AN 1026—Transaction Integrity Class for Interchange Rates

In Release 17.Q4, Mastercard is providing customers advance notification of the modifications to the interchange process that will include the Transaction Integrity Class as a part of the interchange rate assignment.

Summary of Changes

This article has been changed. These changes are described in the following Summary of Changes table.

Change Date	Description of Change	Where to Look
20 Jun 2017	Mastercard has marked changes to this content with change bars in the right margin of the PDF file. Change bars are provided as a convenience only, and customer should ensure they do not rely solely on those marks to understand changes.	Throughout
1 Jun 2017	To allow customers additional time to help ensure a successful implementation, the effective date of this announcement is now 13 April 2018.	At-A-Glance
1 Jun 2017	Several changes have been made in this announcement to clarify Mastercard's phased approach in the implementation of this initiative. The Transaction Integrity Class will be mandatory for specific interchange programs in the U.S. region with Release 18.Q2. Mastercard may override interchange rates based on the TIC value with Release 18.Q4. These changes are not marked with a change bar.	Throughout
	In the new section for Clearing Platform updates for Release 18.Q4: • Added new subfield 15 (TIC Override ID Indicator) to PDS 0358 (Reconciled Business Activity) to include the Transaction Integrity Class Override ID indicator in reconciliation messages. PDS 0358 information is updated to include subfield 15. • New IPM MPE Table IP0108T1 (TIC Fee Group). • Add new value 027 (Transaction Integrity Classification Fee) in IPM MPE Table IP0053T1 (Interchange Fee Type). • Add PDS 0358, new subfield 15 to the Clearing Transaction Investigator.	PDS 0358—Reconciled, Business Activity IPM MPE Transaction Investigator

At-A-Glance

The At-a-Glance table provides key information about the systems and groups affected by this announcement, action indicators that specify the appropriate action, and the date or dates the announcement is effective.

Audience:	Acquirer, Issuer, Processor
	Each customer must determine the impact on its operations.

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Brands:	Mastercard®, Debit Mastercard®
Release:	17.Q4
Region:	United States
System:	Clearing
Category:	Core Release, Interchange
Action Indicator:	
	Network Mandate—Acquirers in the U.S. region must provide the Transaction Integrity Class in First Presentment/1240 and Second Presentment/1240 messages.
	Network Mandate—Issuers in the U.S. region must retain and return PDS 0017 (when provided by the acquirer) in First Chargeback/1442 and Arbitration Chargeback/1442 messages.
	Testing recommended—Mastercard recommends testing for acquirers and issuers.
Effective Date:	Dual Message System (Clearing): 13 April 2018

Overview

The Transaction Integrity Class (TIC) is provided by Mastercard for point-of-sale (POS) purchase and purchase with cash back transactions initiated on the Authorization Platform for all U.S. acquirers and issuers of Mastercard® credit and Debit Mastercard® cards.

Mastercard is initiating a phased approach to the modification of the interchange process to include the Transaction Integrity Class as a part of the interchange rate assignment:

- **Phase I—Effective with Release 18.Q2**
  As described in this announcement, Mastercard will made these changes effective with Release 18.Q2
  - Transaction Integrity Class (TIC) will be required for transactions with processing codes 00 (Purchase [Goods and Services]), 09 (Purchase [Goods and Services] with Cash Back [only for use with Mastercard Debit Card Products]), and 18 (Unique Transaction [requires unique MCC]).
  - New clearing edits will be applied to PDS 0017 to verify when the TIC is present with the correct combination of acceptance brands DMC and MCC, IRD, and U.S. region BSA 2/010001.
  - IPM MPE table IP0052T1 (Interchange Fee Group) will be modified to include the Transaction Integrity Class Mandatory Indicator field.
- **Phase II—Effective with Release 18.Q4**
  Mastercard will introduce the final changes to implement this initiative in Release 18.Q4. These changes are described in this announcement to provide customers sufficient time to achieve a successful implementation.
  - New subfield 15 (Transaction Integrity Class Override Indicator) in PDS 0158 (Business Activity).
  - New subfield 15 (Transaction Integrity Class Override Indicator) in PDS 0358 (Reconciled, Business Activity).
  - Mastercard may override interchange rates based on the TIC value similar to product or merchant classification overrides.

