Digital Payments
for a Trusted World

Worldline DCC Compliance Guide

This document acts a as complementary summary to Worldline’s technical Dynamic Currency Conversion (DCC) specifications of payment protocols and ensures full scheme compliance when it comes to interaction with cardholders.

Commercial Acquiring - DCC Product Management
V1.0
02 May 2024
Public

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Public

1 Document history

version	date	who	change
V1.0	02.05.2024	Lukas Thissen	first document version; transferred and merged content from DCC Guide for cardholder interactions V1.6

2 Introduction

Worldline currently offers Dynamic Currency Conversion (DCC) for Visa and Mastercard products on physical payment terminals or online payment gateways. In any case, this requires full compliance with governmental and scheme regulations. If the DCC regulations are not fully met, the card organisations can mandate Worldline to deactivate the DCC offer for specific merchants until further notice.

DCC definition extracted from Visa DCC Guide:
The conversion of the purchase price of goods or services from the currency in which the price is displayed to cardholder's billing currency. The cardholder's billing currency becomes the transaction currency.

DCC definition extracted from Mastercard DCC Performance Guide:
DCC is a service provided by acquirers and their merchants or ATM owners that allows a cardholder to choose to complete their cross-border transaction in either the local currency or their billing currency (i.e., the currency in which the card was issued).

3 General DCC requirements

1. DCC is permitted for POS transactions in both card present and card absent environments.
2. All DCC information needs to be disclosed in English.
3. Cardholder must be clearly advised of the option to choose from two currencies.

   Attended acceptance environments: If the offer is presented on multiple or scrolling screens, the screen flow must require the cardholder to view all of the required cardholder disclosure elements before the currency selection options are presented to the cardholder.

   Unattended acceptance environments: Following standard cardholder disclosure disclaimer message must be displayed verbatim before offering DCC
   "Make sure you understand the costs of currency conversion as they may be different depending on whether you select your home currency or the transaction currency"
4. Cardholder must actively choose the DCC option prior to the merchant processing the transaction. A merchant may not proceed with a DCC transaction without explicit cardholder consent.
5. The DCC choice must be presented in a neutral manner. Therefore, no opt-out, default option, no steering or pre-selection is allowed. Except for Mastercard transactions in eCommerce environment, where pre-selection of the DCC option is not only permitted but should be used.
6. Cardholder must not be asked to select "yes" or "no", "accept" or "decline" or similar pairs.
7. All DCC disclosures below are mandatory and must be the same size, color and font types on screens, quote sheets or receipts:
   - currency symbol or code (e.g., AUD or SGD) and amount in merchant's local currency
   - currency symbol or code (e.g., AUD or SGD) and amount in cardholder's billing currency
   - exchange rate including markup in numeric format with 5 decimals (rounded up) used to determine the DCC transaction amount.

     The exchange rate is expressed as a ratio between the transaction amount in the merchant's local currency and the final transaction amount in the proposed DCC transaction currency. (e.g. 1 EUR = 0.97291 USD)

     in case of Mail Order transactions, Priority Check-Out, Express Return: no need to disclose the exchange rate. But the merchant must disclose in writing that the exchange rate will be determined by the merchant on the date that the transaction is processed without additional consultation with the cardholder.
   - markup as a percentage in numeric format with 2 decimals. Markup must be positioned immediately underneath the exchange rate and above the total transaction amount in the DCC transaction currency.

     show only one of these markups:

     EITHER

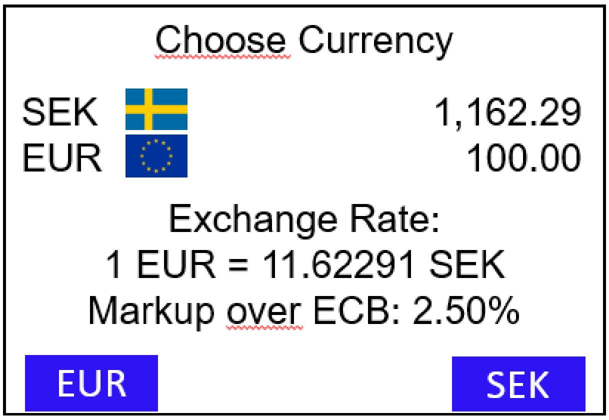
     a. in case card issuer country and merchant country are both subject to EU regulation
        → show markup over ECB-rate

