

23 August 2017

Dear Valued Partner

**CHIP & PIN IMPLEMENTATION: PIN Bypass and Signature Not Allowed for All Domestic Credit & Debit cards**

In addition to various public media releases and advertisements from Bank Negara Malaysia (BNM), First Data has sent numerous communications informing you that all domestic issued credit and debit card transactions performed from 1st July 2017 onwards must be transacted using a valid 6-digit Personal Identification Number (PIN). Signature and/or PIN Bypass is **no longer** allowed for domestic issued credit and debit card transactions from 1st July 2017 onwards.

Notwithstanding the changes in the rules, we note that your outlet is still attempting to perform PIN Bypass post 1st July 2017, which is in direct violation of the card acceptance policy that has been implemented. Please note that this practice exposes you to potential liability for chargebacks, which could subsequently result in financial losses to your outlet.

We urge you to remind your cashiers to **stop** the practice of PIN Bypass with immediate effect and to request all domestic cardholders to key in their PIN in order to complete their transactions. Under no circumstances should **any** attempt be made to initiate a PIN Bypass. If a domestic cardholder does not have a PIN and/or cannot remember their PIN, please request an alternate method of payment from the domestic cardholder and inform the domestic cardholder to contact their issuing bank to request/activate their PIN.

Please note that the above rules are not mandated for overseas credit and debit card cardholders and you may continue to process transactions for overseas cardholders using signature verification for their overseas issued cards. However, if these overseas cardholders choose to transact using PIN verification (where applicable), the process is the same as domestic card acceptance using PIN.

Please do not hesitate to contact your First Data Relationship Manager should you require further clarification or if you wish to arrange a refresher training course for your cashiers.

*This is a computer-generated notification. No signature is required.*