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EXAMINER
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ART UNIT	PAPER NUMBER
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

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PTOL-90A (Rev. 04/07)

	Application No. 15/239,184	**Applicant(s)** BHAGAT et al.
Office Action Summary	**Examiner** SAMICA L NORMAN	**Art Unit** 3697	**AIA (FITF) Status** Yes

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTHS FROM THE MAILING
DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☑ Responsive to communication(s) filed on <u>15 May 2019</u>.
   ☐ A declaration(s)/affidavit(s) under **37 CFR 1.130(b)** was/were filed on _____.

2a)☑ This action is **FINAL.**   2b) ☐ This action is non-final.

3)☐ An election was made by the applicant in response to a restriction requirement set forth during the interview on _____; the restriction requirement and election have been incorporated into this action.

4)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims*

5) ☑ Claim(s) <u>1,4-11 and 14-20</u> is/are pending in the application.
   5a) Of the above claim(s) _____ is/are withdrawn from consideration.

6) ☐ Claim(s) _____ is/are allowed.

7) ☑ Claim(s) <u>1,4-11 and 14-20</u> is/are rejected.

8) ☐ Claim(s) _____ is/are objected to.

9) ☐ Claim(s) _____ are subject to restriction and/or election requirement

* If any claims have been determined <u>allowable</u>, you may be eligible to benefit from the **Patent Prosecution Highway** program at a participating intellectual property office for the corresponding application. For more information, please see http://www.uspto.gov/patents/init_events/pph/index.jsp or send an inquiry to **PPHfeedback@uspto.gov.**

Application Papers

10)☐ The specification is objected to by the Examiner.

11)☑ The drawing(s) filed on <u>17 August 2016</u> is/are: a)☑ accepted or b)☐ objected to by the Examiner.
   Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
   Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
   Certified copies:
      a)☐ All   b)☐ Some**   c)☐ None of the:
      1.☐ Certified copies of the priority documents have been received.
      2.☐ Certified copies of the priority documents have been received in Application No. _____.
      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

** See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)

2) ☐ Information Disclosure Statement(s) (PTO/SB/08a and/or PTO/SB/08b)
   Paper No(s)/Mail Date _____.

3) ☐ Interview Summary (PTO-413)
   Paper No(s)/Mail Date _____.

4) ☐ Other: _____.

Notice of Pre-AIA or AIA Status

The present application, filed on or after March 16, 2013, is being examined under the first inventor to file provisions of the AIA.

Claims 1, 4-11 and 14-20 are pending.

The 35 U.S.C. 112 second paragraph Rejection is withdrawn.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1, 4-11 and 14-20 are rejected under 35 U.S.C. 101 because the claimed invention is directed to an abstract idea without significantly more.

The claim(s) recite(s) the limitations of identifying a specific account profile from the plurality of account profiles stored in the account database where the account identifier included in the data of specific account profile corresponds to the specific account identifier included in the received transaction request; generating, by the processing device of the processing server, a controlled payment number (CPN) such that the CPN is linked to, a transaction account of the NFI entity and has a spending limit, prior to identity verification, that is zero; upon receiving the data message from the third party, increasing the spending limit associated with the generated CPN from zero to an amount equivalent to the transaction amount included in the received transaction request; and updating the specific account profile in the account database to include

at least the generated CPN, the identification data received from the third party, and the

increased spending limit, wherein future payment transactions involving the CPN are subject to

the increased spending limit. The claims recites sending requests/messages between different

entities including the user that involves identifying an account, generating a number and

increasing a spending limit associated with the number. Under its broadest reasonable

interpretation, the claim limitations covers person to person interactions between people and a

fundamental economic practice (person to person transaction as recited in the instant

Specification paragraph 0001). This falls within the "method of organizing human activity"

grouping of abstract ideas.

This judicial exception is not integrated into a practical application. The claims recite the

additional elements of a processing device of the processing server to perform the above listed

steps. The processing device of the processing server is recited at a high-level of generality

(generic device performing generic computer functions of identifying an account, generating a

number, increasing a spending limit and updating an account profile) such that it amounts to no

more than mere instructions to apply an exception using a generic computer component.