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Background

The Transaction Integrity Class, introduced in Release 16.Q2, encompasses the fundamental safety and security of a transaction and includes the assessment of both the validity of the card and the cardholder. Some transactions are inherently more secure than others. For example, EMV chip cards are more secure than magnetic stripe cards. There will be nuances across both the technology (card) and the Cardholder Verification Method (cardholder), but the combination is assessed across the spectrum to determine the overall integrity of each transaction.

TIC was implemented in Release 16.Q2 as optional. As described in this announcement, the TIC value will be a required element in clearing messages where it will be a mandatory qualifying criteria for U.S. region interchange rates (excluding Standard).

Valid Values for the Transaction Integrity Class

Classification		
Card and Cardholder Present	EMV/Token in a Secure, Trusted Environment	A1
Card and Cardholder Present	EMV/Chip Equivalent	B1
Card and Cardholder Present	Mag Stripe	C1
Card and Cardholder Present	Key Entered	E1
Card and Cardholder Present	Unclassified	U0
Card and/or Cardholder Not Present	Digital Transactions	A2
Card and/or Cardholder Not Present	Authenticated Checkout	B2
Card and/or Cardholder Not Present	Transaction Validation	C2
Card and/or Cardholder Not Present	Enhanced Data	D2
Card and/or Cardholder Not Present	Generic Messaging	E2
Card and/or Cardholder Not Present	Unclassified	U0

Related Information

- "Global 525—Introducing Transaction Integrity Classification," Release 16.Q2

Customer Impact

This announcement affects the indicated customers and platforms.

Acquirers

This announcement affects acquirers as follows.

Effective with Release 18.Q2

Acquirers in the U.S. region must send PDS 0017 (Transaction Integrity Class) in First Presentment/1240 and in Second Presentment/1240 messages when the issuer is also in the U.S. region, and the acquirer must be able to receive PDS 0017 in First Chargeback/1442 and Arbitration Chargeback/1442 messages.

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The acquirer must send the TIC in the clearing message unaltered from what was received in the Authorization Request Response/0110 message.

Acquirers in the U.S region must be aware of the following:

- Transaction Integrity Class (TIC) is required for transactions with processing codes 00 (Purchase [Goods and Services]), 09 (Purchase [Goods and Services] with Cash Back [only for use with Mastercard Debit Card Products]), and 18 (Unique Transaction [requires unique MCC]).
- Modify IPM MPE table IP0052T1 (Interchange Fee Group).
- New clearing edits will be applied to PDS 0017 to verify when the TIC is present with the correct combination of acceptance brands DMC and MCC, IRD, and U.S. region BSA 2/010001.

Effective with Release 18.Q4

- New subfield 15 (Transaction Integrity Class Override Indicator) in PDS 0158 (Business Activity), to indicate whether override rates were used in determining the interchange fee amount in PDS 0146 (Amount, Transaction Fees) based on PDS 0017 (Transaction Integrity Class).
- New subfield 15 (Transaction Integrity Class Override Indicator) in PDS 0358 (Reconciled, Business Activity), to include the Transaction Integrity Class Override ID Indicator in reconciliation messages.
- Modify IPM MPE Tables IP0108T1 (TIC Fee Group) and IP0053T1 (Interchange Fee Type).
- Mastercard may override interchange rates based on the TIC value similar to product or merchant classification overrides.

Issuers

This announcement affects issuers as follows.

Effective with Release 18.Q2

Issuers in the U.S. region must be able to receive PDS 0017 (Transaction Integrity Class) in First Presentment/1240 and in Second Presentment/1240 messages.

When present, PDS 0017 must be retained and returned in First Chargeback/1442 and Arbitration Chargeback/1442 messages.

Issuers in the U.S. region must be aware of the following:

- Transaction Integrity Class (TIC) is required for transactions with processing codes 00 (Purchase [Goods and Services]), 09 (Purchase [Goods and Services] with Cash Back [only for use with Mastercard Debit Card Products]), and 18 (Unique Transaction [requires unique MCC]). It is not required for Payment transactions, Cash transactions, or Credits.
- Modify IPM MPE table IP0052T1 (Interchange Fee Group).

Effective with Release 18.Q4

- New subfield 15 (Transaction Integrity Class Override Indicator) in PDS 0158 (Business Activity), to indicate whether override rates were used in determining the interchange fee amount in PDS 0146 (Amount, Transaction Fees) based on PDS 0017 (Transaction Integrity Class).
- New subfield 15 (Transaction Integrity Class Override Indicator) in PDS 0358 (Reconciled, Business Activity), to include the Transaction Integrity Class Override ID Indicator in reconciliation messages.
- Modify IPM MPE Tables IP0108T1 (TIC Fee Group) and IP0053T1 (Interchange Fee Type).
- Mastercard may override interchange rates based on the TIC value similar to product or merchant classification overrides.

