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CT-2010-010

THE COMPETITION TRIBUNAL

IN THE MATTER OF the *Competition Act*, R.S.C. 1985, c. C-34, as amended;

IN THE MATTER OF an application by the Commissioner of Competition pursuant to section 76 of the *Competition Act*;

IN THE MATTER OF certain agreements or arrangements implemented or enforced by Visa Canada Corporation and MasterCard International Incorporated.

B E T W E E N :

THE COMMISSIONER OF COMPETITION

Applicant

- and -

**VISA CANADA CORPORATION and
MASTERCARD INTERNATIONAL INCORPORATED**

Respondents

WITNESS STATEMENT OF WILLIAM SHEEDY

1. I am Group President, Americas of Visa Inc. I have held that position since July 2009. Prior to assuming my current position, I was President, North America Region for Visa Inc. from September 2008 to July 2009. Before that, I was Global Head of Corporate Strategy and Business Development from October 2007 to September 2008, and prior to that role served as Executive Vice President of Interchange Strategy at Visa U.S.A. Inc. I have worked for Visa Inc. and its predecessor companies since 1993. As Group President, Americas, I oversee Visa's relationships with card issuers, merchants, merchant acquirers and third-party processors in North America, Central America, South America and the Caribbean, in addition to managing Visa's core payment product portfolio – debit, credit, prepaid and commercial Visa-branded

payment cards. Throughout my career at Visa, my responsibilities have included the development of interchange strategy for Visa in the United States and direct or indirect supervision of individuals responsible for interchange strategy in other countries in the Americas.

2. As my responsibilities include oversight of Visa's Canadian operations, I am also familiar with the by-laws and operating regulations of both Visa Inc. and Visa Canada Corporation ("Visa Canada"). I have personal knowledge of the matters set forth in this witness statement based on my experience in my current and previous positions.

3. Visa Inc. is a Delaware corporation with its principal place of business in San Francisco, California. It is the parent corporation of Visa Canada (Visa Inc. and Visa Canada are referred to collectively herein as "Visa").

4. Visa became a publicly traded corporation on March 19, 2008. Prior to this date, Visa functioned as a joint venture between thousands of independent financial institutions across the world. The financial institutions that were formerly joint venturers are now among Visa's clients.

5. I have worked for Visa since May 1993 and have exercised a management role in respect of Visa Inc.'s and Visa Canada's specific operations since 2008. I am fully familiar with Visa's operations, its relationships with issuers, acquirers and merchants and the operation and effect of the Visa operating regulations.

I. What Visa Does

(a) Visa operates the Visa Network

6. Visa operates the electronic payment system network by which transactions involving payment with a Visa payment card (including a credit, debit or prepaid card) are authorized and paid as between cardholders' and merchants' financial institutions. Visa also engages in a significant marketing and promotions program to support the Visa brand, and invests in product, platform and processing enhancements to improve the quality and security of the network. Visa additionally provides risk monitoring and management services to minimize the risks faced by Issuers and Acquirers and ultimately the amount of fraud and other losses that may occur.

7. Worldwide, there are 1.6 billion Visa payment cards accepted by 29 million merchants (as reported by Visa's financial institution clients), with 16,600 financial institutions connected to the Visa network. Within Canada, there are 32.4 million Visa credit cards accepted by 493,300 merchants (as reported by Visa's financial institution clients), with 21 financial institutions connected to the Visa network.

8. Visa itself is not a financial institution. It does not issue payment cards or extend credit to consumers, nor does it sign up merchants to accept Visa credit cards. Rather, Visa provides an efficient, secure network for processing transactions among the financial institutions that do fulfill these roles within and across more than 170 countries and territories.

9. In addition to Visa itself, the Visa credit card payment system involves the following stakeholders: (1) cardholders who use Visa credit cards to purchase goods and services; (2) merchants that display a Visa-owned mark denoting acceptance of Visa credit cards in exchange for goods and services; (3) financial institutions that issue Visa credit cards to, and contract with,

cardholders (“Issuers”) (Issuers collect funds from cardholders on purchases and transfer funds to Acquirers); and (4) financial institutions that contract with merchants to enable merchants to accept Visa credit card transactions, with the financial institution paying the merchant for the goods or services provided to the cardholder (“Acquirers”).

10. Through its by-laws and operating regulations, Visa provides the rules that enable this system to exist, for Visa credit card transactions to take place, and for chargebacks and other disputes to be resolved.

(b) A typical Visa credit card transaction

11. To be able to participate in the Visa payment system, a merchant must have an agreement with an Acquirer under which the merchant agrees to accept Visa credit cards, and the Acquirer agrees to provide payment to the merchant for sales transactions made on those cards. Acquirers compete vigorously with each other for merchant business. When a credit card customer purchases goods or services from the merchant using a Visa credit card, the merchant provides the relevant card data electronically to the Acquirer, or to a third party processing firm acting for the Acquirer, for verification and processing. The Acquirer presents the data to Visa through the Visa network, and Visa in turn contacts the Issuer that issued the credit card to the customer to approve the transaction (which would include, for example, evaluating the amount of funds available in the customer’s credit line). The Issuer then advises Visa whether it is approving or declining the transaction. Visa relays that message to the Acquirer. This transmittal of transaction information from the Acquirer to the Issuer and back over the Visa network, for purposes of determining whether the purchase is approved, is known as “authorization” and typically takes less than one second. Visa charges a fee, in Canada typically to the Issuer, for this processing of information to authorize a transaction.

12. Once the Acquirer knows whether the Issuer approves the transaction, the Acquirer notifies the merchant through a message to the card terminal at the merchant's point of sale. If the transaction is authorized, the merchant provides the goods or services to the cardholder, and indicates to its Acquirer that the transaction has been completed. Visa's rules require the Acquirer to promptly credit the merchant's account. The Acquirer charges the merchant a fee for the Acquirer's services, typically by deducting a percentage of the transaction value before crediting the merchant's account. For example, if the cardholder purchased \$100 in goods and services, the Acquirer may charge a "merchant discount fee" of 2%, and thus deposit \$98 in the merchant's account after deducting the \$2 fee. The merchant discount fee is negotiated between the merchant and the Acquirer. Visa is not involved in these negotiations.

13. The Acquirer then sends a request to the Issuer for payment through the Visa network. The Issuer pays the Acquirer (over the Visa network) the amount of the purchase price of the goods or services provided by the merchant (usually within 24 to 48 hours), less a fee known as the "interchange fee." In our example above, if the interchange fee is 1.5%, the Issuer will pay the Acquirer \$98.50. Visa sets a default interchange fee that can be superseded if the Issuer and Acquirer agree to a different fee. The processing by Visa of information regarding amounts owed by Issuers and Acquirers to each other, and processing by Visa of payments from Issuers to Acquirers is known as "clearing and settlement."

14. Visa does not receive any revenue from the Issuer's interchange fees. Visa receives network fees from both Issuers and Acquirers for its authorization, clearing and settlement activities. Accordingly, Visa's revenues are tied directly to the number and value of transactions on its system (i.e. network volume). Visa seeks to maximize transaction volume on its payments network in order to maximize returns to its shareholders.

