

**Communication Between Federal Reserve Staff and  
Representatives of Amazon  
June 2, 2011**

**Participants:** Louise Roseman, David Mills, Mark Manuszak and Julia Cheney (Federal Reserve Board)

Mary Kay Bowman, Emmett O’Keefe, Kathryn Sheehan, and Cameron Cohen (Amazon); and Jeff Shinder (Constantine Cannon)

**Summary:** Representatives from Amazon participated in a telephonic discussion with Federal Reserve staff regarding Amazon’s fraud-prevention program and its perspectives on the fraud-prevention adjustment to the interchange transaction fee as provided for in section 1075 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Amazon’s representatives shared information about its fraud-prevention activities, including a high-level description of systems and technologies that Amazon has developed to authenticate customers and identify account takeover attempts. Amazon’s representatives discussed the use of PIN debit networks to process Internet transactions by, for example, with and without the use of the cardholder’s PIN. Amazon representatives supported a fraud-prevention standard that required issuers to meet a performance metric, such as a reduction in fraud losses, in order to receive the fraud-prevention adjustment.