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Current Processing

PDS 0017 (Transaction Integrity Class) is a private data subelement optionally used by acquirers in First Presentment/1240 messages. The TIC is not used to override the interchange rate.

Enhancement Description

Mastercard will update the Clearing Platform to support this announcement.

Effective with Release 18.Q2

- Modify the usage attributes of PDS 0017 (Transaction Integrity Class) to mandate its presence for acquirers and issuers in the U.S. region.
  The new value of the message attributes for PDS 0017 is C (Conditional) because the mandate is limited to acquirers and issuers in the U.S. region.

  If PDS 0017 is present and valid in a First Presentment/1240 message, the Global Clearing Management System (GCMS) will forward it to the issuer. The issuer must retain PDS 0017 and provide it in subsequent First Chargeback/1442 and Arbitration Chargeback/1442 messages. Similarly, acquirers that receive PDS 0017 in a First Chargeback/1442 message must retain it and provide it in subsequent Second Presentment/1240 messages.
- The Transaction Integrity Class Override Indicator will be applied only on BSA 2/010001 for acceptance brands DMC and MCC for specific interchange programs in U.S. region.
- Introduce new clearing edits to validate the presence and validity of PDS 0017.
- Add a Transaction Integrity Class Mandatory Indicator field to IPM MPE table IP0052T1 (Interchange Fee Group) with values:
  - Y = (Yes): The Transaction Integrity Class is mandatory.
  - N = (No): The Transaction Integrity Class is not mandatory.

Effective with Release 18.Q4

- Add new subfield 15 (Transaction Integrity Class Override Indicator) in PDS 0158 (Business Activity), to indicate whether override rates were used in determining the interchange fee amount in PDS 0146 (Amount, Transaction Fees) based on PDS 0017 (Transaction Integrity Class).
- Modify the Length Field for PDS 0158 to 031 to accommodate the new subfield 15.
- Add new subfield 15 (Transaction Integrity Class Override Indicator) in PDS 0358 (Reconciled, Business Activity), to include the Transaction Integrity Class Override ID Indicator in reconciliation messages.
- Modify the Length Field for PDS 0358 to 031 to accommodate the new subfield 15.
- Modify IPM MPE tables:
  - Add new IPM MPE Table IP0108T1 (TIC Fee Group) to identify the TIC interchange fee.
  - IPM MPE Table IP0053T1 (Interchange Fee Type): Add new value 027 (Transaction Integrity Classification Fee) in field Rate Type.
- Adjust interchange rates based on the TIC.

Platform Impact

The following table lists the impact of this announcement. For items that are marked √ (“Yes”), details are provided below.

	Dual Message System		
Topic	**Authorization**	**Clearing**	**Single Message System**
Message Flows			

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	Dual Message System		
Topic	**Authorization**	**Clearing**	**Single Message System**
Message Layouts			
Data Element Definitions		√	
IPM MPE		√	
Interchange Programs		√	
CAB Programs, Descriptions, and Associated MCCs			
Edits		√	
Error Numbers		√	
Alternate Processing			
Interchange Compliance			
Billing and Fees			
Reports			
Bulk Files			
Forms			
Quarterly Mastercard Reporting			
Transaction Investigator		√	
SAFE			
Single Message Transaction Manager			
250-byte Batch Data File			
80-byte Financial Institution Table File			

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Clearing—Effective with Release 18.Q2

Mastercard will update the Clearing Platform as follows.

IPM Data Element and Private Data Subelement Definitions

Mastercard will update the following data elements or private data subelement definitions to support this announcement.

PDS 0017—Transaction Integrity Class

PDS 0017 (Transaction Integrity Class) is provided when the Transaction Integrity Class value is received from the Authorization Platform.

