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February 13, 2014

Contacts:

FSR: Alison Hawkins | 202-589-2427 | Alison.Hawkins@FSRoundtable.org | [@FSRoundtable](https://twitter.com/FSRoundtable)

RILA: Allie Brandenburger | 203-536-6789 | Allie.Brandenburger@rila.org | [@RILAtweets](https://twitter.com/RILAtweets)

ABA: John Hall | 202-663-5473 | jhall@aba.com | [@ABABankingNews](https://twitter.com/ABABankingNews)

AHLA: Matt Rhodes | 202-289-3132 | mrhodes@ahla.com

CBA: Tom Crosson | 703-869-1246 | tcrosson@cbanet.org | [@CBACConnect](https://twitter.com/CBACConnect)

TCH: Jill Hershey | 202-649-4601 | jill.hershey@theclearinghouse.org | [@TCHtweets](https://twitter.com/TCHtweets)

FMI: Heather Garlich | 202-220-0616 | hgarlich@fmi.org

ICBA: Aleis Stokes | 202-821-4457 | Aleis.Stokes@ICBA.org | [@ICBA](https://twitter.com/ICBA)

ICSC Contact: Jesse Tron | 646-728-3814 | [@JesseTronPR](https://twitter.com/JesseTronPR)

NACS: Paige Anderson | 703-518-4272 | panderson@nacsonline.com | [@NACSONline](https://twitter.com/NACSONline)

NGA: Laura Strange | Lstrange@nationalgrocers.org | [@NationalGrocers](https://twitter.com/NationalGrocers)

NRA: Sue Hensley | 202-331-5964 | shensley@restaurant.org | [@WeRRestaurants](https://twitter.com/WeRRestaurants)

NRF: Bill Thorne | 202-626-8109 | thorneb@nrf.com | [@NRFnews](https://twitter.com/NRFnews)

MERCHANT AND FINANCIAL TRADE ASSOCIATIONS ANNOUNCE CYBERSECURITY PARTNERSHIP

Washington, DC—Today leading trade associations representing the merchant and financial services industries announced a new cybersecurity partnership. The partnership will focus on exploring paths to increased information sharing, better card security technology, and maintaining the trust of customers. Discussion regarding the partnership was initiated by the Retail Industry Leaders Association (RILA) and the Financial Services Roundtable (FSR), joined by the American Bankers Association (ABA), the American Hotel & Lodging Association (AH&LA), The Clearing House (TCH), the Consumer Bankers Association (CBA), the Food Marketing Institute (FMI), Independent Community Bankers of America (ICBA), the International Council of Shopping Centers (ICSC), the National Associations of Convenience Stores (NACS), the National Grocers Association (NGA), the National Restaurant Association (NRA), and the National Retail Federation (NRF).

"We are committed to working together to ensure customer personal and financial information is secure and protected," said Tim Pawlenty, CEO of FSR. "Exploring avenues for increased information sharing and collaborating on innovative technologies and safeguarding data will be critical in defending against common enemies."

"Retailers place extraordinarily high priority on protecting customers' personal information," said Sandy Kennedy, President of RILA. "This partnership will improve collaboration across the payments ecosystem allowing us to work together to develop near- and long-term solutions that will enhance security for our customers."

"Cybercriminals are becoming more sophisticated, and recent events underscore the urgency to update the payments system and protect customers against recent and future threats," said James Aramanda, President and CEO of The Clearing House Association and Payments Company. "Customers deserve a proactive approach – like the Secure Cloud tokenization initiative to protect consumer credentials that The Clearing House and its Owner Banks have undertaken – by banks and retailers alike to address these real and evolving threats. This cyber partnership is consistent with such an approach and marks an important step to provide for collaboration, continued innovation, and dynamism among all the relevant stakeholders to ensure that customer data will be safeguarded."

"The U.S. hotel industry is committed to protecting the confidential data of our customers," said Katherine Lugar, President & CEO of the American Hotel & Lodging Association. "We look forward to working with merchant and financial groups to advance measures to further enhance data security."

"This is a positive first step toward addressing a complicated set of concerns shared by everyone involved in payments. Consumers expect both that the payments system will protect their sensitive information, and that they receive the convenience they've come to expect while using their credit or debit cards," said Frank Keating, President and CEO of the ABA. "With all stakeholders at the table – including community banks, large banks, networks and retailers – we have a real opportunity to find solutions and continuing opportunities to meet the threats posed by cyber thieves."

