (from step 420) back to the all authorization edits 410 step...** [I]f the all **authorization edits 410 step passes,** the process proceeds to update the **deposit**

and **overdraft accounts**, step 450.” (Ex1008, [0066-67]; Ex1003, ¶¶142, 394-399).

Foss also discloses a settlement process (*See* element [16C]) which occurs following the initial authorization. Referencing steps in Figure 4, Foss discloses that “a posted item process (settlement), step 460, **posts the item for settlement and continues to the matching process** at step 465. The matching process at step 465 attempts to match all accounts with un-posted activity 466 with the daily settlement activity 468.” (Ex1008, [0068]; Ex1003, ¶143).

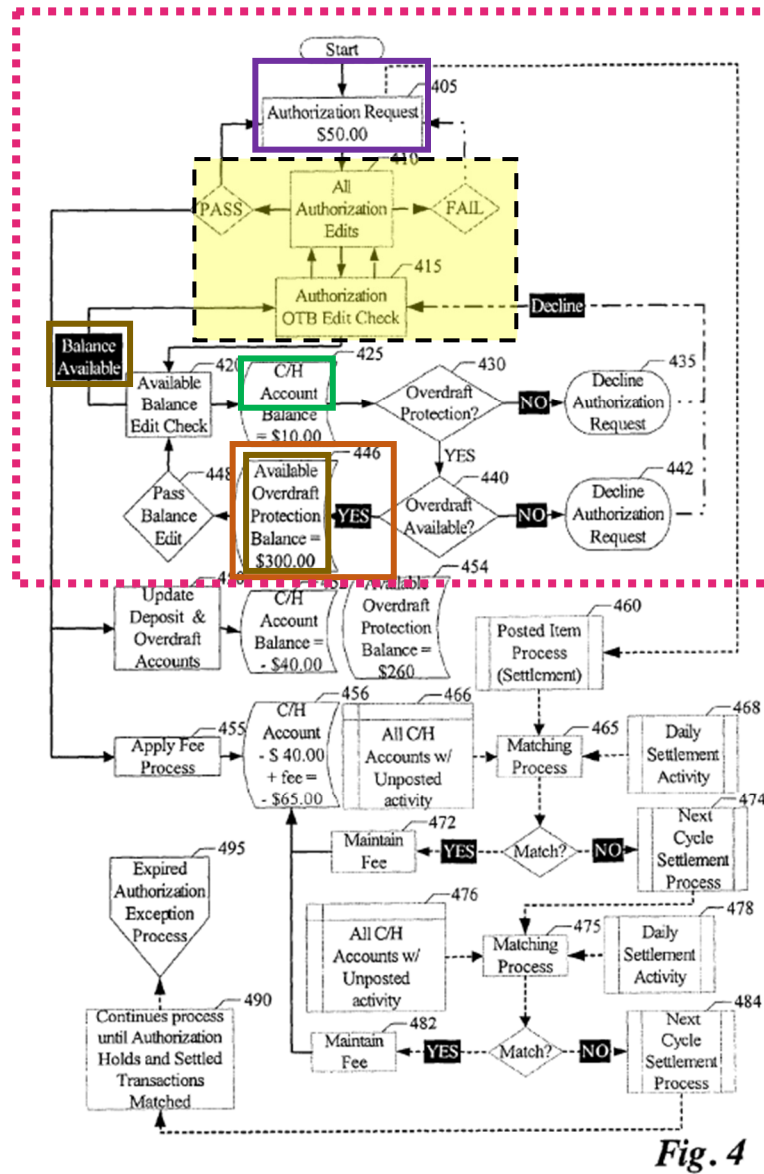
As Mr. Zatkovich explains, and set forth down below, Foss also discloses other aspects which provide further support for the arguments contained in this Petition (*See* Ex1008, [0017], [0019] [0020], [0028], [0038], [0052], [0055], and [0068]; Ex1003, ¶¶157, 358-609).

2. Independent Claims 1 and 7 are Anticipated by Foss (Ground 1)

Independent Claims 1 and 7 are virtually identical, except Claim 1 reads on a “method” while Claim 7 reads on “an article of manufacture” which includes a “computer readable medium” programmed to perform the same method. As **Ground 1**, as Mr. Zatkovich explains, claims 1 and 7 are expressly or inherently taught by Foss. (Ex1003, ¶¶358, 359-399).

a. [1PRE] 1. A method comprising:

“FIG. 4 [of Foss] is a flow diagram that illustrates the operation of performing a transaction 400 according to an exemplary embodiment of the present invention.” (Ex1008, [0065]; Ex1003, ¶359). As discussed herein, corresponding to **Ground 1**, each of the steps of the claimed method are depicted in Fig 4:

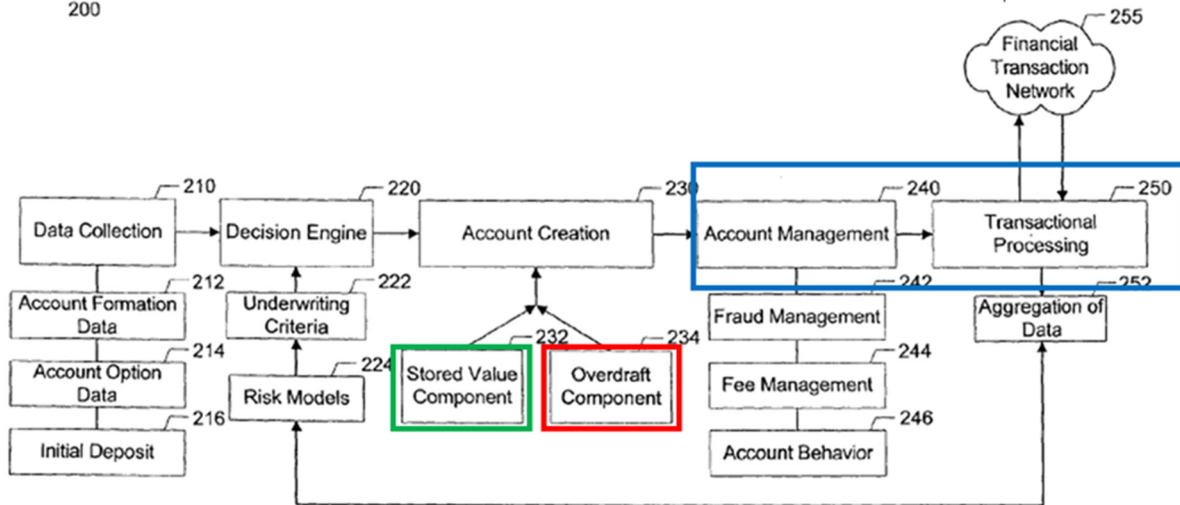


(Ex1008, Fig. 4; Ex1003, ¶359).

Accordingly, as Mr. Zatkovich explains, a POSITA would have understood that each and every feature of element [’301-1PRE] is disclosed in Foss (Ex1008) (**Ground 1**). (Ex1003, ¶360).

- b. [7PRE] 7. An article of manufacture including a non-transitory, tangible computer readable medium having instructions stored thereon that, in response to execution by a **computer-based authorization system**, cause the **computer-based authorization system** to perform operations comprising:

As discussed above and by Mr. Zatkovich (Ex1003, ¶¶133-142), as **Ground 1**, as illustrated in Figure 2, which is “an exemplary application of the present invention”, Foss discloses a **computer-based authorization system** comprising an “**account management component 240**” which, in embodiments, is “combined” with a “**transactional processing component 250**” and Foss’ proposed **stored value component** and **credit/overpayment component** (Ex1008, [0017], [0033], [0055], and [0057]; Ex1003, ¶¶360-363):

**Fig. 2**

(Ex1008, Fig. 2; Ex1003, ¶363).

The “**account management component 240** manages the customer account” and the “**transactional processing component 250** processes and monitors the day to day transactions between the account and the financial transaction network 255.” (Ex1008, [0057]; Ex1003, ¶364). Foss teaches that, in embodiments, these components are combined. (Ex1008, [0033]; Ex1003, ¶364).

Accordingly, as Mr. Zatkovich explains, a POSITA would understand that the improved stored value system and its components depicted in Figure 2 that make up Foss’ “present system”, and discussed above, would constitute a “**computer-based authorization system**”. (Ex1003, ¶365). These systems were generally employed

within the industry by “credit card processing companies.” (Ex1008, [0016]; Ex1003, ¶365).

Specifically, as Mr. Zatkovich explains, a POSITA would expect to use a computer-based authorization system as the stored value system in Foss “to provide notice and receive status in real time”, to “maintain a master file of all accounts that have been issued”, “to place a temporary hold on” accounts, and “to release funds if a settlement does not come through.” (Ex1008, [0018]; Ex1003, ¶366). A POSITA would understand to implement Foss using a **computer-based authorization system** since such systems would be used in order to operate with existing card transaction systems such as Mastercard, Visa, and American Express networks. (See Ex1008, [0016] (citing to the Visa Network); Ex1003, ¶366).

Indeed, this is consistent with the admission by Applicant during prosecution of the '100 Patent that computer-implemented methods for facilitating electronic transactions were known in the prior art at the time of the invention of the '301 Patent: “Hirka generally teaches a **computer implemented method for facilitating electronic transactions.**” (Ex1005 at 155; Ex1003, ¶367).

As previously discussed, the '301 Patent calls out as admitted prior art examples of known **computer-based authorization systems** at the time of the invention, such as those implemented by “**eFunds** or **First Data Corporation of Greenwood Village, Colo.**” (See, e.g., Ex1002, 8:8-9; Ex1003, ¶368).

As Mr. Zatkovich explains, a POSITA would therefore understand that the process described with respect to Figure 4 and discussed below would be performed by the components disclosed in Foss, particularly by the **transactional processing component 250**. (Ex1003, ¶369).

Further, as Mr. Zatkovich explains, a POSITA would further understand that the components described in Foss, like computers used at the time of the invention, would necessarily include “a non-transitory, tangible computer readable medium having instructions stored thereon,” the execution of which would cause the methods disclosed in Foss to execute via the **transactional processing component 250**. (Ex1003, ¶370).

As a result, the limitation of using a computer-based authorization system is met by Foss.⁵ (Ex1003, ¶371).

- c. [1A/7A] receiving, at [a, the] **computer-based authorization system**, a **transaction request** associated with a **debit account**, wherein the **debit account** is associated with a **separate account**;

Foss teaches, using a **computer-based authorization system** (See Ex1008, Fig. 2, [0017], [0033], [0055] and [0037]), receiving a **transaction request** (e.g.,

⁵ For purposes of this Petition and claims/elements [1A/7A], [1B/7B], [1C/7C], [1D/7D], 3, 15, [16A], [16B], [16C], the “**computer-based authorization system**”, is met literally by Foss (**Ground 1**).

“an authorization request 405”) which is associated with a **debit account** (e.g., a “**basic card account**”) (Ex1008, [0065]; Ex1003, ¶372), and associating the **debit account** with a **separate account**. Thus, Foss discloses the elements [1A/7A].

As **Ground 1**, and as discussed with respect to element [7PRE] and by Mr. Zatkovich, Foss discloses with respect to Figure 2 a **computer-based authorization system** to perform the steps set out in Figure 4. (See Ex1003, ¶¶361-365, 373; Ex1008, Fig. 2, [0017], [0033], [0055] and [0037]).⁶

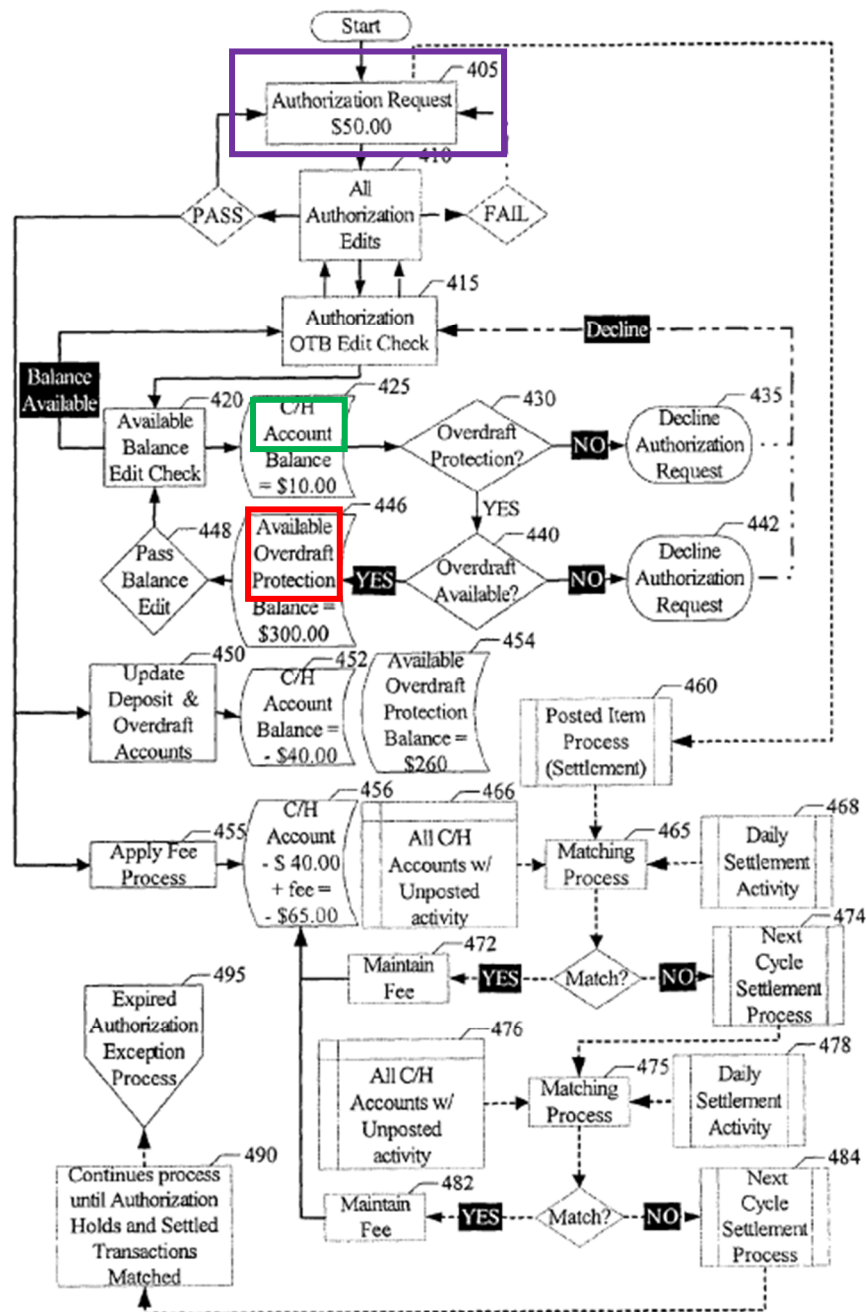
Further with respect to elements [1A/7A], Foss also discloses receiving a **transaction request** (e.g., “an authorization request 405”) which is associated with a **debit account** (e.g., a “**basic card account**”). (Ex1008, [0065]; Ex1003, ¶374).