Usage			
Following is the usage of PDS 0017 (Transaction Integrity Class). (whether it is mandatory, conditional, optional, or system provided) in applicable messages:			
Message	**Org**	**Sys**	**Dst**
Presentment, Addendum, and Chargeback Messages			
First Presentment/1240	C	•	C
First Chargeback/1442 and Arbitration Chargeback/ 1442	C	•	C
Second Presentment/1240	C	•	C

Application Notes
The Transaction Integrity Class is provided to acquirers and issuers in the U.S. region of Mastercard® credit and Debit Mastercard® cards. If PDS 0017 is present and valid in a First Presentment/1240 message, GCMS will forward it to the issuer. The issuer must retain PDS 0017 and provide it in subsequent First Chargeback/1442 and Arbitration Chargeback/1442 messages. Similarly, acquirers that receive PDS 0017 in a First Chargeback/1442 message must retain it and provide it in subsequent Second Presentment/1240 messages. This will ensure GCMS is able to apply the same interchange rate to the life cycle transaction it applied to the First Presentment/1240 transaction.

IPM MPE

IPM MPE tables are affected by this announcement.

- IPM MPE table IP0052T1 (Interchange Fee Group): Add a Transaction Integrity Classification Mandatory Indicator field to indicate if the Transaction Integrity Class is mandatory or not.

Mastercard will include these changes in the 18.Q2 *GCMS Parameter Table Layouts*.

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Interchange Programs

This table describes the combination of U.S. region interchange programs, U.S. interchange rate structure, and Transaction Integrity Class to support this announcement.

Interchange Rates

Interchange rate changes will be published in future U.S. region interchange bulletins.

U.S. Region IRDs and Applicable TIC values

IRD	Interchange Rate Name	Valid TIC
02	World Merit 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
03	World Key-Entered	E1
04	World Merit 3 Base	A1, B1, C1
05	World Merit 3 Tier 1	A1, B1, C1
06	World Convenience Purchases Base	A1, B1, C1
07	World Supermarket Base	A1, B1, C1
08	World Supermarket Tier 1	A1, B1, C1
10	Consumer Debit Merit 3 Tier 1	A1, B1, C1
11	Consumer Credit Core Merit 3 Tier 2	A1, B1, C1
12	Consumer Credit Core Merit 3 Tier 3	A1, B1, C1
13	Consumer Credit Core Supermarket Tier 1	A1, B1, C1
14	Consumer Credit Core Supermarket Tier 2	A1, B1, C1
15	Consumer Credit Core Supermarket Tier 3	A1, B1, C1
19	World Merit 3 Tier 2	A1, B1, C1
22	Consumer Credit Core Public Sector	A1, B1, C1, E1, A2, B2, C2, D2, and E2
23	Consumer Credit Core Convenience Purchases Base	A1, B1, C1
24	Consumer Credit Core Merchant UCAF	C2
25	Consumer Debit Small Ticket Base	A1, B1, C1
26	Consumer Debit Restaurant	A1, B1, C1
27	Consumer Debit Petroleum CAT/AFD	A1, B1, C1, A2, B2, C2, D2, and E2
28	Consumer Debit Petroleum Service Stations	A1, B1, C1, E1, A2, B2, C2, D2, and E2
29	Consumer Debit Emerging Markets	A1, B1, C1, E1, A2, B2, C2, D2, and E2
30	World Merit 3 Tier 3	A1, B1, C1
3B	Commercial Data Rate 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
3C	Commercial Data Rate 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2

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IRD	Interchange Rate Name	Valid TIC
3E	Commercial Large Ticket 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
3F	Commercial Large Ticket 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
3G	Commercial Large Ticket 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2
3H	Commercial Large Ticket 1 MPG	A2, B2, C2, D2, and E2
3I	Commercial Large Ticket 2 MPG	A2, B2, C2, D2, and E2
3J	Commercial Large Ticket 3 MPG	A2, B2, C2, D2, and E2
3L	Commercial T&E 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
3N	Commercial T&E 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
3O	Commercial T&E 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2
3R	Commercial Utilities	A1, B1, C1, E1, A2, B2, C2, D2, and E2
45	World Petroleum	A1, B1, C1, A2, B2, C2, D2, and E2
4A	Commercial Data Rate 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
4B	Commercial Data Rate 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
4C	Commercial Data Rate 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2
4E	Commercial Large Ticket 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
4F	Commercial Large Ticket 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
4G	Commercial Large Ticket 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2
4H	Commercial Large Ticket 1 MPG	A2, B2, C2, D2, and E2
4I	Commercial Large Ticket 2 MPG	A2, B2, C2, D2, and E2
4J	Commercial Large Ticket 3 MPG	A2, B2, C2, D2, and E2
4L	Commercial T&E 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
4N	Commercial T&E 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
4O	Commercial T&E 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2
4R	Commercial Utilities	A1, B1, C1, E1, A2, B2, C2, D2, and E2
52	World Merchant UCAF	C2
53	World Full UCAF	B2
55	World Service Industries	A2, B2, C2, D2, and E2
56	World Public Sector	A1, B1, C1, E1, A2, B2, C2, D2, and E2
58	World Restaurant	A1, B1, C1
61	Consumer Credit Core Petroleum	A1, B1, C1, A2, B2, C2, D2, and E2
62	Commercial Large Ticket 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
64	World Supermarket Tier 3	A1, B1, C1
66	Commercial Data Rate 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2

