Discover® *Deliver*: FAQ

1. What is Discover® *Deliver***?**

Discover® *Deliver* enables participating Financial Institutions and their Agents to use single message Transactions to "pull" and "push" money in near real-time. Discover® *Deliver* is a platform operated by Discover Global Network that enables participating Financial Institutions and their Agents to use Card Accounts to push payments with Account Credit Transactions and pull payments with Account Funding Transactions. Some sample use cases include Funds Disbursements and Person-To-Person (P2P) Transactions.

Discover® *Deliver* uses the Discover Network to allow:

- Businesses to pay their clients directly on their eligible Discover Debit or Prepaid Reloadable Cards
- P2P providers to transfer funds from an eligible Discover Debit or Prepaid Reloadable Card to another eligible Discover Debit and Prepaid Reloadable Card

2. What cards are eligible for Discover® *Deliver* **transactions?**

Discover Debit and Prepaid Reloadable Cards are eligible. Discover Credit cards will be included in a future release.

3. How does a Discover® *Deliver* **transaction work?**

Discover® *Deliver* is a single message service where transactions can be transmitted via 0200/0210 ISO messages or Transactional API. Discover® *Deliver* relies on two types of transactions, one to pull funds from a sender and the other to push funds to a recipient. For both transactions, there is a maximum delay of 30 minutes.

- **Account Credit Transactions**—This is a Card Transaction in which a participating Financial Institution or its Agent (including an Acquirer or Merchant as Originator) pushes funds to the Card Account of a Recipient at a Receiving Issuer (these funds may be obtained through use of an AFT).
- **Account Funding Transaction**—This is a Card Transaction in which a participating Financial Institution or its Agent (including an Acquirer or Merchant as Originator) pulls funds from a Sender's Card Account at a Sender's Issuer. An AFT may be used to fund an ACT.

4. What are the typical use cases that Discover® *Deliver* supports?

Discover® *Deliver* supports the following use cases:

Person to Person

- Payment to a friend or family member
- Remittances
- Transfer of money from one account to another, paying small bills for services received
- Me-to-Me Transfer
- Transfer of money from Service Provider to the Cardholder's own Card Account
- Funding Card Accounts between the same Cardholder

For more details see Flow on Page 3

Funds Disbursement

- Wages from gig economy Providers (e.g., rideshare payouts)
- Insurance payouts (e.g., approved insurance claims)
- Government payments (e.g., social security, unemployment, disability, jury duty, disaster relief indemnities)
- Airline vouchers (e.g., disbursement for cancellations, delays, lost luggage, refunds)

5. How does a Discover® *Deliver* **transaction work? (Via ISO Messages)**
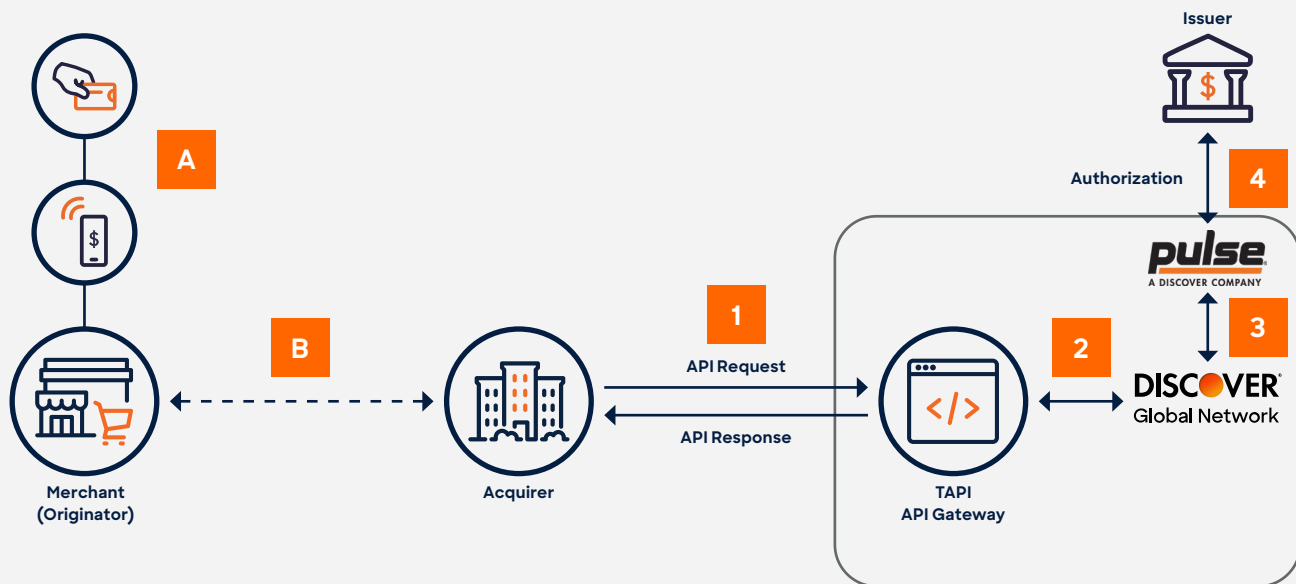
Funds Disbursement Use Case:

