R E M A R K S

Claims 1-20 are in the application. Claims 1 and 13 are the independent claims herein. No new matter has been added. Reconsideration and further examination are respectfully requested.

As a preliminary matter, Applicant thanks the Examiner for the courtesy extended during the telephonic interview of December 17, 2019. During the interview the Examiner indicated that Saxena reference may not disclose or suggest the claimed "a first token stored within the connector attachment, wherein the first token is operative to execute a transaction with a second token," as claimed, but further review of the references was needed. (Emphasis added). No agreements were reached.

Claim Rejections - 35 U.S.C. § 101

Claims 1-20 are rejected under 35 U.S.C. § 101 for allegedly being directed to non-statutory subject matter.

In determining whether a claim is directed to statutory subject matter, the claim is to be evaluated in accordance with the two criteria discussed in M.P.E.P. 2106. Specifically, the claim must be directed to a statutory category (Step 1) and the claim must not be directed to a judicial exception unless it includes additional limitations amounting to significantly more than the exception (Steps 2A and 2B). Step 2A therefore consists of a determination of whether a claim is "directed to" a judicial exception. Per the 2019 Revised Patent Subject Matter Eligibility Guidance ("2019 Guidance"), Step 2A consists of a two-pronged inquiry.

In Prong One, the Examiner is to evaluate whether a claim recites a judicial exception. If the claim recites a judicial exception (*i.e.*, an abstract idea enumerated in Section I of the 2019 Guidance, a law of nature or a natural phenomenon), the claim requires further analysis in Prong 2. If the claim does not recite a judicial exception, the claim is deemed eligible at Prong One.

In Prong Two, the Examiner is to evaluate whether the claim recites additional elements that integrate the exception into a practical application of that exception. If the recited exception is integrated into a practical application of the exception, then the claim is deemed eligible at Prong Two.

Per the 2019 Guidance, "[t]o determine whether a claim recites an abstract idea in Prong One, examiners are now to: (a) Identify the specific limitation(s) in the claim under examination

(individually or in combination) that the examiner believes recites an abstract idea; and (b) determine whether the identified limitation(s) falls within the subject matter groupings of abstract ideas enumerated in Section I." Section I of the 2019 Guidance enumerates the following three groups of abstract ideas for use during the Prong One evaluation: "(a) Mathematical concepts – mathematical relationships, mathematical formulas or equations, mathematical calculations; (b) Certain methods of organizing human activity – fundamental economic principles or practices (including hedging, insurance, mitigating risk); commercial or legal interactions (including agreements in the form of contracts; legal obligations; advertising, marketing or sales activities or behaviors; business relations); managing personal behavior or relationships or interactions between people (including social activities, teaching, and following rules or instructions); and (c) Mental processes – concepts performed in the human mind (including an observation, evaluation, judgment, opinion.)"

Applicant respectfully submits that Claim 1 does not recite an abstract idea as described in Section I of the 2019 Guidance. Page 2 of the October 10, 2019 Office Action includes a general characterization that the claims are directed to "a fundamental economic practice and managing interactions with people but for the recitation of generic computer components [and]…falls within the 'certain methods of organizing human activity' grouping of abstract ideas." Applicant respectfully disagrees with this characterization. The focus of the claims is directed to a process for online and offline data transactions to mitigate the risk in transferring the data, using an enabled token stored on a dongle form factor or external /internal connector attachment.

Further, even if, solely for the sake of argument, and not conceded, the claims could be seen as reciting an abstract idea at Prong One, the claims are directed to a practical application of the abstract idea under Prong Two. As described in the 2019 Guidance, claims may be considered directed to a practical application if they are directed to an improvement in the functioning of a computer, or an improvement to other technology or technical field. *See, e.g.,* 2. PRONG TWO of 2019 Guidance. In this regard, M.P.E.P. 2106.04(a) further indicates "claims that are directed to improvements in computer functionality or other technology are not abstract."