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IRD	Interchange Rate Name	Valid TIC
67	Commercial Data Rate 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
68	Commercial Data Rate 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
69	Commercial T&E 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
70	Consumer Credit Core Merit 3 Base	A1, B1, C1
71	Consumer Credit Core Supermarket Base	A1, B1, C1
76	Commercial T&E 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
77	World Supermarket Tier 2	A1, B1, C1
78	Consumer Credit Core Merit 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
79	Consumer Credit Core Full UCAF	B2
80	Consumer Credit Core Merit 3 Base	A1, B1, C1
81	Consumer Credit Core Supermarket Base	A1, B1, C1
82	Commercial Electronic Payment Account	A2, B2, C2, D2, and E2
86	Commercial T&E 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
88	Consumer Credit Core Merit 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
89	Commercial T&E 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2
90	Consumer Credit Core Service Industries	A2, B2, C2, D2, and E2
92	Consumer Credit Core Key-Entered	E1
93	Consumer Credit Core Passenger Transport	A1, B1, C1, E1, A2, B2, C2, D2, and E2
94	Commercial Large Ticket 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
96	World T&E	A1, B1, C1, E1, A2, B2, C2, D2, and E2
97	Consumer Credit Core Lodging and Auto Rental	A1, B1, C1, E1, A2, B2, C2, D2, and E2
98	Consumer Credit Core Merit 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
99	Commercial Large Ticket 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2
C9	World Convenience Purchases Tier 1	A1, B1, C1
CH	Charities	A1, B1, C1, E1, A2, B2, C2, D2, and E2
CP	Consumer Debit Convenience Purchases Tier 1	A1, B1, C1
CU	Consumer Credit Core Utilities	A1, B1, C1, E1, A2, B2, C2, D2, and E2
CU	Consumer Debit Utilities	A1, B1, C1, E1, A2, B2, C2, D2, and E2
CW	World Utilities	A1, B1, C1, E1, A2, B2, C2, D2, and E2
E1	Commercial Large Ticket 1 MPG	A2, B2, C2, D2, and E2
E2	Commercial Large Ticket 2 MPG	A2, B2, C2, D2, and E2
E3	Commercial Large Ticket 3 MPG	A2, B2, C2, D2, and E2
E6	Mastercard Commercial Payments Acct	A2, B2, C2, D2, and E2

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IRD	Interchange Rate Name	Valid TIC
HB	World High Value Merit 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
HC	World High Value Key-Entered	E1
HD	World High Value Merit 3 Base	A1, B1, C1
HE	World High Value Merit 3 Tier 1	A1, B1, C1
HF	World High Value Merit 3 Tier 2	A1, B1, C1
HG	World High Value Merit 3 Tier 3	A1, B1, C1
HH	World High Value Convenience Purchases Base	A1, B1, C1
HI	World High Value Supermarket Base	A1, B1, C1
HJ	World High Value Supermarket Tier 1	A1, B1, C1
HK	World High Value Supermarket Tier 2	A1, B1, C1
HL	World High Value Supermarket Tier 3	A1, B1, C1
HO	World High Value Service Industries	A2, B2, C2, D2, and E2
HP	World High Value Public Sector	A1, B1, C1, E1, A2, B2, C2, D2, and E2
HQ	World High Value Restaurant	A1, B1, C1
HR	World High Value T&E	A1, B1, C1, E1, A2, B2, C2, D2, and E2
HS	World High Value Merchant UCAF	C2
HT	World High Value Full UCAF	B2
HU	World High Value Airlines	A1, B1, C1, E1, A2, B2, C2, D2, and E2
HV	World High Value Utilities	A1, B1, C1, E1, A2, B2, C2, D2, and E2
HX	World High Value Petroleum	A1, B1, C1, A2, B2, C2, D2, and E2
HY	World High Value Convenience Purchases Tier 1	A1, B1, C1
HZ	World High Value T&E Large Ticket	A1, B1, C1, E1, A2, B2, C2, D2, and E2
R9	Consumer Credit Enhanced Convenience Purchases Tier 1	A1, B1, C1
RA	Consumer Credit Enhanced Merit 3 Base	A1, B1, C1
RB	Consumer Credit Enhanced Merit 3 Tier 1	A1, B1, C1
RC	Consumer Credit Enhanced Merit 3 Tier 2	A1, B1, C1
RD	Consumer Credit Enhanced Merit 3 Tier 3	A1, B1, C1
RE	Consumer Credit Enhanced Supermarket Base	A1, B1, C1
RF	Consumer Credit Enhanced Supermarket Tier 1	A1, B1, C1
RG	Consumer Credit Enhanced Supermarket Tier 2	A1, B1, C1
RH	Consumer Credit Enhanced Supermarket Tier 3	A1, B1, C1
RK	Consumer Credit Enhanced Public Sector	A1, B1, C1, E1, A2, B2, C2, D2, and E2