Foss discloses an illustrative example of receiving a transaction for the **basic card account**. Assuming that “a customer has opened a **basic card account** which has a current balance of \$10 and an **overdraft option** with a limit of \$300 ... the first step of a debit card transaction 400 is **receiving an authorization request 405** requesting a \$50 withdrawal.” (Ex1008, [0065]; Ex1003, ¶375). Based on the

⁶ This same analysis as to **Ground 1** applies to the “computer-based authorization system” set forth in the remaining elements of [1B/7B], [1C/7C] and [1D/7D], the respective dependent claims 3 and 15, and claim elements [16A], [16B], and [16C], and will not be repeated in the Petition. (Ex1003, ¶¶361-371, 383-389, 395-400, 486-434, 451-457, 472, 473, and 475).

authorization request 405, the process checks the status and balance of “**the deposit and overdraft accounts**” and determines whether to authorize the transaction. (Ex1008, [0065-67]; Ex1003, ¶376).

The following markup of Figure 4 illustrates the “operation of performing [] transaction 400”, and specifically highlights the relevant elements of [1A/7A]:



(Ex1008, Fig. 4; Ex1003, ¶377). Thus, Foss discloses receiving a **transaction request** which is associated with a **debit account**. (Ex1003, ¶¶372-377).

Finally, Foss also teaches that the **debit account** is **associated with a separate account** (e.g., an “**overdraft account**” or “**overdraft component**”. (Ex1008, [0053], [0054], [0066]); Ex1003, ¶378). As Mr. Zatkovich explains, the primary modification of Foss is to create a “linkage...between a **credit/overpayment component** and the **stored value component**”. (Ex1008, [0017]; Ex1003, ¶378). Foss discloses that the **overdraft component 234** is available both “in conjunction with the basic card” as well as “*separate from the basic card.*” (Ex1008, [0052] and [0066]; Ex1003, ¶¶379-380). The **overdraft component 234** performs a standard overdraft function: it “allows the customer to perform transactions that exceed the customer’s loaded or deposited funds in the **funding account** or **stored value component 232** to the extent of the overdraft amount.” (Ex1008, [0053]; Ex1003, ¶381). (*See also* Ex1008, [0038] and [0054]).

Accordingly, as Mr. Zatkovich explains, a POSITA would understand that, in Foss, the **debit account** (“**stored value component**”) is associated with a **separate account** (“**credit/overpayment component**”). (Ex1003, ¶¶378-381).

As a result, as Mr. Zatkovich explains, a POSITA would understand that each and every feature of elements [1A/7A] is disclosed in Foss (**Ground 1**). (Ex1003, ¶382).

- d. [1B/7B] sending, using the computer-based authorization system, an **account information request** that includes **account information** of the **separate account**;

Foss discloses as **step 446** in Figure 4, sending, using the “account management component 240” of the computer-based authorization system (see discussion in element [7PRE] and [1A/7A]), an **account information request** (e.g., Ex1008, [0066] (checking in step 446 “**available overdraft balance**”); Ex1003, ¶¶383, 361-382). As Mr. Zatkovich explains, as **Ground 1**, a POSITA would understand that such a request would necessarily include **account information** of the **separate account** (e.g., **the overdraft account**). (Ex1003, ¶¶386, 388). Thus, Foss discloses the elements of claim elements[**1B**, **7B**].

As step 446 of the transaction process 400 shown in Figure 4, Foss discloses sending, using the computer-based authorization system an **account information request** (e.g., “If overdraft funds are available at step 440, the **available overdraft protection balance is checked at step 446**”). (Ex1008, [0066]; Ex1003, ¶¶384-385). *See, e.g.*, Ex1008, Fig. 4:

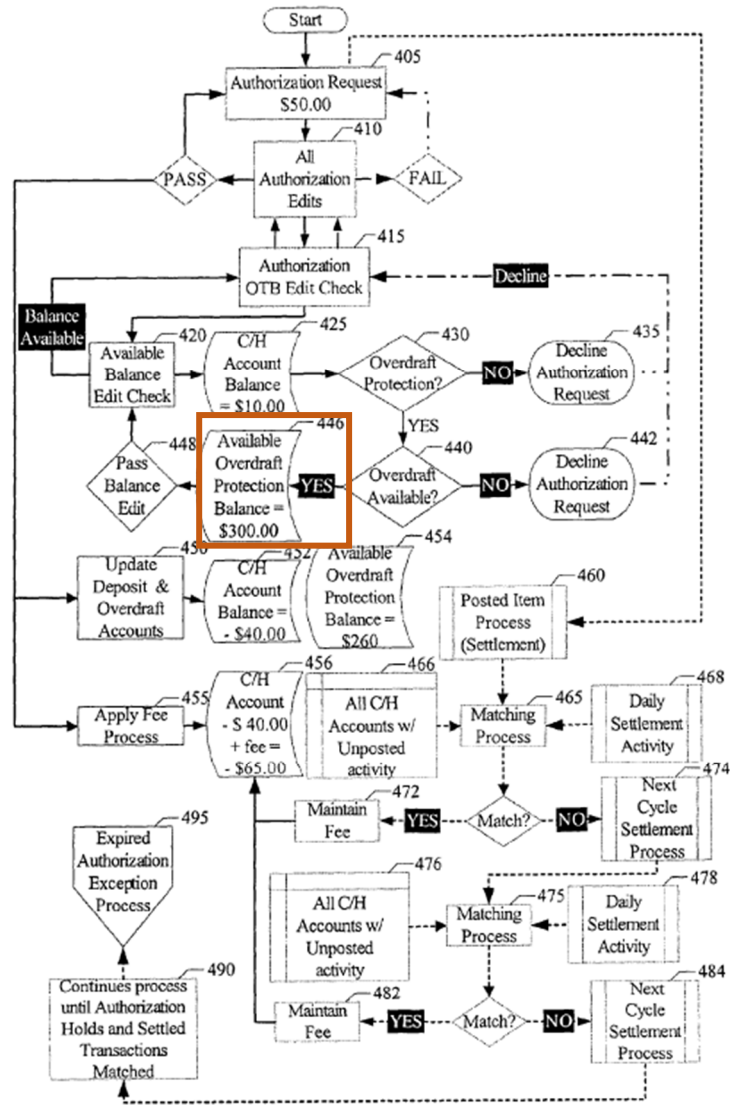


Fig. 4

(Ex1008, Fig. 4).

As Mr. Zatkovich explains, as **Ground 1**, a POSITA would understand that in order to perform “**the available balance is checked at step 446**” for the overdraft account, the **account information request** would necessarily include **account information** associated with the **overdraft account** (e.g., an account number or account identification using the “linkage between the credit/overpayment

component and the stored value component” (Ex1008, [0017])). (Ex1003, ¶¶385-386).

In particular, as Mr. Zatkovich explains, a POSITA would understand that an account number or other form account identification using the “linkage between the **credit/overpayment component** and the **stored value component**” (Ex1008, [0017]) would be associated with the **overdraft account**, and used to check the available balance of the overdraft account in step 446 of Foss as a simple, easy method to identify what balance was being checked. (Ex1003, ¶387).

As a result, as Mr. Zatkovich explains, a POSITA would understand that each and every feature of elements [1B/7B] is disclosed in Foss (**Ground 1**). (Ex1003, ¶¶388-389).

- e. [1C/7C] receiving, at the computer-based authorization system, **status information** of the separate account in response to the **account information request**; and

Foss further teaches receiving, at the “account management component 240” of the computer-based authorization system (see discussion in element [7PRE] and [1A/7A]), **status information** (e.g., “**available overdraft protection balance ... in this case \$300**” (Ex1008, [0066])) of the separate account in response to the **account information request** from step 446 discussed in elements [1B/7B] above. (Ex1008, [0066]; Ex1003, ¶390). *See* Ex1008, Fig. 4:

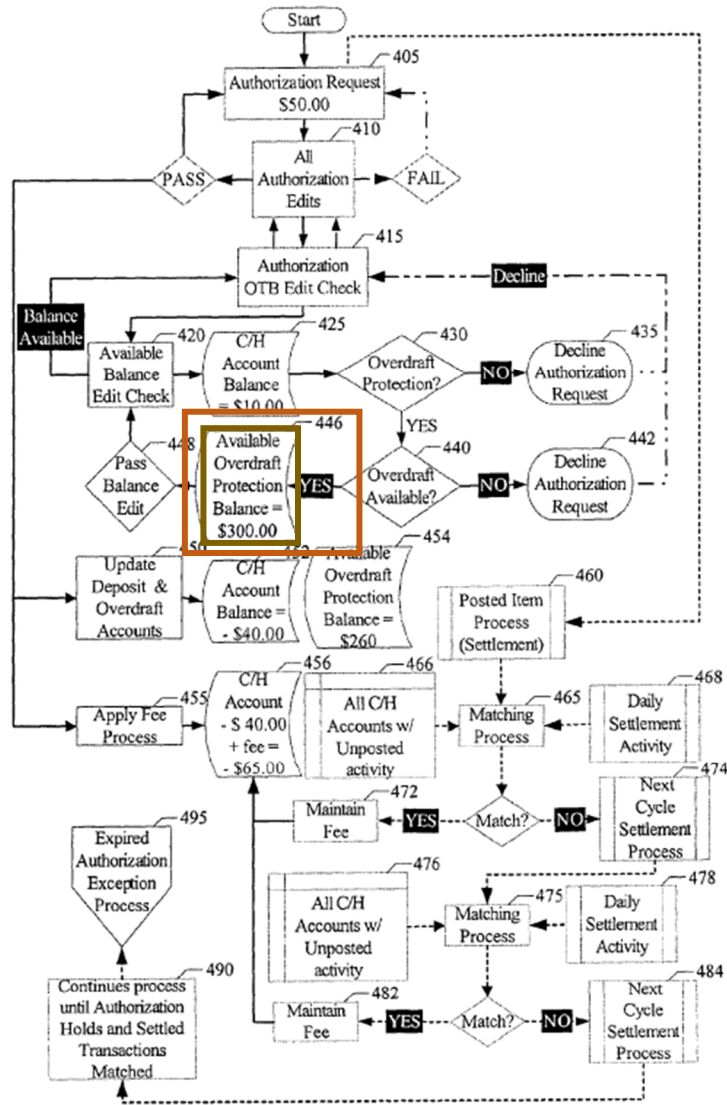


Fig. 4

(Ex1008, Fig. 4).

As discussed with respect to element [1B/7B], the balance of the overdraft account is requested as part of the **account information request** in step 446: if “overdraft funds are available at step 440, the **available overdraft protection balance is checked at step 446**”. (Ex1008, [0066]; Ex1003, ¶391).

In response to the account information request, at step 446, **status information** (e.g., **the available balance**) is received: “If overdraft funds are available at step 440, the available **overdraft protection balance** is checked at step 446.” (Ex1008, [0018] and [0066]; Ex1003, ¶392). Step 446 results in the **available balance** being returned and used for authorization. (Ex1003, ¶392; *see* Ex1008, Fig. 4). The balance is passed through the “pass balance edit 448”, leading to the “**balance available** [being] returned” to the “authorization OTB edit check 415.” (Ex1008, [0066]; Ex1003, ¶392).

As Mr. Zatkovich explains, a POSITA would thus understand that the response of the **account information request** includes **status information** (in the form of the account balance, e.g., “**\$300**” in the example) of the separate account, and that the **status information** is received at the computer-based authorization system. (Ex1003, ¶393).

As a result, as Mr. Zatkovich explains, a POSITA would understand that each and every feature of element [1C/7C] is disclosed in Foss (**Ground 1**). (Ex1003, ¶394).

- f. [1D/7D] **authorizing**, using the computer-based authorization system, the transaction request based on the **status information**.

Foss further teaches **authorizing** (“**authorization OTB edit check 415**” (Ex1008, Fig. 4 and [0066])) using the “transactional processing component 250” of

the computer-based authorization system (see discussion in element [7PRE] and [1A/7A]), the transaction request (e.g., “authorization request 405”, Ex1008, [0065]) based on the **status information** earlier returned (e.g., the “**available overdraft protection balance**” (Ex1008, [0066]; Ex1003, ¶¶395-396; see Ex1008, Fig. 4).

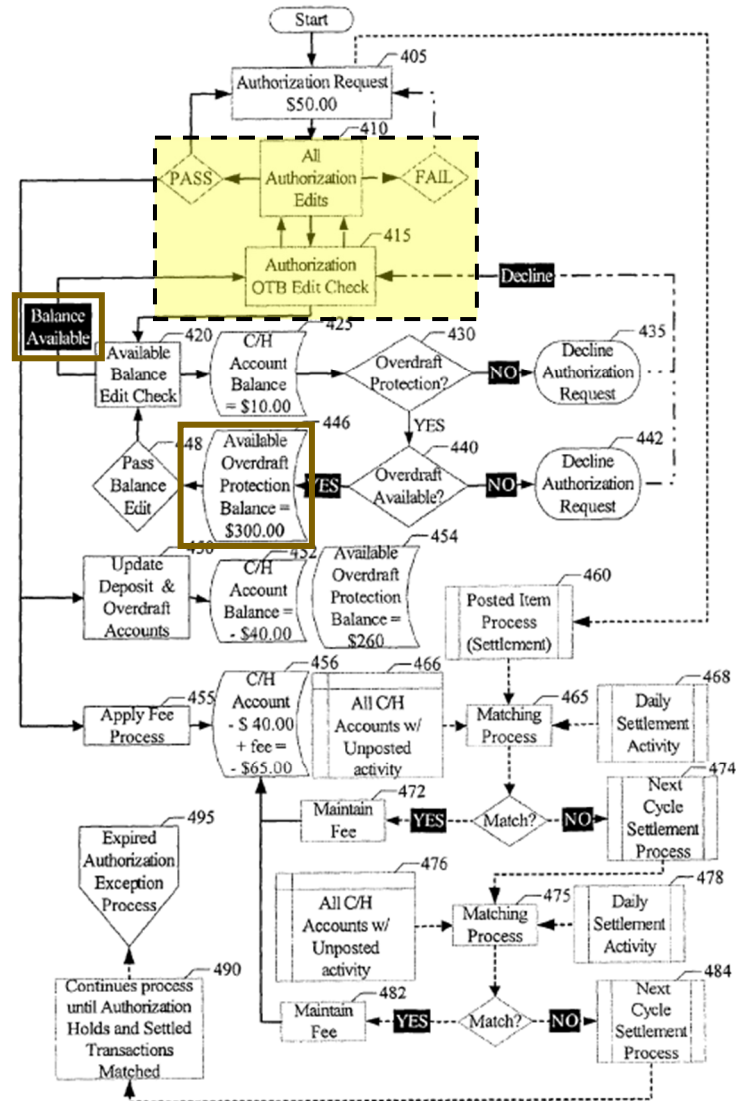


Fig. 4

(Ex1008, Fig. 4).

