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# **MIR Payment Card System Regulations.**

## **Appendix 1. Terms and Definitions**

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**Version 2.0**



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<b><i>Acquirer</i></b>	A Participant engaged in acquiring.
<b><i>Acquiring</i></b>	The Participant’s business activity for performance of Transactions and Settlements with Merchants for the Transactions processed using Cards (Card details), and/or cash disbursement to Cardholders who are not the Acquirer’s Customers, and for other Transactions in accordance with the Regulations.
<b><i>Additional Authorization Checks</i></b>	A System service for carrying out separate checks related to processing of Authorization requests on behalf and at the instruction of the Issuer.
<b><i>Authorization</i></b>	Permission (issue of a payment guarantee confirmation) provided by the Issuer for transaction performance which serves as a substantiation for reimbursement obtained by the Acquirer from the Issuer for the Transaction in the amount of Authorization.
<b><i>Authorization request</i></b>	An Acquirer’s request for Authorization.
<b><i>Automated teller machine (ATM)</i></b>	A Self-service device unattended by the Acquirer’s authorized personnel for Card originated cash disbursement, cash-in and other Transactions under the Regulations, and for the transfer of instructions to the Issuer to debit/credit the Customer’s account and for the generation of relevant documents evidencing the Transaction.
<b><i>BIN (Bank Identification Number)</i></b>	<ul style="list-style-type: none"> <li>• 8-digit identifier assigned by the Operator to the Issuer and determining the Issuer’s card product type;</li> <li>• 6-digit identifier assigned by the Operator to the Acquirer;</li> <li>• digital identifier assigned to the Participant by another payment system for the purpose of issuance of Cobadged cards.</li> </ul>

<b><i>BIN range</i></b>	A range of Card numbers with the same first eight or more digits.
<b><i>BIN table</i></b>	A list of BINs and BIN ranges, generated by the Operator, determining the Transaction authorization requests routing.
<b><i>CAO (cash advance offices)</i></b>	The Participant's branch/structural unit (credit institution's cash office, credit institution branch's cash office, credit institution additional office's cash office, credit institution's out-of-the-office cash counter, etc.) intended for Card Transactions, including cash disbursement, and preparation of documents confirming the corresponding Transactions.
<b><i>Card</i></b>	An electronic payment device including the payment card (or its details) issued by the Participant which serves as a tool for developing the settlement or other documents to be paid at the Customer's expense.
<b><i>Cardholder</i></b>	An individual who, as a Customer, uses the Card under a contract with the Issuer, or an individual who is an authorized representative of the Customer.
<b><i>Card Offline Limit</i></b>	The maximum allowable amount of funds for the Card Off-line transactions.
<b><i>Card Verification Value (CVV2)</i></b>	A three-digit card verification code encoded on the Card's magnetic stripe after the last four digits of the Card number; used in card-not-present transactions.
<b><i>Central Payment Clearing Counterparty</i></b>	The Bank of Russia or other organizations acting as a payer and a payee while transferring funds of the Participants.
<b><i>Cobadged Card</i></b>	MIR payment Card, bearing the trade mark (service mark) of the operator of another payment system with which MIR has concluded an agreement allowing to perform Transactions in both MIR's and that other payment system's network of devices.

	Issuance and servicing of cobadged cards shall be regulated by the System Regulations and Standards.
<b><i>Cross-boarder Transaction</i></b>	A Transaction, where either the payer or the payee is located outside of the Russian Federation, and/or a Transaction, where the payer or the payee is serviced by a foreign central (national) bank or a foreign bank.
<b><i>Customer</i></b>	An individual or a legal entity that has entered into a contract with the Issuer, regulating the Card Transactions.
<b><i>Device locator</i></b>	An information web resource intended to define the location of the Acquirer's Network of devices.
<b><i>Electronic commerce (e-commerce)</i></b>	Business activity related to the provision of possibility of payments for goods (works, services) and the service of transferring money from one Card account to another Card account online (via the Internet).
<b><i>Exception file</i></b>	A list of Cards maintained by the Operations Centre, for which the Issuers has set either: <ul style="list-style-type: none"> <li>• restrictions on servicing, or</li> <li>• special servicing terms.</li> </ul>
<b><i>Fraudulent Transaction</i></b>	A Transaction that has been made either: <ul style="list-style-type: none"> <li>• without the Cardholder's consent (<b><i>Unauthorized Transaction</i></b>), or</li> <li>• as a result of unlawful acts by the Cardholder and/or third persons.</li> </ul>
<b><i>Guarantee Fund</i></b>	The fund created and maintained by the Operator. The Guarantee fund is based on the Participants' assets (guarantee fees) and is dedicated to secure the Participants' obligations.
<b><i>Guarantee Fund Account</i></b>	The bank account opened to the Operator by the Settlement Centre for placing Participants' Guarantee fees.