1. ABC Insurance Company (Merchant/Originator) Request to its Financial Institution or Financial Institution's Agents to send $3,000 to Jane's Discover Debit Card.

2. ABC Insurance Company's Acquirer sends a **0200 Financial Transaction Request** (an ACT) to Discover Global Network.

3. Discover Global Network receives the Financial Transaction Request and routes it to the Issuer for Authorization.

4. Issuer approves the Financial Transaction Request, creates the **0210 Financial Transaction Response** and sends the Financial Transaction Response to Discover Global Network.

5. Discover Global Network routes the Financial Transaction Response to the Acquirer.

6. Acquirer confirms the payment execution to ABC Insurance Company (Merchant/Originator).

Person to Person Use Case:
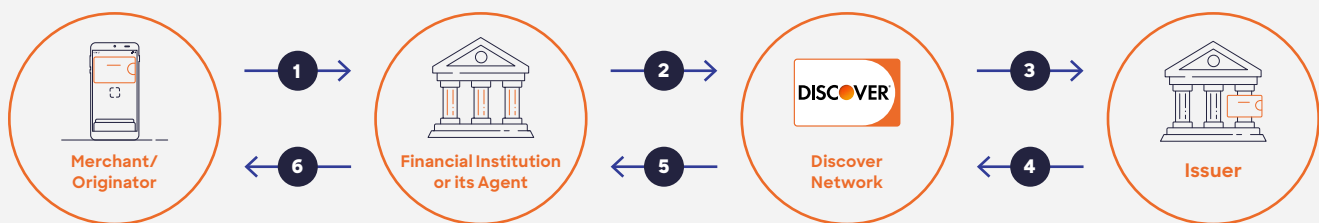
1. Jenny submits a Request within her phone payment app to send $50 to Aaron. The Merchant/Originator (P2P Provider) ask its Financial Institution or Financial Institution Agent to pull $50 from Jenny's Discover® Debit Card (the Card she has designated in the application).

2. The Financial Institution or Financial Institution Agent sends an **ATF 0200 Financial Transaction Request** to Discover Global Network.

3. Discover Global Network receives the AFT Authorization Request and routes it to Jenny's Debit Card Issuer for decisioning.

4. Issuer approves the AFT Authorization Request, creates the **AFT 0210 Financial Transaction Response** and sends the AFT Response to Discover Global Network.