As discussed with respect to claim elements [1B/7B] and [1C/7C], following transaction authorization request 405, an account information request is sent, and **status information** (e.g., **the balance of the overdraft account**) is received, at step 446. This **balance** passes from step 446 back to step 420, and from step 420 to “**authorization OTB edit check 415**” (Ex1008, [0066]; Ex1003, ¶397). When the “**balance available** is returned to the authorization OTB edit check 415,” authorization occurs: “[t]he **authorization OTB edit check 415 step then returns either a fail...or a pass (from step 420) ...back to the all authorization edits 410 step.... [I]f the all authorization edits 410 step passes,** the process proceeds to update the deposit and overdraft accounts, step 450.” (Ex1008, [0066]; Ex1003, ¶398). Thus, as Mr. Zatkovich explains, a POSITA would understand that Foss teaches **authorizing** the transaction request (e.g., “authorization request 405” (Ex1008, [0065])) in the **authorization OTB edit check** based on the **status information** using the computer-based authorization system. (Ex1003, ¶399).

As a result, as Mr. Zatkovich explains, a POSITA would understand that each and every feature of elements [1D/7D] is disclosed in Foss (**Ground 1**). (Ex1003, ¶400).

3. Dependent Claims 4-5, 8-13, and 15 Are Also Anticipated by Foss

Claims 4-5, 10-13, and 15 depend from Claim 1 and Claims 8-9 depend from Claim 7. For the same reasons as discussed above and by Mr. Zatkovich (Ex1003, ¶¶359-400), as **Ground 1**, Claims 1 and 7 are anticipated by Foss. The remaining limitations of these claims are further set forth in Foss as discussed herein, and by Mr. Zatkovich (Ex1003, ¶¶402-457).⁷

a. Claim 4

Claim 4 limits Claim 1 by further requiring that “the **separate account** is a demand deposit account or an overdraft account, and wherein the demand deposit account and the overdraft account are associated with the **debit account**.” (Ex1002, 15-18; Ex1003, ¶402). This claim is met when the separate account is an overdraft account that is associated with a debit account. (Ex1003, ¶403). However, to the extent that Claim 4 is interpreted as requiring a demand deposit account in addition, as Mr. Zatkovich explains, it would in any event be a trivial distinction which was well known in the art. (Ex1003, ¶403).

As discussed with respect to element [1A] of Claim 1, Foss discloses that the **separate account** is associated with the **debit account**. (Ex1003, ¶¶378-381, 405).

⁷ Claim 3 is discussed in Section VII.VII.C below.

For example, Foss discloses that the **separate account** can be available “in conjunction with” the **debit account** (Ex1008, [0052]), and Foss’ proposed modification is to create a linkage “between a **credit/overpayment component** and the **stored value component**” (Ex1008, [0017]; Ex1003, ¶406). Furthermore, Foss discloses that the **separate account** is an **overdraft account**. (Ex1008, [0053] and [0054]; Ex1003, ¶407). For example, Foss discloses that the **overdraft component** performs overdraft functions. (Ex1008, [0051], [0053]; Ex1003, ¶¶408-410). Thus, as Mr. Zatkovich explains, a POSITA would understand that Foss teaches that the **separate account** is an overdraft account associated with the **debit account**. (Ex1003, ¶411).

Accordingly, a POSITA would understand that all of the elements of claim 4 are disclosed in Foss (**Ground 1**). (Ex1003, ¶412).

b. Claim 5

Claim 5 limits Claim 1 by further requiring “providing a periodic output of the **status information**.” (Ex1002, 13:19-20). As discussed with respect to elements [1C] and [1D], the status information is “**the available overdraft protection balance**” (Ex1008, [0066])). (Ex1003, ¶¶413-416, 392-393, 395-399).

Foss discloses providing a **periodic output** of this **status information**. (Ex1003, ¶417). For example, Foss includes a “account manager component,” of the computer-based authorization system (see discussion with respect to element

[7PRE]) which “receives **a dump of all accounts and account activity at some period of time, such as during the night.**” (Ex1008, [0020]; Ex1003, ¶417). Foss also discloses that “[t]he **data obtained in the dump** is examined to identify trends in behaviors. The trends may result in certain actions taking place.” (Ex1008, [0020]; Ex1003, ¶417).

As Mr. Zatkovich explains, a POSITA would understand that the dump of accounts would include overdraft account balance, i.e., status information. (Ex1003, ¶417). As Mr. Zatkovich further explains, Foss also allows for customers to “view **current balance**”, which separately satisfies the limitation of Claim 5 (Ex1008, [0032]; Ex1003, ¶¶418-419).

Accordingly, a POSITA would understand that all of the elements of Claim 5 are disclosed in Foss (**Ground 1**). (Ex1003, ¶420).

c. Claim 10

Claim 10 limits Claim 1 by further requiring that “**status information** comprises fund availability data.” (Ex1002, 14:1-2). As discussed with respect to elements [1C] and [1D], the **status information** is “**the available overdraft protection balance**” (Ex1008, [0066])). (Ex1003, ¶¶421-424, 392-393, 395-399). As Mr. Zatkovich confirms, “**the available overdraft protection balance**” is “fund availability data”. (Ex1003, ¶¶425-426). Accordingly, a POSITA would understand

that all of the elements of Claim 10 are disclosed in Foss (**Ground 1**). (Ex1003, ¶427).

d. Claims 8 and 11

Claim 11 limits Claim 1, and Claim 8 limits Claim 7, by further requiring that “**authorizing** the **transaction request** is performed in response to determining that a transaction amount associated with the **transaction request** is *smaller than* a fund amount associated with the **status information**.” (Ex1002, 14:3-7; 14:43-47; Ex1003, ¶428).

As discussed with respect to elements [1D/7D], Foss discloses **authorizing** (“**authorization OTB edit check 415**” Ex1008, Fig. 4 & [0066])) **the transaction request** (e.g., “**authorization request 405**” (Ex1008, [0065])) based on the **status information**. (Ex1003, ¶¶429-430, 395-399).

Furthermore, Foss discloses that **authorizing** the **transaction request** is performed in response to determining that a **transaction amount** associated with the **transaction request** is *smaller than* a **fund amount** associated with the **status information**. (Ex1008, [0066]; Ex1003, ¶431). As discussed with respect to elements [1D/7D], in the illustrative example disclosed by Foss, a customer account has “a current balance of \$10 and an overdraft option with a limit of \$300.” (Ex1008, [0065]; Ex1003, ¶432). After the customer requests a withdrawal for the transaction amount, (e.g., “**a \$50 withdrawal**” (Ex1008, [0065]; Ex1003, ¶451), the process

determines if “*enough funds are available*,” and subsequently **authorizes** the **transaction**, by comparing the **transaction** with a **fund amount** associated with the **status information** (e.g., “**the available overdraft protection balance**” of “\$300”, Ex1008, [0065] and [0066]; Ex1003, ¶432). In the example provided by Foss, because the **transaction amount** (\$50) is *smaller than* the **fund amount** (\$300), the **transaction** is authorized (Ex1008, [0065] and [0066]; Ex1003, ¶433).

As Mr. Zatkovich explains, a POSITA would thus understand that Foss discloses that **authorizing** the **transaction request** is performed in response to determining that a **transaction amount** associated with the **transaction request** is *smaller than* a **fund amount** associated with the **status information**. (Ex1003, ¶434).

Accordingly, a POSITA would understand that all of the elements of Claims 11 and 8 are disclosed in Foss (**Ground 1**). (Ex1003, ¶435).

e. **Claims 9, 12-13**

Claim 9 limits Claim 7 by requiring that “the instructions, in response to execution by the computer-based authorization system, cause the computer-based authorization system to further perform operations comprising **initiating**, using the computer-based authorization system, an **update** of the **status information** in response to authorizing the transaction request.” (Ex1002, 13:48-54; Ex1003, ¶436). Claim 12 limits Claim 1 by further requiring the method to comprise “**initiating**,

using the computer-based authorization system, an **update** of the **status information** in response to authorizing the transaction request.” (Ex1002, 14:8-11; Ex1003, ¶436). Claim 13 further limits Claim 12 by further requiring that “initiating the update of the status information comprises sending a **fund transfer request**.” (Ex1002, 14:12-14; Ex1003, ¶445).

In sum, after receiving the status information (e.g., **available balance** of the overdraft account as taught in Foss), Claims 9 and 12 require the **balance** be **updated** (as shown in step 450 of Foss) and Claims 12 and 13 require such **update** be in the form of **sending a fund transfer request** (also as shown in step 450 of Foss). (See Ex1003, ¶¶437, 445).

As shown in Figure 4, marked up below, Foss discloses that “if the all **authorization edits 410 step passes**, the process proceeds to **update** the deposit and overdraft accounts, **step 450**, and applies any applicable fees, step 455.” (Ex1008, [0066]; See also Ex1008, [0067] & Fig. 4 (Step 450: “Update Deposit & Overdraft Accounts”, highlighted by a **magenta** colored dashed square below); Ex1003, ¶¶441-442).

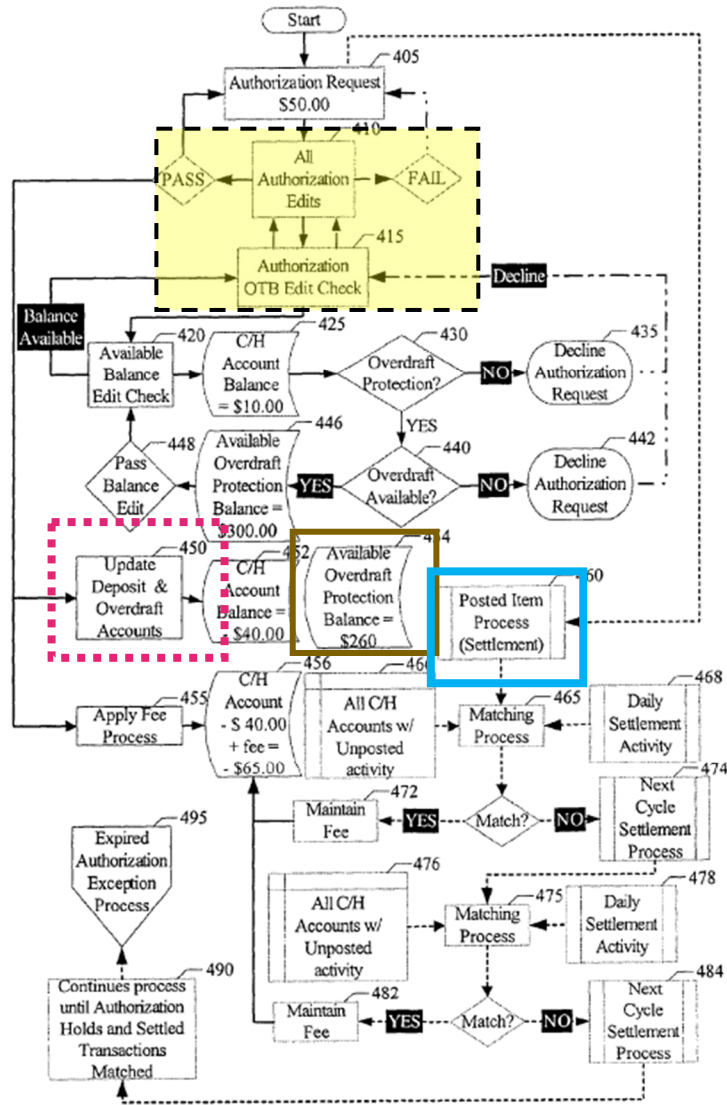


Fig. 4

(Ex1008, Fig. 4).

As Mr. Zatkovich explains, a POSITA would thus understand that Foss discloses that the method includes initiating an **update** of the **status information** in response to authorizing the transaction request using the computer-based authorization system. (Ex1003, ¶443).

Further, with respect to sending a **fund transfer request** for Claims 9 and 13, Foss teaches to **update** “**the deposit and overdraft accounts at** step 450” after passing all funding authorization edits 410. (Ex1008, [0067]; Ex1003, ¶447). Foss further teaches that at step 468 (following **step 460**) there is a “Daily Settlement Activity”, which in any event would result in the overdraft accounts at the source institution being updated by a **fund transfer request**. (Ex1003, ¶448). As Mr. Zatkovich explains, a POSITA would understand that the **fund transfer request** is an industry practice that occurs as part of the daily settlement process. (Ex1003, ¶449). In this process all posted transactions are sent as settlement requests to the debit cards’ issuing bank to transfer the funds. (Ex1003, ¶449). In this process the associated debit card accounts and/or overdraft accounts are **updated** to reflect the funds that are transferred from those accounts. (Ex1003, ¶449).

Accordingly, a POSITA would understand that all of the elements of claims 9, 12 and 13 are anticipated by Foss (**Ground 1**). (Ex1003, ¶¶444, 450).

f. Claim 15

Claim 15 limits Claim 1 by requiring the method to further comprise “determining, using the computer-based authorization system, sending **a request for standing information** associated with whether the **separate account** is in good standing.” (Ex1002, 14:17-20; Ex1003, ¶451).

Foss discloses using the “transactional processing component 250” of the computer-based authorization system shown in Figure 2 (see discussion in element [7PRE] and [1A/7A] regarding Ground 1). (Ex1003, ¶¶452-453, 361-371, 373).

Foss discloses checking the standing of the **separate account** (e.g., “the process checks if **overdraft funds are available** at step 440” (Ex1008, [0066])). (Ex1003, ¶454). Foss also discloses that “[t]he account management component 240 manages the customer account by utilizing controllers to enable and disable certain functions and privileges of the account based on various factors.” (Ex1008, [0055]; Ex1003, ¶¶455-456).

As Mr. Zatkovich explains, a POSITA would understand that part of determining **whether overdraft protection is available at step 440** is a **request for standing information** of the **overdraft account**. (Ex1003, ¶456). Additionally, a POSITA would understand that the system disclosed by Foss would check to see whether “certain functions and privileges of the account”, such as overdraft protection, had been “disable[d]” (Ex1008, [0055]). (Ex1003, ¶456). *See* Ex1008, Fig. 4.