<b><i>Incoming clearing file</i></b>	An electronic document generated by the Payment Clearing Centre and sent to the Participant. This document contains information on the Transactions accepted for processing, corrective transactions, refunds, Operator’s fees and other money transfers (together referred to as transaction data).
<b><i>Interbank Transactions</i></b>	Transactions performed with the use of Cards of one Participant in the Network of devices of another Participant.
<b><i>Issuing</i></b>	Individual Participant’s activity of issuance of Cards to be used by Cardholders to perform Transactions.
<b><i>Issuer</i></b>	An Individual Participant engaged in Card Issuing.
<b><i>Logo</i></b>	A design mark, picture, emblem or a symbol placed by the Participants on Cards, Card acceptance devices, at Customer service points, including the Internet, and also used in other cases stipulated by the System’s Standards.
<b><i>Merchant</i></b>	A commercial organization selling goods, works or services, or an individual entrepreneur that has established contractual relationships with the Acquirer for the acceptance of System Cards as an electronic means of payment for goods (works, services) sold to Cardholders.
<b><i>Merchant Category Code (MCC)</i></b>	4-digit value assigned by the Acquirer that indicates the business activity type of the Merchant.
<b><i>Net position (Clearing position)</i></b>	The payment clearing position (net position), calculated in Russian rubles on the net basis in the amount of difference between the total amount of all Participants’ instructions payable, where the Participant is a payer, and of all Participants’ instructions, where the Participant is a payee. Net Position also includes interchange fees, where the Participant is a payee and/or a payer in accordance with the System Interchange Fees Standard, as well as the Operator’s fees in accordance with the System Fees.

	<p>Net position of the Direct Participant is formed with consideration of Transactions of the Indirect Participant for whom the Direct Participant is a Sponsor.</p> <p>Net position of the Participant Payment System is formed with consideration of Transactions of the Participant Payment System's participants.</p>
<b><i>Net positions register</i></b>	A document generated by the Payment Clearing Centre and forwarded to the Settlement Centre. This document contains data on each Participant's Net position amounts and other information.
<b><i>Network of Devices</i></b>	A network of ATMs, POS-terminals, self-service terminals and other devices intended for Transactions using Cards/Card details.
<b><i>NSPK Dispute Plus System</i></b>	The automated system intended for the exchange of electronic documents between the Participants within dispute cycles and for other dispute procedures envisaged by the System Dispute Procedure Standard.
<b><i>Offline Transaction</i></b>	<p>A Card transaction approved by the Card Payment Application without an Online Transaction Authorization (offline mode).</p> <p>Such operations may be performed within the System with the use of chip cards for which the Issuer has set an Offline Limit.</p>
<b><i>Online Transaction</i></b>	A Card transaction with Authorization requested from the Issuer in the real time (online mode).
<b><i>Operations Centre</i></b>	An organization that provides access for the Participants and their Customers to funds transfer services, including those made with electronic payment means, electronic messages exchange and other actions related to information and communications interaction between the System Subjects in accordance with the Regulations (operational services).