Accordingly, these additional elements do not integrate the abstract idea into a practical

application because it does not impose any meaningful limits on practicing the abstract idea.

The claim(s) does/do not include additional elements that are sufficient to amount to

significantly more than the judicial exception. As discussed above the additional elements of

using the processing device of the processing server to perform the identifying an account,

generating a number, increasing a spending limit and updating an account profile steps amounts

to no more than mere instructions to apply the exception using a generic computer component.

Mere instructions to apply an exception using a generic computer component cannot provide an inventive concept. The claim is not patent eligible.

Response to Arguments

Applicant's arguments filed 5/15/2019 have been fully considered but they are not persuasive.

Applicant argues "the claims are not directed to one or more of the three groupings of abstract ideas thought and, thus, are patent eligible under the guidelines." The claims recites sending requests/messages between different entities including the user that involves identifying an account, generating a number and increasing a spending limit associated with the number. Under its broadest reasonable interpretation, the claim limitations covers person to person interactions between people and a fundamental economic practice (person to person transaction as recited in the instant Specification paragraph 0001). This falls within the "method of organizing human activity" grouping of abstract ideas.

Applicant argues "independent claim 1 satisfies at least Prong Two of the 2A analysis because the additional elements of the claim integrate the alleged abstract idea into a practical application and applies the alleged judicial exception in a meaningful way." This judicial exception is not integrated into a practical application. The claims recite the additional elements of a processing device of the processing server to perform the above listed steps. The processing device of the processing server is recited at a high-level of generality (generic device performing generic computer functions of identifying an account, generating a number, increasing a spending limit and updating an account profile) such that it amounts to no more than mere instructions to apply an exception using a generic computer component. Accordingly, these

additional elements do not integrate the abstract idea into a practical application because it does

not impose any meaningful limits on practicing the abstract idea.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's

disclosure. Tsiounis et al. (2001/0039535).

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time

policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE

MONTHS from the mailing date of this action. In the event a first reply is filed within TWO

MONTHS of the mailing date of this final action and the advisory action is not mailed until after

the end of the THREE-MONTH shortened statutory period, then the shortened statutory period

will expire on the date the advisory action is mailed, and any extension fee pursuant to 37

CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event,

however, will the statutory period for reply expire later than SIX MONTHS from the mailing

date of this final action.

Any inquiry concerning this communication or earlier communications from the

examiner should be directed to SAMICA L NORMAN whose telephone number is (571)270-

1371. The examiner can normally be reached on Mon-Thur 9:30am-8p EST, with Fri off.

AMENDMENTS TO THE CLAIMS:

This listing of claims will replace all prior versions, and listings, of claims in the application:

LISTING OF CLAIMS:

1.   (Currently Amended) A method for verification of user identity, comprising:

storing, in an account database of a processing server, a plurality of account profiles, each account profile including data related to a user account of a non-financial institution (NFI) entity, wherein (i) said data includes at least an account identifier and an address, and (ii) said NFI entity is internet-centric;

receiving, by a receiving device of the processing server, from said NFI entity, a transaction request, wherein the transaction request includes at least a transaction amount and a specific account identifier associated with a specific user account of a specific user;

identifying, by a processing device of the processing server, a specific account profile from the plurality of account profiles stored in the account database where the account identifier included in the data of the specific account profile corresponds to the specific account identifier included in the received transaction request received from the NFI entity;

generating, by the processing device of the processing server, a controlled payment number (CPN) that such that the CPN is linked to a transaction account of the NFI entity and has a spending limit, prior to identity verification, that is zero, and linking the generated CPN to a transaction account of the NFI entity;

transmitting, by a transmitting device of the processing server, a notification to a third

party entity <u>requesting identity verification</u>, wherein the notification includes at least the specific