5. Discover Global Network routes the AFT Response to the Acquirer.

6. Acquirer confirms the execution of the Transaction to the Merchant.

6. How does a Discover® *Deliver* transaction work for an Acquirer? (Via Transactional API)
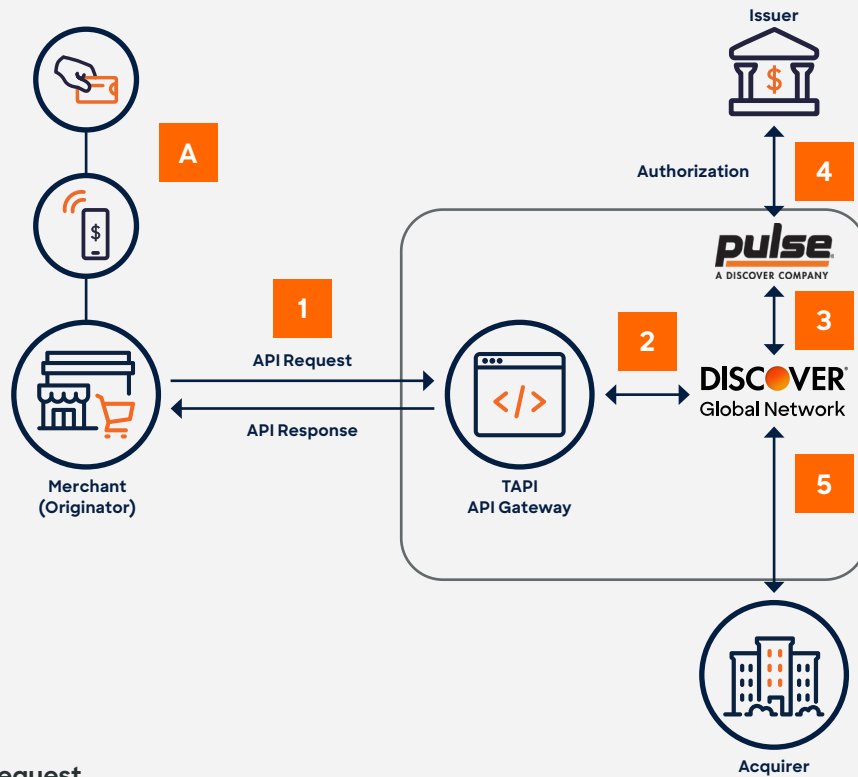

Transactional API Request

A. End user initiates transaction and sends it to merchant.

B. Merchant forwards the transaction to their acquirer as per agreement between the merchant and acquirer. Originator/acquirer sends API request to desired endpoint formatted as per Transactional API specification information.

1. TAPI gateway authenticates and authorizes received API request. It decrypts, validates the format, enriches it, and sends API request to corresponding Hydra endpoint in JSON format.

2. Discover Global Network transforms the message internally and routes it.

3. Discover Global Network transforms the message again to PULSE format and sends the message to PULSE switch.

4. PULSE switch routes the message to issuer for authorization.

Transactional API Response

1. RSP: TAPI Gateway transforms response from Discover Global Network to Transactional API format and sends API response to Originator/Acquirer.

2. RSP: Discover Global Network transforms message to JSON format and sends the message to TAPI Gateway.

3. RSP: PULSE switch forwards ISO response to Discover Gloabl Network. Discover Global Network transforms it.

4. RSP: Issuer sends an ISO response to PULSE switch.

Discover® *Deliver*: FAQ

7. How does a Discover® *Deliver* transaction work for a Merchant? (Via Transactional API)

Transactional API Request

A. End user initiates transaction and sends it to merchant. Merchant/Originator sends API request to desired endpoint formatted as per Transactional API information specification.

1. TAPI gateway authenticates and authorizes received API request. It decrypts, validates the format, enriches it and sends API request to corresponding Discover Global Network endpoint.

2. Discover Global Network transforms the message.

3. Discover Global Network transforms message to PULSE format and sends the message to PULSE switch.

4. PULSE switch routes the message to issuer for authorization.

Transactional API Response

1. RSP: TAPI Gateway transforms response from Discover Global Network to Transactional API format and sends API response to Originator/Acquirer.

2. RSP: Discover Global Network transforms message to JSON format and sends the message to TAPI Gateway.

3. RSP: PULSE switch forwards to Discover Global Network.

4. RSP: Issuer sends an ISO response to PULSE switch.

5. Transaction notification is sent to Notifier asynchronously.

8. Who can participate in Discover® *Deliver*?

There are many participants in a Discover® *Deliver* Transaction regardless of the use case. See the below table for definitions of each.