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IRD	Interchange Rate Name	Valid TIC
RL	Consumer Credit Enhanced Convenience Purchases Base	A1, B1, C1
RM	Consumer Credit Enhanced Service Industries	A2, B2, C2, D2, and E2
RN	Consumer Credit Enhanced Merchant UCAF	C2
RO	Consumer Credit Enhanced Full UCAF	B2
RP	Consumer Credit Enhanced Merit 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
RQ	Consumer Credit Enhanced Key-Entered	E1
RR	Consumer Credit Enhanced Passenger Transport	A1, B1, C1, E1, A2, B2, C2, D2, and E2
RS	Consumer Credit Enhanced Lodging and Auto Rental	A1, B1, C1, E1, A2, B2, C2, D2, and E2
RT	Consumer Credit Enhanced Utilities	A1, B1, C1, E1, A2, B2, C2, D2, and E2
RU	Consumer Credit Enhanced Standard	Not required
RW	Consumer Credit Enhanced Petroleum	A1, B1, C1, A2, B2, C2, D2, and E2
SA	Commercial Data Rate 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
SB	Commercial Data Rate 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
SC	Commercial Data Rate 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2
SE	Commercial Large Ticket 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
SF	Commercial Large Ticket 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
SG	Commercial Large Ticket 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2
SH	Commercial Large Ticket 1 MPG	A2, B2, C2, D2, and E2
SI	Commercial Large Ticket 2 MPG	A2, B2, C2, D2, and E2
SJ	Commercial Large Ticket 3 MPG	A2, B2, C2, D2, and E2
SL	Commercial T&E 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
SN	Commercial T&E 2	A1, B1, C1, E1, A2, B2, C2, D2, and E2
SO	Commercial T&E 3	A1, B1, C1, E1, A2, B2, C2, D2, and E2
SR	Commercial Utilities	A1, B1, C1, E1, A2, B2, C2, D2, and E2
ST	Consumer Debit Small Ticket Tier 1	A1, B1, C1
W9	World Elite Convenience Purchases Tier 1	A1, B1, C1
WB	World Elite Merit 1	A1, B1, C1, E1, A2, B2, C2, D2, and E2
WC	World Elite Key-Entered	E1
WD	World Elite Merit 3 Base	A1, B1, C1
WE	World Elite Merit 3 Tier 1	A1, B1, C1
WF	World Elite Merit 3 Tier 2	A1, B1, C1

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IRD	Interchange Rate Name	Valid TIC
WG	World Elite Merit 3 Tier 3	A1, B1, C1
WH	World Elite Convenience Purchases Base	A1, B1, C1
WI	World Elite Supermarket Base	A1, B1, C1
WJ	World Elite Supermarket Tier 1	A1, B1, C1
WK	World Elite Supermarket Tier 2	A1, B1, C1
WL	World Elite Supermarket Tier 3	A1, B1, C1
WO	World Elite Service Industries	A2, B2, C2, D2, and E2
WP	World Elite Public Sector	A1, B1, C1, E1, A2, B2, C2, D2, and E2
WQ	World Elite Restaurant	A1, B1, C1
WR	World Elite T&E	A1, B1, C1, E1, A2, B2, C2, D2, and E2
WS	World Elite Merchant UCAF	C2
WT	World Elite Full UCAF	B2
WU	World Elite Airline	A1, B1, C1, E1, A2, B2, C2, D2, and E2
WV	World Elite Utilities	A1, B1, C1, E1, A2, B2, C2, D2, and E2
WX	World Elite Petroleum	A1, B1, C1, A2, B2, C2, D2, and E2
WZ	World Elite T&E Large Ticket	A1, B1, C1, E1, A2, B2, C2, D2, and E2

Edits

Mastercard will add new edits, modify existing edits, or remove existing edits to support this announcement.

