Developing ANSI & ISO Standards for the Financial Services Industry for Over 30 years

X9's All Committees Meetings

Our week of meetings are now less than three months away so if you have not made plans to attend, I ask you to please do so soon. The meetings will be held during the week of October 17, 2016 at the Federal Reserve Bank of Atlanta. We have created a group and file folder on our member's web site to store information about the meetings. All members of X9 can access this group. The name of the group is "All Committees Meeting October 2016". The current agenda has been posted to the group and any updates will also be posted to the group. If you plan to attend, please register at the URL below. X9 has to provide information on who will be attending the meetings to the Bank so they can perform security checks.

There are other meetings in Atlanta that week and the hotels are filling up fast so you need to get your reservation in soon. If you want to use the Fed's negotiated rates, you will need to call the hotel directly and ask for group sales. I believe the room blocks are under the name "Federal Reserve Bank of Atlanta." The phone numbers are listed in the hotel information referenced below. If you

Federal Reserve Bank of Atlanta

have any questions, please contact a staff member.

X9 All Committees Meetings Registration Page:
http://x9.org/2016-committees-meetings-registration/

Atlanta Hotel and Rate Information:
http://x9.org/wp-content/uploads/2016/05/ATL-Hotels-060916.pdf

X9 2016 All Committees Group Folder:
https://members.x9.org/apps/org/workgroup/x9ac2016/index.php

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X9 Twitter Account

X9 now has an active Twitter account. The URL for our account is listed below. If you have a Twitter account, please follow us. We will use the account to send out brief updates about X9 events. The volume of tweets will probably increase leading up to and during the All Committees Meetings this fall. We will use it for last minute updates and changes. Ambria is in charge of our Twitter account, so if you have ideas for how to use it or you have messages to send out about an X9 meeting or event, please contact her. Also, contact her if you have any questions about using Twitter.
https://twitter.com/ASCX9Inc

X9's Public Web Site - New X9 Project Status Page

We have a section on our public web site that gives the status of X9's major projects. This section was recently overhauled and expanded and is now organized by the different X9 Subcommittees. This will help potential new members determine which committees control our major projects and the status of the projects. I ask the subcommittee and work group chairs to keep Ambria updated on the progress of the projects so she can keep this information up to date.

http://x9.org/standards/x9-project-status

Webinar - Best Practices for Handling Retail Debit Balances

Have you ever thought there must be a better way of handling retail debit balances? Hear from experts who put their heads together to figure out how to resolve retailers' debit balance claims in a manner that is fair to all parties. Accredited Standards Committee X9 convened a diverse work group of retail industry practitioners (representing major retailers, suppliers, consultants, and others) who developed X9 TR 45-2016 Retail Debit Balances Best Practices and Procedures Technical Report. This free report describes a consistent approach for standardizing retail debit balance handling from the perspectives of retailers, suppliers, and service providers.

The Remittance Coalition and ASC X9 are sponsoring a free webinar co-presented by Denise Byrd of CIT Commercial Services, Lynn Hechanova of Best Buy, Joanne Mayer of G-III Apparel Group, and Jessica Butler of Attain Consulting. In this webinar, a panel of these four work group members will explain why following these best practices could minimize headaches and pain points attributed to retail debit balances.

We invite you to join this free webinar for an informative, lively discussion and learn how to leverage this unique collaborative report prepared by retail industry experts. The webinar is scheduled for Wednesday, August 10, 2016 from 3:00 to 4:00 p.m. (EDT). If you would like to attend, please register at the link below.

Register at this link:
https://information.frbcommunications.org/RetailDebitBalance20160810

Next X9 Seminar - How to Implement the BTRS Standard by David Repking

Our next X9 seminar will be on Tuesday August 16, at 12:00 noon (EDT). David Repking will discuss the third version of the BTRS standard. The registration notice will be emailed to members shortly.

Synopsis:
In March 2016, the Accredited Standards Committee (ASC) X9 issued a third version of its X9.121 Balance Transaction

and Reporting Standard (BTRS), which incorporates best practices and code sets from both BAI and the IS0 20022 CAMT (cash management) reporting. This modernization of BAI2 meets the need expressed by corporations, and based on survey results from the Association for Financial Professionals (AFP), for a global cash management standard that is implemented in a consistent manner by financial institutions. Hear about these BTRS innovations and learn how you can implement this standard at your own institution.

WebEx information on the seminar will be emailed to registered attendees on Monday July 15. The seminar will be recorded for delayed viewing. There will be time for Q&A after the presentation. If your company has a Treasury Department, there is a good chance they will be interested in this seminar since the software they use depends on this standard to retrieve information. If you are a bank, this standard defines how you provide information to your customers. Watch your email for registration information.

Did you Miss an X9 Seminar?

If you missed any of our seminars or want to hear them again, you can download presentation material and listen the seminars at the following URL:

http://x9.org/download-x9-seminars/

Card Not Present (CNP) Fraud - Work Group - X9AB23

A new work item has been approved to create a technical report that will document best practices to prevent card not present fraud. A new work group named X9AB23 has been created for the work. The group has held two calls and has conference calls scheduled every two weeks. There is still an open call for experts to join the group so it is not too late to join the group. A number of outside companies have expressed an interest in working with the group including Macy's. If you would like more information or you like to join the work group, please contact Janet Busch or myself. Guy Berg from the Minneapolis Fed is chairing the group and can also be contacted for more information.

