



## BREAD FINANCIAL CREDIT CARD OPERATING PROCEDURE HIGH-LEVEL SUMMARY OF CHANGES

*Effective January 2025*

### 1. *Introduction:*

- No changes made.

### 2. *Brand Partner Associate Training and Conduct:*

- Enhanced “consent” verbiage to clarify the meaning (“agree to apply without feeling pressured”).

### 3. *Marketing the Credit Card Program:*

- Added Brand Partners must also acknowledge all of the required Bread Financial annual training and disseminate to applicable parties prior to receiving approval from Bread Financial for a Credit Card Program contest. The annual training will be released through PartnerPortal™ or Dealer Portal™
- Added the Brand Partner must include the Bread Financial contest disclosure statement (as written) on contest communication.

### 4. *Promotional Credit Plans:*

- Modified in-store point of sale disclosure requirements to the name of the plan on the sales receipts connecting to the CCA/PPPN in lieu of full disclosure.

### 5. *Rewards Programs:*

- Advance notice requirements for material changes to 45 days for all (90 days for certain changes in NY still applies).
- Enhanced subsection on “Minimum Data Requirements” to clarify transaction identifiers/codes that Brand Partners are responsible for timely providing to ensure appropriate rewards calculation can occur, including adding the following:
  - Data points within settlement..include but not limited to...: “Card Acceptor Identifiers (CAIDs) and/or Merchant Indicators (MIDs) assigned to Brand Partner store locations, E-comm channels, individual cash registers or point-of-sale (POS) systems.”
  - “Brand Partners must provide Bread Financial the CAIDs/MIDs assigned for each store location, E-comm channel, individual cash register or POS system during program implementation, as well as 15 days prior to:
    - A new store location opening, new E-comm channel, or whenever a new cash register or POS system is added within a store location, or
    - When store locations change payment processors.”

### 6. *Brand Partner Add-On Products/Services*

- No changes made.

### 7. *Credit Card Applications:*

- Added language to account for continued state regulatory changes related to medical/dental/healing arts requirements on self-submission of applications: “Where required by applicable state law, ensure the customer is fully submitting the application on their own.”
- Updated the Application Requirements to:
  - Added Tax Identification Number (TIN) for Non-U.S. Citizens for Identification number.
  - Removed Travel Visa (including photo) from acceptable forms of ID for Non-U.S. Citizens.
- Added Brand Partners may receive results of any findings or opportunities through PartnerPortal™ to acknowledge.



#### 8. *Credit Authorizations*

- No changes made.

#### 9. *Credit Transactions*

- Added Mobile Account Lookup - A customer may utilize their personal mobile device to return a DSP (digital shopping pass) to facilitate an account lookup.
- Added Mobile Account Lookup - If the customer performs a mobile account lookup via their personal mobile device and returns a DSP (digital shopping pass), verify the individual's valid (unexpired) government issued photo ID. (See chart in section 7.2). If the validation is completed, process the transaction. There is no requirement to record the ID of the cardmember due to the controls built into the mobile account lookup service.
- Replaced if the cardmember or person authorized to pick up the merchandise does not have a valid ID, purchase pick up is subject to the Brand Partner merchandise pick up policy with if the cardmember is unable to present a valid ID for documentation, fulfillment of the order is done so at the risk of the Brand Partner and is subject to chargeback if there is a resulting fraud claim.
- Added authorized buyer for At-Location Purchase Pickup.

#### 10. *Account Servicing:*

- Added Cardmember inquiries made directly to the Brand Partner must be emailed to Bread Financial at [cardholderinquiries@breadfinancial.com](mailto:cardholderinquiries@breadfinancial.com).
- Added for all medical/dental related complaints, the date of service must be included.

#### 11. *Accounting Procedures:*

- No changes made.

#### 12. *Chargeback Procedures:*

- Added general 'or other relevant documentation, as appropriate' to requests for documentation to help solve complaints/disputes as documentation needed to conduct a reasonable investigation varies based on fact pattern and/or industry of the client.
- Added the date of last service to Bread Financial reserves the right to request sales draft for disputed or fraudulent transaction from (a) the transaction date (b) the pickup date or (c) the last day of the promotional credit plan (d) date of last service.
- Added in the instance where Mobile Account Lookup is enabled, a valid (unexpired) government-issued photo ID must be viewed at both point of sale & self-checkout transaction.
- Added in instances where self-checkout is available, the Brand Partner must either be able to identify a scanned DSP to trigger an ID check OR accept risk and assume responsibility for a chargeback.
- Added to requirements for Card Not Present/ Card Not Swiped or At-Location Purchase Pickup includes merchandise that is picked up to fulfill a Buy Online Pick Up In Store (BOPIS) and in the instance where Mobile Account Lookup is enabled, a valid (unexpired) government-issued photo ID must be viewed at both point of sale & self-checkout transaction. In instances where self-checkout is available, the Brand Partner must either be able to identify a scanned DSP to trigger an ID check OR accept risk and assume responsibility for a chargeback.

#### 13. *Brand Partner Location, System and Security:*

- No significant changes made.