As described in Applicant's specification, despite the increasing use among consumers of credit cards, debit cards, stored value cards and other means of payment, a large portion of the adult population still relies on cash and may pay almost exclusively in cash at micro/small

merchants or at large merchants, especially in developing countries. These people may have unsteady income that may come in tranches (e.g., receiving pay following harvests, and may make dozens of small transactions weekly. While these people are often not associate with a formal banking institution ("unbanked"), they may participate in informal borrowing and saving. These people may spend an extraordinary amount of time tracking their funds and "making ends meet." *See, e.g.* para. [0010] of corresponding U.S. Publication No. 2017/0098276 ("Applicant's specification"). Traditional debit and credit cards may not meet the needs of these people. For example, traditional debit and credit cards cannot: ensure an originator of a transaction may have absolute confidence that their funds may not move without their permission, and that the intended recipient has received those funds; ensure that the funds moving in a transaction are "good funds"; ensure confidence that upon completion of the transaction no reversal of the transaction is permitted; provide for anyone to be a merchant immediately with no risk management documentation, etc. *See, e.g.* paras. [0012]-[0021] of Applicant's specification.

To resolve these problems, one or more embodiments provide improvements to the risk mitigation processes for transactions between unbanked consumers. One or more embodiments provide for an enabled token (e.g., stored on a dongle form factor or external/internal connector attachment) to provide an accounting record of all monetary transactions, as well as to facilitate the transactions via a wallet module. This enabled token may access an account and may use chip technology that works off-line without requiring a mobile or internet connection. For example, a user may have an enabled token upon which they load $25using a method described int eh application. The funds on the enabled token may be used to make a purchase in another store, transfer at least some of the loaded fund to a second user token (e.g., his sister's token), transfer at least some of the loaded funds to his utility holder's token/account to pay his bill; and receive a funds transfer from a second user's token. The operations may be recorded by the enabled tokens, and the funds may be transferred in real-time, such that there is instantaneous good funds for the transactions. One or more embodiments enable small, frequent digital transactions in a cash-like environment, guaranteeing good funds at all times. *See, e.g.* paras. [[0023]-[0024] of Applicant's specification.

As such, embodiments provide for an improvement to conventional data transfer processes used by unbanked consumers (e.g., avoidance of conventional debit and credit cards) that do not have a secure and reliable mechanism to track or effect the transactions. It is further

noted that in the recently decided Koninklijke KPN N.V. v. Gemalto M2M GmbH (Fed. Cir. Nov.15, 2019), the Federal Circuit stated that "[t]o be patent-eligible, the claims must recite a specific means or method that solves a problem in an existing technological process." With respect to the claims, the Court found them patent-eligible "because they are directed to a non-abstract improvement in an existing technological process…[b]y requiring that the permutation applied to original data be modified in time, claim 2…recites a specific implementation of varying the way check data is generated that improves the ability of prior art error detection systems to detect systematic errors." This results in "a new away of generating check data that enables the detection of persistent systematic errors in data transmissions that prior art systems were previously not equipped to detect." Similarly, the claimed process allows a user to execute transactions with good-funds in a reliable manner without using a conventional debit or credit card, which the prior art systems were previously not equipped to do.

In view of the foregoing, Applicant respectfully submits that the claims do not recite an abstract idea and, if determined to recite an abstract idea, clearly integrate the abstract idea into a practical application. Accordingly, the claims are not directed to an abstract idea and are clearly eligible under Section 101. Withdrawal of the outstanding rejection under 35 U.S.C. §101 is respectfully requested.

Claim Rejections

Claims 1, 6-14, 17, 18 and 20 are rejected under 35 U.S.C. §102(a)(1) as being allegedly anticipated by U.S. Publication No. 2011/0099107 to Saxena et al. ("Saxena").

Claims 2-5, 15, 16 and 19 are rejected under pre-AIA 35 U.S.C. §103(a) as being allegedly unpatentable over Saxena in view of U.S. Publication No. 2014/0279546 to Poole et al. ("Poole").