     OR

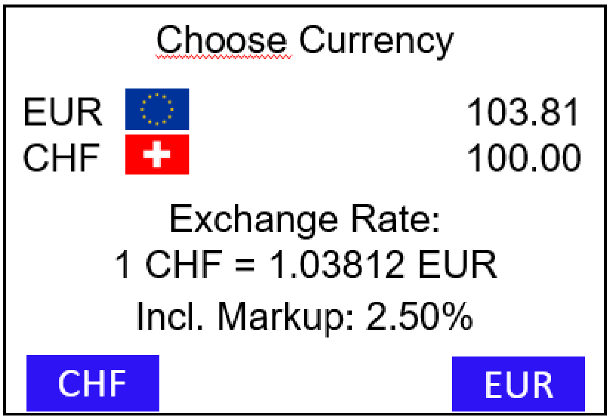
     b. if case a. doesn't apply
        → show markup included in Worldline's exchange rate
8. If the cardholder declines the DCC offer, the transaction must be completed in the merchant's local currency
9. A cardholder must not be re-prompted to accept DCC after rejecting the offer. Cardholder's choice must be honored.

10. The following guidelines pertain to the to the DCC terminal screen:
    a. It must be ensure that no more than two buttons are used for the button placement on the terminal screen
    b. The DCC option should always be positioned on the right.
    c. If feasible, implementing the display flags on the DCC screen is recommended.
11. This Standard DCC terminal sample demonstrates how to display all compliance requirements on a terminal screen. Partners may choose an alternative layout, provided they adhere to the guidelines specified in this manual. The display of markup information depends on the card issuing country and merchant country.

Markup variant a) as per paragraph 7



Markup variant b) as per paragraph 7



3.1 Additional requirements for Subscriptions / recurring transactions

12. When a cardholder enters into a user agreement with a card on file or stored credential, the merchant may provide an opt-in solution for DCC service whereby the cardholder agrees that future transactions on the same card may be processed as DCC transactions.
13. The ongoing DCC agreement must be an opt-in process and must:
    - Include a statement that the cardholder agrees that DCC will take place for current and future transactions
    - Not use any language or procedures that may cause the cardholder to choose DCC by default
14. If markup increases after the initial agreement, cardholders must be notified in writing and provided with the DCC opt-in choice again.
15. The cardholder must be given the opportunity to opt out of the DCC service on a transaction-by-transaction basis.

3.2 Additional requirements for Priority Checkout and Express Return Agreement

16. A statement that the cardholder has been offered a choice of currencies for payment

17. A statement that the cardholder expressly agrees to DCC by marking an 'accept' box on the written agreement
18. A statement that the exchange rate will be determined by the merchant on the date that the transaction is processed, without additional consultation with the cardholder.
19. The cardholder has the right to change his mind and opt out of DCC – in which case, there will be no express checkout.

3.3 Additional requirements for Mail Order

20. A mail order merchant that offers DCC must state that the cardholder has a choice of currencies for payment, including the merchant's local currency. The cardholder must expressly agree to DCC by marking an 'accept' box on the mail order form.
21. A statement that the cardholder expressly agrees to DCC by marking an 'accept' box on the written agreement
22. A statement that the exchange rate will be determined by the merchant later, without additional consultation with the cardholder

3.4 Additional requirements for refunds

23. The refund must be processed in the currency of the original transaction.

3.5 Additional requirements for Automated Fuel Dispenser (AFD)

24. Incorporate the unattended device statement from requirement 3.
25. A statement that the exchange rate will be determined after the fueling process.
26. The cardholder must expressly agree to DCC on the acceptance device to proceed.
27. Screen text sample: "Make sure you understand the costs of currency conversion as they may be different depending on whether you select your home currency or the transaction currency. The final amount will be charged in the selected currency after the fueling process."

3.6 Cardholder Verification Method (CVM) requirements

28. DCC on chip & pin transactions always requests CVM
29. DCC on contactless transaction is only allowed as follows:

Scheme	Amount from 0 till CVM-limit	Amount from CVM-limit
Visa	DCC possible without CVM	DCC possible with CVM (e.g. PIN)
Mastercard	No DCC possible for contactless trx	DCC possible with CVM (e.g. PIN)

3.7 Requirements for receipt / payment confirmation

30. A merchant must provide the cardholder with a DCC transaction receipt.

31. Both the merchant and cardholder receipts must include the same DCC details as the ones required on the terminal display (see DCC disclosures on paragraph 7)
32. The verbatim text “Transaction Amount” must be placed next to the total transaction amount
33. A statement indicating that currency conversion service is conducted by Worldline
34. A statement indicating that the cardholder has been offered a choice of currencies
35. A confirmation or proof of the cardholder’s choice to accept the DCC service and pay in the transaction currency. When active cardholder choice is made on a printed receipt at POS, the cardholder can check a single box indicating that they have been offered a choice of currencies and chosen to pay in the transaction currency, or make a selection from side-by-side check boxes indicating their choice of currency.
36. Standard DCC disclaimer sample:
“I have been offered a choice of currencies and
I accept the final amount in transaction currency.
Currency conversion provided by Worldline.”