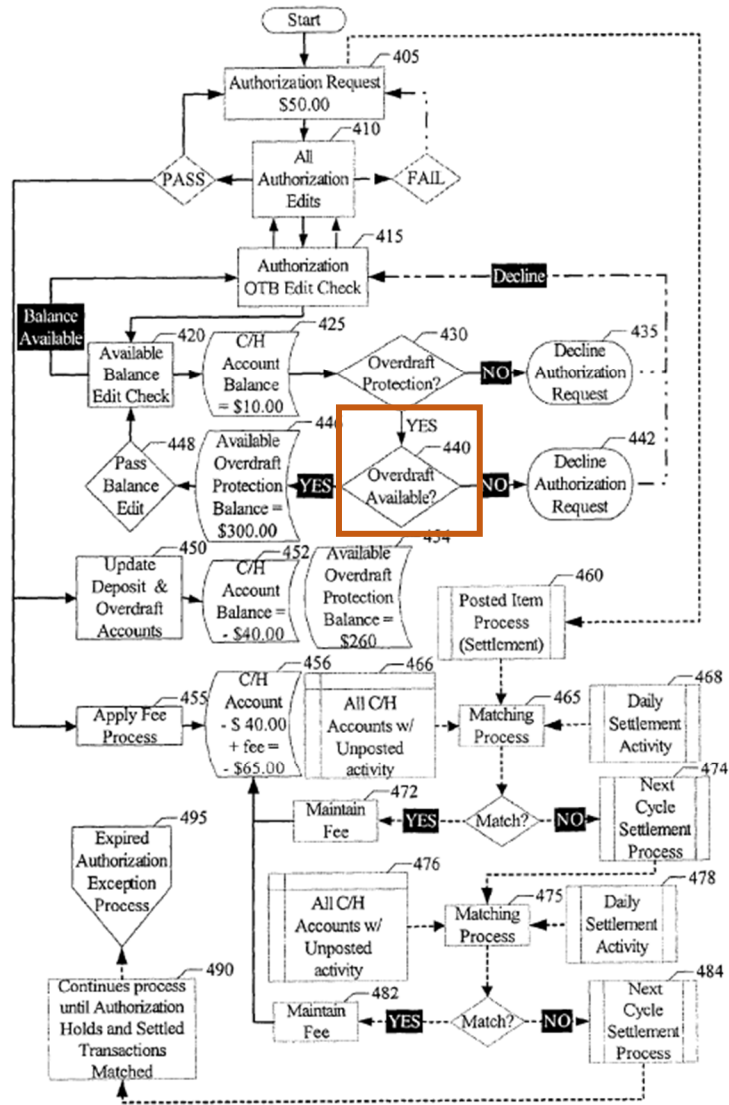


Fig. 4

(Ex1008, Fig. 4).

Accordingly, a POSITA would understand that all of the elements of Claim 15 are disclosed in Foss (**Ground 1**). (Ex1003, ¶457).

4. Dependent Claim 14 is Anticipated by Foss (Ground 1) and/or Rendered Obvious over Foss in view of Admitted Prior Art (Ground 2).

Claim 14 limits Claim 1 by further requiring that “the **account information request** is sent to a third party vendor.” (Ex1002, 14:15-16). (Ex1003, ¶458).

As discussed with respect to element [1B], Foss discloses sending a **request for account information** (e.g., “If overdraft funds are available at step 440, **the available overdraft protection balance is checked at step 446**” (Ex1008, [0066])). (Ex1003, ¶¶460, 383-389). *See also* Ex1008, Fig. 4.

Foss further discloses that the “invention” was “based on the Stored Value Systems that [were contemporaneously] deployed by several credit card processing companies” (Ex1008, [0016]) and is “implemented in cooperation or in partnership with a financial institution”, which provides “a funding account that typically hold 100% of the funds. The funding account operates” “to **provide notice [to]** and receive status [from]” “a bank or financial institution,” “in real time.” (Ex1008, [0018]; Ex1003, ¶461).

Furthermore, as Mr. Zatkovich explains, it was standard industry practice of existing Stored Value Systems operated by the third party vendors to “provide the settlement and authorization functionalities” (Ex1008, [0017]) of **debit account transactions** on behalf of card issuing banks. (Ex1003, ¶¶462, 138-140).

As Mr. Zatkovich explains, a POSITA would understand that, in order to send and receive information to and from the bank managing a funding account, where the credit card issuing system does not communicate directly with the bank managing the funding account, a third-party vendor would have been used. (Ex1003, ¶463). **Requests for account information** would be sent to the third-party vendors instead of the bank managing the funding account. (Ex1003, ¶463).

Accordingly, as Mr. Zatkovich explains, a POSITA would understand that Foss discloses that the method includes the **account information request** being sent to a third-party vendor through, for example, the **Financial Transaction Network 255**, as depicted in the marked-up figure below, instead of the bank managing the funding account. (Ex1003, ¶464).

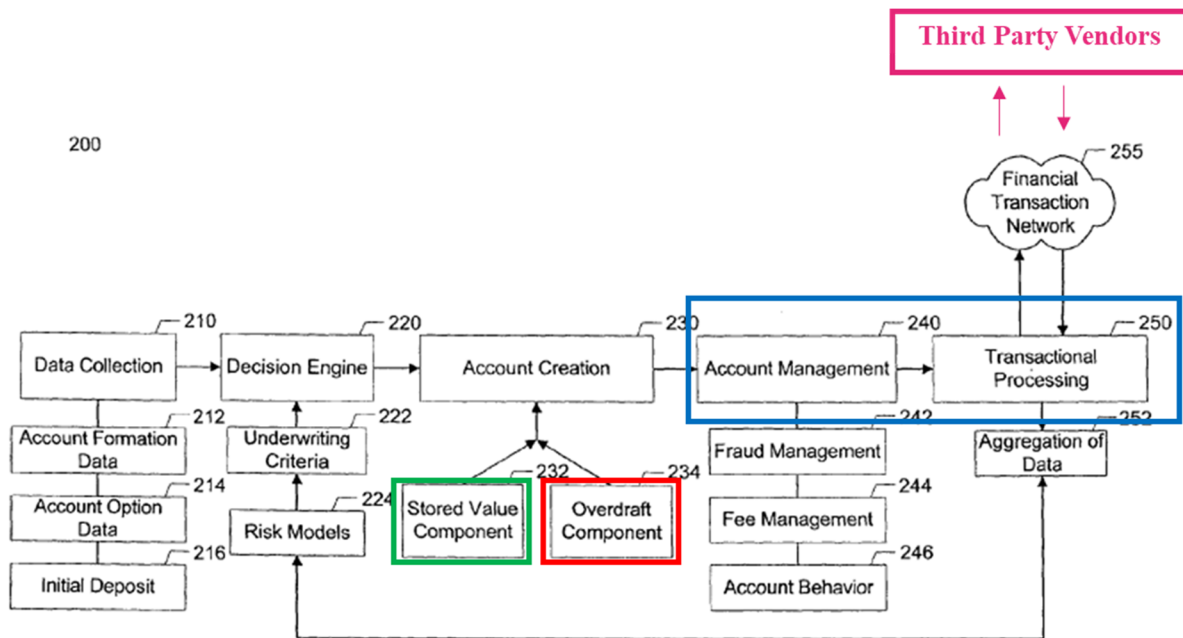


Fig. 2

(Ex1008, Fig. 2) (“third party vendors” element added for illustration).

In any event, as Ground 2, as Mr. Zatkovich explains, it would have been obvious in view of the admitted prior art, as implicitly recognized in the ’301 Patent, that third party vendors, such as “eFunds or First Data Corporation of Greenwood Village, Colo.” (Ex1002, 8:4-14), would be recipients of **account information requests**. (Ex1003, ¶465). As the ’301 Patent and Foss both recognize, these were participants of financial transaction networks and were frequently used to receive account information. (Ex1003, ¶465).

As Mr. Zatkovich explains, a POSITA would have been motivated to include this feature to reduce communication with many individual banks, thereby reducing overhead costs, as Foss indicates was an objective of the system therein (Ex1008, [0008]; Ex1003, ¶¶466-467).

Accordingly, a POSITA would understand that all of the elements of Claim 14 are anticipated by Foss (**Ground 1**) and/or rendered obvious over Foss in view of the admitted prior art (**Ground 2**). (Ex1003, ¶468).

5. Independent Claim 16 is Anticipated by Foss (Ground 1)

Independent Claim 16 corresponds to Claims 1 and 7, in that the preamble [16PRE] is the same as [1PRE], element [16A] is the same as [1A/7A], and element [16B] is the same as [1D/7D], except that it also requires that the “**status information** is associated with a **separate account**” (as discussed with respect to [1B/7B], [1C/7C] and [1D/7D]). (Ex1003, ¶469). It continues with a new element [16C] which provides for “a **fund transfer request** to a **financial institution** associated with the **separate account**” after authorization. (Ex1002, 14:29-33; Ex1003, ¶469).

As **Ground 1**, as Mr. Zatkovich explains, Claim 16 is expressly or inherently taught by Foss. (Ex1003, ¶¶470, 471-482).

a. [16PRE] 16. A method comprising:

As discussed in connection with element [1PRE], as **Ground 1**, Foss discloses a method, e.g., the steps involving transaction authorization. (Ex1008, Fig. 4, [0065] (“FIG. 4 is a flow diagram that illustrates the operation of performing a transaction 400 according to an exemplary embodiment of the present invention.”); Ex1003, ¶471). This method also includes a “**settlement**” after authorization (Ex1008, Fig. 4, 460):

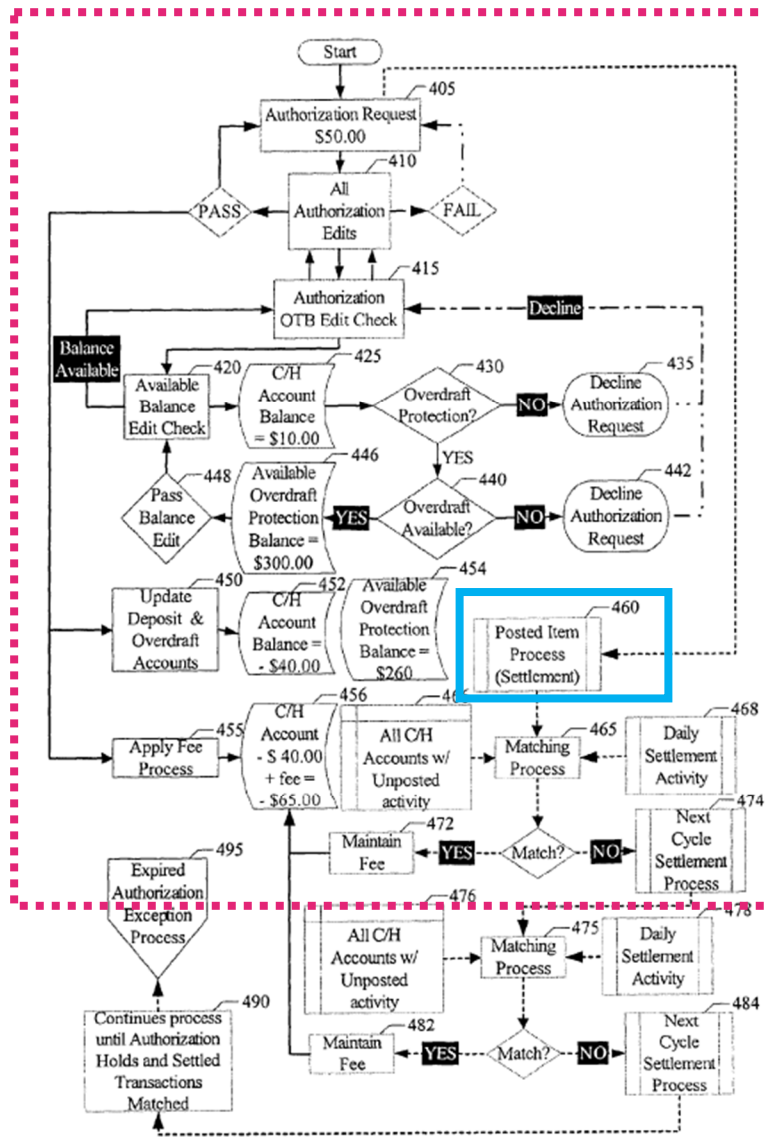


Fig. 4

(Ex1008, Fig. 4; Ex1003, ¶471).

- b. [16A] receiving, at a computer-based authorization system, a transaction request associated with a debit account, wherein the debit account is associated with a separate account;

Claim element [16A] is identical to claim elements [1A/7A]. Thus, for the same reasons discussed with respect to [1A/7A], element [16A] is disclosed in Foss (Ground 1). (Ex1003, ¶¶472, 372-382).

- c. [16B] **authorizing**, using the computer-based authorization system, the transaction request based on the **status information** associated with the **separate account**; and

Claim element [16B] is identical to claim elements [1D/7D], except that [16B] further requires that “the **status information**” is “associated with the **separate account**” (Ex1002, 14:27-28; Ex1003, ¶¶473, 395-400). As discussed with respect to claim elements [1D/7D], the **status information** is the “**available overdraft protection balance**”, which, as Mr. Zatkovich explains, would correspond to the **separate account** (e.g., the “**overdraft component 234**” (Ex1008, [0055])) (Ex1008, [0066]; Ex1003, ¶474), and thus the **status information** is **associated with the separate account** (Ex1003, ¶474). Accordingly, element [16B] is disclosed in Foss (**Ground 1**). (Ex1003, ¶475).

- d. [16C] after authorizing the transaction request, sending, using the computer-based authorization system, a **fund transfer request** to a financial institution associated with the separate account, wherein the **fund transfer request** corresponds to the transaction request.

Element [16C] is not included in Claims 1-15, but nonetheless is disclosed in Foss. Specifically, Foss discloses, after authorizing the transaction request, sending, using the computer-based authorization system (see discussion in element [7PRE] and [1A/7A] regarding Ground 1), a **fund transfer request** to a **financial institution associated with the separate account** wherein the **fund transfer request**

corresponds to the transaction request (e.g., a “**settlement**” request) (Ex1003, ¶¶476, 361-371, 373).

Foss teaches settlement which takes place *after* authorization. (Ex1003, ¶477). Specifically, Foss discloses sending a **fund transfer request** after the “all authorization edits 410 step authorizes the transaction” (Ex1008, [0066]): “a posted item process (settlement), step 460, **posts the item for settlement and continues to the matching process** at step 465. The matching process at step 465 attempts to match all accounts with un-posted activity 466 with the daily settlement activity 468.” (Ex1008, [0068]; Ex1003, ¶477). *See* Ex1008, Fig. 4; *see also* Ex1008, [0018]; Ex1003, Ex1003, ¶478.

