

To: U.S. POS Acquirers, Merchants and Interested Stakeholders

From: Debit Network Alliance

Date: July 1, 2014

Re: Guidelines for Debit Chip Card Payment Acceptance Coming Soon!



Important information to help you maintain routing control for EMV® debit chip payment acceptance at the POS!

The Debit Network Alliance (DNA) — comprised of 10 leading U.S. debit networks — will soon publish an important white paper for point-of-sale (POS) acquiring processors and merchants to reference when designing debit chip card-accepting POS systems.

As most payment companies are aware, implementing chip card acceptance at the POS will require extensive hardware and software changes. Unless you know how to design the POS system to choose the U.S. common application identifier (AID) included on debit and prepaid chip cards, you may lose your ability to control your debit routing and, therefore, the associated economic benefits.

Regulation II (the Durbin Amendment)-compliant debit and prepaid chip cards will likely have one global AID and one U.S. debit common AID. **Please Note:** The AID is your tool to determine routing.

The global AID will automatically be chosen at non-U.S. POS devices. As long as all U.S. POS devices always choose the common AID on debit and prepaid chip cards, all organizations can continue to use the same BIN table routing used in today's magnetic stripe environment, thus controlling routing choice.

We are pleased to announce the new DNA shared debit AID!

We are also pleased to announce that we have registered our DNA Shared Debit AID with the International Organization for Standardization. This is an important milestone toward enabling participants to issue Regulation II-compliant chip cards with multiple regional DNA networks branded on the card. DNA-supported applications comply with the EMV Common Core Definition (CCD) specification.

Some financial institutions do not provide global access on their debit or prepaid cards and only participate with regional debit networks. These chip cards may potentially use the new DNA Shared Debit AID for chip card transaction acceptance.

The white paper referenced above will include the requirements for merchants and POS acquiring processors to accept the DNA Shared Debit AID (A0000006200620). For the DNA Shared Debit AID:

- All terminals will be required to go online for transaction authorization and card authentication.
- POS terminals may support online PIN, no card verification method (CVM), and/or signature.
Please Note: ATMs will support online PIN.
- Offline transactions will not be supported at this time.

POS acquiring processors and merchants need to recognize all published U.S. debit common AIDs in addition to the DNA Shared Debit AID to continue to maintain routing choice. As previously noted, each debit and prepaid card will have only one common AID. The white paper will provide more detail.

Stay tuned!

We're excited about our upcoming white paper release, which should occur in late July/early August! Keep an eye open for it! Additionally, look for the chip card payment acceptance specifications from the U.S. debit networks to assist with online message formats and BIN table requirements.

Debit Network Alliance LLC (DNA) is a Delaware Limited Liability Company currently comprised of 10 U.S. Debit Networks and open to all U.S. Debit Networks. The goal of this collaborative effort is to provide interoperable adoption of chip technology for debit payments, while supporting security, innovation, and optimal technology choice. This document does not necessarily express the views and opinions of every member of DNA. Companies should consult their own legal counsel or other competent advisors for definitive advice on how to address the matters identified in this document.