account identifier included in the ~~received~~ transaction request <u>received from the NFI entity</u>;

transmitting, by the transmitting device of the processing server, the generated CPN to

the <u>specific</u> user associated with the <u>specific</u> user account related to the specific account profile

identified by the processing device;

receiving, by the receiving device of the processing device, a data message from the third

party entity, wherein the data message includes identity verification information including at

least the specific account identifier and identification data associated with the user;

upon receiving the data message from the third party <u>entity</u>, increasing, by the processing

device, of the processing server, the spending limit associated with the generated CPN from zero

to an amount equivalent to the transaction amount included in the ~~received~~ transaction request

<u>received from the NFI entity</u>; and

updating, by the processing device, of the processing server, the specific account profile

in the account database to include at least the generated CPN, the identification data received

from the third party <u>entity</u>, and the increased spending limit, wherein future payment transactions

involving the CPN are subject to the increased spending limit.

2.   (Cancelled)

3.   (Cancelled)

4.   (Previously Presented) The method of claim 1, wherein transmitting the generated CPN includes electronically transmitting the generated CPN to a mobile device associated with the address included in the data of the specific account profile identified by the processing device.

5.   (Previously Presented) The method of claim 1, wherein the generated CPN is transmitted to a payment card engine configured to encode the generated CPN in a physical payment card for distribution to the user using the address included in the data of the specific account profile identified by the processing device.

6.   (Original) The method of claim 1, wherein the identification data includes at least one of: an identification number, name, date of birth, age, gender, signature, image, and biometric data.

7.   (Original) The method of claim 1, further comprising:

transmitting, by the transmitting device, at least the identification data and the specific account identifier to a financial institution associated with the transaction account of the NFI entity.

8.   (Original) The method of claim 7, further comprising:

receiving, by the receiving device, a verification from the financial institution, wherein the verification includes at least the specific account identifier and an indication of verification of the identification data.

9.   (Previously Presented) The method of claim 8, wherein the verification is

received from the financial institution prior to updating the specific account profile.

10.   (Previously Presented) The method of claim 1, wherein

the address included in the data of the specific account profile identified by the

processing device is associated with a geographic area, and

the third party entity is associated with the geographic area.

11.   (Currently Amended) A system for verification of user identity, comprising:

an account database, of a processing server, configured to store a plurality of account

profiles, each account profile including data related to a user account of a non-financial

institution (NFI) entity, wherein (i) said data includes at least an account identifier and an

address, and (ii) said NFI entity is internet-centric;

a receiving device, of a processing server, configured to receive, from said NFI entity, a

transaction request, wherein the transaction request includes at least a transaction amount and a

specific account identifier associated with a specific user account of a specific user;

a processing device, of a processing server, configured to

identify a specific account profile stored in the account database where the

account identifier included in the specific account profile corresponds to the specific account

identifier included in the ~~received~~ transaction request received from the NFI entity, and

generate a controlled payment number (CPN) that ~~such that the CPN is linked to a~~

~~transaction account of the NFI entity and~~ has a spending limit, prior to identity verification, that

is zero[[;]], and

link the generated CPN to a transaction account of the NFI entity; and

a transmitting device, of the processing server, configured to transmit

a notification to a third party entity requesting identity verification, wherein the notification includes at least the specific account identifier included in the ~~received~~ transaction request received from the NFI entity, and

the generated ~~controlled payment number~~ CPN to the specific user associated with the specific user account related to the specific account profile identified by the processing device, wherein

the receiving device is further configured to receive a data message from the third party entity, wherein the data message includes identity verification information including at least the specific account identifier and identification data associated with the specific user, and

the processing device, of the processing device, upon receiving the data message from the third party entity, is further configured to (i) increase the spending limit associated with the generated CPN from zero to an amount equivalent to the transaction amount included in the ~~received~~ transaction request received from the NFI entity, and (ii) update the specific account profile in the account database to include at least the generated CPN, the identification data received from the third party entity, and the increased spending limit, wherein future payment transactions involving the CPN are subject to the increased spending limit.