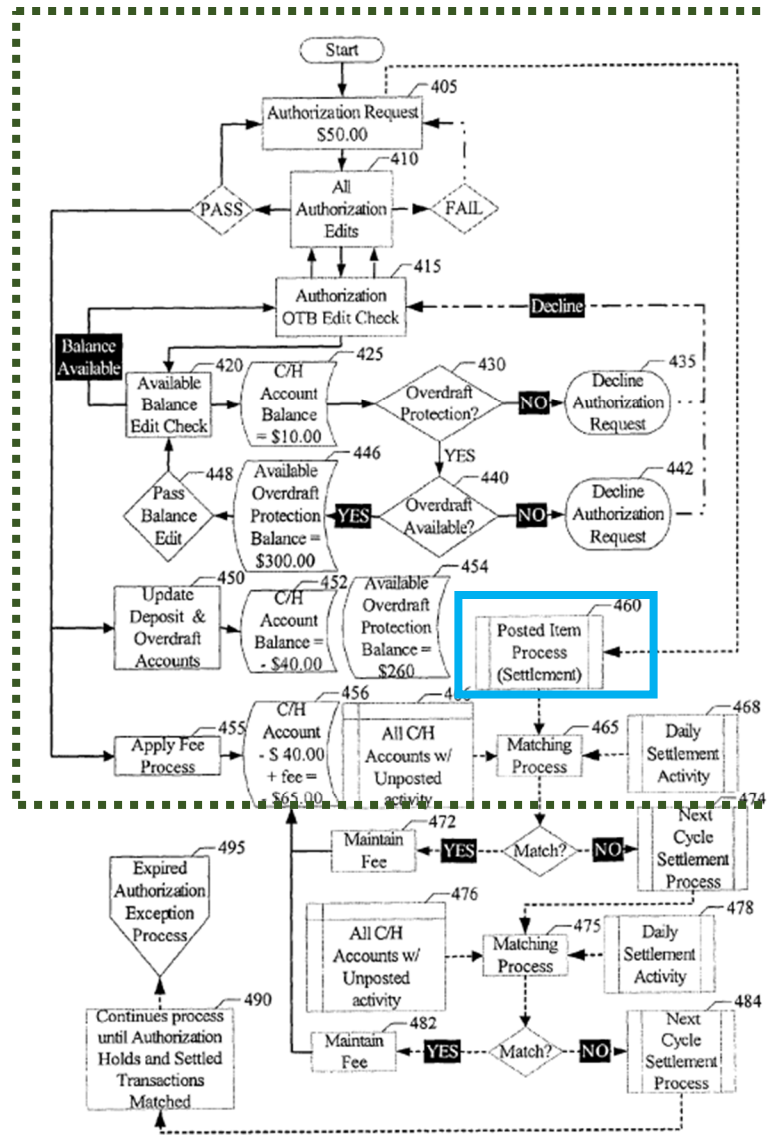


Fig. 4

(Ex1008, Fig. 4).

As Mr. Zatkovich explains, as part of common industry practice, once all settled transactions are identified, at the end of the day, they are “batched” into groups. (Ex1003, ¶479). Each batch represents the transactions associated with a debit card’s issuing bank. (Ex1003, ¶479). Each issuing bank, upon receiving their settlement batch request, will verify the settlement request to be paid and perform

an electronic funds transfer from the debit card account (and/or overdraft account) to the merchant where the purchase transaction occurred. (Ex1003, ¶479).

As Mr. Zatkovich explains, in the case of the processing system being “implemented in cooperation or in partnership with a **bank or financial institution**” and where “the bank provides a funding account that typically holds 100% of the funds,” a POSITA would understand that as part of the settlement process in Foss, a **fund transfer request** will need to be sent to the **bank or financial institution** associated with the separate account. (Ex1003, ¶480). Thus, a POSITA would understand that Foss teaches, after authorizing the transaction request, sending, using the computer-based authorization system, a **fund transfer request** to a financial institution associated with the separate account, wherein the **fund transfer request** corresponds to the transaction request (Ex1003, ¶481).

Accordingly, a POSITA would understand that [16C] is disclosed in Foss (**Ground 1**). (Ex1003, ¶482).

C. Claim 3 Is Anticipated Under 35 U.S.C. §§ 102(a) & 102(e) by Foss (Ground 1) and/or Rendered Obvious Under 35 U.S.C. §103(a) over Foss in view of Gopinathan (Ex1010) (Ground 3)

Claim 3 further limits Claim 1 by requiring that [3A] “authorizing the transaction request includes performing a **fraud assessment** based on the **status information**,” [3B] “wherein the **fraud assessment** includes communication with **data sources** via a **network**.” (Ex1002, 13:11-14; Ex1003, ¶483).

As discussed, Claim 1 is anticipated by Foss (**Ground 1**). (*See* Ex1003, ¶¶484, 358-399).

As **Ground 1**, Claim 3 is anticipated by Foss, and as **Ground 3**, alternatively, Claim 3 is rendered obvious over Foss in view of Gopinathan. (Ex1003, ¶485).

1. Claim 3 is Anticipated by Foss (Ground 1)

a. The Disclosure of Foss (Ex1008)

Foss is prior art to the '301 Patent under pre-AIA 35 U.S.C. §§ 102(a) & 102(e) and, as discussed, discloses the elements of claim 1.

As is pertinent here, Foss is directed towards “a system and method for providing a **checkless checking account** that provides transactional functionality of a branded card wherein the account is funded from the account owner’s personal funds” and “may be combined with a **credit component**.” (Ex1008, Abstract; Ex1003, ¶487). Foss discloses in the context of Figure 4 all of the steps of Claim 1, which are performed by its **computer-based authorization system** in Fig. 2 (*See* Section VII.B; Ex1003, ¶¶361-371, 373):

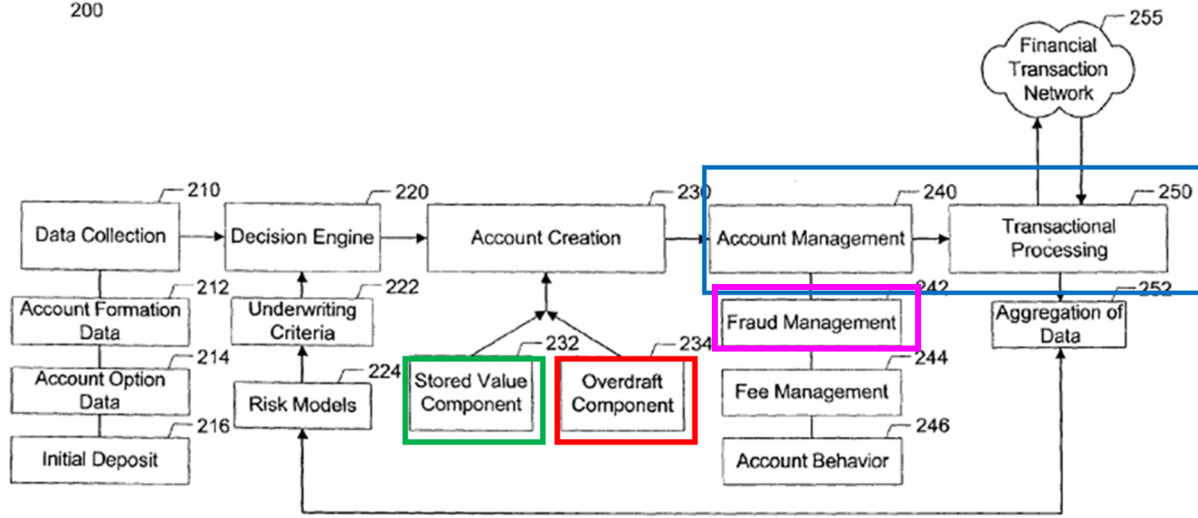


Fig. 2

(Ex1008, Fig. 2). Foss includes as part of its **computer-based authorization system** in Figure 2, an “account management component 240” which includes the “**fraud management model 242**” component (Ex1008, [0055]; Ex1003, ¶488). This component “determines if any fraudulent activities are associated with the account” and notifies the account management component if “fraudulent activities are detected.” (Ex1008, [0055]; Ex1003, ¶488).

Corresponding to claim element [3A], as Mr. Zatkovich explains, the account management component detects fraud by using “**real-time data**”, which a POSITA would understand to include **status information** such as **account balance**, and

“soliciting or calculating a fraud possibility based on such **data**” (Ex1008, [0019]; Ex1003, ¶489).

Corresponding to claim element [3B], as Mr. Zatkovich explains, **data** used to **calculate the fraud possibility** is retrieved, through “**Financial Transaction Network 255**”, from **transactional data sources**, such as a “website”, and **account data sources**, such as a partnering “bank or financial institution” which holds the accounts (Ex1008, [0065], [0018], [0057]; Ex1003, ¶¶490-495).

b. Element [3A]

Element [3A] limits Claim 1 by requiring that “authorizing the transaction request includes performing a **fraud assessment** based on the **status information**” (Ex1002, 13:11-12; Ex1003, ¶496).

As discussed with respect to element [1D/7D], Foss discloses authorizing the transaction request (e.g., “authorization request 405” (Ex1008, [0065])) based on the **status information** (e.g., “**Available Overdraft Protection Balance**” (Ex1008, Fig. 4)). (Ex1003, ¶¶497, 395-400).

As **Ground 1**, as Mr. Zatkovich explains, Foss teaches that authorizing the transaction request includes performing a **fraud assessment** (e.g., performing “**Fraud detection**” involving “soliciting or calculating a fraud possibility” (Ex1008, [0019]) based on **status information** (e.g., “**real-time data**”). (Ex1003, ¶498).

Foss discloses that an “aspect of the present invention is the account management” that “performs the day-to-day transactional activity,” including “the provision of fraud management” “through prevention, **detection** and control,” where “[d]etection involves taking **real-time data** and **soliciting or calculating a fraud possibility** based on such **data**.” (Ex1008, [0019]; Ex1003, ¶499). This fraud analysis can also rely on the “**account activity**” of the accounts associated with the debit card, which are examined by the fraud module disclosed in Foss (Ex1008, [0056]; Ex1003, ¶499).

As Mr. Zatkovich explains, a POSITA would understand that “**real-time data**” includes items such as current account balance. (Ex1003, ¶). Thus, Foss teaches that the fraud assessment is performed based on **status information**. (Ex1003, ¶501). A POSITA would also understand that **fraud “detection”** is a step of authorization (Ex1003, ¶501).

Accordingly, as Mr. Zatkovich explains a POSITA would understand that all of the features of element [3A], including those of Claim 1 from which it depends, are disclosed in Foss (**Ground 1**).

c. Element [3B]

Element [3B] limits Claim 1 by further requiring that “the **fraud assessment** includes communication with **data sources** via a **network**.” (Ex1002, 13:11-12).

As **Ground 1**, as Mr. Zatkovich explains, Foss teaches that the **fraud assessment** (e.g., performing “**Fraud detection**” involving “**soliciting or calculating a fraud possibility**” (Ex1008, [0019]) includes communication with **data sources** with a network in real time (e.g., with a “**website**” and a “**financial institution**” via “**Financial Transaction Network 255**” (Ex1008, [0018], [0020], [0057], [0065])). (Ex1003, ¶504). Other elements of Foss show that this limitation is satisfied (Ex1008, [0020], [0034]; Ex1003, ¶¶505-509).

Accordingly, as Mr. Zatkovich explains, a POSITA would understand that all of the features of element [3B] of Claim 3, including those of Claim 1 from which it depends, are disclosed in Foss (**Ground 1**). (Ex1003, ¶510).

2. Claim 3 Is Rendered Obvious Under 35 U.S.C. §103(a) over Foss in view of Gopinathan (Ex1010) (Ground 3)

To the extent Foss is not considered to sufficiently disclose the fraud detection features of elements [3A] and [3B], it would be obvious to modify the system of Foss to include the fraud detection processes as outlined in Gopinathan. (Ex1003, ¶511).

a. The Disclosure of Gopinathan (Ex1010)

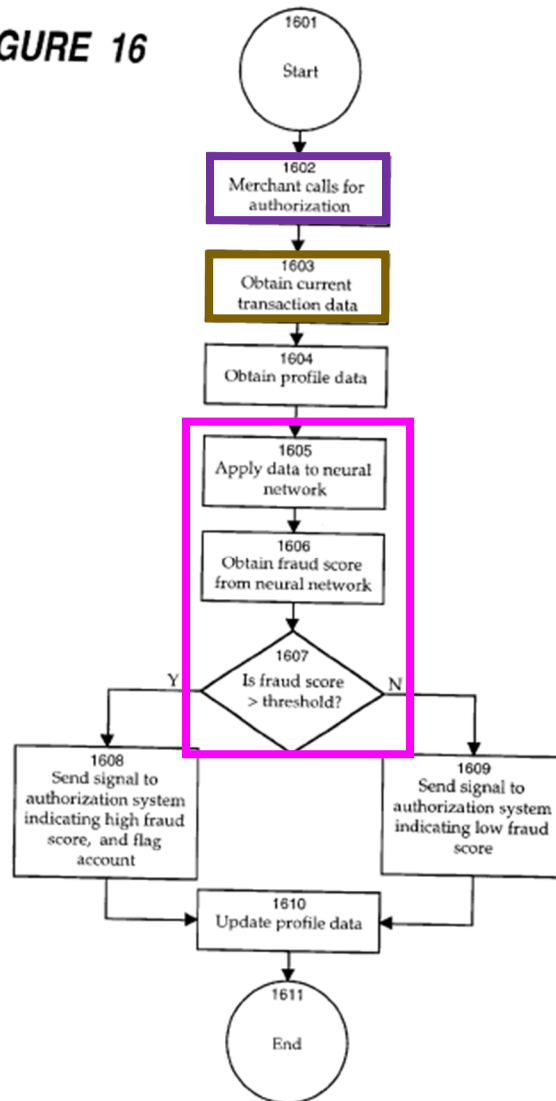
U.S. Patent No. 6,330,546 B1 to Gopinathan (“**Gopinathan**,” Ex1010), entitled “*Risk Determination and Management Using Predictive Modeling and Transaction Profiles for Individual Transacting Entities*,” was filed on October 5,

1998 and issued as a patent on December 11, 2001, and is prior art to the '301 Patent under pre-AIA 35 U.S.C. §102(b). (Ex1003, ¶¶98-99, 512).

Gopinathan is directed towards an “automated system and method” which “**detects fraudulent transactions** using a predictive model such as a neural network to evaluate individual customer accounts and identify potentially fraudulent transactions”. (Ex1010, Abstract; 2:41-43; Ex1003, ¶513). Gopinathan implements its method by using “**information** regarding cardholders, merchants and transactions to **screen transactions** and isolate those which are likely to be fraudulent”. (Ex1010; 2:29-31; Ex1003, ¶513). The system disclosed by Gopinathan “runs within the context of a conventional authorization or posting system for customer transactions.” (Ex1010, 24:34-37; Ex1003, ¶513).

Corresponding to element [3A], like Foss, Gopinathan discloses using **transaction data** (which includes “**available credit (or balance)**” to produce a **fraud score** via a neural network “representing the **likelihood of fraud** for the transaction”, which is “compared to a threshold value 1607”) to determine whether the transaction is fraudulent (Ex1010, 24:47, 25:44-59; Ex1003, ¶514). *See, e.g.*, Fig. 16 (depicting a “real time” “**fraud likelihood determination**” method that occurs “before a transaction is authorized”):

FIGURE 16



(Ex1010, Fig. 16, 25:44-45).