Claim 1 describes a connector attachment including a housing. The connector attachment is selectively connectable to a mobile device. A first token is stored within the connector attachment. The first token is operative to execute a transaction with a second token.

As described in Applicant's specification, the connector attachment may include a housing and an integrated chip or token stored or embedded therein. A "token" or "mobile token" is a device that communicates using an out-of-band channel to demonstrate participation in the financial inclusion system electronically. *See, e.g.* para. [0030] of Applicant's

8

specification. In one or more embodiments, funds may be loaded onto the token via manipulation of the mobile device. The mobile device may then dial a central switch that may recognize at leas tone of the mobile device, the token chip number, or other suitable handset fingerprints. After authentication, the user may use the mobile device to enter an amount of funds to transfer from an online home/maser account with a financial inclusion processor to the token stored in the connector attachment. The funds maybe transferred in real-time to the token stored on the connector attachment. *See, e.g.* para. [0042] of Applicant's specification. In one or more embodiments, a merchant or second user may have a token stored in a connector attachment and a mobile device, and funds maybe moved in real-time between a second user's token and the first user's token. *See, e.g.* para. [0043] of Applicant's specification. In some embodiments, a first connector attachment 100-1 may be coupled to a second connector attachment 100-2, as shown below, to move funds between the connector attachments. They may be physically connected (FIG. 1A), wirelessly connected (FIG. 1B), and not connected to a mobile device (FIG. 1C).

FIG. 1A

FIG.1B

FIG.1C
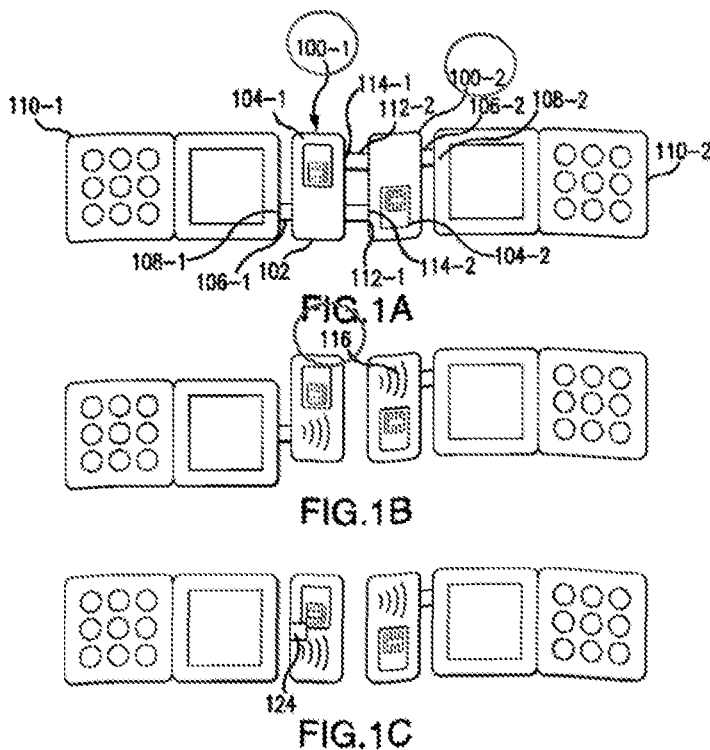
The art of record is not seen to disclose or to suggest at least a first token stored within the connector attachment, wherein the first token is operative to execute a transaction with a second token. (Emphasis added).