12.   (Cancelled)

13.   (Cancelled)

14.   (Previously Presented) The system of claim 11, wherein transmitting the generated CPN includes electronically transmitting the generated CPN to a mobile device associated with the address included in the data of the specific account profile identified by the processing device.

15.   (Previously Presented) The system of claim 11, wherein the generated CPN is transmitted to a payment card engine configured to encode the generated CPN in a physical payment card for distribution to the user using the address included in the data of the specific account profile identified by the processing device.

16.   (Original) The system of claim 11, wherein the identification data includes at least one of: an identification number, name, date of birth, age, gender, signature, image, and biometric data.

17.   (Original) The system of claim 11, wherein the transmitting device is further configured to transmit at least the identification data and the specific account identifier to a financial institution associated with the transaction account of the NFI entity.

18.   (Original) The system of claim 17, wherein the receiving device is further configured to receive a verification from the financial institution, wherein the verification includes at least the specific account identifier and an indication of verification of the identification data.

19.   (Previously Presented) The system of claim 18, wherein the verification is

received from the financial institution prior to updating the specific account profile.

20.   (Previously Presented) The system of claim 11, wherein

the address included in the data of the specific account profile identified by the

processing device is associated with a geographic area, and

the third party entity is associated with the geographic area.

REMARKS

This communication is a full and timely response to the final Office Action dated July 19, 2019. Claims 1, 4-11, and 14-20 remain pending, of which claims 1 and 11 are the independent claims. By this communication, claims 1 and 11 are amended. Reconsideration and allowance of the present application are respectfully requested in view of the foregoing Amendments and following Remarks.

Preliminary Matters

Applicant acknowledges with appreciation the Office's withdrawal of the 35 U.S.C. §112(b) rejection of the claims.

No Applied Prior Art

Applicant notes that prior art documents are not applied against the pending claims. As such, it is understood that the application will be in condition for allowance upon resolving the 35 U.S.C. §101 rejection of the claims (discussed in more detail herein).

Interview Summary

Applicant appreciates the courtesies extended by Examiner Norman to Applicant's representative in the Applicant-Initiated Interview conducted on October 7, 2019 and summarized in the Applicant-Initiated Interview Summary issued by the U.S. Patent and Trademark Office on October 10, 2019.

In the interview, the undersigned and the Examiner discussed the patent-eligibility rejection of the claims. Applicant emphasized the practical application of the claims and the

technological advantage that resulted therefrom. Applicant also mentioned the applicability of

Bascom Global Internet Services, Inc. v. AT&T Mobility LLC, 827 F.3d 1341 (2016). This is

discussed in more detail herein.

No formal agreement was reached.

Entry of Amendment After Final Rejection

Applicant respectfully requests that this Amendment under 37 C.F.R. §1.116 be entered

to place claims 1, 4-11, and 14-20 in condition for allowance, or at least in better form for

appeal. This Reply and Amendment is submitted along with a Request for Consideration under

the After Final Consideration Pilot Program 2.0 and includes proposed changes to independent

claims 1 and 11. Independent claim 1 is amended to specify to emphasize communication paths

(e.g., the processing server receives a transaction request from the NFI entity), to positively

recite the linking recitation, and to maintain consistency among claim terms.

Applicant respectfully requests entry and consideration of this proposed amendment and

allowance of the application.

Claim Rejections - 35 U.S.C. §101

Claims 1, 4-11 and 14-20 are rejected under 35 U.S.C. §101 for allegedly being directed

to a judicial exception without significantly more. Applicant respectfully traverses this rejection.