New Edit—PDS 0017 (Transaction Integrity Class)

When the Acceptance Brand/BSA/IRD combination indicate that the Transaction Integrity Class (TIC) is mandatory, this edit verifies that PDS 0017 is present. When PDS 0017 is not present, this edit rejects a clearing transaction with processing code 00 (Purchase [Goods and Services]), 09 (Purchase with Cash Back [Cash Access]), or 18 (Unique Transaction [requires unique MCC]) where the BSA is 2/010001. This edit will bypass the life cycle transactions where the first presentments were submitted prior to Release 18.Q2.

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Error Number	Requirement
1023	The Clearing Platform will ensure PDS 0017 (Transaction Integrity Class) is present when the Acceptance Brand/BSA/IRD combination indicate that the Transaction Integrity Class is mandatory.

This edit is performed in Pre-edit and at the Central Site for the following messages:

- First Presentment/1240
- First Chargeback/1442
- Arbitration Chargeback/1442
- Second Presentment/1240

Collection Only messages are excluded from this edit.

New Edit—PDS 0017 (Transaction Integrity Class)

When PDS 0017 is present, this edit rejects a clearing transaction if there is a mismatch in the IRD and the Transaction Integrity Class value combination. When PDS 0017 is not present, this edit rejects a clearing transaction with processing code 00 (Purchase [Goods and Services]), 09 (Purchase with Cash Back [Cash Access]), or 18 (Unique Transaction [requires unique MCC]) where the BSA is 2/010001. This edit will bypass the life cycle transactions where the first presentments were submitted prior to Release 18.Q2.

Error Number	Requirement
2819	The Clearing Platform will ensure there is a valid combination of Interchange Rate Designator (PDS 0158 [Business Activity], subfield 4 (Interchange Rate Designator) and Transaction Integrity Class (PDS 0017).

This edit is performed in Pre-edit and at the Central Site for the following messages:

- First Presentment/1240
- First Chargeback/1442
- Arbitration Chargeback/1442
- Second Presentment/1240

Collection Only messages are excluded from this edit.

New Edit—PDS 0017 (Transaction Integrity Class)

When the Acceptance Brand/BSA/IRD combination indicates that the Transaction Integrity Class (TIC) is mandatory, this edit ensures the value contained in PDS 0017 is equal to the value contained in DE 48 (Additional Data—Private Use), subelement 52 (Transaction Integrity Class). Validation of TIC on life cycle messages will be limited to comparison of a correct combination of IRD vs TIC and TIC Mandatory Indicator. When PDS 0017 is not present, this edit rejects a clearing transaction with processing code 00 (Purchase [Goods and Services]), 09 (Purchase with Cash Back [Cash Access]), or 18 (Unique Transaction [requires unique MCC]) where the BSA is 2/010001.

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Error Number	Requirement
2820	The Clearing Platform will ensure PDS 0017 (Transaction Integrity Class), if present, must be equal to the value of DE 48 (Additional Data—Private Use), subelement 52 (Transaction Integrity Class) populated during the Authorization process.
This edit is performed at the Central Site for the following messages: • First Presentment/1240 Collection Only messages are excluded from this edit.	

Error Numbers

The error numbers and messages listed represent edits that are new, modified, or deleted to support this release item.

Error Numbers in New Edits

Field/Subfield	Error Number	Error Message	Edit Performed By...
PDS 0017	1023	<FLDNAME> MUST BE PRESENT.	Both
PDS 0017	2819	<FLDNAME> INVALID IRD, TIC COMBINATION.	Both
PDS 0017	2820	<FLDNAME> MISMATCH OF CLEARING VS AUTHORIZATION DATA.	GCMS

Clearing—Effective with Release 18.Q4

Mastercard will update the Clearing Platform as follows.

IPM Data Element and Private Data Subelement Definitions

Mastercard will update the following data elements or private data subelement definitions to support this announcement.

PDS 0158—Business Activity

PDS 0158 (Business Activity) identifies the business arrangement applied to this transaction.