15. Although this example traces through a single Visa credit card purchase, Issuers do not transfer funds to Acquirers for each separate transaction. Rather, at the end of each business day, Visa determines the net position of each Issuer with respect to each Acquirer.

16. Based on a monthly billing cycle, the Issuer will send the cardholder a credit card statement for payment of the \$100 within a grace period, after which interest typically accrues. The Issuer, which has already paid the Acquirer (which has already paid the merchant), bears the risk that the cardholder will not pay the \$100, since cardholders do not contract with Visa, but rather, with the Issuer.

(c) Visa's customers are Issuers and Acquirers, not merchants or cardholders

17. Cardholders do not contract with Visa for cardholder services and merchants do not contract with Visa for acquiring services. Rather, as discussed above, cardholders contract with Issuers to obtain Visa credit cards, and merchants contract with Acquirers to obtain merchant services. This has been the case as long as Visa has existed and did not change as a result of Visa's initial public offering in 2008.

18. Visa facilitates its network services by providing Issuers and Acquirers, among other things, with: (1) the right to use the Visa brand and logo; (2) advertising and promotional programs aimed at consumers and merchants; (3) the Visa operating regulations, including provisions with respect to interchange and dispute resolution; (4) centralized authorization, clearing, and settlement functions; and (5) fraud protections and controls. Through participation in the Visa system, Issuers provide their customers with access to a vast collection of merchants. Similarly, Acquirers provide their customers with access to a vast collection of cardholders with the ability to pay for goods safely, conveniently, and on credit, with limited risk to merchants.

19. Visa does not have any role in setting the prices that Issuers charge cardholders or that Acquirers charge merchants. Both Issuers and Acquirers remain free to set prices at their sole discretion and Visa does not retain information on the merchant discount fees that Acquirers charge. For example, nothing in Visa's rules prevent an Acquirer from charging lower merchant discount fees to a particular merchant based upon volume or other considerations, even if the Acquirer is paying the same interchange fee to the Issuer for transaction receipts from all merchants in that category. The interchange fee paid to Issuers and the processing fees charged by Visa to the Acquirer are costs to the Acquirer, but neither Visa nor the Issuer makes these fees a fixed percentage or any part of the merchant discount fee. Interchange fees and Acquirer fees are set based on the amount of the transaction or as a flat fee per transaction (or some combination of these two components), not based on the merchant discount fee charged. The merchant discount fee is set by the Acquirer in its own discretion, based on its own business strategies. The same interchange fee and Acquirer fees would apply regardless of the amount of the merchant discount fee.

(i) *Issuers*

20. Issuers market and issue Visa credit cards to cardholders and manage the relationship with cardholders, including the provision of credit, cardholder benefits and monthly statements. Issuer revenue comes from interchange paid by Acquirers, annual fees paid by cardholders, and interest payments on revolving balances from some cardholders. The arrangements between Issuers and cardholders also include provisions for bill payment, credit limits, a grace period, minimum payment amounts, the interest rate applicable to unpaid amounts, and cardholder fees (if any). Issuers, in competition with one another, offer cardholders different benefits, service levels, interest rates, promotions, fees and other features through the issuance of different types

of cards. Issuers of credit cards bear the cost of these benefits and bear the risk of the payment of credit card charges incurred by cardholders. Other key functions that Issuers provide and costs that they incur include the resolution of charge-backs, and protection and replacement for lost cards.

(ii) *Acquirers*

21. Acquirers, in competition with one another, provide an array of services to merchants (either directly or through agent processors), including the sale, lease, deployment and servicing of point-of-sale hardware and software, transaction processing, preparation of statements or reports, customer service, and a guarantee that the merchant will receive prompt payment in respect of the credit card transactions it accepts (“Merchant Services”). Acquirers also assume liability for chargebacks if the merchant does not provide the promised goods or services, and incur that liability without regard to whether the merchant is able to refund the Acquirer. For example, if a merchant goes out of business and does not provide the promised goods or services, the chargeback process allows Issuers to request reimbursement from the merchant’s Acquirer. Acquirers charge merchants a merchant discount fee for these services.

22. The Financial Consumer Agency of Canada (“FCAC”), a federal regulatory agency that oversees payment card network operators, including Visa, describes the merchant discount fee as follows on its website:

The merchant who accepts the credit card payment pays a fee to the payment processor to process the transaction and deposit the money into its bank account. This fee is called the merchant fee or merchant discount rate and is usually a percentage of the purchase amount.

This fee is a cost to the merchant for having the right or ability to accept credit cards as a method of payment. In return for paying this fee, the merchant is guaranteed payment, avoids costs related to handling cash, and receives other benefits, as well.

23. This definition is consistent with Visa's understanding of the purposes of merchant discount fees. A copy of this webpage is attached as Exhibit "A" to this witness statement.

24. The services that Acquirers provide to merchants are separate and distinct from the processing services that Visa provides to Issuers and Acquirers. Visa does not concern itself with the financial terms of Acquirers' agreements with merchants.

25. Given that Visa does not clear and settle transactions between merchants and their Acquirers, Visa does not know the amount of merchant discount fees paid to Acquirers. However, my understanding from public information and industry knowledge is that the terms of the agreements between Acquirers and merchants, including the merchant discount fee, can vary widely, and that the agreements and merchant discount fee may cover services unrelated to Visa payment cards that the Acquirer provides to its merchant account holder on a bundled or blended basis.

II. Visa's Competition

(a) Visa's goal is to maximize network volume

26. Visa's principal source of revenue is fees paid by Issuers and Acquirers with which it contracts for use of Visa trademarks, authorization, clearing and settlement of transactions over the Visa network and related services.

27. Both Issuers and Acquirers pay quarterly service fees, which are calculated as a percentage of sales volume. Fees are also charged on a per transaction basis for authorization,

clearing and settlement, with the amount of the fee depending upon technological processing choices made by Issuers and Acquirers. Visa also charges Issuers and/or Acquirers for other services, including currency conversion, copies of documents, optional fraud/risk management services, optional emergency customer assistance services, arbitration, training and workshops, but the majority of Visa's revenues come from service fees and per transaction fees.

28. Visa's revenues are thus directly tied to network volume. Accordingly, Visa's primary business strategy is to maximize network volume and thus maximize its revenues for the benefit of its shareholders. As I explain more fully below, interchange plays a key role as a balancing mechanism designed to maximize network volume.

(b) Visa faces competition from different payment methods

29. In Canada, as in all markets around the world, Visa competes with a large number of alternative payment options, including not only competing credit card brands such as MasterCard and American Express, but also other payment networks that offer charge cards, debit cards, and prepaid cards, as well as cash, cheques, and mobile and electronic payments being introduced through rapid innovation. Specific to Canada, Interac is a very well established competitor and processes more transactions annually than Visa does in Canada across all of its products.