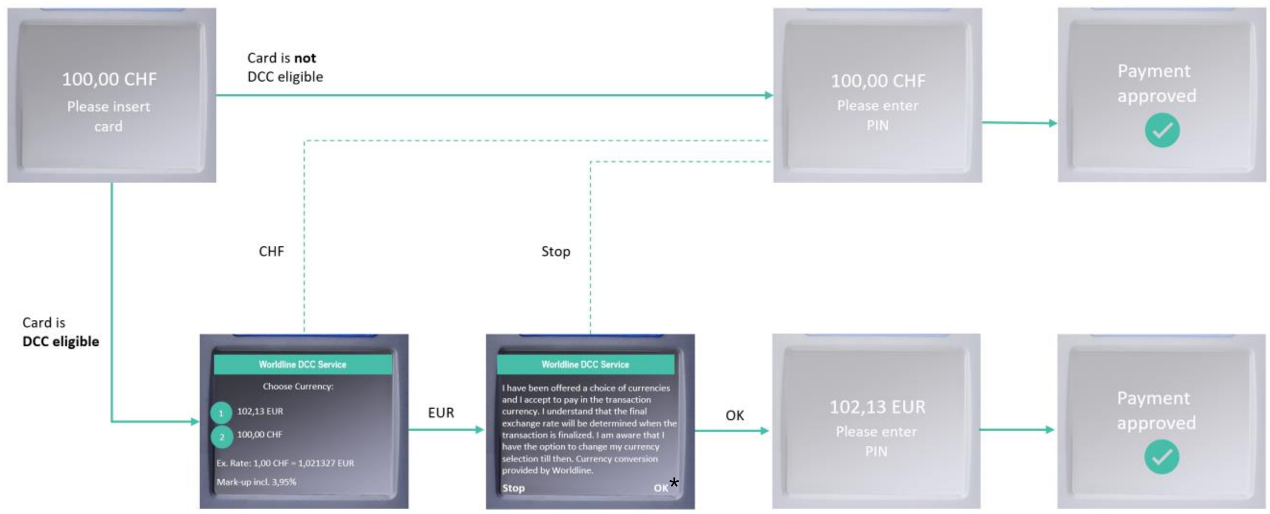
37. Standard DCC cardholder and merchant receipt sample:

Mandatory DCC Receipt Data	Receipt Layout
Total transaction amount in local currency	60.00 EUR
Exchange rate DCC Markup / DCC ECB ref. Markup (depending on markup identifier see paragraph 7)	1 EUR = 1,0401254 CHF Incl. Markup (over the ECB Rate) 2.01%
“Transaction amount” Total transaction amount in the cardholder currency	Transaction amount: 62,40 CHF
DCC disclaimer from host	I have been offered a choice of currencies and I accept the final amount in transaction currency. Currency conversion provided by Worldline

38. DCC pre-authorization disclaimer sample. The disclaimer must be displayed mandatory on the terminal screen. In case a receipt is printed at pre-auth. the disclaimer should be integrated as well.

„I have been offered a choice of currencies and I accept to pay in the transaction currency. I understand that the final exchange rate will be determined when the transaction is finalized. I am aware that I have the option to change my currency selection till then. Currency conversion provided by Worldline.”

DCC transaction flow with pre-authorization



* In an touch pad based terminal environment the wording “accept” and “decline” could also be used as consent confirmation options on the DCC disclaimer screen. If the terminal has additional selection buttons, these can be used with the following information below the disclaimer "press left button to decline" and "press right button to accept" for selection.

39. <u>Hospitality only</u> DCC disclaimer sample:

   - At check-in with pre-authorization: “I have been offered a choice of currencies and I accept to pay in the transaction currency. I understand that the final exchange rate will be determined on the day of checkout without further consultation. I am aware that I have the option to change my currency selection during my stay. Currency conversion provided by Worldline.”

   - At checkout: “I have been offered a choice of currencies and I accept to pay in the transaction currency. I understand that the final exchange rate was determined on the day of checkout. I am aware that I had the option to change my currency selection during my stay. Currency conversion provided by Worldline.”

4 More information

All details of DCC program requirements can be found in the full version of the scheme's Core Rules, Transaction Processing Rules or DCC Guides.

If you have any further questions or if you are missing any content please reach out to your contact person within Worldline.