Saxena describes a method for money transfer using a mobile device. *See, e.g.* Abstract of Saxena. Per Figure 3 of Saxena below, the system includes a mobile device 301, a first transaction entity machine 305 comprising a storage module 307 to store the accounts and relevant details of the customers, a message management module 309, a token generating module 311 and a validating module to authenticate a token 313. The system includes a second mobile device 317 and a second transaction entity machine 321 comprising respective storage module 323, message managing module 325, a token generating module 327 and a validating module to authenticate a token 329. *See, e.g.* para. [0024] of Saxena.
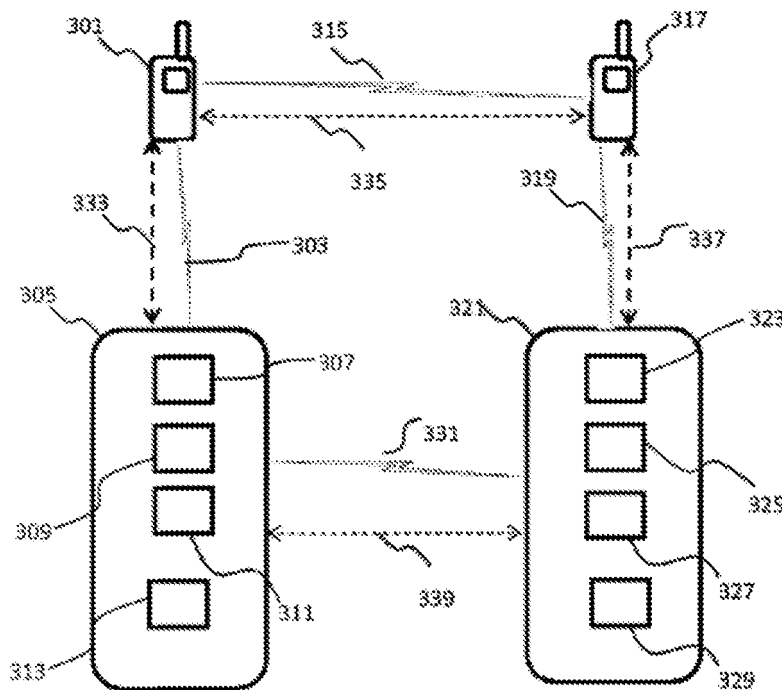

Fig 3

When a message to provide a token is received from a mobile device 301, a message managing module 309 receives the message and prompts an acknowledgement message via 333 to the mobile device 301. Thereafter, the message managing module 309 directs a token generating module 311 to generate at token and provide the token via 309 to 301. *See, e.g.* para. [0025] of Saxena. The mobile device 301 then forward the message via 315 to a second mobile

device 317 wherein the message includes a token and a transaction entity code. The mobile device 317 then transmits a message including the received token, and sum of money, to the transaction entity 321. The message managing module 325 then sends a message, including the token, to a transaction entity 305 identified by a code. On receipt of the message including the token the module 309 directs a token validating module to establish authenticity of the token. The token validating module compares the token with stored tokens and determines if the received token is a genuine token or a false token. *See, e.g.* para. [0026] of Saxena.

Applicant respectfully submits that passing a single token between multiple devices, as described in Saxena, cannot be seen to disclose or to suggest at least, "a first token stored within the connector attachment, wherein the first token is operative to execute a transaction with a second token, as claimed. As best understood by Applicant, in Saxena, the token is created by the token generating module of a first transaction entity machine 305. This token is sent to the first mobile device 301, then to the second mobile device 317, then to the second transaction entity 321, and then finally back to the first transaction entity machine 305, which cannot be seen to disclose or to suggest at least "a first token stored within the connector attachment, wherein the first token is operative to execute a transaction with a second token, as claimed. (Emphasis added).

Applicant respectfully submits that Poole does not cure the deficiencies of the Saxena reference.

Applicant respectfully submits that none of the cited art, alone or in any combination, teaches the above described features of the independent claims 1 and 13. Accordingly, the combination of references cannot be seen to disclose or to suggest the claimed invention.

For at least the reasons set forth above, withdrawal of the rejection of claims 1 and 13 is respectfully requested.

With regard to claims 2-12 and 14-20, Applicant submits that these claims are also patentable at least by virtue of their dependency from their respective independent claim, which is asserted to be patentable for at least the reasons stated above.

Accordingly, favorable reconsideration and allowance of claims 1-20 is respectfully requested.

CONCLUSION

Accordingly, Applicant respectfully requests allowance of the pending claims. If any issues remain, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is kindly invited to contact the undersigned via telephone at (203) 594-9959.

Respectfully submitted,

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