III. Visa's Business Model

(a) Visa serves a two-sided market

(i) *Visa must balance Issuer and Acquirer demands to compete effectively*

30. Although Visa's primary customers are Issuers and Acquirers, for any Visa transaction to take place (and thus for Visa to earn revenues), the Issuer must have issued the credit card to the

cardholder, the cardholder must use it, the merchant must accept it, and the Acquirer must advance funds to the merchant to pay for the goods and services delivered to the cardholder.

31. As I mentioned above, Visa's revenue increases as network volume increases. Network volume depends upon decisions made independently by Issuers, Acquirers, cardholders, and merchants. Accordingly, Visa's success relies on its ability to deliver tangible value to all of these stakeholders. To do so, Visa must balance competing interests between the issuing side of the network (Issuers and their customers, cardholders) and the acquiring side (Acquirers and their customers, merchants). As such, Visa serves a "two-sided market."¹

32. In this two-sided market, when Visa succeeds in expanding the scope of its network, both the Issuing and Acquiring sides benefit. The value of the payment system increases for merchants as more cardholders use Visa credit cards, resulting in more sales for the merchant. Simply put, merchants that accept Visa credit cards will attract more customers (and thus more sales) than merchants that do not accept Visa credit cards, just as merchants with free parking or other customer benefits will generally see increased sales. Likewise the value of the payment system increases for cardholders as more merchants accept Visa credit cards. The same principle holds true in reverse: if the network loses cardholders, it becomes less worthwhile for merchants to accept Visa credit cards, and as fewer merchants accept Visa credit cards, fewer cardholders will seek Visa credit cards from Issuers. Therefore, in order to maximize network volume—and accordingly its revenue—Visa must balance demand on both the Issuing and Acquiring sides of the two-sided market.

¹ This term is not meant to suggest any particular definition of the market relevant to this application.

33. Visa stresses the importance of the two-sided market in discussions with merchants. For example, a 2008 report of a meeting with [REDACTED] notes that [REDACTED] executives understood that “[a] well balanced, effective interchange structure contributes to the growth of the network by balancing the interests of participants and is designed to ensure a competitive value proposition for Visa transactions, create efficiencies, and create incentives for innovation, improved data quality, and security.” A copy of this report is attached as Exhibit “B” to this witness statement.

(ii) *Issuer/cardholder benefits and demands*

34. Visa credit cards provide customers with a convenient, safe and secure method to pay for goods and services received from merchants on a deferred basis. A credit card provides the customer with revolving credit and an interest-free grace period as well as accurate record keeping. It may also provide the customer with rewards (such as cash back, air miles, car rental insurance, and extended warranties) that add value for the cardholder, so he or she receives “more for their money” when making a purchase. Indeed, Issuers compete vigorously with each other and with other networks such as American Express to attract new customers through reward offerings and promotions. However, as I discussed above, Visa faces strong competition from other payment brands and methods.

(iii) *Acquirer/merchant benefits and demands*

35. The benefits that a merchant gains by choosing to accept Visa credit cards include the following:

(a) a customer whose purchasing power has been enhanced by convenient and immediate credit underwritten by the Issuer, giving the merchant increased sales without the

increased risks associated with extending the credit itself for example, through a proprietary credit card;

- (b) a guarantee of quick payment to the merchant's account by the Acquirer;
- (c) increased customer satisfaction, as customers can use a Visa credit card if that is their preferred form of payment;
- (d) the value of credit card rewards, which make the merchants' goods and services a better bargain than if the customer were paying the same sticker price with cash, resulting in increased sales for the merchant;
- (e) improved access to international customers, including through on-line e-Commerce sales;
- (f) protection from fraud and theft associated with other forms of payment;
- (g) a reduction in the costs associated with other forms of payment, such as personnel costs, counting and accounting for cash and cheques, and security costs relating to handling, storing and transporting cash (including armoured cars, cameras, counterfeiting losses, etc.);
- (h) the ability to complete transactions quicker and more efficiently than with other methods of payment, allowing fast throughput at the point of sale for merchants;
- (i) easy, accurate, and efficient record-keeping tools; and
- (j) the benefit of Visa's investment in security, reliability, and brand infrastructure.

36. Many of these features allow for more robust competition between merchants, including allowing smaller merchants to compete with larger merchants that offer their own private label or co-branded payment cards.

37. At the same time, any merchant is free to steer customers towards other payment methods (except via surcharging or refusing to honour all Visa credit cards), to choose not to accept Visa credit cards, or indeed to choose not to accept credit cards at all if that merchant does not believe that acceptance of Visa credit cards will increase its sales and/or decrease its costs. Merchants in a number of industries, including grocery and fast food, have only relatively recently begun to accept Visa credit cards (or credit cards at all) on the basis that Visa's value proposition makes it commercially sensible for them to do so.

(b) The role of interchange

38. Interchange fees are a vital tool for Visa to balance competing demands on both sides of the two-sided market. To reiterate, Visa does not receive any revenue from interchange fees. Rather, Visa strives to set default interchange rates at the network volume-maximizing level. This means setting interchange rates at a level that allows both Issuers and Acquirers to profitably participate in the Visa network. If interchange rates are set too high, Acquirers will not participate because they will be unable to profitably set their merchant discount rate at a level low enough to attract merchants and if interchange rates are set too low, Issuers will not participate because they will be unable to profitably offer their current and potential new cardholders sufficient value to induce them to use their cards or to purchase new cards. Thus, interchange rates are a key part of competition among Visa and its competitors to attract Acquirers and Issuers and, in turn, merchants and cardholders. Visa regularly stresses this point in its meetings with Issuers and Acquirers. For example, in a 2010 presentation to [REDACTED], Visa

noted that interchange is “[a] mechanism to balance the economics of issuers and acquirers and effect the transfer of value between the participants in the payments system.” A copy of this presentation is attached as Exhibit “C” to this witness statement.

39. At the same time, setting interchange is not an exact science. Visa monitors its relationships with Issuers and Acquirers on a regular basis and adjusts the interchange rates where deemed necessary to respond to competitive factors and maximize network volume over the long term. In setting interchange rates to maximize network volume, Visa takes the following factors into account: (1) promoting overall system growth and growth in particular merchant segments in competition with other payment methods; (2) reflecting the value delivered to Issuers and Acquirers, and in turn their merchant and cardholder customers; and (3) delivering value sufficient for merchants to accept credit cards and financial institutions to invest in the system and to assume risks of card issuance.

40. Visa considers an interchange rate program to be in balance if it is connected to a business strategy that gives Visa the best opportunity to expand volume over the long term. However, this balance changes given that Visa is in a competitive and dynamic marketplace. In some cases, Visa has grown its payment system through reductions in interchange rates, in others through increases. For example, Visa makes a lower credit card interchange rate available to Acquirers in respect of emerging segments where consumers have not traditionally paid with credit cards. On the other hand, Visa sets a higher interchange rate on premium card transactions where Issuers need to be compensated for the cost of increased cardholder benefits.

