



State of North Carolina Office of the State Controller

Michael F. Easley, Governor

Robert L. Powell, State Controller

November 14, 2005

MEMORANDUM

TO: Chief Fiscal Officers
Vice Chancellors
Business Managers
Local Government Units

FROM: Robert L. Powell
State Controller

SUBJECT: New MasterCard / Diner's Club Requirement

MasterCard and Diner's Club recently formed an alliance that will affect the entities of the State of North Carolina that accept merchant cards. The alliance provides for Diner's Club cards to be processed the same as MasterCard cards. The new processing arrangements will require merchants to reprogram their Point of Sale (POS) terminals and other capture solutions to recognize the 14-digit account numbers associated with Diner's Club cards issued outside the United States and Canada. The 14-digit cards have a prefix of "36" and display the MasterCard Mark on the backside of the card. The date the programming is to be completed by is November 30, 2005.

Diner's Club cards issued in the United States and Canada display the MasterCard Mark on the front of the card with a standard 16 digit number having a prefix of "5". All Diner's Club cards will process as a MasterCard transaction.

For merchants using the State's Master Service Agreement (MSA) with SunTrust Merchant Services (STMS) and a POS terminal, STMS will perform an automatic download of software to your POS terminal to meet this requirement by the November 30, 2005 deadline.

The requirement to recognize cards having a 14-digit account number with a prefix of "36" will also affect those merchants using capture software and using gateway services. The State of North Carolina's gateway, the Common Payment Service, is already fully compliant with the new requirement. If you are using a third party gateway or capture software, you should contact the gateway provider or the capture software vendor in regards to this issue.

Participants in the State's MSA can direct questions concerning compliance to Faye E. Surrette of STMS at 1-866-401-0538 (toll free) or faye.surrette@firstdata.com. All merchants not using the State's MSA should contact their merchant card processor for instructions on how to meet these requirements (pertaining to POS terminals, capture software, and gateways).

RLP/lh

MAILING ADDRESS
1410 Mail Service Center
Raleigh, NC 27699-1410

Telephone: (919) 981-5454
Fax Number: (919) 981-5567
State Courier: 56-50-10
Website: www.ncosc.net

LOCATION
3512 Bush Street
Raleigh, NC