This includes information about the applicable card program identifier for a transaction, the business relationship between the acquirer and issuer (or the transaction originator and destination customers), the interchange rules governing all participants in the transaction, and the clearing system business date and processing cycle for reconciliation purposes.

Attributes

ans...31; TAGLLLVAR

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Tag Field:	0158
Length Field:	3 positions, value = 003–031
Data Field:	Variable length, 3–31 positions
Subfields:	15
Justification:	See “Subfields”

Usage

The following table shows the usage of this PDS (whether it is mandatory, conditional, optional, system-provided, or not required) in applicable messages.

Message Type Identifier	Org	Sys	Dst
Presentment, Addendum, and Chargeback Messages			
First Presentment/1240	C	X	M
s15 Transaction Integrity Class Override Indicator	•	X	C
First Chargeback/1442 and Arbitration Chargeback/1442	C	X	M
s15 Transaction Integrity Class Override Indicator	•	X	C
Second Presentment/1240	C	X	M
s15 Transaction Integrity Class Override Indicator	•	X	C

PDS 0158 must be a length of 003–031

Subfield 15—Transaction Integrity Class Override Indicator

PDS 0158 (Business Activity), subfield 15 (Transaction Integrity Class Override Indicator) is populated by GCMS with a value of Y or N to indicate whether override rates were used in the interchange fee amount designated in PDS 0146 (Amount, Transaction Fees) based on PDS 0017 (Transaction Integrity Class).

	Attribute	Value
Subfield ID	n-2	15
Subfield Length	n-2	01
Data Representation	a-1	
Justification	N/A	

Value	Description
Y	Yes, indicates the interchange rate is overridden based on the Transaction Integrity Class.

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Value	Description
N	No, (default) Transaction Integrity Class override was not applied.

Application Notes
The Transaction Integrity Class is provided to acquirers and issuers in the U.S. region of Mastercard® credit and Debit Mastercard® cards.

PDS 0358—Reconciled, Business Activity

PDS 0358 (Reconciled, Business Activity) identifies in Reconciliation messages the business activity to which the reconciliation totals pertain.

Attributes

ans....31; TAGLLLVAR	
Tag Field:	0358
Length Field:	3 positions, value = 003–031
Data Field:	Variable length, 003–031 positions
Subfields:	15
Justification:	See "Subfields"

The Usage table for the PDS 0358 subfields is reflected in the Usage table for PDS 0158 (Business Activity). Subfield 15 is added to Retrieval and Fee Collection Messages.

Usage

The following table shows the usage of this PDS (whether it is mandatory, conditional, optional, system-provided, or not required) in applicable messages.

Message Type Identifier	Org	Sys	Dst
Retrieval and Fee Collection Messages			
Retrieval Request/1644	•	X	C
s15 Transaction Integrity Class Override Indicator	•	X	C
Retrieval Request Acknowledgement/1644	•	X	C
s15 Transaction Integrity Class Override Indicator	•	X	C

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PDS 0358 Subfields

This PDS currently consists of 15 subfields.

Number	Positions	Name	Attribute	Justification
15	31	TIC Override ID Indicator	a-1	N/A

Subfield 15—Transaction Integrity Class Override Indicator

PDS 0358 (Business Activity), subfield 15 (Transaction Integrity Class Override Indicator) is populated by GCMS with a value of Y or N to indicate whether override rates were used in the interchange fee amount designated in PDS 0146 (Amount, Transaction Fees) based on PDS 0017 (Transaction Integrity Class).

	Attribute	Value
Subfield ID	n-2	15
Subfield Length	n-2	01
Data Representation	a-1	
Justification	N/A	

Value	Description
Y	Yes, indicates the interchange rate is overridden based on the Transaction Integrity Class.
N	No, (default) Transaction Integrity Class override was not applied.

Application Notes
The Transaction Integrity Class is provided to acquirers and issuers in the U.S. region of Mastercard® credit and Debit Mastercard® cards.

IPM MPE

IPM MPE tables are affected by this announcement.

- Add new IPM MPE Table IP0108T1 (TIC Fee Group) to identify the TIC interchange fee.
- IPM MPE Table IP0053T1 (Interchange Fee Type): Add new value 027 (Transaction Integrity Classification Fee) in field Rate Type.

Transaction Investigator

Mastercard will update the Clearing Transaction Investigator tool to support the addition of PDS 0158, subfield 15 (Transaction Integrity Class Override Indicator) and PDS 0358, subfield 15 (Transaction Integrity Class Override Indicator) as described in this announcement.

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