41. The management of interchange rates has allowed Visa to compete for merchant acceptance and cardholder usage more effectively against other credit card networks such as

MasterCard, American Express (both of which generally have higher interchange rates than Visa), as well as other forms of payment such as cash, cheque and debit.²

42. Interchange rates provide revenue to Issuers, enabling them to provide greater benefits to consumers. In the U.S., about [REDACTED] of Issuer revenue from credit cards is from Acquirers' interchange fees; the remainder is derived from cardholders. Revenues from interchange fees thus allow Issuers to lower costs to cardholders by reducing annual or other fees, or finance charges for credit payments, thereby reducing the costs of purchases from merchants. Interchange fee revenue also permits Issuers to add features and benefits to cards such as card rewards programs and extended warranties on products purchased with the card. As a result of these lowered costs and other benefits, cardholders have incentives to use their Visa credit cards more often and spend more on these cards, all to the benefit of merchants as well as Issuers, Acquirers and Visa itself.

43. By providing cardholders greater utility, interchange rates benefit merchants through incremental sales and customer satisfaction. Interchange also benefits merchants by allowing Issuers to assume the risk of fraud. Absent certain limited circumstances such as proof of fraud by a merchant, an Issuer bears the risk for the funds it pays for the cardholder's transaction. Because payment is guaranteed, merchants are able to avoid the risk and time consumed by non-payment and collection costs—collection costs they must assume for payments such as cheques or merchant-provided credit.

² American Express, as a three-party system, acts as its own Issuer and Acquirer and therefore strictly speaking does not have an interchange rate. Instead, American Express sets and charges merchants a "discount." The American Express discount is significantly higher than Visa interchange rates.

44. Issuers and Acquirers are also free to enter into bilateral agreements providing such guarantees and other terms, and setting out the interchange fee that the Issuer will charge. With the exception of “on-us” transactions, which I describe in greater detail below, there are presently no such agreements in Canada, though bilateral agreements do exist elsewhere, including in the U.S., and Visa is equipped to support them in Canada should Issuers and Acquirers wish to do so.

45. Finally, in approximately [REDACTED] of transactions over the Visa network in Canada, the Issuer and the Acquirer are the same financial institution. In such instances, known as “on us” transactions, no interchange is paid by the Acquirer to the Issuer. Whether an Acquirer charges the merchant a merchant discount fee on such transactions is for the merchant and Acquirer to negotiate.

IV. The Visa International Operating Regulations

46. Issuers, Acquirers and payment processors who act as agents for Acquirers may participate in the Visa system by meeting the conditions outlined in the Visa International Operating Regulations (“VIOR”). The VIOR form a contract between Visa, on the one hand, and each Issuer and Acquirer that participates in the Visa system, on the other. A true copy of the most recent edition of the VIOR dated October 15, 2011 is attached hereto as Exhibit “D”.

47. The VIOR are intended to ensure that the Visa network operates effectively and efficiently. Among other things, the VIOR provide for prompt funding for the settlement of transactions, allocation of risk of non-payment by cardholders, and procedures for the resolution of transaction disputes and fraudulent transactions. The VIOR are also designed to protect the

value of the Visa brand by ensuring that cardholders and merchants experience a common, convenient, safe and reliable payment experience throughout the global Visa network.

48. The VIOR include a rule that prohibits merchants that choose to accept Visa credit cards from placing a surcharge on cardholders for using a Visa credit card as their chosen method of payment (the “No Surcharge Rule”) and a rule prohibiting such merchants from refusing to accept a valid Visa credit card (the “Honour All Cards Rule”).

49. The VIOR require that, as a term of their own contracts with merchants, Acquirers must require merchants to abide by the VIOR provisions regarding use of Visa-owned marks, including a requirement to display the mark that indicates that the merchant accepts Visa credit cards for payment. Acquirers must also require that merchants comply with the VIOR provisions regarding payment acceptance, including the “No Surcharge Rule” and the “Honour All Cards Rule.”

50. Visa Canada’s rules allow merchants to steer customers to alternative forms of payment by a number of methods, including by discounting. Only surcharging and refusing to accept Visa credit cards after the merchant has agreed to accept this method of payment are prohibited.

51. Several of the Commissioner's witnesses assert that Visa Canada is unwilling to meet or negotiate with them to discuss their concerns with respect to the cost of acceptance of Visa credit cards for payment, or other matters. This is inaccurate. Visa Canada can and does meet with Canadian merchants to discuss and address their business concerns and has negotiated agreements with Canadian merchants pursuant to which reduced interchange rates are made available to the merchant’s Acquirer. Such agreements are negotiated on the basis of Visa

Canada's assessment and recognition of the value that merchants seeking such agreements bring to the Visa network.

52. Similarly, the Commissioner asserts that the No Surcharge Rule and the Honour All Cards Rule allow Visa to operate without regard to merchants' costs. Again, this is simply untrue. As I stated above, Visa operates within a two-sided market. Simply put, if Visa did not have to pay attention to merchants' costs, there would be no incentive for Visa to keep interchange as low as it is, and Visa would always meet Issuers' demands for higher interchange rates. In fact, Visa has greater transaction volume in Canada than MasterCard, but has lower default interchange rates. Similarly, American Express has lower transaction volume Canada than either MasterCard or Visa but generally has a higher cost of acceptance than Visa or MasterCard. If Visa operated without regard to merchant costs, it would not set its default interchange rates lower than MasterCard's.

(a) The No Surcharge Rule

53. The No Surcharge Rule has existed for over 30 years. This rule, which is Core Principle 6.3 of the VIOR, states as follows:

No Surcharging Unless Required by Law

Charging for the Advertised Price

Visa merchants agree to accept Visa cards for payment of goods or services without charging any amount over the advertised price as a condition of Visa card acceptance, unless local law requires that merchants be permitted to engage in such practice.

(i) *The No Surcharge Rule is a pro-consumer rule*

54. The No Surcharge Rule protects consumers by requiring that the price a consumer pays at checkout be no greater than the advertised price of the product. Merchants remain free to steer

customers away from using Visa credit cards, through discounting or other means. Visa's No Surcharge Rule also protects goodwill in the Visa brand from being damaged by negative consumer reaction to unexpected additional charges imposed by merchants for use of their Visa credit cards. The No Surcharge Rule also protects the balance of incentives in the Visa system, to maximize the value of the network for stakeholders in the aggregate. Each of these objectives of the No Surcharge Rule is discussed below.

55. The No Surcharge Rule ensures that the cardholder has a predictable experience using his or her credit card at the point of sale. The cardholder can rely upon advertised prices, rather than being unable to determine in advance how much each merchant will charge (potentially for the same product). If a merchant attracts a customer into its store by an advertisement (or to the checkout line by a price tag) offering one price and displaying the Visa logo, and then charges a higher price at the cash register by adding a surcharge, it is reasonable to expect that the consumer might feel deceived, and in any event that he or she is being penalized for using a Visa credit card.