A.   **Step 2A – Prong 1: Judicial Exception Recited?**

As set forth in the Revised Guidance, the Prong One procedure for determining whether a

claim "recites" an abstract is (i) to identify the specific limitation(s) believed to recite the alleged

abstract idea, and (ii) determine whether the identified limitations(s) falls within at least one of

the groupings of abstract ideas, e.g., mathematical concepts, mental processes, and certain methods of organizing human activity. *Alice Corp. Pty. v. CLS Bank Int'l*, 134 S.Ct. 2347, 2355 (2014). *See*, e.g., 2019 Revised Patent Subject Matter Eligibility Guidance ("the Revised Guidance") issued on Jan. 7, 2019 and the October 2019 Update: Subject Matter Eligibility ("October 2019 Update").

On pp. 2-3 of the Office Action, the Office refers to the claim recitations pertaining to (1) "identifying a specific account profile...," (2) "generated, by the processing device of the processing server, a controlled payment number (CPN) such that CPN is linked to, a transaction account of the NFI entity and has a spending limit, prior to identity verification, that is zero...," (3) "upon receiving the data message from the third party, increasing the spending limit associated with the generated CPN from zero to an amount equivalent to the transaction amount included in the received transaction request..." and (4) "updating the specific account profile in the account database to include at least the generated CPN, the identification data received from the third party, and the increased spending limit...." The Office asserts that the claims recite "sending request/messages between different entities including the user that involves identifying an account, generating a number and increasing a spending limit associated with the number." The Office then asserts that the claims cover "person to person interactions between people and a fundamental economic practice," which falls within the "method or organizing human activity" groupings of abstract ideas. Applicant respectfully disagrees.

While Applicant's independent claim 1 may *involve* "sending request/messages between different entities," this is not the sum and substance of the claim. In other words, Applicant's independent claim 1 is not solely directed to "sending request/messages between different entities," as alleged. Rather, the claims are directed to a processing server that generates control

payment numbers (CPN), links the generated CPNs to transaction accounts of non-financial

institution (NFI) entities, for provision to users, and verifies the identify of those users (via

communication with an external) before funds are applied to the CPNs. The processing server

provides these NFI entities with the ability to enable users to conduct payment transactions, but

without requiring the NFI entities to operate as a financial institution or to even modify its

hardware or system infrastructure.

Other than possibly verifying a user's identity (which is not even performed at the recited

processing server – rather the third party entity performs the verification), human activity is not

involved.

As emphasized in the October 2019 Update, at pp. 3-4, "the term 'certain' qualifies the

'certain methods of organizing human activity' grouping as a reminder of several important points.

First, not all methods of organizing human activity are abstract ideas...Second, *this grouping is*

limited to activity that falls within the enumerated sub-groupings of fundamental economic principles

or practices, commercial or legal interactions, managing personal behavior, and relationships or

interactions between people, and is not to be expanded beyond these enumerated sub-groupings

except in rare circumstances..." The Revised Guidance and the October 2019 Update note that

"fundamental economic principles or practices" include hedging, insurance, and mitigating risk.

Applicant respectfully submits that the instant claims do not relate to any of the above.

More specifically, the claims are not directed to commercial or legal interactions, managing

personal behavior and relationships of interactions between people, hedging, insurance, and

mitigating risk.

As such, Applicant respectfully submits that the instant claims are directed to so much more than merely certain "methods of organizing human activities," as alleged by the Office. The claims are also not directed to mathematical concepts or a mental process.

As such, the claims are not directed to one or more of the three groupings of abstract thought and, thus, are patent eligible under the Revised Guidance.

B.   Step 2A – Prong Two: Integrated into a Practical Application?

As set forth in the Revised Guidance, if the Office finds the claim to be directed to a judicial exception, "Prong Two requires the use of the considerations (e.g. improving technology, implementing with a particular machine, etc.) identified by the Supreme Court and the Federal Circuit, to ensure that the claim as a whole 'integrates [the] judicial exception into a practical application [that] will apply, rely on, or use the judicial exception in a manner that imposes a meaningful limit on the judicial exception, such that the claim is more than a drafting effort designed to monopolize the judicial exception.'" *See*, e.g., p. 8 of the Revised Guidance, p. 11 of the October 2019 Update.