As depicted in Figure 8, and pertinent to element [3B], which requires communication with data sources via a network, Gopinathan discloses that System 100 has “two major [functional] components: model development component 801”, which builds a neural network 108, “and transaction processing component 802”,

which performs the fraud assessment using “**data from various sources 805, 806**” (Ex1010, 4:59-62; 5:4-10; 24:37-55; Ex1003, ¶¶515-516):

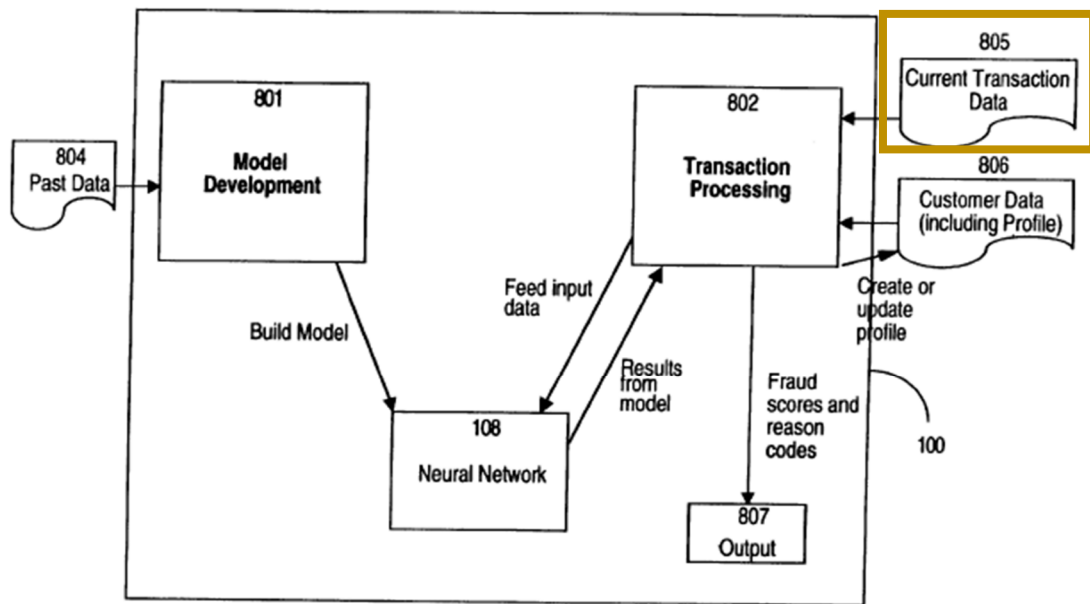


FIGURE 8

(Ex1010, Fig. 8).

Furthermore, corresponding to element [3B], as depicted in Figure 1, “**transaction information** is applied to system 100 via **data network 105**” from “a **conventional data facility 106** collecting transaction information from **conventional sources** such as human-operated credit-card authorization terminals and automated teller machines (not shown).” (Ex1010, 3:51-67, 4:2-13; Ex1003, ¶¶517-518).

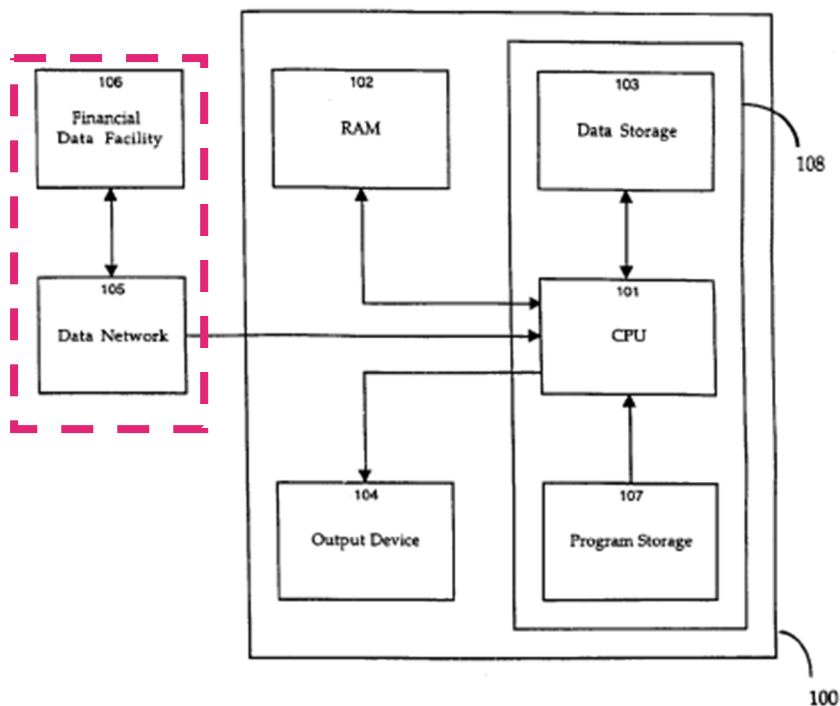


FIGURE 1

(Ex1010, Fig. 1). The “various functions” of System 100, such as the **fraud assessment**, are performed by “CPU 101.”

b. Foss and Gopinathan are analogous art

As a preliminary matter, Gopinathan and Foss are analogous art and in the same field of endeavor (e.g., debit card and financial transaction instrument systems) (Ex1003, ¶519). Foss describes a “**Stored Value System**” that provides “settlement and authorization functionalities” which includes “**fraud management**” (Ex1008, [0028], [0019]) and Gopinathan provides a **fraud detection** component which runs in the “context of a **conventional authorization or posting system**” (Ex1010,

24:34-36; Ex1003, ¶519). As Mr. Zatkovich explains, a POSITA would understand that Gopinathan provides a piece (e.g., detecting transaction fraud) of a larger whole (e.g., authorizing transactions) disclosed by Foss. (Ex1003, ¶519). The two are therefore in the same field of endeavor, and are therefore analogous art. (Ex1003, ¶¶520-521).

c. Element [3A]

As Mr. Zatkovich explains, it would have been obvious to a POSITA to modify Foss to include the **fraud detection** systems and methods as taught by Gopinathan. (Ex1003, ¶¶522-524). Gopinathan provides greater detail with respect to the method (*compare* Ex1010, 25:44-59, *with* Ex1008, [0019]) and systems of **fraud detection** disclosed by Foss (*compare* Ex1010, Fig. 1, *with* Fig. 8; Ex1008, Fig. 2). (Ex1003, ¶524).

Moreover, as Mr. Zatkovich explains, a POSITA would have been motivated to combine the two references in order to reduce fraudulent activity and issuer loss, a motivation shared by both Foss and Gopinathan (Ex1008, [0008]; Ex1010, 2:29-34, Ex1003, ¶525).

Accordingly, corresponding to **Ground 3**, to the extent that Foss does not expressly disclose that authorizing the transaction request includes performing a **fraud assessment** based on the **status information**, it would have been obvious to

modify Foss in view of Gopinathan to perform **fraud assessment** based on the **status information**. (Ex1003, ¶526).

Like Foss, Gopinathan teaches that authorizing the transaction request includes performing a **fraud assessment** (e.g., prior to authorization, making “**a fraud likelihood determination**” (Ex1010, 25:28-29)) based on the **status information** (e.g., “**available credit (or balance)**” (Ex1010, 24:47)). (Ex1003, ¶527).

As Mr. Zatkovich explains, Gopinathan, like Foss, discloses a “real-time” fraud assessment method which includes making a “**fraud likelihood determination** before a transaction is authorized.” (Ex1010, 25:28-29; Ex1003, ¶528). The method creates a fraud score using, *inter alia*, “**data for the current transaction**” which includes “**available credit (or balance)**” (Ex1010, 25:28-62; 24:44-49; Ex1003, ¶528). **Fraud likelihood scoring** takes places “before a transaction is authorized,” preventing fraudulent transactions (Ex1010, 25:53-56; Ex1003, ¶528).

Moreover, as discussed above, a POSITA would have been motivated to modify Foss to include the teachings disclosed by Gopinathan with respect to [3A] in order to reduce fraudulent activity and issuer loss, a motivation shared by both Foss and Gopinathan. (Ex1008, [0008]; Ex1010, 2:29-34; Ex1003, ¶529).

Accordingly, as Mr. Zatkovich explains, a POSITA would understand that all of the elements of claim element [3A] are rendered obvious over Foss in view of Gopinathan, as **Ground 3**. (Ex1003, ¶530).

d. Element [3B]

Furthermore, in the alternative to **Ground 1**, corresponding to **Ground 3**, to the extent that Foss does not expressly disclose that the **fraud assessment** includes communication with **data sources via a network**, it would have been obvious to a POSITA to modify Foss in view of Gopinathan to include this limitation. (Ex1003, ¶531).

Like Foss, Gopinathan teaches that the **fraud assessment** (e.g., making a “**fraud likelihood determination**” (Ex1010, 25:28-29)) includes communication with **data sources** (“**various sources 805, 806**”) (Ex1010, 5:6)) **via a network** (e.g., “**data network 105**”). (Ex1003, ¶532).

Gopinathan discloses that the transactional processing component 802 “**determines the likelihood of fraud** for each transaction by feeding **data** from **various sources 805, 806** into neural network 108, obtaining results, and outputting them.” (Ex1010, 5:5-8; Ex1003, ¶533). As shown in Figure 1, “**Transaction information**” is obtained via “**data network 105**, which is connected to a conventional **financial data facility 106** collecting transaction information from **conventional sources**” (Ex1010, 3:51-53; Ex1003, ¶533):

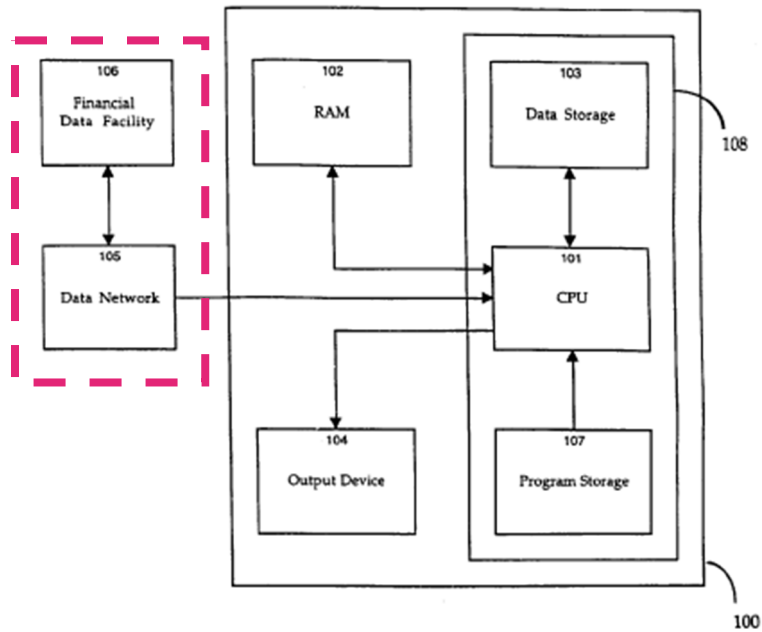


FIGURE 1

(Ex1010, Fig. 1).

Moreover, as discussed above, as Mr. Zatkovich explain, a POSITA would have been motivated to combine the two references in order to reduce fraudulent activity and issuer loss, a motivation shared by both Foss and Gopinathan (Ex1008, [0008]; Ex1010, 2:29-34; Ex1003, ¶533).

Accordingly, as Mr. Zatkovich explains, a POSITA would understand that all of the elements of Claim [3B] are disclosed in Foss, as **Ground 1**, and/or rendered obvious over Foss in view of Gopinathan, as **Ground 3**. (Ex1003, ¶534).

D. Claims 2, 6, and 17-20 Are Rendered Obvious over Foss in view of Hirka (Ex1009) (Ground 4)

Claims 2 and 6 depend from Claim 1 and Claims 17-20 depend from Claim 16. For the same reasons as discussed above and by Mr. Zatkovich (Ex1003, ¶¶358-400, 469-482), as **Ground 1**, Claims 1 and 16 are anticipated by Foss. The remaining limitations of Claims 2 and 6, as well as 17-20 are further set forth in Hirka (**Grounds 4**) as discussed herein, and by Mr. Zatkovich (Ex1003, ¶¶535-612).

As discussed below, as **Ground 4**, Claims 2, 6, and 17-20 are rendered obvious over Foss in view of Hirka. (Ex1003, ¶536).

1. The Disclosure of Foss

Foss is prior art to the '301 Patent under pre-AIA 35 U.S.C. §§ 102(a) & 102(e) and, as discussed, discloses the elements of Claim 1 and 16. (Ex1003, ¶537).

Foss is directed towards “a system and method for providing a **checkless checking account** that provides transactional functionality of a branded card wherein the account is funded from the account owner’s personal funds” and “may be combined with a **credit component**.” (Ex1008, Abstract; Ex1003, ¶538).

Foss also discloses a **settlement process** relating to **transactions** conducted using a card associated with the **credit component**: “a posted item process (settlement), step 460, **posts the item for settlement and continues to the matching process** at step 465. The matching process at step 465 attempts to match

all accounts with un-posted activity 466 with the daily settlement activity 468.” (Ex1008, [0068]; Ex1003, ¶¶539-540)).

2. The Disclosure of Hirka

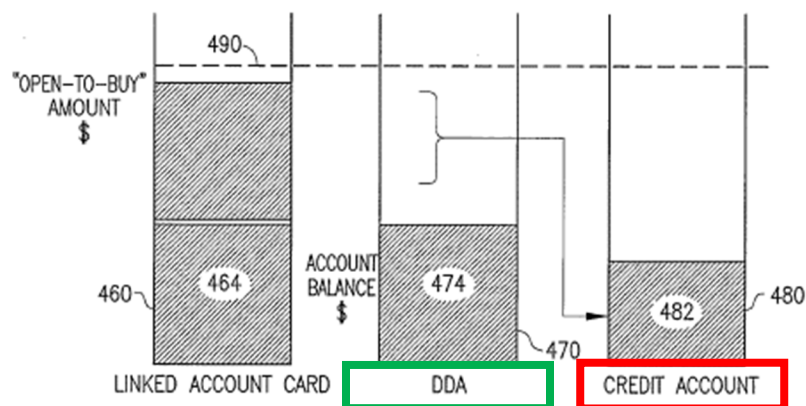
WIPO Publication No. WO 02/21374 A1 to Hirka et al. (“**Hirka**,” Ex1009), entitled “*System and Method for Linked Account Having Sweep Feature*,” was filed on August 31, 2001, and published on March 14, 2002 and is prior art to the ’301 Patent under pre-AIA 35 U.S.C. §102(b). (Ex1003, ¶¶114, 521).

With respect to the prosecution history of the ’100 Patent, Hirka ’404, a later application with substantially the same disclosure as Hirka, was considered. (Ex1005; Ex1003, ¶115). The Examiner’s analysis stated that Hirka ’404 teaches using multiple accounts and other related aspects of transactions involving overdraft accounts. (Ex1005 at 100; Ex1003, ¶¶116-118). Additionally, the Office has not previously rejected the idea that Hirka and Hirka ’404 teaches the aspects of the ’301 Patent or the aspects of the ’100 Patent unrelated to fraud assessment. (Ex1003, ¶¶83-89, 116-118, 542).