56. Based on concerns similar to those just cited, the United Kingdom's Office of Fair Trading ("OFT"), in response to a complaint by a consumer group, has recommended that the government prohibit surcharging for use of debit cards, the standard payment mechanism used online in the U.K. The OFT report is attached as Exhibit "E" to this witness statement and can be accessed online at http://www.offt.gov.uk/shared_offt/super-complaints/OFT1349resp.pdf.

57. The OFT found that surcharging is more common online, where use of cash or cheques is not available, and that surcharges were particularly prevalent in the airline sector (an estimated £300 million in surcharges were paid by consumers in that sector alone in 2010). The OFT

concluded that surcharging was effectively a form of “drip pricing,” in which a low price is advertised, and consumers are only advised of additional charges late in the buying process, making comparison of the total price charged by different merchants difficult.

58. The OFT concluded that surcharging inhibits consumer choice. In a Questions and Answers page on its website, it states:

We agree with *Which?* that payment surcharges make price comparisons more difficult for consumers, which can weaken competition between traders, and result in consumers making uninformed choices between competing providers. We also consider consumer detriment is exacerbated when the lack of transparency is combined with a lack of practical alternatives for consumers to avoid paying the fee. [Emphasis added]

(ii) *The No Surcharge Rule protects goodwill in the Visa brand*

59. Visa has spent more than forty years and invested many millions of dollars to build the Visa brand into one that is universally known and trusted. Visa cardholders rely on the Visa brand for safe and convenient transactions—as Visa’s former ad slogan said, cardholders expect Visa to be “everywhere [they] want to be.” Visa has promoted to cardholders that their cards will be broadly accepted.

60. As discussed above, Visa’s rules do not prevent merchants from attempting to influence customers’ choice of payment method. However, once a customer makes clear that she wishes to pay with a Visa credit card, she should not be punished for that choice. When a cardholder approaches the checkout of a retailer only to find that she has to pay more to use her Visa credit card, the cardholder is deprived of the promise Visa has made. The hostile consumer reaction undermines the Visa brand. Indeed, Visa’s own research shows that consumers oppose surcharging. Attached as Exhibit “F” to this witness statement is a report commissioned by Visa

in Australia, showing that [REDACTED] of Australians oppose surcharging. Similarly, a recent survey by the Consumers Association of Canada, attached as Exhibit “G” to this witness statement, found that 75 percent of Canadians “strongly oppose” merchant surcharging. This hostile reaction to surcharging and its impact on Visa’s brand is different from the brand effect of discounting. This is why Visa opposes merchant surcharging but allows discounting. It is not because surcharging steers customers to alternative payment methods more effectively than discounting.

61. As the Visa brand mark is used by multiple stakeholders across the Visa system, all parties have a stake in upholding its reputation, integrity, and equity. As such, under the VIOR, all participants have responsibility for maintaining, protecting and enhancing its value.

62. Visa brand marks are used to denote card acceptance around the world. The VIOR prohibits participants in the Visa network from infringing, diluting, denigrating, or impairing the goodwill and/or reputation of the brand or Visa-owned marks.

63. Merchants recognize that the Visa brand can be a significant draw to consumers—it is undoubtedly one of the primary reasons why millions of merchants accept Visa credit cards today. When a retailer disadvantages Visa credit cards by surcharging, however, it engages in free-riding on the value of the Visa brand in a way that serves only the interests of the retailer by misappropriating the value that the Visa brand has delivered. Merchants that attract customers into their stores (or to their websites) by promising a cardholder can pay with a Visa credit card, only to surcharge Visa users at the point-of-sale, are leveraging Visa’s brand equity to increase their sales while simultaneously damaging Visa’s brand. Consumer perceptions of the benefits

and value of using their Visa credit cards would be damaged as consumers would be penalized for using their Visa credit cards.

64. As a result, the No Surcharge Rule protects both Visa's brand image and Visa's value proposition. Surcharging by even a small number of merchants could significantly harm the Visa brand and consumer expectations of what it means for a merchant to accept Visa credit cards. Those sorts of harms would make Visa a less competitive payment system.

65. Visa's value proposition to its cardholders depends on broad-based acceptance. Indeed, Visa has spent decades and expended substantial resources building its network to maximize both cardholder and retailer acceptance. A key component of balancing the cardholder and retailer sides of the Visa system is the cardholder's expectation that a retailer who advertises Visa credit card acceptance will accept all Visa credit cards without surcharging. A retailer that advertises Visa credit card acceptance but then adds a surcharge to customers who want to pay with a Visa credit card is not accepting Visa credit cards in a manner consistent with customer expectations. This undermines the Visa brand and results in reduced consumer demand for the network.

(iii) *Permitting surcharging would undermine efforts by Visa and its Issuers to create incentives for the use of Visa credit cards*

66. Visa must compete for card issuance with other payment networks by creating cards with benefits that make Visa credit cards attractive to both Issuers and cardholders. Visa's Issuers use their revenue from interchange and other sources to operate programs and provide incentives—including rewards and extended warranties—that make use of a Visa credit card attractive for consumers by in essence providing the cardholder a discount every time she uses the card. Surcharging undermines these incentives by requiring the cardholder to “give back” the value of

the benefits she has received in the form of a surcharge for use of her Visa credit card. The No Surcharge Rule prevents merchants who receive the benefits of Visa credit card acceptance from acting at cross purposes by undermining efforts of Visa and its Issuers to promote credit card usage.

67. The harm from surcharging extends to all stakeholders in the Visa system, including merchants. Visa expects that the presence of widespread surcharging—and the consumer uncertainty it would generate—would reduce demand on the issuing side of the two-sided market. With fewer Visa credit cards issued, there would be less incentive for merchants to accept Visa credit cards as a method for payment. This would reduce the breadth of Visa credit card acceptance and the use of Visa credit cards, thereby depriving consumers of choice, and all parties, including merchants and Acquirers, of business.

(iv) *Merchants remain free to steer customers by other methods*

68. While merchants cannot surcharge for use of a Visa credit card, Visa's rules do not prohibit a merchant from steering customers to other credit card brands or types, or other payment forms. There are many methods by which merchants steer or can steer customers to other forms of payment, for example:

- (a) Deciding not to accept Visa credit cards at all;
- (b) Offering the customer a discount or rebate, including an immediate discount or rebate at the point of sale, if the customer uses a particular brand of credit card (either a different general purpose card or a card that is co-branded with the merchant's name), a particular type of credit card, or another method of payment. The Visa rules permit two-tiered (or multi-tiered)

pricing by merchants, based on brand or method of payment; merchants are free to charge less than their advertised price for a product—Visa’s rules only preclude them from charging more;

(c) Offering a free, discounted or upgraded product if the customer uses a particular brand or type of general purpose card or a particular form of payment;

(d) Offering a free, discounted or enhanced service if the customer uses a particular brand or type of general purpose card, or a particular form of payment;

(e) Offering the customer an incentive, encouragement, or benefit for using a particular brand or type of general purpose card or a particular form of payment;

(f) Offering a discount or other inducement if a consumer signs up for a card product and puts the transaction on that card;

(g) Asking consumers whether they would like to put their transactions on a particular credit card brand or type, or pay by a method other than credit card;

(h) Expressing a preference for the use of a particular brand or type of general purpose card or a particular form of payment. Indeed, Visa Canada has explicitly stated to the Canadian Federation of Independent Business, a merchant group, that nothing in the VIOR prohibits a promotional campaign encouraging merchants to use signage to steer consumers towards alternative forms of payment. A copy of correspondence in this regard is attached as Exhibit “H” hereto;

(i) Promoting a particular brand or type of general purpose card or a particular form or forms of payment through posted information or sequencing of payment choices (such as

placing preferred methods first in a pull-down menu in an online environment), or through other communications to a customer; or

(j) Communicating to a customer the reasonably estimated or actual costs incurred by the merchant when a customer uses a particular brand or type of general purpose card or a particular form of payment or the relative costs of using different brands or types of general purpose cards or different forms of payment.