As stated on page 11 of the October 2019 Update, MPEP 2106.04(a) and 2106.05(a) provide a detailed explanation of how to determine whether a claimed invention improves the functioning of a computer or other technology. "In short, *first the specification should be evaluated to determine if the disclosure provides sufficient details such that one of ordinary skill in the art would recognize the claimed invention as providing an improvement*. The specification need not explicitly set forth the improvement, but it must describe the invention such that the improvement would be apparent to one of ordinary skill in the art."

Even assuming, *arguendo*, that the Office's assertion is a fair characterization of an abstract thought in the claim (which is contested), Applicant's independent claim 1 satisfies

Prong Two of the Step 2A analysis because it integrates the alleged abstract idea into a practical

application and applies the alleged judicial exception in a meaningful way beyond generally

linking the use of the alleged judicial exception to a particular technological environment. Even

further, Applicant's specification "provides sufficient details such that one of ordinary skill in the

art would recognize the claimed invention as providing an improvement."

On p. 3 of the Office Action, the Office asserts that "[t]he claims recite the additional

elements of a processing device of the processing server…"

Applicant respectfully submits that the Office did not properly apply the second prong of

the Step 2A analysis. In particular, it does not appear that the Office evaluated the specification

to determine whether the disclosure provides sufficient details as providing an improvement.

Applicant respectfully submits that a technological improvement is sufficiently disclosed.

As discussed in the background section of Applicant's specification, an NFI entity may

be internet-centric (e.g., heavy presence on the Internet) and may be associated with a significant

number of users who may be engaged in various services offered by the entity (e.g., social

network, gaming platform, entertainment website, etc.). Many NFI entities, however, lack the

technical hardware and system security necessary to conduct payment transactions with a

payment network, which typically requires specialized protocols and communication technology.

For example, traditionally, a payment transaction requires the submission of a transaction

message to a payment network. Such transaction processing involves specific technical

hardware configured to generate transaction messages, which are often specially formatted, and

to communicate with payment networks, which involve specialized communication paths and

protocols. *See*, e.g., paragraphs [0040], [0041] of Applicant's published application. However,

as noted above, NFI entities typically may lack the technical hardware able to perform such

processes. As such, in order for an NFI entity to initiate and conduct payment transactions, they would be required to modify their technical systems. *See*, e.g., paragraphs [0002]-[0005] of Applicant's published application.

The instant claims provide a unique and technical mechanism in a processing server to provide such NFI entities with the ability to enable users, associated with an NFI entity, to conduct payment transactions ***without requiring the NFI entity to update, change or modify their technical systems and infrastructure***. The processing server also provides a technical solution in which the identities of such users may be verified. The processing server of the instant claims provides such a technical solution by generating control payment numbers (CPNs) and linking the generated CPN to a transaction account of the NFI entity. More specifically, the processing server receives a transaction request from the NFI entity (e.g., for a user who wishes to conduct a transaction) and generates the CPN, linking it to the NFI's transaction account and assigning a zero dollar spending limit to the CPN (e.g., until the user's identity is verified). The processing server then communicates with a third party to collect identification data of the user, e.g., to verify his/her identity. Upon verifying the user's identity, the processing server increases the zero dollar spending limit associated with the CPN to an amount equivalent to the transaction amount included in the received transaction request. The processing server then updates a profile account, associated with the user, to include at least the generated CPN, the identification data received from the third party, and the increased spending limit.

As a result of the instant claims, the processing server provides the NFI entity with the ability to allow users associated with the NFI entity (i) to conduct payment transactions, by generating CPNs, to include a spending limit, and (ii) to verify user identifies ***without requiring the NFI entity to operate as a financial institution, to regularly conduct transactions using***

traditional payment systems, or even to modify its hardware or system infrastructure. This is

clearly an improvement and, thus, a practical application. As such, Applicant respectfully

submits that independent claim 1 satisfies at least Prong Two of the Step 2A analysis because the

additional elements of the claim integrate the alleged abstract idea into a practical application

and applies the alleged judicial exception in a meaningful way.

