



IDAHO
DEPARTMENT OF FINANCE

C. L. "BUTCH" OTTER
Governor

GAVIN M. GEE
Director

August 10, 2012

Re: Money Transmitter Licensing Inquiry

Dear M

Thank you for your letter of August 2, 2012 and associated request for an "exemption" from the Idaho Money Transmitters Act. In connection with our review of this matter, we have considered your August 2nd letter along with the information contained in your prior communications.

We note that _____ is a licensed money transmitter in Idaho and that they will be the exclusive distribution mechanism for the reloadable, open loop prepaid card offered in association with _____ and _____ Bank.

While the Department is not in a position to "exempt" you from compliance with the requirements of the Idaho Money Transmitters Act, we do grant "no action" requests relative to the licensing requirements imposed by the law.

Based solely upon the written representations made in your various communications, the Department is agreeable to taking a no action position as it pertains to the licensing of _____ as a money transmitter in Idaho.

If you have any further questions or need additional clarification, please feel free to contact the undersigned directly at (208) 332-8080.

Sincerely,

James A. Burns
Investigations Chief

CC

SECURITIES BUREAU
800 Park Blvd., Suite 200, Boise, ID 83712
Mail To: P.O. Box 83720, Boise ID 83720-0031
Phone: (208) 332-8004 Fax: (208) 332-8099
<http://finance.idaho.gov>

August 2, 2012

VIA E-MAIL (jburns@finance.idaho.gov)

Mr. James Burns
Idaho Department of Finance
Securities Bureau
800 Park Blvd., Suite 200
Boise, ID 83712

Dear Mr. Burns:

Thank you for taking the time to discuss _____ request for an exemption under Idaho's Money Transmitters Act.

Per our conversation _____ is an approved Program Manager with the _____ Sloux Falls, SD for marketing and distribution of a general purpose re-loadable, open loop prepaid card product to be sold exclusively through _____ in Idaho. Under this program, _____ will not sell cards to consumers and will not hold any cardholder funds associated with the program.

We have attached a copy of the bank's funds flow indicating that upon the sale and acceptance of a load or re-load from a consumer, _____ will send the applicable data regarding the transaction to Visa DPS, the processor responsible for transaction processing. Upon receipt of that information, _____ assumes the liability to load the consumer's card and subsequently processes an ACH debit to _____ bank for reimbursement (Step 1a on the Funds Flow.)

Based upon the exclusivity of the _____ arrangement and the funding mechanism in place with the bank, _____ seeks your approval of a waiver to the Idaho _____ Transmitters Act.

Thank you for your consideration.

Sincerely,

resident

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