69. The Commissioner's witnesses suggest that if discounting is as effective as surcharging at steering customers to alternative payment methods, Visa would have no reason to oppose surcharging. However, while Visa accepts that merchants may wish to steer customers to alternative payment methods, it prefers that merchants make the experience for customers as positive as possible. Discounting accomplishes this goal, but surcharging does not.

70. It is suggested in a number of the Commissioner's witness statements that the ability of merchants to discount is limited because so doing would require merchants to advertise an "inflated" price—that is, the price for credit card transactions—and discount from that "inflated" price. However, merchants already build the cost of acceptance into the prices they charge consumers. There is no justifiable reason why merchants would have to raise prices merely to discount off of those same prices.

71. There are, in fact, a number of instances where merchants have offered discounts to consumers in order to compete with each other. A common example is through issuing coupons. While this is not a costless exercise, it is done routinely. Other examples are found in perusing the aisles and shelves, other advertisements, offering loyalty rewards or special deals and other

promotions. It is not clear to me why discounting for using a lower cost payment method would be difficult to implement.

72. The Commissioner's evidence further suggests that discounting may run contrary to some merchants' policies of advertising their lowest prices, rather than putting items on sale. To the extent that a merchant's difficulty with discounting runs counter to that merchant's internal "no discount" policy, any such difficulty is a result of that merchant's own business decision rather than the effectiveness of discounting as a steering practice.

73. Use of co-brand card programs by merchants is another effective means of influencing consumer's brand preference and managing merchant payment acceptance costs. Merchants commonly offer discounts and other inducements and conduct in-store and external promotions to market their co-branded cards. Visa permits merchants to offer discounts for using their co-branded card, so long as the discount is not offered or applied at the point of sale. Revenues generated from use of such cards is typically shared by the merchant and Issuer.

74. Given these multiple means of incentivizing customers to use a merchant's preferred brand or method of payment, merchants can achieve any legitimate objectives they may have without harming consumers and the Visa brand. Nevertheless, few merchants choose to discount. The vast majority of merchants charge all customers the same price for a given product or service and thereby recover their costs of credit card acceptance on all payment transactions, not just credit card transactions. Furthermore, the benefits to merchants of credit card transactions, including faster customer throughput, shorter lines, and accurate and efficient record keeping, are distributed across all of a merchant's customers regardless of how they pay.

75. For example, while discounting provides consumers with an incentive to switch to a different form of payment, it does so positively rather than negatively from the consumer's perspective. The consumer is presented with a *benefit* for switching rather than a *penalty* for using a Visa credit card. Consumers are unlikely to react with hostility toward an offered discount which means less harm to the Visa brand than surcharging. From Visa's perspective, the fact that merchants have alternatives that are less harmful to consumers and to the Visa brand makes the No Surcharge Rule a particularly appropriate condition for participation in the Visa payment system.

(v) *The No Surcharge Rule does not impact merchant discount fees*

76. In any event, the No Surcharge Rule has nothing to do with fees that Acquirers charge merchants for card acceptance. The No Surcharge Rule prohibits merchants from charging consumers more than the advertised price for using a Visa credit card; it says nothing to Acquirers about the prices they charge merchants and imposes no restrictions or limitation on the ability of Acquirers to set their prices independently (nor do I understand the Commissioner to be suggesting otherwise).

77. I understand the Commissioner's allegation to be that if merchants were permitted to surcharge or threaten to do so, Visa would reduce default interchange rates. I do not accept this to be the case. As indicated above, one of Visa's principal concerns with the abrogation of the No Surcharge Rule is the negative impact this would have on Visa cardholders and the potential negative effect this would have on Visa network volume (indeed, the Commissioner's point is that surcharging would steer consumers away from payment with a Visa credit card). Faced with disgruntled cardholders who have seen the value of their Visa credit cards diminished by

surcharging, Visa would be even less likely to reduce interchange rates, which would only exacerbate the problem.

78. Further, I understand the Commissioner's (and merchant) principal concerns with respect to interchange to be focused on the higher rates associated with premium cards. In Canada, the default interchange rate for Infinite cards is only 20 basis points higher than the rate for non-Infinite cards. Where a merchant contracts with its Acquirer on a blended merchant discount rate basis that is the same for all cards that they accept, there is no difference in their cost of accepting an Infinite card. Where, however, a merchant contracts with its Acquirer on an "interchange plus" basis, the merchant will pay a merchant discount rate that is 20 basis points higher when the cardholder presents an Infinite card. In some other cases, Acquirers will set merchant discount fees on a "rewards credit" or "non-rewards credit" basis, with rewards credit merchant discount fees up to approximately 100 basis points.

79. While it is suggested that Visa Canada would reduce its interchange rates if, for example, it became apparent that merchants were specifically surcharging Visa's premium card products, in fact, Visa Canada's response could actually be to raise the interchange rates on its non-premium credit card products (or moved to a blended rate), to remove the incentive for surcharging Visa's premium card products.

80. Accordingly, although the merchant discount fee for Infinite transactions can therefore range between 0 and 100 basis points more than for non-Infinite transactions, surcharges are typically well over 1% and can be as high as 10%. As such, when a merchant is determined to surcharge, there is no meaningful interchange rate reduction that Visa could offer to persuade the merchant to do otherwise. I am not aware of any instance anywhere in the world where Visa has

reduced default interchange in response to actual or threatened surcharging, and I have no reason to believe that Visa would do so in Canada. For example, because of regulatory intervention, Australia has some of the lowest interchange rates in the world. Despite low interchange rates, however, the number of merchants surcharging is increasing, as is the average surcharge amount.

81. Moreover, as I understand it, the Commissioner's theory is premised on Acquirers passing on any reduced interchange in lower merchant discount fees to merchants and further on merchants passing on the savings in card acceptance fees to end consumers in the form of lower prices. Again, I do not accept that this would be the case. Visa has no control over the prices that Acquirers charge merchants and there is no Visa rule or policy mandating that Acquirers translate lower interchange rates into lower merchant discount fees. Much will depend on the degree of competition in the Canadian acquiring business and the relative bargaining power of the merchants involved; large merchants may see reductions in merchant discount fees while small and medium-sized merchants may not. With respect to the likelihood that merchants will pass on any savings to consumers, there is, for example, no evidence that the substantially reduced interchange rates in Australia, mandated by regulation, have resulted in any reductions in retail prices.³ There have also been no visible changes in consumer prices in the U.S. as a result of debit interchange regulation enacted in October 2011.