A New Study Group on Distributed Ledger Technology

X9 has created a study group to determine what direction X9

should take with regard to work on digital currency, block chain technology and distributed ledgers. Claudia Swendseid is chairing the group. The group will report their findings and recommendations to the X9 Board next year. A call for subject mater experts will go out shortly but you can contact staff now if you would like more information on the group or would like to join the group.

Ballots for X9 Treasurer and Chair of FC, M&M, and PPC Closed

Ballots were issued to elect an X9 Treasurer and chairs of the
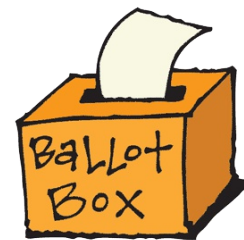
Finance Committee, the Membership and Marketing Committee and Procedures and Policy Committee. The ballots have closed and Alan Thiemann was reelected as X9 Treasurer, Angela Hendershott was reelected as chair of FC, Mark Kielman was reelected as chair of M&M and Diane Poole was reelected as chair of PPC. Congratulations to each person.

ISO Update
US Mirror Group to TG1

The US Mirror Group is working under an aggressive agenda to keep pace with TG1 as ATICA Version 2 is moving towards

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completion. In the aftermath of the US appeal to the RMG of the decision last fall to publish Version 1, significant pressure is on the US to produce all of the input it indicated was necessary to fix the problems in Version 1. Meetings were held as part of the AB Subcommittee meeting in June and the group conducted lengthy conference calls in July. Another face-to-face meeting is schedule at the X9 offices in Annapolis for the week of August 22.

It is important to note that all four card networks are now involved with the US in reaching consensus on how to develop an effective Version 2 of ATICA. All of the networks are in agreement that the only way for eventual adoption of ISO 20022 is for the standard to ensure all functionality of ISO 8583 and that the two standards are highly interoperable so that global implementation is feasible. Consequently, the US work is pointed in two directions: (1) addressing all of the omissions and shortcomings noted by the US and Visa in Version 1; and (2) continuing work to develop new messages needed to finish the revisions to Version 1, including messages required to handle specialty transactions (e.g., fleet, hospitality, healthcare) and tokens (both for authorization and post-authorization uses). As this work progresses, the members of the US Mirror Group know

that significant efforts are still required if the all of the components of ISO 20022 are to be completed by the end of the year There remain many issues where the US and other members of TG1 disagree over the best way to build a standardized message structure – chief among these problems is how to reconcile the future use of country/currency/ codes from ISO 8583 and how to find an adequate method of dealing with ISO 8583 national and private use fields within ISO 20022.

Another issue of importance is how ISO 20022 will be maintained going forward. ISO 20022 is premised on annual "change requests." As it is used today, ISO 8583 requires new codes and code values on a constant basis, including allowance for innovations and pilot programs. Unless the same flexible maintenance approach is available for ISO 20022, it will be nearly impossible to serve the same purposes in the card processing system, which would severely restrict its adoption and/or utility.

A final challenge is the new payment messaging being developed by W3C for use in e-commerce. Although these messages do not represent all card processing messages, there is a clear need to avoid future conflicts with ISO 20022.

Report on ISO 12812 (Mobile Payments)

Final ISO ballots on all five parts of ISO 12812 were completed on July 13. All 5 parts were approved, with Part 1 (Framework) set to become an International Standard, while Parts 2-5 will be released as Technical Specifications. In order to finalize this work, TC68/SC7/WG10 must review all of the ballot comments and complete one last round of editing – which will not include any technical changes. The respective parts editors are addressing these editorial comments and proposing changes by August 12; after that, WG10 will hold a final meeting to resolve any outstanding issues. Once WG10 completes it work, the ISO Central Secretariat will handle publication.

Within the United States, discussions have already begun as to the appropriate actions for consideration of developing American National Standards. The consensus of these discussions is that X9 will most likely

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not simply adopt the ISO 12812 parts, but New Work Items will be commenced to address how to adjust and/or enhance the ISO work to build suitable standards for use in the United States.

While most of this work will be undertaken by the X9AB Retail Group, the security portion of ISO 12812 (Part 2) has already been reviewed by X9F4 and has formed the basis for the proposed X9.112-Part 3 (Wireless Management and Security – Mobile). An F ballot has just been completed, which resulted in a number of comments from both negative votes and abstentions. F4 will be addressing those comments, in order to move this standard to the Board level.

Credit Card Issuer Identification Number (IIN):

The industry is running out of available IINs. ISO is working on a solution that will be incorporated into ISO/IEC 7812 parts 1 and 2. The group is looking for volunteers so if you are interested, please contact Diane Poole or a staff member.

Find us on [f]

X9 Facebook Account

X9 now has an active Facebook account. Ambria will be the administer for the account and will post general announcements for X9. The account is named the "Accredited Standards Committee X9, Inc. Financial Industry Standards". Please use this account to post public information related to X9 and X9 activites. Remember this is a public site and it should not be used to conduct standards related work. The URL is listed below.

https://www.facebook.com/Accredited-Standards-Committee-X9-Inc-Financial-Industry-Standards-110761672914

X9 Membership Dues Invoices

X9's fiscal year runs from September 1 to August 31. Our 2017 fiscal year (FY17) starts on September 1, 2016. Our invoices for FY17 were emailed to members at the end of May. If you have any questions, please contact a staff member.