

**Meeting Between Federal Reserve Board Staff
and Representatives of First Data
September 18, 2013**

Participants: Louise Roseman, Stephanie Martin, Jeffrey Marquardt, Susan Foley, David Mills, Samantha Pelosi, Mark Manuszak, Krzysztof Wozniak, Tyler Standage, Aaron Rosenbaum, and Linda Healey (Federal Reserve Board)

Pete Korpady, Barbara Marx, Himanshu Patel, Todd McGuire, Joseph Samuel, Peter Donat, Alan Bethscheider, (First Data); Satish Kini (Debevoise & Plimpton LLP); Jerry Hausman (MIT); Geraldine Alexis (Perkins Coie LLP)

Summary: First Data acts as a merchant and issuer processor and operates the STAR® network. Representatives of First Data met with Federal Reserve Board staff to discuss First Data's observations of market developments in response to Regulation II's network exclusivity and routing provisions, potential approaches to modifying the network exclusivity provisions of Regulation II if the district court ruling invalidating the provisions is upheld on appeal, and their observations of the status of the technical implementation of EMV (i.e., chip-based) payments.

Representatives of First Data discussed their observations of the approach issuers used to become compliant with Regulation II's requirement that issuers enable at least two unaffiliated networks on their debit cards. They provided an overview of how debit cards could be enabled with two signature networks by leveraging the current BIN routing solutions and industry standards used for PIN debit network routing. They discussed possible approaches to facilitate continued innovation regarding new authentication methods. They also discussed First Data's views on the technical implementation of EMV and preventing evasion of network routing/exclusivity provisions.