Participants	Definition
Agent	A Business Entity that acts on behalf of a Financial Institution operating a Discover® *Deliver* Program.
Acquirer	A party that has entered into an Acquirer Agreement with us and who is required thereby to comply with the Operating Regulations and other Program Documents. To operate a Discover Deliver Program, an Acquirer must be a Financial Institution and approved by us to participate in Discover Deliver after completion of a Discover Deliver enrollment form.
Financial Institution	A national bank, state bank, credit union, savings and loan association or savings bank in the United States that is approved by Discover to operate a Discover® *Deliver* Program.
Merchant	A Merchant, as an Originator, initiates an Account Credit Transaction or Account Funding Transaction.
Originator	The Entity that initiates an Account Credit Transaction or Account Funding Transaction.
System Integrator	Facilitate Integration between Merchant and Acquirer.
Sending Issuer	The Issuer of a Card Account held by the Sender.
Receiving Issuer	The Issuer of a Card Account held by the Recipient.

Financial Institution Requirement

Please note: A Discover® *Deliver* program can only be operated by a participating Financial Institution in the United States. If an Acquirer is not a Financial Institution, the Acquirer must engage a Financial Institution to operate each of its Discover® *Deliver* programs.

In short, an Acquirer, an Acquirer's Agent, a Merchant as Originator, a Merchant's Agent, a Payment Facilitator, and a Service Provider can all participate in Discover® *Deliver* provided it has a Financial Institution.

Therefore, a Business Entity that acts on behalf of a Financial Institution operating a Discover® *Deliver* Program will be considered an Agent of such Financial Institution including each: an Acquirer, an Acquirer's Agent, a Merchant as Originator, a Merchant's Agent, a Payment Facilitator, and a Service Provider.

9. What is the role of the Financial Institution (FI) Sponsor?

A Financial Institution is required for the participation of Discover® *Deliver*. If an acquirer or merchant is not a Financial Institution, the entity must engage a Financial Institution to operate each of its Discover *Deliver* programs.

The Financial Institution or its Agent will also have to submit a Discover® *Deliver* Enrollment Form to its Discover Global Network Relationship Manager for each Discover® *Deliver* program it plans to operate. The Discover *Deliver* Enrollment Form is a legally binding Agreement to participate in the Discover *Deliver* program. This is the only agreement executed for Discover® *Deliver* participants.

A participating Financial Institution is responsible for ensuring compliance with requirements of law and Operating Regulations applicable to Discover® *Deliver* Transactions and participants including agents of the Financial Institution utilizing Discover® *Deliver*.

10. Why is Discover Global Network offering these services?

Discover® *Deliver* will enable simple, speedy, and more secure push payment transactions to Discover Debit and Prepaid Reloadable Cardholders. The increase in demand for fast and contact-free payment solutions and the growth of the gig economy makes Discover® *Deliver* a critical solution for our partners.

Discover® *Deliver* offers a convenient fund transfer platform for Financial Institutions and its Agents leveraging the existing payment network infrastructure of Discover Global Network.

11. What role does an Issuer play in a Discover® *Deliver* transaction?

Issuers participating in a Discover® *Deliver* transaction, via a service provider, may be one of the following:

- Sending Issuer—Issuer of the Card Account held by the Sender and from which the funds are pulled.
- Receiving Issuer–Issuer of the Card Account held by the Receiver and from which the funds are pushed.

12. What are the core benefits to players in the payment ecosystem (issuers, Cardholders, Acquirers, Originators)?

Benefits for Issuers:
- Retain cardholders by ensuring they can use their cards when sending or receiving payments
- Create a positive user experience with seamless, more secure transactions
- Make it easier to send or receive funds quickly using Discover® Debit or Prepaid Cards

Benefits for Originators:
- Expand customer base to include Discover® Debit and Prepaid Cardholders
- Benefit from potential incremental transactions
- Provide to their clients a seamless and secure customer experience—quickly enabling transactions with minimal stress
- Save time and resources with easy, streamlined enablement
- Meet the growing demand for faster digital payments

Benefits for Cardholders:
- Enjoy a quick, streamlined way to send funds to—and receive funds from—friends and family
- Receive payments from businesses with greater speed and flexibility
- Use their preferred card and avoid waiting for ACH processing or paper checks

Benefits for Acquirers:
- Support the needs of originators and merchants while providing them with access to a new customer base
- Support the needs of originators and merchants to accept cards that leverage Discover® Global Network
- Generate net-new transaction volume and revenue for acquirers and their clients

13. Are there changes to Pricing?

Yes, effective with Release 21.1, new Interchange programs were introduced for Account Credit Transactions and Account Funding Transactions. Interchange pricing was published R21.1 Acquirer Interchange Manual and R21.1 Merchant Pricing Guide.

