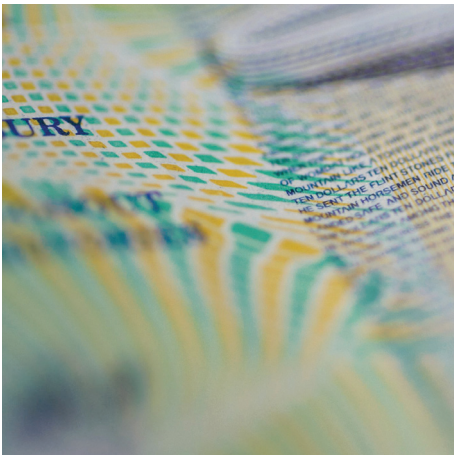
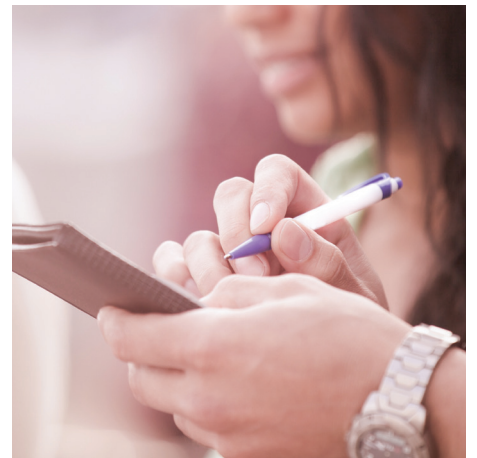


# **Welcome to DCC**

## *An Introduction to Currency Select*



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## Currency Select PTY LTD

Based in Sydney, Australia, Currency Select enables partners in 21 countries to perform Dynamic Currency Conversion and Multi-Currency Processing transactions through ATMs, Point-Of-Sale (POS) payment terminals and e-Commerce channels.

Currency Select's end-to-end platform works directly with international Card Schemes (including Visa, MasterCard and UnionPay), to provide authorisation, clearing and settlement services to partners across a wide range of sectors.

In Australia, Currency Select has provided DCC enabled merchant acquiring services since 2004. The company operates a direct-to-merchant acquiring business and holds an acquirer licence for UnionPay, making it a flexible partner for Australian businesses. It is the market-leading provider of acquiring services for the Australian hotel market, enabling card acceptance through a single terminal that is fully integrated with Oracles, Micros Property Management System (PMS) and Micros Food-and-Beverage point of sale systems.

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# 1. Introduction

## A. What Is Dynamic Currency Conversion?

Dynamic Currency Conversion (DCC) is a service developed and supported by Currency Select, to offer merchants an additional revenue stream and cardholders convenience.

The DCC service allows merchants to offer cardholder convenience and choice of foreign currency when using their Visa and MasterCard for transactions processed via the Currency Select payments terminal. Any cardholder that

accepts the convenience of paying in foreign currency at POS will contribute to the merchant DCC rebate paid by Currency Select to the merchant.

### Merchant Benefits / Benefits To You:

**1. You will receive a share of the Foreign Exchange revenue (previously lost overseas) by way of a rebate. Rebates are automatically deducted from your merchant fees reducing the cost of doing business. Your rebate will vary depending on the percent of opted-in volume at the end of each month.**

**2. You will receive a level of attention and customer service that you're probably not use to dealing with a bank! Our goal is to ensure that you receive the maximum possible saving using our DCC merchant service. In order to achieve that goal we provide regular feedback and ongoing training.**

### The benefits to your Customers for choosing their home currency when offered by Currency Select are as follows:

**1. Locked in Rate** - this means that what they see on their receipt will match their statement dollar for dollar. If however, for example, your Customer chooses local currency that transaction will not reach their account until up to a week later, by which time the rate may have changed. This can be a gamble for your Customer as it could be lower or higher - this cannot be predicted. Therefore, even if your Customer were to look up what rate their banks was offering that day and calculate the difference to what we were offering the entire calculation will be completely void as the rate will be different by the time it hits their bank account.

