

# STAR® Network

## Introducing STAR CertiFlash™

Setting a higher standard in PIN payment security and convenience.

When it comes to card purchases, consumers view security as a growing concern. According to a recent Javelin Strategy and Research study, one in four consumers has been victimized by debit card fraud, reportedly altering card usage.<sup>1</sup>

Financial institutions and merchants face similar security concerns. Among consumers who are impacted by fraud, Javelin Strategy and Research also found that 17% would ultimately leave their primary financial institution, while 43% would avoid merchants they believe could compromise their data again.<sup>2</sup>

**The average per-incident merchant cost for a data breach in 2009 was \$6.75 million.**

2009 Ponemon Institute Study

### A Dynamic Solution

To combat the increased threat of payment fraud and identity theft in card transactions, STAR Network has introduced STAR CertiFlash, a new PIN-based solution combining contactless chip payment with dynamic one-time card number technology.

With STAR CertiFlash, one-time account numbers replace actual card account data as it travels through the payment system, and employes a cryptographic process within STAR to convert the one-time number into the actual card number before requesting authorization from the financial institution.

Multiple security layers, including an application transaction counter and dynamic cryptogram, serve to mitigate the threat of data compromise through system attack and card skimming. By neutralizing any fraudulently obtained data it renders it ineffective for

the creation of white plastics used to withdraw funds. The consumer's PIN is also required for larger purchase amounts adding an additional security layer.

### How Does STAR CertiFlash Work?

- Consumers tap the contactless reader with their STAR CertiFlash enabled payment device to initiate the transaction. The embedded chip creates a one-time card number that is passed to the merchant terminal. The light on the contactless reader will flash indicating that the card data had been read.
- Transactions with a purchase amount under \$25 may be processed with no PIN entry. Transactions with a purchase amount of \$25 or more, or when cash back is requested, will prompt consumers to enter their PIN to complete the transaction.
- The merchant processor sends the transaction to STAR Network, which performs the required translation of the one time card number and validation checks before passing the transaction to the financial institution for funds authorization.
- The financial institution verifies funds availability, validates the PIN (if present), and responds back with approval or denial. The terminal receives the authorization response and completes the transaction by printing the customer receipt, just like any other transaction.
- The chip does not at any time give out the consumer's real card number and the one-time card number travels in the transaction until it reaches STAR.

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## Benefits of STAR CertiFlash

VALUE TO THE:	BENEFITS		
	Convenience and Speed	Security and Fraud Mitigation	Moving the Industry Forward
Consumer	√	√	√
Merchant	√	√	√
Financial Institution	√	√	√

### How Do STAR Members Implement STAR CertiFlash?

*If First Data provides your financial institution with debit processing services – including card management, authorization services and plastics production – then most of the technical work is already done.*

That leaves you with internal training and customer communications. Check with your relationship manager about your unique environment. For example, if you participate in real-time cooperative processing, you will need to receive new data elements.

*If your financial institution uses another third party for debit processing services and card production, or if your institution maintains these services in-house, STAR Network will provide the necessary technical specifications and ISO 8583 message format requirements to either your organization or your authorized processor.*

Additionally, our support team will guide you through the requirements. Contact your relationship manager to get started.

### STAR, A Partner You Can Count On

The STAR Network is an integral part of the payment services offered by First Data. The STAR® Network enables consumers to use their ATM / debit cards

to obtain cash and make purchases quickly and securely throughout the United States. With a singular focus on real-time debit payment processing for more than 25 years, STAR is committed to driving increased reliability, security, cardholder convenience, and choice wherever and whenever consumers demand access to their money. STAR puts its debit expertise and industry knowledge to use for its clients – which include financial institutions, retailers, processors and billers – delivering innovative services as well as market insights that help them increase the value they derive from their debit programs. For more information, visit <http://www.star.com/>.

For complete details on how STAR Network can offer your organization the utmost in dynamic solutions, processors should contact their Processor Relations Representative. Members should call their respective Member Relations Department at 321-263-3500 or Member Services at 877-866-7827.

<sup>1</sup> Source: Data Breach Prevention and Response: Causes, Consumer Consequences, and Tools for Layered Defense, Javelin Strategy and Research, June 2010

<sup>2</sup> Source: ATM & PIN Fraud, Javelin Strategy and Research, February 2010

### A Global Leader in Electronic Commerce

First Data powers the global economy by making it easy, fast and secure for people and businesses around the world to buy goods and services using virtually any form of payment. Serving millions of merchant locations and thousands of card issuers, we have the expertise and insight to help you accelerate your business. Put our intelligence to work for you.

**For more information, contact your Sales Representative or visit [firstdata.com](http://firstdata.com).**