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ELECTRONIC COMMERCE, ELECTRONIC PAYMENTS AND TECHNOLOGY TRANSACTIONS

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E-Commerce and E-Payments

As the pace of technology speeds up and as the world of e-commerce and electronic payments changes, our lawyers are working to learn and anticipate new trends in this fast-growing industry. Many analysts predict, for example, that by 2013, the dollar volume of electronic payments that consumers make from their cell phones will exceed \$300 billion worldwide, a fivefold increase from 2008. The near field communication technology that permits this type of transaction is only one of the seemingly futuristic ideas that Sutherland attorneys follow closely and help their clients bring to fruition.

Our E-Commerce Transactions Team

We represent some of the largest players in the payment processing industry. They come to us when they need to develop a joint venture or a strategic relationship, to acquire or sell a business, to capitalize upon their inventions or to bring a product to market because we know both the industry and the pertinent legal and business issues. We analyze, negotiate, and document the transactions and contracts that help these companies grow. With our broad and deep experience, we know what questions to ask to protect the interests of our clients and to make sure they get what they need from their transactions. We are able to identify issues that lawyers without our industry knowledge do not see.

We Know Our Clients' Businesses—And Their Industry

We understand how payment systems work, the interplay of law and card association rules when structuring a transaction or business relationship, the importance of Payment Card Industry compliance, and the overlay of intellectual property rights in the electronic payments world.

For instance, in a recent transaction, we immediately identified that the target was operating in a line of business with a heavy concentration of patent coverage. We recommended a due diligence plan that studied first the impact of existing patents on the target's business and possible infringement issues that could affect our client's valuation of the target. Our ability to recognize these industry-specific concerns enabled our deal team to quickly make a "go/no go" decision on the transaction, thereby saving the client considerable time and expense when compared to a more traditional due diligence effort. It is this kind of highly relevant, industry-specific advice that we bring to every engagement.

Our E-Commerce and E-Payments Services

- M&A transactions involving purchases and sales of payments-related businesses and networks.
- Purchases and sales of portfolios of credit card processing contracts and related assets.
- Joint ventures and other strategic relationships involving parties engaged in the payment card industry, including referral arrangements among financial institutions, payment processors and independent sales organizations.
- Analysis of issues related to the introduction of new types of payment products.
- Advice on card association rules and compliance issues.
- Implementation of mobile commerce products and services, including establishing relationships among application and infrastructure partners necessary to implement m-commerce products and services.
- Sophisticated technology and intellectual property licensing arrangements.
- Substantial familiarity with the patent and intellectual property landscape related to payment cards, electronic payments and related financial services products.
- Analysis of issues and implementation of solutions related to stored value cards, including structuring arrangements to address "breakage."
- Prosecution and litigation of patents and other intellectual property used in payment card and payment network applications.
- Advice on the implication of banking and financial services laws and regulations to bank and non-bank financial services companies.



Helping the “Mobile Wallet” Take Shape

As mobile commerce and the “mobile wallet” gain traction across the United States, and as people become accustomed to making purchases via their cell phones, Sutherland is helping its clients obtain and use the technology they need to make m-commerce systems work. Working closely with our intellectual property group, our e-commerce lawyers are paving the way for our payment processor clients to gain and keep market share in this new industry segment.

For example, we helped a major payment processor reach agreements with a radio technology company and with point-of-sale device makers to develop mobile commerce products that will allow consumers to make purchases by waving their cell phones in front of a reader. Our knowledge of m-commerce business and the patent landscape affecting these products gives us special experience relevant to companies seeking to capitalize on this new market.

Our M-Commerce Services

- Structuring and negotiating customer and supplier m-commerce transactions, including:
 - joint marketing agreements
 - carrier agreements
 - software acquisition and implementation agreements
 - manufacture and supply agreements
- infrastructure outsourcing agreements
- payment processing agreements
- financial institution and network agreements
- Developing customer and supplier agreement forms for m-commerce solution providers.
- Providing legal staff augmentation/subject matter experience in the areas of e-commerce and electronic payments, infrastructure outsourcing and software acquisition and implementation, intellectual property and telecommunications.
- Capital raising, mergers and acquisitions, IPOs and securities compliance.
- Outsourcing of IT and related computer/data services.
- Employment agreements, confidentiality agreements and stock option plans.
- Licensing and other transfer of technology.
- Development, manufacturing and sale, whether individually or with others, of new technology and products.
- Technology joint ventures and research and development agreements.
- Source code escrow agreements.
- Protection of intellectual property rights.

Technology Transactions

We represent companies of all sizes—from promising start-ups to established domestic and international companies—in a wide range of high-tech industries such as hardware and software, Internet technologies, multimedia and telecommunications, among others. To provide the most value, our lawyers stay on the cutting edge of the business and legal issues that our technology clients face. Within our technology team we have legal authorities in the areas of corporate, securities, finance, intellectual property, tax and litigation, including patent litigation.

Our technology industry experience includes the following:

- Capital formation and initial financing of technology businesses, including angel and venture funding.

Our relationships with our technology clients all contain one element – a spirit of partnership. We know how to foster their development and success by becoming thoroughly familiar with their businesses and their goals. Our clients understand the many ways in which we can help them thrive. We have discovered that counseling companies means putting ourselves in the shoes of our clients, not merely advising them on legal issues.

Our role as a legal and business adviser is to support the growth of our clients. This approach means that we get deals done. We have served as primary counsel in many M&A deals, venture financings, private placements and IPOs for tech companies. We help our clients understand the deal and its risks from a legal perspective, and then work to close the transaction quickly.



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ABOUT SUTHERLAND Sutherland Asbill & Brennan LLP is a law firm with global reach known for solving challenging business problems and resolving sophisticated legal issues for many of the world's largest companies. Founded in 1924, the firm handles matters throughout the United States and worldwide. Seven major practice areas—corporate, energy and environmental, financial services, intellectual property, litigation, real estate, and tax—provide the framework for an extensive range of focus areas, allowing Sutherland attorneys to serve a diverse client base that ranges from small and medium-sized start-up businesses to a significant number of Fortune 100 companies.