**2. Easy for budgeting** - because everything is disclosed on the receipt and the rate is locked in, your Customer will know exactly how much of their own money they will have left in their account after the transaction. Knowing exactly how much they are being

charged in their home currency gives your Customer peace of mind, by selecting Currency Select to perform this conversion they eliminate the uncertainty of what will appear on their statement and what other foreign exchange fees etc. they would be charged.

**3. Full Disclosure** - Unlike almost all other types of foreign exchange transactions performed by international travellers the Currency Select DCC solution provides full disclosure of all fees and margins (if any) that are applied to the transaction at the time of purchase. Foreign transactions (when DCC is not applied) are typically marked-up by the cardholder's issuing bank however the cardholder is generally not aware of how much this will be until they reach home and review their credit card statements. The Currency Select solution presents all this information to the cardholder before their purchase is authorised and money debited from their account.

## B. How Dynamic Currency Conversion Works



**Dynamic Currency Conversion (DCC) converts a transaction from local currency to the foreign currency of a credit card at the point of sale.**

Currency Select payment terminal automatically detects eligible international credit cards and converts a transaction from original merchant local currency to the eligible foreign currency of the cardholder at the point of sale.

A DCC offer is automatically displayed on the terminal screen allowing the cardholder to make an active choice and continue to process in the “offered” currency or merchant local currency, whichever they choose at the time of the transaction. If the card is domestic, it is not eligible for an offer, and the payment is

processed in the merchant local currency. Currency Select offers thirty two of the major and minor foreign currencies. The DCC process is both quick and simple. This allows the normal flow of your business to continue without interruption. It is also very simple from a “back of house” perspective. All payments are processed to the merchant’s account in a single daily local currency settlement. Further to that you do not need to alter your existing banking arrangements. We will settle funds to your nominated account.

### Q: What does opt-in and opt-out mean?

The term opt-in means that an overseas customer has chosen to pay in their participating home currency. The cardholder is under NO obligation to proceed in their home currency and can opt-out and pay in local currency.

The CS DCC product is offered to merchants and for cardholders of:



**VISA**



*Visa is very particular about the way that DCC is offered by a merchant and as a registered DCC merchant you may be audited by Visa to ensure that you are offering DCC in an appropriate manner. The key thing to remember when offering the service to a card holder is to allow the card holder to choose whether they wish to accept the offer or not.*

*This is what is commonly referred to as ‘Cardholder Active Choice’. If an audit is conducted at your premises and you fail, DCC may be switched off at your premises. Please note – Visa do not advise when they are doing these audits – it is on a mystery shopper basis so you need to ensure that you are performing the correct process at all times.*

## 2. Using DCC

### A. Presenting the Offer to the Cardholder - Offer Docket

**CURRENCY SELECT**

CURRENCY CONVERSION QUOTE

MERCHANT ID : 516013512495030  
TERMINAL ID : 49500037

VISA CARD NUMBER CREDIT (\$)  
\*\*\*\*\* 7451

CHECK BOX OR CONFIRM PAYMENT CHOICE  
BY FOLLOWING THE TERMINAL PROMPTS

<input type="checkbox"/> IDR 1677225	<input type="checkbox"/> AUD 150.00
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AGREED FX CONVERSION RATE  
1 AUD = 11181.50 IDR  
(INCLUDES A MARGIN OF 3.800 %)

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THIS CURRENCY CONVERSION SERVICE IS  
PROVIDED BY THE MERCHANT

DATE TIME  
31-03-14 16:15:08

TEST LAB  
SYDNEY

- 1: When the offer docket is printed, present it to the cardholder indicating the options the cardholder has to complete the transaction.
- 2: If the cardholder has questions answer them as honestly as you can about the benefits of either option.  
  
If they are happy with the foreign offer get them to tick the box with the foreign amount as being selected.
- 3: If the foreign amount is selected, the card holder should press 1 on the keypad of the payment terminal.
- 4: If AUD is selected, the card holder simply presses 2 on the keypad of the payment terminal and processes the transaction as normal.