14. When will policy and technical changes become effective?

Discover® *Deliver* is currently available. The applicable product information available to Merchants, Issuers, and Acquirers has been published in the Operating Regulations and technical updates.

15. Are there any impacts on reversals and disputes for Discover® *Deliver*?

Reversals are allowed for both ACT and AFT transactions and must be submitted by a Financial Institution or Agent within one business day of the processing for the following limited reasons:

- Incorrect Card Account Number
- Incorrect amount
- Duplicate Transaction
- Incorrect Transaction code

For Disputes: If there is concern with an ACT or an AFT transaction, a Financial Institution may request that the Sender's Issuer initiate a Dispute of an Account Funding Transaction or the Receiving Issuer initiate a Good Faith Investigation with Account Credit Transactions, respectively. Please refer to the Dispute Rules Manual for additional details on Reversals and Disputes.

16. Who is required to support Discover® *Deliver* transactions?

Discover® *Deliver* is an optional service for Merchants and Acquirers. In order to receive funds, Receiving Issuers need to support Discover® *Deliver* ACT transactions.

17. What work is required of a Merchant and/or Acquirer in order to implement support of Discover® *Deliver***?**

To participate, the acting Financial Institution will need to complete the Discover® *Deliver* Enrollment Form, which covers the business and operational requirements needed to implement the platform. The information needed to complete the enrollment form include the following:

- Program Information (Transaction types, connections, oversight)
- Financial Institution Information
- Originator/Merchant/Agent Information
- Requirements and Controls

Upon completion of this enrollment form, and all necessary due diligence is performed, the Financial Institution will be given certification test scripts to provide their Originator/Merchant, from whom they must receive certification approval. Once this is received, it can be moved to production and the Merchant/Acquirer may begin processing Discover® *Deliver* Transactions.

1 Complete Enrollment Form **2** Compliance Requirements **3** Certification Test **4** Production

18. What work is required of an Issuer to support Discover® *Deliver***?**

If they are not already, Issuers will need to certify to Discover® *Deliver*. Issuers need to adhere to the Program Documents, including the Debit and Prepaid Operating Regulations, and code to Discover *Deliver* specifications.

Detailed information on how to implement Discover® *Deliver* for Issuers, including best practices, is available in the Discover® *Deliver* Implementation Guide.

19. How does a Prepaid Issuer get certified to Discover® *Deliver*?

The Prepaid Issuer gets certified to Discover® *Deliver* by an Issuer Processor. The Issuer Processor must be certified for Discover® *Deliver* in order for the Prepaid Issuer to use the product.

The first step for the Prepaid Issuer would be to notify their Issuer Processor to validate if they are certified on Discover Global Network. If the Prepaid Issuer's Issuer Processor is not certified on Discover Global Network, the Relationship Manager can provide a list of Issuer Processors that are certified on Discover Global Network to the Prepaid Issuer. The Relationship Manager cannot recommend or advise on the selection of an Issuer Processor. That decision and the pricing that an Issuer Processor will charge the Prepaid Issuer is between the Prepaid Issuer and Issuer Processor.

If the Prepaid Issuer is behind PULSE, then PULSE will do the certification and notify Discover Global Network to update the product indictors when certified.

For Prepaid Issuers that are new to Discover Global Network, they will need to contact and select an Issuer Processor that is certified on Discover Global Network in order to utilize Discover® *Deliver*.

20. What is the certification process for Discover Global Network Issuers not coming via PULSE?

The Issuer will need to engage their Issuer Processor to certify for Discover® *Deliver*. The Issuer Processor certifies directly with Discover Global Network, and then the Issue Processor will certify any Issuers behind them that want to utilize Discover® *Deliver*. If the Issuer Processor is not certified with Discover Global Global Network, then the Issuer will need to contact and select another Issuer Processor that's certified with Discover Global Network.

21. How does an Issuer Processor get certified with Discover Global Network?

If an Issuer Processor is not currently certified with Discover Global Network and is interested in getting certified, they would need to contact their Account Executive. The Account Executive will engage the Certification team and Product team to discuss enablement efforts and next steps.

