# LOYALTY FILE STRUCTURE FOR SMART CARD

## ABSTRACT OF THE DISCLOSURE

A loyalty file structure for a smart card 104 includes any number of loyalty files 106-112 preinstalled by a card manufacturer. Each loyalty file 300 has a password 302, a file number 304, a label 306, an indicator of whether or not the file is currently being rented by a merchant 308, a length indicator 310, a data format indicator 312, and a data region 314. An issuer 102 creates a unique password for each loyalty file on a card and then issues cards to customers 514. For customer enrollment at a point-of-sale, a merchant determines if a loyalty file is available (FIG. 8A). The merchant password is sent to the issuer on-line in real time (FIG. 8B) and is returned along with authorization from the issuer to replace the password of the loyalty file with the merchant password (FIG. 8C). The file label 306 is changed to a merchant identifier and the file 300 is indicated as being rented. The merchant sends payment or a credit transaction to the issuer 102 for use of the loyalty file 300. For use with a loyalty program, a merchant terminal 202 finds the loyalty file 300 of a customer's card 104 for that merchant and reads or updates information within that file. The loyalty file on a card 926 is also used with electronic ticketing to store information pertaining to a purchased ticket. Upon later presentation of the card 926 at an airline boarding gate 930, stored information in the loyalty file is compared with the same information downloaded from the airline host computer 910. A match indicates a valid purchase and a boarding pass is issued.