(vi) *Surcharging in other jurisdictions*

82. The Commissioner relies heavily on the abrogation of the No Surcharge Rule in other jurisdictions. The fact remains that the international experience is mixed: surcharging is allowed

³ See, for example, the 2008 report of the United States General Accountability Office entitled "Credit and Debit Cards: Federal Entities Are Taking Actions to Limit Their Interchange Fees, but Additional Revenue Collection Cost Savings May Exist" and attached as Exhibit "I" to this witness statement.

in some jurisdictions and in others it is not. Moreover, even in jurisdictions where surcharging is allowed many of the concerns I have identified have arisen and have caused the authorities in those jurisdictions to reassess surcharging. In addition to the UK example already referenced, the Reserve Bank of Australia (“RBA”), Australia’s central bank, has now commenced a consultation to consider changes to its surcharging standards (first introduced in 2003), including potentially capping surcharges, due to evidence of excessive surcharging by merchants and the groundswell of negative consumer reaction. The RBA also found that surcharges were noticeably higher in circumstances in which consumers had fewer alternatives to credit cards, such as for online payments and within the holiday travel industry.

83. In general, the evidence from countries that allow surcharging is that merchants who surcharge do not reduce prices for consumers who pay with cash or other payment methods, and often impose surcharges that exceed their cost of accepting Visa transactions. In other words, where surcharging is allowed, it becomes a profit centre for merchants, not a mechanism for increasing payment system competition. In addition, cardholder fees have gone up as Issuers try to replace the revenue lost by lower interchange rates.

84. It is noteworthy that while Australia and the U.K. have decided to permit surcharging, other jurisdictions have prohibited it. Indeed, the development of Visa’s No Surcharge Rule was influenced by U.S. legislation. In the U.S., surcharging was prohibited by federal law until 1984, when the relevant legislative provision expired. (The provision had a sunset clause, which was renewed twice. The provision lapsed in 1984 even though a bill to extend it passed the House by a vote of 355 to 34.). The Senate Report on the federal bill explained the reasons for the prohibition as follows:

[P]ermitting unlimited cash discounts and prohibiting surcharges allows the competitive free market to operate. Merchants can utilize two-tier pricing systems and thereby price cash purchases lower than credit purchases, if they choose to do so. But, they cannot implement two-tier pricing systems which deceive or mislead the consumer. By permitting only cash discounts, the Committee intends to assure that consumers will be seeing at least the highest possible price they will have to pay when they see a tagged or posted price. In other words, consumers cannot be lured into an establishment on the basis of “low, rock-bottom price” only to find at the cash register that the price will be higher if a credit card is used.

85. The No Surcharge Rule was implemented when the U.S. federal prohibition expired, for reasons that included continuing the same protection for cardholders identified in the Senate Report. At least ten U.S. states, including many of the largest states, continue to prohibit surcharging of credit card transactions by merchants.

86. In 2010, the US Department of Justice (“US DOJ”) resolved with Visa Inc. and MasterCard International a lawsuit it brought against Visa Inc., MasterCard International and American Express in respect of their respective operating rules relating to merchant steering. The lawsuit alleged that the rules violated section 1 of the *Sherman Act*, 15 U.S.C. §1. However, despite the fact that price maintenance agreements with anticompetitive effects can violate U.S. antitrust law, the US DOJ made no allegations of resale price maintenance.

87. Following an extensive investigation, although the US DOJ considered suing to seek the elimination of surcharging prohibitions, it ultimately limited the relief sought to the abrogation of Visa USA’s and MasterCard International’s rules that in some cases prohibited merchants from offering discounts not made available to the networks’ cardholders (notably, rules that Visa does not have in Canada). The US DOJ apparently concluded that allowing merchants to offer customers discounts or otherwise encouraging them to use other forms of payment was sufficient

to address the US DOJ's concerns and took no action with respect to the No Surcharge Rule.⁴

The consent decree is attached hereto as Exhibit "J".

(vii) *Convenience fees are consistent with the rationale for the No Surcharge Rule*

88. The Commissioner also relies heavily on the fact that in certain jurisdictions, the VIOR provide for "Convenience Fees," defined as a "fee charged by a Merchant for an added convenience to the Cardholder" and that Visa considered permitting such fees in Canada (Visa does not allow convenience fees in Canada). Simply stated, Visa opposes surcharging because it considers that surcharging may reduce volume on the Visa network. By contrast, Visa allows convenience fees in the limited circumstances where they are permitted, because it believes convenience fees will grow volume on the Visa network. As such, there is no inconsistency between the prohibition of surcharging and the limited allowance of convenience fees; both are consistent with Visa's overall objective of permitting measures that grow volume on the Visa network and prohibiting measures that diminish volume.

89. Convenience fees are permitted by Visa on alternate payment channels where merchants have not traditionally accepted payment cards. For example, in the United States utilities have traditionally accepted payment only by mail. Under Visa's convenience fee rules, however, utilities are permitted to impose a flat convenience fee if the customer pays in person at the utility's offices or online, so long as the same flat fee is charged for all payments in the alternative channel, and the payment is thus truly for the convenience of paying outside the

⁴ The US DOJ notes in its Competitive Impact Statement that, under the terms of the resolution of its action, "there is no limitation on the United States' (or the Plaintiff States') ability to investigate and bring an antitrust enforcement action in the future concerning any rule of either Visa or MasterCard, including any rule either of them may adopt in the future." No such action has been taken to date. A copy of the Competitive Impact Statement is attached as Exhibit "K" to this witness statement.

merchant's normal payment channel. As such, the concerns associated with surcharging are not present—convenience fees are permitted where, but for the fee, the merchant would not permit payment by credit card and the rules around convenience fees require both proper notice to cardholders and the availability of an option for cardholders to pay by credit card without incurring the convenience fee. For example, in the United States, with the exception of tax payment transactions, Acquirers may permit merchants to levy a convenience fee only when the fee is:

- Charged for a bona fide convenience in the form of an alternative payment channel outside the merchant's customary payment channels;
- Disclosed to the cardholder as a charge for the alternative payment channel convenience;
- Added only to a non-face-to-face transaction. The requirement for an alternate payment channel means that mail/telephone order and electronic commerce merchants whose payment channels are exclusively non-face-to-face may not impose a convenience fee;
- A flat or fixed amount, regardless of the value of the payment due;
- Applicable to all forms of payment accepted in the alternative payment channel;
- Disclosed before the completion of the transaction and the cardholder is given the opportunity to cancel; and
- Included as a part of the total amount of the transaction.

90. Furthermore, convenience fees cannot be charged on recurring transactions and must be charged by the merchant that provides the goods or services to the cardholder, not by a third party. Although Visa has considered permitting convenience fees in Canada, it has not done so.