"Customers are counting on everyone to keep their data safe and secure. It's critical to recognize that the real enemy here is the hacker," said Richard Hunt, President and CEO of CBA.

FMI President and CEO Leslie G. Sarasin said, "The food retail industry, with its rich history of a vigorous connection with its shopper, stands ready to work with all stakeholders across the payments chain – processors, credit card companies, equipment manufacturers and banks – to find real improvements in increasing customer data security. We welcome this cross-industry partnership."

"Data protection is a shared responsibility of everyone involved in the payments processing chain," said Camden R. Fine, President and CEO of ICBA. "Consumer confidence in the payments system is vital for retailers, networks, processors, telecom providers, and card issuers and is at the heart of the customer-bank relationship."

"The solution needs to be through cooperation. We hope that this partnership will be a constructive step in helping to create a pathway to improved consumer confidence," said Jennifer Platt, Vice President of Federal Operations at ICSC.

"Everyone, from the smallest to the largest businesses, has an interest in keeping our customers' payment data secure," said Henry Armour, President and CEO of NACS. "Working collaboratively across

industries to find ways to thwart data thieves is the best approach to protecting customers' information."

"Independent grocers take protecting our customer's information very seriously. We look forward to working together with our industry partners and stakeholders to enhance cybersecurity measures, prevent and prosecute criminal attacks, and importantly to protect the trust that our customers have in their independent grocer," said Peter J Larkin, President and CEO of the NGA.

"The restaurant industry has long sought a constructive, open dialogue with the financial services industry on the path forward toward creating a more secure payments environment for all stakeholders in the payments system. Our customers and their financial and personal data are of paramount importance to us, and on behalf of the nation's restaurant industry, we are pleased to be a part of an effort that acknowledges that there is a shared responsibility between the financial sector and the retail sector to solve these issues together," said Dawn Sweeney, President & CEO of NRA.

"This partnership is a positive step in the right direction, since there is no single solution to the complex issues surrounding cyber security. That is why it is important to bring stakeholders together as we seek answers, share solutions and implement programs that not only prevent hackers from breaching data systems, but protects the consumer by shutting down these criminal enterprises," said Matt Shay, President and CEO of NRF.

Payments occur in an ecosystem of retailers, banks, card companies, processors, security and technology vendors and others. The ecosystem operates best when cyber threats are addressed collaboratively and each stakeholder does all it can to reasonably ensure the defenses of their internal systems are as robust and resilient as possible. The partnership will encourage collaboration across the industries, focused on the following principles:

- Information sharing is paramount to warding off cyber attacks and protecting data. We are stronger together than divided and must warn each other about cyber threats being waged against all our defenses. The financial services industry has a robust information-sharing mechanism through the Financial Services Information Sharing and Analysis Center (FS-ISAC) that could serve as a forum or model for further information sharing across sectors.
- Other innovative technologies must be implemented, such as systems that will transmit payment data in a way that is unique and dynamic to reduce the risks. Ongoing innovation will be needed to outpace the threats.
- We must forge partnerships among all stakeholders of the payments ecosystem to collaborate on long-term, comprehensive solutions to the threats that are growing to card-not-present situations and the mobile environment.

We welcome the participation of any other organizations committed to advancing these goals.

The participating trade associations will form working groups made up of themselves, member companies, and other stakeholders. The working groups will be focused on increasing threat information sharing, innovative technologies that adds safeguards to protect consumers within the payment system and other areas like national data breach laws. While this forum will serve as an effective way for the industries to discuss areas of agreement, equally important, this forum will be a platform to discuss areas of disagreement and seek solutions.

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The Financial Services Roundtable represents the leading integrated financial services companies providing banking, insurance, payment and investment products and services to the American consumer. Member companies participate through the Chief Executive Officer and other senior executives nominated by the CEO. Roundtable member companies provide fuel for America's economic engine, accounting directly for \$92.7 trillion in managed assets, \$1.2 trillion in revenue, and 2.3 million jobs.

RILA is the trade association of the world's largest and most innovative retail companies. RILA members include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than \$1.5 trillion in annual sales, millions of American jobs and more than 100,000 stores, manufacturing facilities and distribution centers domestically and abroad.

The American Bankers Association represents banks of all sizes and charters and is the voice for the nation's \$14 trillion banking industry and its two million employees. The majority of ABA's members are banks with less than \$185 million in assets. Learn more at aba.com.