<b><i>Operator (System Operator)</i></b>	An Organization that sets up the System Regulations and performs other duties set forth by the legislation of the Russian Federation.
<b><i>Operator's Fee</i></b>	Operator's fee charged to the Participant in favor of the Operator for the services within the System in accordance with the System Fees.
<b><i>Outgoing clearing file</i></b>	An electronic document generated by the Participant and forwarded to the Payment Clearing Centre. This document contains the Participant's instructions on Transactions, corrective transactions, refunds, Operator's fees and other funds transfers (together referred to as payment instructions).
<b><i>Participant</i></b>	Resident or Non-resident Participant.
<b><i>Resident Participant</i></b>	A credit organization, Vnesheconombank or a payment system that has acceded to the Regulations for the purpose of providing funds transfer services.
<b><i>Non-resident Participant (Foreign Participant)</i></b>	A foreign bank (foreign credit organization), foreign central (national) bank or international financial organization that has acceded to the Regulations for the purpose of providing funds transfer services.
<b><i>Partner Payment System</i></b>	A foreign payment system that has concluded an agreement with MIR PS Operator on cross-system interaction.
<b><i>Partner Payment System Participant</i></b>	An organization that has acceded to the Partner Payment System's Regulations and interacts under them.
<b><i>Participant identifier (ID)</i></b>	5-digit code which identifies the Participant within the System, including the type of its participation.
<b><i>Participant's Account</i></b>	A Resident Participant's correspondent account in Russian rubles with the Settlement Bank (the Bank of Russia) or a Non-resident Participant's bank account with the Settlement Centre

	(other than the Bank of Russia) used for settlements with other Participants and/or other System Subjects. A Participant Payment System's settlement center correspondent account in Russian rubles with the Settlement Centre (the Bank of Russia) is used as the Participant Payment System Account.
<b><i>Participant's limit</i></b>	The maximum amount of all the Participant's liabilities set by the Operator for Card Transactions and Transactions within the Participant's Network of devices, where the Participant acts as a payer in favor of another Participant.
<b><i>Payment application (Card Payment Application)</i></b>	The National Payment Card System (NSPK) Payment Application software, which is NSPK's intellectual property object, an exclusive right to which belongs to NSPK, designed to be installed on microprocessors of Cards issued by Participants.
<b><i>Payment Clearing Centre</i></b>	An organization established in accordance with the legislation of the Russian Federation that provides for the acceptance of Participants' Outgoing Clearing Files and for other activities set forth by the Russian legislation (payment clearing services).
<b><i>Payment Infrastructure Service Provider</i></b>	The Operations Centre, the Payment Clearing Centre, and the Settlement Centre.
<b><i>PCI DSS (Payment Card Industry Data Security Standard)</i></b>	The Data Security Standard of the payment cards industry developed by the Payment Card Industry Security Standards Council (PCI SSC) which describes the requirements for protection of Cardholder data when being processed, transferred and stored and establishes the rules for safe development, support and operation of payments systems.
<b><i>PIN (Personal Identification Number)</i></b>	A personal identification number (secret code) used by the Cardholder as an analogue of this person's handwritten signature, with the help of which Cardholder authentication is performed, when making a Transaction.



<p><b><i>Point-of-Sale Terminal (POS Terminal)</i></b></p>	<p>A device intended to perform Card Transactions at a Merchant or at a Participant’s structural division, attended by their authorized personnel, and to generate documents confirming the relevant Transactions.</p>
<p><b><i>PPS (Partner Payment System’s) Card</i></b></p>	<p>A payment card issued by the Partner Payment System in accordance with the Partner Payment System’s Rules.</p>
<p><b><i>Pre-Authorization</i></b></p>	<p>The authorization performed in the real time mode, intended, in particular, for the preliminary check of the sufficiency of funds deposited in the Cardholder account and(or) reservation of the required amount on the Cardholder account as a guarantee for the payment of goods (works, services).</p>
<p><b><i>Processing Centre</i></b></p>	<p>The participant’s software and hardware complex that ensures informational and technological interaction with the System Operations and Payment Clearing Centre.</p>
<p><b><i>Processor</i></b></p>	<p>The Processing Centre or the Third-party processing center.</p>
<p><b><i>Quick Payment Service</i></b></p>	<p>The system software that ensures payment Transactions (payment for goods, works, services) without the Cardholder authentication, provided that the following conditions are observed:</p> <ul style="list-style-type: none"> <li>• Transaction is being performed at Merchants determined by the software;</li> <li>• Transaction amount does not exceed the limit for one Transaction set by the software;</li> <li>• Transaction is being performed with the use of the Card’s microprocessor.</li> </ul>
<p><b><i>Reports</i></b></p>	<p>All types of standard reports generated by the Payment Clearing Centre for each Participant for the previous transaction day and forwarded to Participants. Such reports include information on the Net position, amounts of Interchange Fees and Operator’s Fee for operational and</p>