< The section outlined in **PURPLE** is the section which details the margin. This margin is included in the exchange rate outlined in **BLUE**.

The section outlined in **ORANGE** is the exact amount the cardholder will be paying in their home currency.

The section outlined in **GREEN** is the amount the cardholder would be paying in Australian Dollars.

### B. Presenting the Offer to the Cardholder - On Screen

Rather than using the Offer Docket, you can make the offer to a cardholder by showing them the terminal screen. The screen shows:

Purchase VISA

**SELECT CURRENCY**

1. IDR 1677225 RATE @ 11181.50 MARKUP 3.800%	2. AUD 150.00
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< The section outlined in **PURPLE** is the section which details the margin. This margin is included in the exchange rate outlined in **BLUE**.

The section outlined in **ORANGE** is the exact amount the cardholder will be paying in their home currency.

The section outlined in **GREEN** is the amount the cardholder would be paying in Australian Dollars.

- 1: When the DCC offer comes up on the screen, hand the PIN pad to the cardholder indicating the options that the cardholder has to complete the transaction.
- 2: The cardholder will need to press 1 on the keypad to pay in their Home Currency or press 2 on the keypad if they wish to pay in AUD.

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## **C. Presenting the Offer to the Cardholder**

### **- Suggested Wording**

#### **1: Be proactive at check-in (where applicable).**

“If you have any payments on check-out there maybe the opportunity for you to pay in your own currency that way the exchange rate and purchase amount is guaranteed”.

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#### **2: Offering the conversion.**

“Would you like to pay in your own currency so the exchange rate is locked in and you know the exact amount of your purchase now”.

**OR**

“Your purchase amount comes to \$.... in your own currency – would you like to choose this option so you know the exact amount of your purchase now”.

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#### **3: Signing the receipt.**

“Can I please ask you to tick the box and sign the receipt to confirm you have paid in your own currency”.

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## D. Frequently Asked Questions

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### Q: How does the rate compare to MY banks rate?

A: CS offers market competitive rates which are comparable to what they would be charged by their issuing banks. These rates are automatically set each morning.

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### Q: What fees are involved if I choose my Home currency and not local currency?

A: If you chose your home currency your transaction will be converted at the rate shown on the receipt – This rate is inclusive of the disclosed margin. If you choose local currency you do not know what the exchange rate you will pay or how much your fees will be.

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### Q: Which currency will the transaction appear as on my statement if I choose to settle in my home currency?

A: The transaction will appear on the statement in your home currency and this will match exactly as it appears on the receipt. Note that some issuing banks charged their cardholders an additional overseas transaction fee, irrespective of whether the cardholder paid in their home currency or not.

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### Q: I use my company business card and they ask for every expense to be in local currency.

A: The receipt that is printed has BOTH the home currency amount as well as the amount applied in local currency. This also makes it easier for your company to budget in both currencies.

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### Q: I'm in a rush and don't know enough about it can you give me a quick overview?

- Minimize Bank Fees
- The Exchange rate is locked in
- Easy to budget – no need to work out how much you are actually paying in your own currency





## E. Common Questions Regarding Rates

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### Q: Why is the rate offered by CS so different to the exchange rate shown on the TV or in the Newspaper?

- Rates on TV and in the paper are the official exchange or interbank exchange rates.
- Those advertised rates are also based on a cash exchange rate – not a Credit Card exchange rate.
- Like the official interest rate, the general public don't actually get access to these rates.
- These rates can fluctuate through the course of a day – ours are locked in for 24 hours.

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### Q: What components make up the exchange rate?

- The actual exchange rate.
- A small margin which is declared on the offer docket. The margin may differ by currency because of the different risk involved with each individual foreign exchange transaction; therefore you will notice that this percent will vary depending on which country the card originates. It also must be noted that the margin is not an additional charge on top of the disclosed exchange rate; it is in fact already included in the rate. So that CS is compliant with new scheme rules we must be completely transparent and disclose exactly what margin as a percent is being charged above the Currency Select rate.

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### Q: Is the displayed margin the same for all purchases / exchange rates?