Serving the hospitality industry for more than a century, the American Hotel & Lodging Association (AH&LA) is the sole national association representing all sectors and stakeholders in the lodging industry, including individual hotel property members, hotel companies, student and faculty members, and industry suppliers. Headquartered in Washington, D.C., AH&LA provides members with national advocacy on Capitol Hill, public relations and image management, education, research and information, and other value-added services to provide bottom-line savings and ensure a positive business climate for the lodging industry. Partner state associations provide local representation and additional cost-saving benefits to members.

Established in 1853, The Clearing House is the oldest banking association and payments company in the United States. It is owned by the world's largest commercial banks, which collectively employ more than two million people and hold more than half of all U.S. deposits. The Clearing House Association L.L.C. is a nonpartisan advocacy organization representing – through regulatory comment letters, amicus briefs, and white papers – the interests of its owner banks on a variety of critically important banking issues. The Clearing House Payments Company L.L.C. provides payment, clearing, and settlement services to its member banks and other financial institutions, clearing almost \$2 trillion daily and representing nearly half of the automated-clearing-house, funds-transfer, and check-image payments made in the U.S.

The Consumer Bankers Association (CBA) is the trade association for today's leaders in retail banking - banking services geared toward consumers and small businesses. The nation's largest financial institutions, as well as many regional banks, are CBA corporate members, collectively holding two-thirds of the industry's total assets. CBA's mission is to preserve and promote the retail banking industry as it strives to fulfill the financial needs of the American consumer and small business.

Food Marketing Institute proudly advocates on behalf of the food retail industry. FMI's U.S. members operate nearly 40,000 retail food stores and 25,000 pharmacies, representing a combined annual sales volume of almost \$770 billion. Through programs in public affairs, food safety, research, education and industry relations, FMI offers resources and provides valuable benefits to more than 1,225 food retail and wholesale member companies in the United States and around the world. FMI membership covers the spectrum of diverse venues where food is sold, including single owner grocery stores, large multi-store supermarket chains and mixed retail stores. For more information, visit www.fmi.org and for information regarding the FMI foundation, visit www.fmifoundation.org.

The Independent Community Bankers of America®, the nation's voice for nearly 7,000 community banks of all sizes and charter types, is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education and high-quality products and services.

Founded in 1957, ICSC is the premier global trade association of the shopping center industry. Its more than 60,000 members in over 100 countries include shopping center owners, developers, managers, marketing specialists, investors, retailers and brokers, as well as academics and public officials. As the global industry trade association, ICSC links with more than 25 national and regional shopping center councils throughout the world. For more information, visit www.icsc.org.

Founded in 1961 as the National Association of Convenience Stores, NACS (nacsonline.com) is the international association for convenience and fuel retailing. The U.S. convenience store industry, with more than 149,000 stores across the country, posted \$700 billion in total sales in 2012, of which \$501 billion were motor fuels sales. NACS has 2,100 retail and 1,600 supplier member companies, which do business in nearly 50 countries.

The National Grocers Association (NGA) is the national trade association representing the retail and wholesale grocers that comprise the independent sector of the food distribution industry. Also represented are affiliated associations, manufacturers, and service suppliers, as well as other entrepreneurial companies that support NGA's Mission and Philosophy.

Founded in 1919, the National Restaurant Association is the leading business association for the restaurant industry, which comprises 990,000 restaurant and foodservice outlets and a workforce of more than 13.5 million employees. We represent the industry in Washington, D.C., and advocate on its behalf. We operate the industry's largest trade show (NRA Show May 17-20, 2014, in Chicago); leading food safety training and certification program (ServSafe); unique career-building high school program (the NRAEF's ProStart); as well as the Kids LiveWell program promoting healthful kids' menu options. For more information, visit Restaurant.org and find us on Twitter @WeRRestaurants, Facebook and YouTube.

NRF is the world's largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and Internet retailers from the United States and more than 45 countries. Retail is the nation's largest private sector employer, supporting one in four U.S. jobs – 42 million working Americans. Contributing \$2.5 trillion to annual GDP, retail is a daily barometer for the nation's economy. NRF's This is Retail campaign highlights the industry's opportunities for life-long careers, how retailers strengthen communities, and the critical role that retail plays in driving innovation.www.nrf.com.