For at least the foregoing reasons, the Applicant's claims are not "directed to" the

abstract concept described in the Office Action and, thus, there is no need to proceed to the

second step of the inquiry. *See,* e.g., *Visual Memory LLC v. NVIDIA Corp.,* 867 F.3d 1253 (Fed.

Cir. 2017), and *Core Wireless Licensing S.A.R.L., v. LG Electronics, Inc.,* 880 F.3d 1356 (Fed.

Cir. 2018). Nevertheless, for the sake of completeness, Applicant discusses the second step of

the inquiry.

C.   **Step 2B Analysis**

In Step 2B, the Office is to evaluate whether the claim recites additional elements that

amount to an inventive concept (i.e., significantly more) than the alleged judicial exception. The

Office once again refers to the additional elements of "the processing device of the processing

server..." and asserts that it amounts "to no more than mere instructions to apply the exception

using a generic computer..." Applicant respectfully disagrees and submits that the Office's

reference to only the "processing device" improperly isolates a single hardware element.

Applicant's claims recite significantly more than just this one element, standing alone. More

particularly, the claims specifically recite how physical steps are executed by more than just the

processing device of the processing server and with respect to one another in order (i) to provide

an NFI entity the ability to enable users associated therewith to conduct payment transactions,

and (ii) to verify those users identities without requiring without altering the hardware integrity and/or infrastructure of the NFI entity.

Moreover, Applicant makes references to *Bascom Global Internet Services, Inc. v. AT&T Mobility LLC*, 827 F.3d 1341 (2016), in which the claims were found to recite an inventive concept and were, thus, found to be patent-eligible. Applicant respectfully submits that the instant claims are similar to those of *Bascom*.

As set forth in *Bascom*, the inventive concept described and claimed "is the installation of a filtering tool **at a specific location, remote from the end-users,** with customizable filtering features specific to each user." *Id.* at 1350. Even further, "[t]he claims carve out a specific location for the filtering system…and require the filtering system to give users the ability to customize filtering for the individual network accounts." *Id.* at 1352. As such, in *Bascom*, it was found that the specific location of the filtering tool was an inventive concept.

Similar to *Bascom*, the instant claims incorporate a processing server within a system that is at a remote location, e.g., remote from and configured to communicate between an NFI entity and a third party entity. As a result of the positioning of the processing server, its storage of user-specific account profiles, and its communication between these external entities, the processing server provides the NFI entity with the ability to allow users associated with the NFI entity (i) to conduct payment transactions, by generating CPNs, to include a spending limit, and (ii) to verify user identifies *without requiring the NFI entity to operate as a financial institution, to regularly conduct transactions using traditional payment systems, or even to modify its hardware or system infrastructure.*

For at least these additional reasons (i.e., based on at least the similarities between *Bascom* and the instant claims of the present application), Applicant respectfully submits that the

instant claims are not directed to an abstract idea and even if they could be misconstrued as such,

they recite an inventive concept sufficient to impart patent-eligibility.

Accordingly, for at least the reasons set forth above, Applicant respectfully submits that

the present claims are patent-eligible, at least under step 2B of *Alice*.

D.   Applicant respectfully requests withdrawal of the rejection under § 101

While independent claim 1 is discussed in detail above in response to the Office's

rejection, similar arguments are also applicable to independent claim 11, as this claim recites

similar subject matter (although different in scope).

For at least those reasons set forth in detail above, Applicant respectfully submits that the

present claims are directed to patent-eligible subject matter and requests the withdrawal of the

outstanding rejection to independent claims 1 and 11, and their respective dependent claims.

CONCLUSION

Applicant believes that a full and complete response has been made to the outstanding

Office Action and, as such, the present application is in condition for allowance. If the Examiner

believes, for any reason, that personal communication will expedite allowance of this

application, the Examiner is invited to telephone the undersigned at the number provided.

Prompt and favorable consideration of this Reply and Amendment is respectfully requested.

Respectfully submitted,
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