- No – the margin that is applied to a rate differs based on the currency that the card has been issued in.

### Q: Is the margin on the docket included in the printed rate or do you need to add it on?

- The declared margin is already included in the rate.























## F. Refunding DCC Transaction

It is a card scheme mandate that the refund is processed in the same currency that the initial transaction was processed in.

### If the initial transaction was processed in a Foreign Currency:

- Go to the refund option on the terminal.
- Type in the card number and amount etc.
- When prompted to process it in domestic or international amount – choose international.

## G. Supported Currencies & Currency Codes

CODE	FLAG	NAME	CODE	FLAG	NAME
AED		UAE Dirham	MXN		Mexican Peso
ARS		Argentine Peso	MYR		Malaysian Ringgit
AUD		Australian Dollar	NOK		Norwegian Krone
BRL		Brazilian Real	NZD		New Zealand Dollar
CAD		Canadian Dollar	PGK		Papua New Guinean Kina
CHF		Swiss Franc	PHP		Philippine Peso
DKK		Danish Krone	PLN		Polish Zloty
EUR		Euro	QAR		Qatari Rial
FJD		Fijian Dollar	RUB		Russian Ruble
GBP		Pound Sterling	SAR		Saudi Riyal
HKD		Hong Kong Dollar	SEK		Swedish Krona
IDR		Indonesian Rupiah	SGD		Singapore Dollar
ILS		Israeli Sheqel	THB		Thai Baht
INR		Indian Rupee	TWD		Taiwan Dollar
JPY		Japanese Yen	USD		US Dollar
KRW		South Korean Won	ZAR		South African Rand

## G. DCC Compliance Requirements

When offering DCC, a merchant must comply with the five following Visa and Mastercard requirements

### Cardholder Choice

- The cardholder must always be given the choice to pay in either their home currency or Australian Dollars. You must never opt them in by default without their consent or knowledge.

### Steering

- The cardholder must not be steered into paying in their home currency by making biased, inaccurate or unwarranted claims about either payment option. In addition it is against the rules to penalise a cardholder if they do not elect to use DCC. For example, you cannot apply a surcharge to the transaction if the cardholder does not elect to pay in their home currency.

### Transaction Receipt

- The customer copy of the DCC transaction receipt, which includes all information relevant to the DCC transaction, must be provided to the cardholder.

### Disclosure

- All information relevant to the DCC offer must be presented to the cardholder in either a written or electronic format before they select their option. The information cannot be disclosed verbally unless accompanied by one of the options above.

### Active Choice

- A cardholder's decision to pay in either AUD or their home currency cannot be provided verbally by the cardholder. The cardholder must either select their payment option on the POS terminal by pressing the corresponding key or alternatively tick their preferred payment choice on the optional DCC printed offer docket at which point the merchant may then select the corresponding option on the terminal on their behalf.



## Currency Select Contact Information

Support Enquiries please email  
[DCC-Customer-Care@currencyselect.com.au](mailto:DCC-Customer-Care@currencyselect.com.au)

Implementation queries please email  
[DCC-Customer-Care@currencyselect.com.au](mailto:DCC-Customer-Care@currencyselect.com.au)

To get help please contact DCC-Customer-Care  
**1800 767 338**

Always have the following information available before you call:

<b>Merchant ID</b>	<b>Terminal ID</b>	<b>Any Terminal Error Codes</b>	<b>A description of the problem</b>
<i>15 digit number appearing on the top of your receipts.</i>	<i>8 digit number appearing on the top of your receipts.</i>	<i>Code appearing on the bottom of your receipts.</i>	<i>The issue that occurred on the terminal.</i>

### Help with charge cards?

If you have a merchant facility with American Express, Diners Club, Discover or JCB, please contact them for assistance directly on:



**1300 363 614**



**Diners Club  
INTERNATIONAL**

**1800 331 112**

Ordering Receipt Rolls please call DCC Customer Care  
**1800 767 338**

Follow the prompts by selecting option 1 to be automatically re-directed through to the correct department to place your receipt order during normal business hours or leave voice message if out of hours.