22. Will Discover® *Deliver* funds be "real-time"?

Discover Debit and Prepaid Reloadable Issuers are required to post the funds received via Discover® *Deliver* to a Cardholder's account within thirty (30) minutes per the Debit and Prepaid Issuer Operating Regulation.

This helps Issuers meet the growing demand from their Cardholders for near real-time availability of funds as push payment funds usually appear instantly in Receiving Issuer's card account. In turn, this helps Issuers grow/retain their customer base while potentially increasing transaction volume.

23. Is settlement different for Discover® *Deliver* transactions?

Settlement timing for Discover Global Network Acquirers and Merchants follows standard settlement timing, as defined in the applicable Operating Regulations. Discover Global Network will populate the Sales Data File (SDI) and will work any potential rejects. All the details are available for consultation in the Acquirer Reporting Interface.

24. Where can Discover Global Network Merchants, Acquirers, and Issuers interested in Discover® *Deliver* find additional information?

The applicable product information is available to Merchants, Issuers, and Acquirers via the Operating Regulations and technical updates. For additional information on Discover® *Deliver*, Clients may reach out to their Account Executives or visit https://www.discoverglobalnetwork.com/.

25. Does a Merchant, Acquirer, or Financial Institution need to sign an agreement or amendment to participate in Discover® *Deliver*?

The Merchant or Acquirer would first confirm a Financial Institution is secured. The Financial Institution will submit a Discover® *Deliver* Enrollment Form to its Discover Global Network Relationship Manager for each Discover® *Deliver* program it plans to operate (P2P and/or Funds Disbursements). For more information about the Discover® *Deliver* Enrollment Form, please reference the Discover® *Deliver* Implementation Guide.

26. How is a Push Payment different than an ACH transaction?

ACH transfers are electronic, bank-to-bank money transfers processed through the Automated Clearing House (ACH) Network, not from a card network. Like checks, ACH can take up to a few days to be posted.

A Push Payment is a transaction that pushes funds to a card account. For Discover Global Network, it pushes funds to Discover Debit and Prepaid cards. With a single message transaction, Discover Global Network provides authorization and settlement and issuers post funds within 30 minutes. For Discover® *Deliver*, the Originator is referred to as a Merchant in the Program Documents; whereas for ACH, it can be a Merchant as well as Employers and Customers.

27. What is considered a wallet load vs. cash advance?

A Digital wallet is a financial application that allows the storage of funds and payment credentials and makes transactions such as payments or purchase of goods and services. A wallet load is a transaction that allows funds to be transferred from a source (Bank account, card, etc.) to the wallet. A wallet unload is a transaction that allows funds to be transferred from a digital wallet to a recipient point (a bank account, a card, etc.).

A cash advance lets you borrow a certain amount of money against your credit card's line of credit. You usually pay a fee for the service.

28. Is a cash advance considered an Account Funding Transaction (AFT)?

No, an AFT is a transaction used to move funds electronically from a Discover Card to another digital payment platform. AFTs don't facilitate directly the withdrawal of cash.

Furthermore, Discover® *Deliver* transactions are not subject to cash advance fees as funds are transferred to a recipient card and not withdrawn in cash as part of the transaction.

29. Does an Issuer need to sign an agreement or amendment to participate in Discover® *Deliver*?

No, but Issuer certification is required to support Discover® *Deliver* transactions.

30. If I do not have a Financial Institution, can Discover Global Network provide me with a list of potential Financial Institutions that I could leverage for Discover® *Deliver*?

No, as part of the enrollment process, the Merchant/Acquirer will need to identify its Financial Institution. Additional information regarding Financial Institution requirements may be found in the Discover® *Deliver* Implementation Guide.

31. Are Gaming transactions eligible for Discover® *Deliver*?

Gaming use cases and transactions (for example, the load of a gaming wallet or the payout of a winning) are currently eligible for Discover® *Deliver*. There are additional requirements and enhanced due diligence needed. Please refer to the Acquirer Operating Regulations R23.1 for more information.

32. Will an Acquirer need an additional Acquirer ID to process Discover® *Deliver* transactions?

No. Acquirers may process Discover® *Deliver* transactions within their existing Acquirer ID(s).