



Monthly Telephone BRIEFING

July 19, 2019 – 12:00 – 1:30 p.m.

Prohibited Tying Arrangements – A Review

Tying arrangements occur when a financial institution requires a customer to purchase a particular product or service (the “tied” product) as a condition to obtaining another product or service (the “desired” product). Subject to certain important exceptions, Section 106 of the Bank Holding Company Act Amendments generally prohibits tying arrangements imposed by a bank as to its own products and services, and other products and services offered by the bank or its affiliates. Similar anti-tying rules apply to savings associations under the Home Owners’ Loan Act. Credit unions are specifically exempt from these rules, but are subject to similar restrictions under general antitrust laws. The purpose of these anti-tying rules is to prohibit anti-competitive business practices.

Over the years, the banking regulators have issued a series of interpretations and proposals which have generated questions about the extent to which tying arrangements are prohibited. In this briefing, we will discuss these rules and address common questions we have received, including questions about the scope of the anti-tying prohibitions and an important exception which applies to “traditional banking products.” We will also explore the exclusive dealing restriction, which generally prohibits a bank from conditioning the availability or price of a bank product (*i.e.*, the desired product) on a requirement that the customer not obtain another product (*i.e.*, the tied product) from a competitor of the bank or a competitor of an affiliate of the bank, and other important exceptions.



bankers' compliance group®

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Aldrich & Bonnefin is hosting a Monthly Telephone Briefing for Bankers' Compliance Group[®] Members on **Friday, July 19, at 12 Noon**. This meeting will be presented live and will include at least one question and answer session. Members can ask questions by telephone or email. Each member that registers for the Monthly Telephone Briefing will be given a password and instructions on how to call in to the Briefing.

ORGANIZE YOUR PARTICIPANTS

BCG Main or Registration Contacts are encouraged to organize multiple attendees to participate at one or more locations. All Briefing connections are included in your BCG Membership.

REGISTRATION

To register, please contact your institution's BCG Main or Registration Contact or, if authorized, log in at <http://register.bankerscompliancegroup.com/subadmin>, and select "Register for Events." Registration closes at noon **two business days** prior to the Briefing date. On the day before the Briefing, registrants will receive an email with call-in instructions and a single-use PIN.

CD Package: Members can also register to receive a CD package. This package, which includes copies of any Handouts produced for the Briefing, is mailed to registrants approximately 2-3 weeks after the Briefing.

DOWNLOAD THE HANDOUTS

The Handout(s) are *generally* posted on the BCG Website by noon on the business day before the Briefing. All registrants will receive an email notification when the Handout(s) are posted. To download a Handout, go to www.bankerscompliancegroup.com/monthly-telephone-briefing.php and click on the "*Download Handout Here*" link at the end of each Handout description.

CANCELLATION

It is not necessary for registrants to contact BCG if they cannot attend a Briefing and need to cancel their registration.

SIGN UP ANNUALLY

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Should you or others at your institution miss the briefing, you can tune into our streaming audio available on the BCG website one week after the Briefing, at www.bankerscompliancegroup.com/listen-while-you-work.php.