Hirka, like Foss, relates to a “linked account card” which is “linked to a **cash account**, such as **a demand deposit account (DDA)**” and a “linked **credit account**”, and may be used in **transactions** (Ex1009, 2:29-30, 3:15-20; Ex1003, ¶¶119, 543). As is relevant to Claim 2, in embodiments, the **credit account** is a credit card account. (Ex1009, 7:10-15; Ex1003, ¶543). The **credit account** is “a

designated **credit or other account to handle overdrafts.**” (Ex1009, 7:10-12; Ex1003, ¶120). It is designated during an enrollment process (Ex1007, 6:26-7:17, Ex1003, ¶¶121-126).

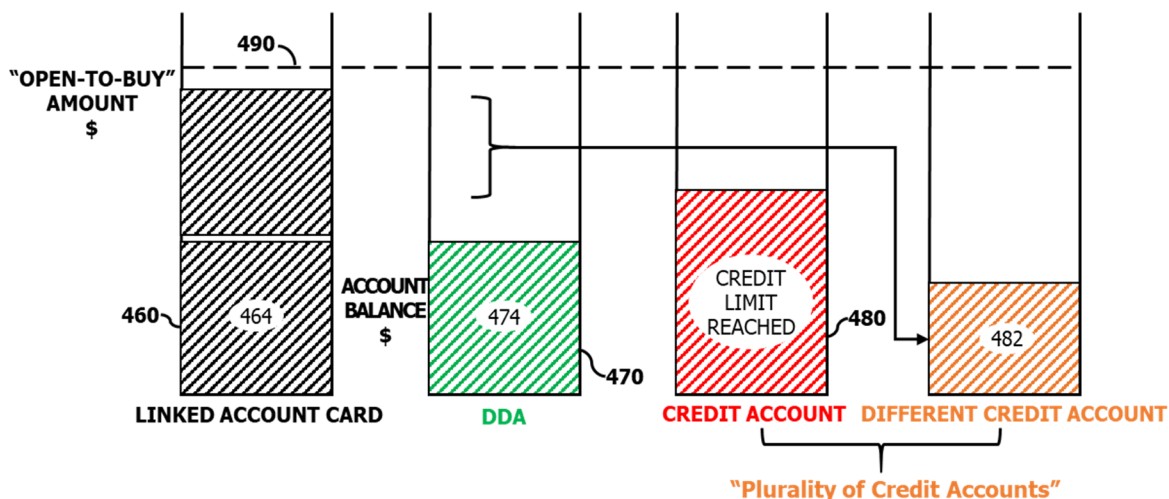
Hirka also discloses a **settlement process** which sweeps the cardholder’s accounts to determine “whether **adequate funds exist to cover all of the day’s charges accumulated** through use of the linked account card,” which are “**individual automated clearing house debits**” associated with “**each transaction initiated** with the **linked account card**”. (Ex1009, 9:3-14, Fig. 2; Ex1003, ¶¶127, 544). Figure 4(c), marked-up below, depicts an exemplary settlement process:



(Ex1009, Fig. 4(c); Ex1003, ¶128). Hirka discloses that when the “balance 474 of **the cash account** is inadequate to cover the aggregate of the day’s purchases... the funds 482 that cannot be drawn from the **designated cash account** (the overdraft amount) may be drawn from the **credit account 480.**” (Ex1009, 11:30-12:5; Ex1003, ¶128).

As is pertinent to Claim 18, while Figure 4(c) shows funds being allocated between the **DDA** and the **credit account**, Hirka discloses that the “entire charge” (corresponding to a sum of the individual debits) of a period’s **transactions** may be drawn solely from “the **credit account**” (Ex1009, 10:15-16; Ex1003, ¶128).

Furthermore, as is pertinent to Claims 19 and 20, Hirka also discloses an embodiment wherein the “**credit account**” includes “a **plurality of credit accounts**.” (Ex1009, 15:20-21). In such an embodiment, as Mr. Zatkovich explains, **settlement processes** result in funds being drawn against an **additional credit account** (Ex1003, ¶¶129-130, 545-546):



(Ex1003, ¶¶129, 545) (Image created for Petition). While Figure 4(c) does not explicitly show that a **different account** is used, in line with Hirka’s admonition that the “specification should be considered exemplary only” (Ex1009, 14:19-23), a

POSITA would understand that all or a portion of the funds can instead be charged to a **different credit account** (Ex1003, ¶¶130, 546).

3. Foss and Hirka are analogous art

As a preliminary matter, as Mr. Zatkovich explains, Foss and Hirka are in the same field of endeavor (e.g., debit card and financial transaction instrument systems) and are analogous art. (Ex1003, ¶547). As discussed, Foss and Hirka are both directed towards systems and methods linking **checking accounts** and **credit, or overdraft accounts**, with a card used in transactions (Ex1008, Abstract; Ex1009, Abstract, 5:18-19; Ex1003, ¶¶548-549). Both also relate to **settling transactions** associated with the accounts (Ex1008, [0068]; Ex1009, 9:3-14, 11: Ex1003, ¶549).

Given these similarities, as Mr. Zatkovich notes, a POSITA would have been motivated to modify Foss to include the features of Hirka discussed above. Additionally, as Mr. Zatkovich discusses, doing so would reduce expenses, be easily implemented, and be consistent with traditional banking processes. (Ex1003, ¶¶550-551).

4. Dependent Claims 2 and 6 Are Rendered Obvious over Foss in view of Hirka (Ground 4)

a. Claim 2

Claim 2 limits Claim 1 by further requiring **the separate account** to be “a **transaction account** or bank account.” (Ex1002, 13:9-10; Ex1003, ¶553). Because

this claim is written in the disjunctive, as Mr. Zatkovich notes, it may be met if the **separate account** is a **transaction account**. (Ex1003, ¶553).

As Mr. Zatkovich explains, according to the '301 Patent, a “**transaction account**” includes traditional credit card accounts. (Ex1002, 4:38-47, 4:62-5:4; Ex1003, ¶554). Thus, the limitation of Claim 2 may be met if the **overdraft account** is another **credit card like account**.

As discussed with respect to element [1A], Foss discloses the method of Claim 1. (Ex1003, ¶555). Foss further discloses the use of a **separate account** which is an “**overdraft account[]**” or “**overdraft component**” (Ex1008, [0053], [0054], [0066])). (Ex1003, ¶¶377-381, 556).

As Mr. Zatkovich explains, it would have been obvious to modify the **overdraft account** of Foss in view of the teaching of Hirka that the overdraft account in embodiments is a “**credit card**” account. (Ex1008, ¶558).

As Mr. Zatkovich explains, Hirka teaches that, in at least some embodiments, the associated **overdraft account** for a debit card includes a “**credit card**” account. (Ex1009, 7:10-15; Ex1003, ¶558).

As Mr. Zatkovich further explains, a POSITA would be motivated to use an existing line of credit like a credit card as an overdraft facility because it would give the customer some protection against overdrafts within the existing credit parameters established by the issuing institution. (Ex1003, ¶559). Further, as Hirka teaches, such

a modification would be easy to implement, especially in light of the similarities in the systems of Hirka and Foss. (Ex1003, ¶559).

Accordingly, Claim 2 is rendered obvious over Foss in view of Hirka (Ex1003, ¶560).

b. Claim 6

Claim 6 further limits Claim 1 by requiring that “the debit account is managed by a different financial institution than the separate account.” (Ex1002, 13:21-23).

As discussed with respect to element [1A], Foss discloses the method of Claim 1. (Ex1003, ¶562). As discussed with respect to element [1A], Foss discloses a **separate account** from the **debit account**. (Ex1003, ¶563, 378-381).

As Mr. Zatkovich explains, it would be obvious to a POSITA to further modify Foss (Ex1010) in view of Hirka (Ex1009) teaching to have **debit account** and **separate account** at different institutions. (Ex1003, ¶564). Hirka teaches embodiments where the **main** and **overdraft** accounts are held at unrelated, or different, financial institutions, and in one embodiment, the **main account** is “**held at a bank**” and the **overdraft account** is an “existing credit card account” which would be operated by a “**card issuer**”. (Ex1010, [0041] and [0042], *see also* Ex1009, 7:4-7, 10-14; Ex1003, ¶¶564-565).

Accordingly, as Mr. Zatkovich explains, a POSITA would understand that the **overdraft account** and the **demand deposit account** in at least some embodiments

may held by different financial institutions which are not related to one another, which matches the understanding of the Examiner. (Ex1005, at 100, 141, citing Ex1007, [0019], [0022], and [0041]; Ex1003, ¶566).

As Mr. Zatkovich explains, a POSITA would have been motivated to modify Foss to include accounts managed by different financial institutions in order to allow customers with a single account at multiple banks to utilize the overdraft coverage offered by Foss, to expand the base of customers who would be able to use the card. (Ex1003, ¶567). Additionally, as shown by Hirka, doing so would have been easy to implement. (Ex1003, ¶567).

As Mr. Zatkovich explains, this conclusion is bolstered by the contemporary settlement process showcased in Figure 9 of the '301 Patent to use multiple accounts (e.g., the **debit account** and **separate account**) managed by **different financial institutions**. (Ex1003, ¶568). As Mr. Zatkovich further explains, a POSITA would have been motivated to modify Foss to be compatible with the contemporary settlement processes. (Ex1003, ¶568).

Accordingly, a POSITA would understand that all of the elements of Claim 6 are rendered obvious over Foss in view of Hirka (**Ground 4**). (Ex1003, ¶569).

5. Dependent Claims 17-20 are Rendered Obvious over Foss in view of Hirka (Ground 4)

a. Claim 17

Claim 17 limits Claim 16 by further requiring that “the **computer-based authorization system** is associated with a different financial institution than the financial institution associated with the **separate account**.” (Ex1002, 14:34-37; Ex1003, ¶571).

For the same reasons as discussed above and by Mr. Zatkovich (Ex1003, ¶¶572, 471-482), as **Ground 1**, Claim 16 is anticipated by Foss. The remaining limitations of Claim 17 is further set forth in Foss as discussed herein, and by Mr. Zatkovich (Ex1003, ¶¶573-585).

As Mr. Zatkovich discusses, as **Ground 1**, Foss discloses that the **computer-based authorization system** is associated with a different financial institution (e.g., “credit card processing companies” (Ex1008, [0016])) than the financial institution associated with the **separate account** (e.g., a partnering “bank or financial institution” which manages the **overdraft account** (Ex1008, [0018])). (Ex1003, ¶¶573-574).

As discussed with respect to element [7PRE], Foss is a modification of a “**Stored Value System**” used by “credit card processing companies” which provide

“settlement and authorization functionalities” (Ex1008, [0016] and [0017]; Ex1003, ¶574).

Foss discloses that the “invention is most likely implemented in cooperation or in partnership with **a bank or financial institution**” which maintains the accounts (Ex1008, [0018]; Ex1003, ¶575). As Mr. Zatkovich discusses, as **Ground 4**, it would have been obvious, in view of Hirka (Ex1009), to modify Foss so that the **computer-based authorization system** is associated with a **different financial institution** (e.g., a “credit card processing company” (Ex1008, [0016] and [0017])) than the **financial institution associated with the separate account** (e.g., a “bank” (Ex1009, 7:4-9)). (Ex1003, ¶576).

Hirka teaches that the **separate account** disclosed in embodiments is a **bank account** (e.g., “**more than one cash account**” which may be “**held at a bank**” (Ex1009, 7:4-9)). (Ex1003, ¶577). As Mr. Zatkovich explains, it would be obvious to a POSITA to further modify Foss to include a **bank account** as **the separate account**. (Ex1003, ¶¶577-578).

Further, like the **overdraft component** of Foss, the “more than one cash account” in Hirka operates to provide overdraft protection, providing funds should the designated cash account not have “sufficient funds”. (Ex1007, [0041]; *see also* Ex1009, 7:4-9, 12:18-20; Ex1003, ¶579). Like the primary “**designated cash account**”, as Mr. Zatkovich explains, a POSITA would understand the “multiple

cash accounts” used to provide overdraft protection would be “**held at a bank**” (Ex1009, 7:7). (Ex1003, ¶580).

Additionally, Hirka explains that the “**overdraft account**” in at least some embodiments is an “**other account used to handle overdrafts**”. (Ex1007, [0042]; *see also* Ex1009, 7:10-15). Additionally, Hirka explains that the “**overdraft account**” in at least some embodiments is an “**other account used to handle overdrafts**”. (Ex1007, [0042]; *see also* Ex1009, 7:10-15; Ex1003, ¶581).

As Mr. Zatkovich explains, a POSITA would understand that an “other account” would include any other type of suitable account, which would include, for example, “a checking account, a savings account or other account **held at a bank** or other institution”. (Ex1009, 7:6-7; Ex1003, ¶582).

This is consistent with the Examiner’s understanding. As the Examiner explained, and as was not contradicted by Applicant, Hirka ’404 discloses the “use of another **bank account** as an **overdraft protection account**” (Ex1005, p. 100, p. 142). (Ex1003, ¶583).

As Mr. Zatkovich explains, a POSITA would thus understand that a “**bank**” **held separate account**, at least in some embodiments, as taught by Hirka, would be associated with a **different financial institution** than the **computer-based authorization system** operated by “credit card processing companies” disclosed by Foss. (Ex1003, ¶584). As Mr. Zatkovich explains, a POSITA would have been

motivated to modify Foss to include this feature to reduce costs associated with maintaining accounts and take advantage of the functionality and customer base provided by banks or financial institutions. Ex1003, ¶584).

Accordingly, a POSITA would understand that all of the elements of Claim 17 of the '301 Patent, including those of Claim 16 from which it depends, are rendered obvious over Foss in view of Hirka (**Ground 4**). (Ex1003, ¶585).

b. Claim 18

Claim 18 limits the method of Claim 16 by requiring that “**the fund transfer request** corresponds to one or more other transaction requests, wherein the **transaction request** and each transaction request of the one or more other transaction requests includes a corresponding billing amount, and wherein a **total charge** of the **fund transfer request** is equal to a sum of the billing amounts of the **transaction request** and the one or more other transaction requests.” (Ex1002, 14:38-45). In other words, Claim 18 requires the **fund transfer request** to correspond to a **total charge** corresponding to the **sum** of two or more transactions received during a period of time. (Ex1003, ¶586).

As Mr. Zatkovich notes (Ex1003, ¶¶476-481), and as discussed above, Foss discloses, in response to receiving a **transaction request**, sending a **fund transfer request** (e.g., the process “**posts the item for settlement and continues to the matching process**” (Ex1008, [0067]; Ex1003, ¶588). *See also* Ex1008, Fig. 4.

However, Foss does not expressly discuss how the system responds when it receives multiple transaction requests during a period of time from the same customer. (Ex1003, ¶589).

In any event, as Mr. Zatkovich discusses, it would have been obvious to a POSITA to modify Foss with Hirka (Ex1009), which teaches that a fund transfer request can correspond to multiple transaction requests and includes a **total charge** corresponding to the request (e.g., an “**entire charge**” (Ex1009, 10:16)). (Ex1003, ¶590).