	payment clearing services rendered, in accordance with the System Fees and the MIR Interchange Fees Standard.
<b><i>Secure Authentication Technology (Secure Authentication Service, MirAccept)</i></b>	A System service for additional Cardholder authentication for online (Internet) Transactions.
<b><i>Self-service terminal</i></b>	A type of an ATM intended for Card Transactions other than cash disbursement.
<b><i>Settlement Centre</i></b>	The Bank of Russia or other organizations that ensure the fulfilment of Participants' payment instructions by way of debiting and crediting Participants' accounts opened with the Bank of Russia or with other organizations, and forwarding confirmations of the fulfilment of the Participants' payment instructions (settlement services).
<b><i>Sponsor</i></b>	A Direct Participant of the System that provides settlement as well as operational and/or payment clearing services to Indirect Participants. The Direct Participant may engage third-party specialized organizations for the provision of the operational and payment clearing services to the Indirect Participant.
<b><i>Stand-In Authorization</i></b>	Authorization performed by the Operations Centre on behalf and at the instruction of the Issuer when the Issuer is not accessible and in other cases, when it is impossible to perform the Authorization, as set forth in the System Standards.
<b><i>Stand-in Authorization Service</i></b>	The System service that ensures an Authorization response on behalf and at the instruction of the Issuer, when: <ul style="list-style-type: none"> <li>• the Issuer is not accessible;</li> <li>• No Issuer's authorization response was received within the set timeframes (the maximum waiting time for the Issuer's response is established in the System Standards);</li> <li>• the Issuer's authorization response has the code indicating the necessity to use the Stand-in</li> </ul>

	<p>Authorization Service (Response Codes are listed in the System Standards);</p> <ul style="list-style-type: none"> <li>the Issuer's authorization response does not meet the System Standards' requirements and cannot be interpreted by the System.</li> </ul>
<b><i>Stop List</i></b>	A List of Participants' Cards for which service restrictions have been set. Stop Lists are used by Acquirers in Offline Transactions.
<b><i>System, Mir Payment System (Mir)</i></b>	The national payment card system established in accordance with Federal Law No. 161-FZ dd.27.06.2011 on the National Payment System; this system is an association of organizations interacting under the Mir Payment System Regulations for the purpose of funds transfers, and comprising the Operator, Payment Infrastructure Services Providers and Participants.
<b><i>System Fees (Tariffs)</i></b>	Amounts and procedure of charging Fees for services provided by the System Subjects to the Participant within its activity in the System.
<b><i>System Information Resource</i></b>	The protected information system providing the Participants with an access to various materials and services of the System.
<b><i>System Regulations</i></b>	A set of Documents that establishes the terms for participation in the System, for funds transfers, provision of payment infrastructure services and other conditions determined by the Operator in accordance with the legislation of the Russian Federation.
<b><i>System Standards</i></b>	System documents that set forth the rights and liabilities of the System Subjects, the size of Interchange Fees and other conditions critical for the System operation.
<b><i>System Subjects</i></b>	The Operator, the Operations Centre, the Payment Clearing Centre, the Settlement Centre and Participants.

<b><i>Third-party processing centre (TPP)</i></b>	An external organization engaged by the Participant for the purpose of rendering operational and payment clearing services to the Participant, as well as for provision of information and technological interaction with the Operations and Payment Clearing Centers of the System.
<b><i>Transaction</i></b>	<ul style="list-style-type: none"><li>• Transfer of funds with the use of the Card (Card details) - <b><i>Financial Transaction</i></b>;</li><li>• Action initiated by the Cardholder and not related to the funds transfer (balance enquiry, change of PIN, etc.) - <b><i>Non-financial Transaction</i></b>.</li></ul>
<b><i>Unauthorized Transaction</i></b>	A Transaction made without the Cardholder's consent, including but not limited to: <ul style="list-style-type: none"><li>• with the use of the Card (Card details) by a person other than the Cardholder;</li><li>• with the use of a counterfeited card.</li></ul>
<b><i>Virtual Card</i></b>	Electronic media (an electronic card) owning all details required to perform Transactions in the card-not-present environment.

All other terms and definitions used throughout the Regulations shall be understood in accordance with the legislation of the Russian Federation.