

21 March 2017

Dear Valued Merchantⁱ Partner

**Bank Negara Malaysia (BNM) Payment Card Reform Framework Guideline
Interchange Fee Reduction Notification**

First Data wish to inform you that BNM issued a circular dated 10 March 2017 pursuant to which BNM made adjustments to the credit card **Interchange Fee (IF)**ⁱⁱ ceiling rates.

As a result, effective as of 1st January 2017, the Interchange Fee ceiling rates that shall apply for card transactions that we process on your behalf shall be as follows:

Payment Card	Interchange Fee Ceiling Rate
Visa and Mastercard credit cards ⁱⁱⁱ	1.037% of the value of transaction; 0.90% of the value of transaction for Petrol payments; 0.48% of value of transaction for Government services payments;
International Debit and/or Prepaid Cards ^{iv}	0.21% of the value of transaction; or RM0.70 plus 0.01% of the value of transaction; whichever is lower.
Domestic Debit ^v and/or Prepaid Cards	0.15% of the value of transaction; or RM0.50 plus 0.01% of the value of transaction; whichever is lower.

**Note: The IF reflected in your statement is not updated with the revised IF yet. The IF published here shall supersede the IF that is published in your merchant statement.*

For more information, visit Visa International and Mastercard Worldwide respective website for the published details on the IF:

- (i) VISA
<http://www.visa.com.my/aboutvisa/interchange/interchange.shtml>
- (ii) Mastercard
<http://www.mastercard.com/sea/merchants/interchange.html>

Due to the reduction in the IF for Visa and Mastercard credit card transactions, MDR revisions may be made on a case to case basis. Kindly reach out to your respective Sales Manager should you require further information or clarification.

Thank you.

This is a computer generated notification. No signature is required

ⁱ “**merchant**” means a person who enters into a contract with an acquirer to accept payment cards for the purchase of goods and services.

ⁱⁱ “**interchange fee**” means a fee paid by the acquirer to the issuer, whether directly or indirectly, for a domestic payment card transaction, including any fee or remuneration with a similar object or effect pursuant to the rules, condition or contract of an operator of a payment card network.

ⁱⁱⁱ “**visa and mastercard**” means a Visa or Mastercard credit card issued in Malaysia by an issuer approved under Malaysian laws .

^{iv} “**international debit and/or prepaid card**” means a debit and/or prepaid card issued in Malaysia by an issuer approved under the FSA or the IFSA under a debit and/or prepaid card network operated by an operator of an international payment card network, and any reference to “international debit and/or prepaid card” shall include a reference to both consumer and commercial cards.

^v “**domestic debit card**” means a debit card issued in Malaysia by an issuer approved under applicable laws in Malaysia (including FSA or IFSA, as the case may be) under a debit card network operate by an operator of a domestic payment card network such as the Malaysian Electronic Clearing Corporation Sdn. Bhd. (MyClear), and any reference to “domestic debit card” shall include a reference to both consumer and commercial cards.

^{vi} “**MDR**” means an amount determined at the applicable service charge rate of a card transaction determined by First Data