Hirka discloses a deposit sweep system where a plurality of “individual debits” are received during a period of time, leading to a total accumulated charge (Ex1009, 9:3-14; Ex1003, ¶591). If the **debit account** does not have sufficient funds, “the system may be configured to have the **entire charge** covered by the **credit account**” (Ex1009, 10:10-16, 9:2-10:9; Ex1003, ¶¶591-595).

Accordingly, as Mr. Zatkovich explains, a POSITA would understand that Hirka discloses sending a single **fund transfer request** with the “**entire charge**” constituting a sum of the “individual debits”. (Ex1009, 9:8-14; Ex1003, ¶593).

As Mr. Zatkovich explains, a POSITA would have been motivated to modify the method of Foss to correspond the **fund transfer request** to the one or more other transaction requests as disclosed by Hirka because doing so would reduce the costs associated with multiple transfers. (Ex1003, ¶596). Such a method would

have been less expensive, easily implemented, and consistent with traditional banking processes. (Ex1003, ¶596).

Accordingly, a POSITA would understand that all elements of Claim 18 are rendered obvious over Foss in view of Hirka (**Ground 4**). (Ex1003, ¶597).

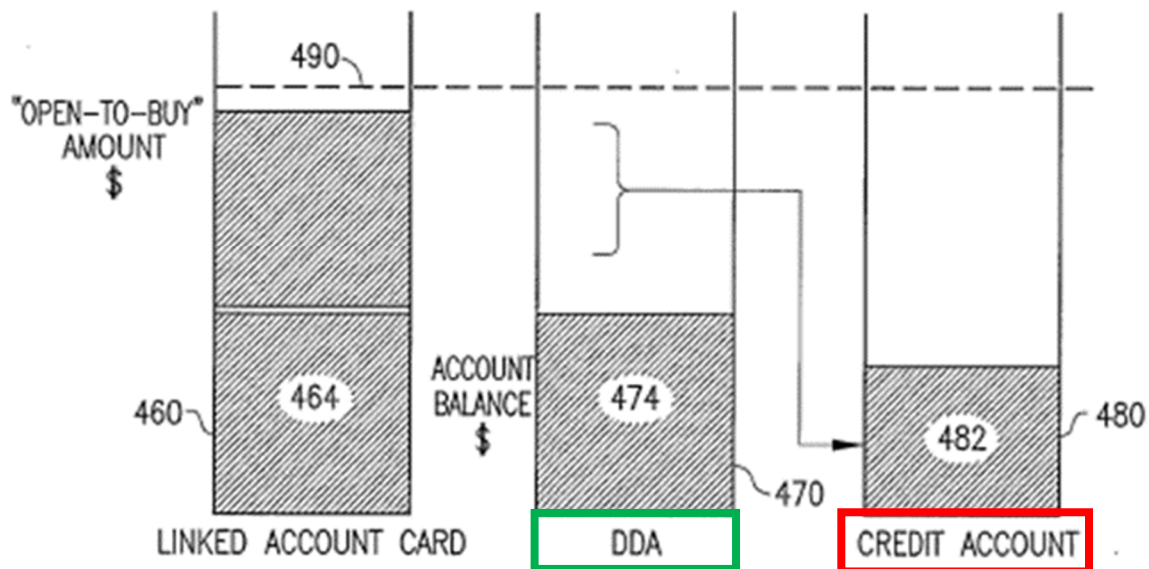
c. Claims 19-20

Claim 19 limits the method of Claim 16 by requiring that “in response to the fund transfer request being rejected due to insufficient funds, transferring one or more charges associated with the fund transfer request to a **different account associated with** the **debit account**.” (Ex1002, 14:46-50; Ex1003, ¶598). Claim 20 limits the method of Claim 19 by further requiring that “the **different account** is a charge account or a credit account.” (Ex1002, 14:51-52; Ex1003, ¶607). This limitation is met if the prior art discloses that **different account** is a charge account or if the prior art discloses that the **different account** is a credit account. (Ex1003, ¶607).

Foss discloses that the fund transfer request (e.g., “post[ing] the item for settlement” (Ex1008, [0068])) corresponds to an **overdraft account** tied to a **basic account**. (Ex1003, ¶600). Foss does not expressly disclose, however, that a plurality of accounts can be used for overdraft protection, as required by Claim 19. (Ex1003, ¶609).

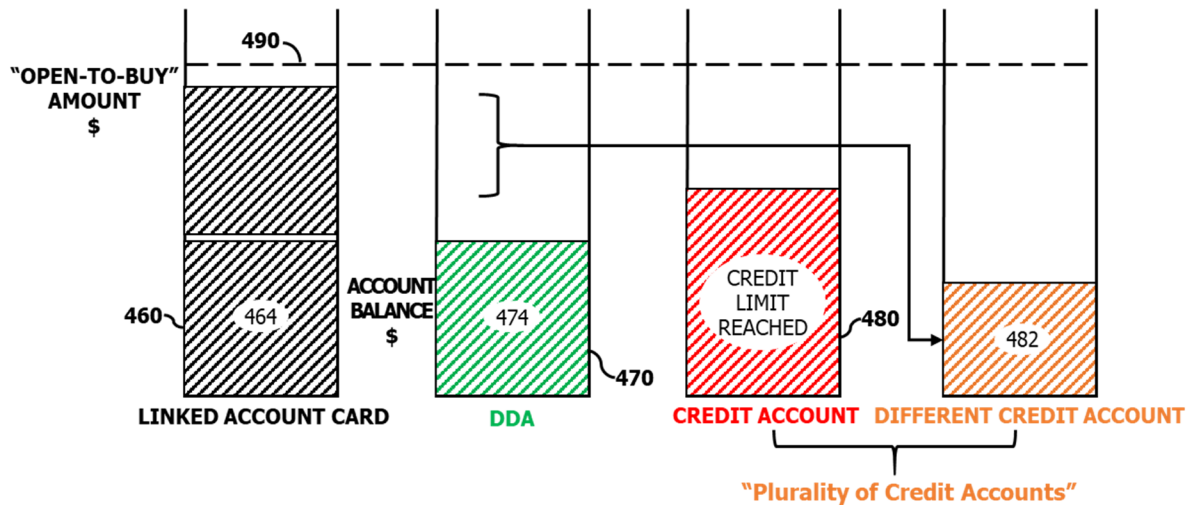
However, as Mr. Zatkovich notes, it would have been obvious to a POSITA to modify Foss to include the processes taught by Hirka, which teaches transferring one or more charges associated with the fund transfer request to a **different account associated with** the **debit account**. (Ex1003, ¶601).

As Mr. Zatkovich explains, Hirka discloses that “funds 482” are withdrawn from an **overdraft account** (e.g., a “**credit account**”) when there are insufficient funds in a **debit account** (e.g., a “**designated cash account**”), as depicted below in Figure 4(c) (Ex1009, 11:30-12:6; Ex1003, ¶602):



(Ex1009, Fig. 4(c)).

While Figure 4(c) does not explicitly show that a **different account** is used, as Mr. Zatkovich notes, Hirka discloses an embodiment where the **credit account** includes “a **plurality of credit accounts**” (Ex1009, 15:20-21; Ex1003, ¶603):



(Ex1003, ¶603) Accordingly, a POSITA would understand that, as depicted in the above image created for this Petition, all or a portion of the “**funds 482**” can be charged to a **different credit account** of the **plurality of credit accounts** instead of the **credit account 480**. (Ex1009, 14:19-23; Ex1003, ¶603). Thus, as Mr. Zatkovich explains, it would have been obvious to a POSITA to modify Foss to include a plurality of overdraft protection accounts as taught by Hirka. (Ex1003, ¶604).

As Mr. Zatkovich explains, a POSITA would have been motivated to modify the method of Foss to transfer charges associated with a fund transfer request to a **different account** associated with the **debit account** as taught by Hirka because doing so would give flexibility in the event of a rejected fund transfer request, provide a competitive advantage, and would have been easy to implement. (Ex1003, ¶605).

Furthermore, as Mr. Zatkovich explains, Claim 20's requirement that the **different account** is a charge account or **credit account** is also met by Hirka's teaching that the **different account** is a **credit account**. (*See, e.g.*, Ex1009, 7:10-16; Ex1003, ¶609).

As Mr. Zatkovich explains, it would have been obvious to a POSITA to modify Foss further to allow for the multiple overdraft accounts to include a **credit account** as taught by Hirka. (Ex1003, ¶610). A POSITA would have been motivated to modify the method of Foss to use a **credit account** as a **different account** as taught in Hirka, because these would have been the typical and well known accounts that a POSITA would have looked to use as the "**different account**" when implementing the method disclosed in Foss, and it would have been advantageous to use an account which many consumers would already have had. (Ex1003, ¶611). As Mr. Zatkovich explains, such a modification would have been easy to implement because it would have been a simple substitution to apply the method to a charge or credit accounts, which were the common types of accounts used with such overdraft protection programs. (Ex1003, ¶611).

Accordingly, as Mr. Zatkovich explains, a POSITA would understand that all of the elements of Claims 19 and 20 are rendered obvious over Foss in view of Hirka (**Ground 4**). (Ex1003, ¶612).

VIII. Conclusion

Since Petitioner has established a reasonable likelihood that it will prevail, this Petition should be granted, IPR should be instituted, and Claims 1-20 should be found unpatentable and cancelled by the Board.

Respectfully submitted,

AMSTER, ROTHSTEIN & EBENSTEIN
LLP

Attorneys for Petitioner
90 Park Avenue
New York, NY 10016
(212)336-8000

Dated: December 28, 2022
New York, New York

By: /Charles R. Macedo/
Charles R. Macedo
Registration No.: 32,781

APPENDIX A

LISTING OF CLAIMS 1-20

1. A method comprising:

receiving, at a computer-based authorization system, a transaction request associated with a debit account, wherein the debit account is associated with a separate account;

sending, using the computer-based authorization system, an account information request that includes account information of the separate account;

receiving, at the computer-based authorization system, status information of the separate account in response to the account information request; and

authorizing, using the computer-based authorization system, the transaction request based on the status information.

2. The method of claim 1, wherein the separate account is a transaction account or a bank account.

3. The method of claim 1, wherein authorizing the transaction request includes performing a fraud assessment based on the status information,

wherein the fraud assessment includes communication with data sources via a network.

4. The method of claim 1, wherein the separate account is a demand deposit account or an overdraft account, and

wherein the demand deposit account and the overdraft account are associated with the debit account.

5. The method of claim 1, further comprising providing a periodic output of the status information.

6. The method of claim 1, wherein the debit account is managed by a different financial institution than the separate account.

7. An article of manufacture including a non-transitory, tangible computer readable medium having instructions stored thereon that, in response to execution by a computer-based authorization system, cause the computer-based authorization system to perform operations comprising:

receiving, at the computer-based authorization system, a transaction request associated with a debit account, wherein the debit account is associated with a separate account;

sending, using the computer-based authorization system, an account information request that includes account information of the separate account;

receiving, at the computer-based authorization system, status information of the separate account in response to the account information request; and

authorizing, using the computer-based authorization system, the transaction request based on the status information.

8. The article of manufacture of claim 7, wherein authorizing the transaction request is performed in response to determining that a transaction amount associated with the transaction request is smaller than a fund amount associated with the status information.

9. The article of manufacture of claim 7, wherein the instructions, in response to execution by the computer-based authorization system, cause the computer-based authorization system to further perform operations comprising initiating, using the computer-based authorization system, an update of the status information in response to authorizing the transaction request.

10. The method of claim 1, wherein the status information comprises fund availability data.

11. The method of claim 1, wherein authorizing the transaction request is performed in response to determining that a transaction amount associated with the transaction request is smaller than a fund amount associated with the status information.

12. The method of claim 1, further comprising initiating, using the computer-based authorization system, an update of the status information in response to authorizing the transaction request.

13. The method of claim 12, wherein initiating the update of the status information comprises sending a fund transfer request.

14. The method of claim 1, wherein the account information request is sent to a third party vendor.

15. The method of claim 1, further comprising determining, using the computer-based authorization system, sending a request for standing information associated with whether the separate account is in good standing.

16. A method comprising:

receiving, at a computer-based authorization system, a transaction request associated with a debit account, wherein the debit account is associated with a separate account;

authorizing, using the computer-based authorization system, the transaction request based on the status information associated with the separate account; and

after authorizing the transaction request, sending, using the computer-based authorization system, a fund transfer request to a financial institution associated with the separate account,

wherein the fund transfer request corresponds to the transaction request.

17. The method of claim 16, wherein the computer-based authorization system is associated with a different financial institution than the financial institution associated with the separate account.

18. The method of claim 16, wherein the fund transfer request corresponds to one or more other transaction requests,

wherein the transaction request and each transaction request of the one or more other transaction requests includes a corresponding billing amount, and

wherein a total charge of the fund transfer request is equal to a sum of the billing amounts of the transaction request and the one or more other transaction requests.

19. The method of claim 16, further comprising, in response to the fund transfer request being rejected due to insufficient funds, transferring one or more charges

associated with the fund transfer request to a different account associated with the debit account.

20. The method of claim 19, wherein the different account is a charge account or a credit account.

CERTIFICATE OF COMPLIANCE

Pursuant to 37 C.F.R. §42.24(d), I hereby certify that the foregoing
**PETITION FOR *INTER PARTES* REVIEW OF CLAIMS 1-20 OF U.S.
PATENT NO. 8,905,301 B2** contains 13,010 words, excluding the parts of the
petition exempted by 37 C.F.R. §42.24(a), as measured by the word-processing
system used to prepare this paper.

Dated: December 29, 2022
New York, New York

By: /Charles R. Macedo/
Charles R. Macedo
Registration No.: 32,781
AMSTER, ROTHSTEIN &
EBENSTEIN LLP
90 Park Avenue
New York, NY 10016
(212) 336-8000

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. §§42.6(e) and 42.105, I hereby certify that on this 29th day of December 2022, a true copy of the foregoing **PETITION FOR *INTER PARTES* REVIEW OF CLAIMS 1-20 OF U.S. PATENT NO. 8,905,301 B2**, together with Petitioner's Power of Attorney, Petitioner's Exhibit List, Exhibit Nos. 1001-1013, was served via Priority Mail Express® on the patent owner at the following correspondence address of record for the subject patent:

Jeffrey Hood
Kowert, Hood, Munyon, Rankin & Goetzel, P.C.
1120 S. Capital of Texas Hwy
Building 2, Suite 300
Austin, Texas 78746

In addition, service is also made at the following "address known to the petitioner as likely to effect service" pursuant to 37 C.F.R. §42.105(a):

Liberty Peak Ventures, LLC
812 W. McDermott Dr. #1066
Allen, TX 75013

Terry A. Saad
Bragalone Olejko Saad PC
901 Main Street, Suite 3800
Dallas, Texas 75202

Dated: December 29, 2022
New York, New York

By: /Charles R. Macedo/
Charles R. Macedo
Registration No.: 32,781