(b) The Honour All Cards Rule

91. Visa cardholders reasonably expect that their cards will be accepted at all merchants that display the Visa system's acceptance logo. Without an assurance of acceptance, the convenience of using the credit card is diminished. Core Principle 6.1 of the VIOR provides:

Visa merchants displaying Visa acceptance marks at payment locations agree to accept corresponding Visa-branded products for payment. If the customer indicates that he or she wants to pay with a Visa product, a merchant must complete and process the Visa transaction as defined in the Visa Operating Regulations.

92. The Honour All Cards Rule, which is Core Principle 6.2 of the VIOR, currently states as follows:

Honor All Cards Properly Presented

Honoring All Visa Cards

Visa merchants may not refuse to accept a Visa product that is properly presented for payment, for example, on the basis that the card is foreign-issued, or co-branded with a competitor's mark. Merchants may steer customers to an alternative method of payment, such as providing discounts for cash, but may not do so in a confusing manner that denies consumer choice. Merchants may decline to accept a Visa product that is not covered by their acceptance contract, and may also consider whether present circumstances create undue risk.

Footnote: In the US, Canada, and Australia, merchants may decline to accept certain categories of Visa products for domestically issued cards.

93. The Honour All Cards Rule has existed since the creation of Visa in 1976.

(i) *The Honour All Cards Rule is a pro-consumer rule*

94. By providing for universal acceptance, the Honour All Cards Rule benefits consumers by assuring them that their Visa credit cards will be accepted at merchants that display the Visa logo, regardless of which financial institution issued the card or what type of card it is or what features it offers. Consumers thus avoid investing the time and effort necessary to determine whether each merchant at which the consumer shops will accept the consumer's card for payment at the checkout counter.

95. Absent the Honour All Cards Rule, cardholders would suffer in at least three ways. First, they would face the prospect that their Visa credit card would be declined due to the type of card they hold. Like the No Surcharge Rule, the Honour All Cards Rule prevents merchants from engaging in a bait and switch exercise, by advertising the Visa logo but then refusing to accept a valid Visa credit card. Second, consumers would face the risk of the possible loss of benefits associated with many Visa credit cards. Specifically, a consumer holding a Visa rewards card has likely paid for that card with the expectation that he or she will receive an enhanced benefit and that the card will be accepted wherever the Visa mark is displayed. If that consumer's Visa credit card is not accepted, its value is diminished as the consumer is unable to enjoy the benefits for which he or she paid. Third, like surcharging, allowing merchants to selectively refuse Visa credit cards would stymie cardholders' ability to determine the value of a card product when deciding whether to enter a contract with the Issuer. In particular, a cardholder cannot determine the value of a Visa Infinite card if he or she cannot predict how often it will be accepted by merchants.

(ii) *The Honour All Cards Rule does not restrict merchant discount fees*

96. The Honour All Cards Rule does not preclude merchants from providing discounts or other incentives if a customer uses a Visa credit card product. Merchants are prohibited only from refusing to accept a valid Visa credit card.

(iii) *Merchants remain free to steer customers by other methods*

97. As is the case with the No Surcharge Rule, nothing in the Honour All Cards Rule prevents merchants from steering customers to other payment methods through discounting, signage, or other methods outlined in paragraph 68 above.

(iv) *The Honour All Cards Rule protects goodwill in the Visa brand*

98. Part of the goodwill in the Visa brand is tied to acceptance of Visa credit cards by any merchant displaying the Visa logo. The Honour All Cards Rule, like the No Surcharge Rule, prevents merchants from free-riding on the value of the Visa logo, while damaging the brand by denying the acceptance that the logo represents.

99. One of the hallmarks of the Visa brand is its exceptionally broad acceptance worldwide. For years Visa ran widespread advertisements with the motto: "Everywhere you want to be." Visa Canada's Canadian-registered trademarks include: "IT'S THE ONLY CARD YOU NEED" and similar slogans. Because of the Honour All Cards Rule, cardholders know that if they present a Visa credit card for payment at a merchant that displays the Visa logo, any Visa credit card will be accepted. The consumer can carry only a small amount of cash (or none at all) and have confidence that most merchants, and certainly all merchants that display the Visa logo, will accept their Visa credit card as payment, regardless of which Issuer and type of card the consumer has chosen.

(v) *The Honour All Cards Rule enhances the efficiency of Visa's product*

100. By allowing a wide variety of banks to issue cards under the Visa brand, the Honour All Cards Rule creates a competing card product that the thousands of card-issuing banks could not offer individually. The rule likewise enhances the efficiency of that product by avoiding the need for thousands of card-issuing banks to arrange individually for acceptance at millions of merchants. This also permits smaller acquirers like Home Trust to offer their merchant customers access to all Visa cardholders despite their relatively modest share of the acquisition market.


(vi) *The Honour All Cards Rule promotes competition*

101. The Honour All Cards Rule promotes competition by preventing merchants from limiting card acceptance to the major Canadian banks. It prevents Acquirers from entering into agreements to accept only Visa credit cards from certain Issuers. It ensures that a consumer holding a card issued by smaller Issuers such as Vancouver Savings Credit Union or Laurentian Bank receive the same experience and obtain the same benefit as consumers holding cards issued by Canada's largest financial institutions. The rule therefore facilitates competition by smaller financial institutions, and expands the Visa network to a broader range of Issuers and their cardholders.

102. Moreover, the experience in other jurisdictions provides no assistance to the Commissioner in respect of the Honour All Cards Rule, as no jurisdiction in the world has abrogated the Honour All Cards Rule as it relates to credit cards alone.

103. As outlined above in respect of the No Surcharge Rule, there is no reason to believe that Visa would lower default interchange rates in response to merchants selectively accepting certain Visa credit cards or threatening to do so. One option open to Visa would simply be to raise the

interchange rates of its non-premium cards, rather than to lower those of its premium cards. If Infinite cardholders faced the prospect that their cards would only be accepted selectively, the need to demonstrate to such cardholders the value of the Infinite card would only increase, not diminish. Lowering interchange would likely result in higher cardholder fees and fewer benefits associated with the Infinite card. It is, to say the least, a difficult marketing proposition to existing and prospective Infinite cardholders that their Infinite card may be rejected by some merchants, but will cost them more and confer fewer benefits. Of particular note here is that the Infinite card was introduced principally to compete against American Express in the high-spending cardholder segment. Because American Express is not a party to this proceeding, if the Commissioner is successful, American Express cards will not be subject to surcharge or selective acceptance. Faced with the prospect of surcharges and diminished acceptance of their Infinite cards, it is reasonable to assume that many Infinite cardholders would switch to American Express rather than forgo the rewards and benefits associated with a premium credit card. Merchants would will then have to choose either to accept American Express and incur substantially higher card acceptance fees or alternatively not to accept American Express and risk losing high-value customers.



WILLIAM SHEEDY

April 10, 2012

EXHIBIT A



Financial Consumer Agency of Canada

FREQUENTLY ASKED QUESTIONS

[[New Search](#)]

QUESTION:

I've heard about the credit card interchange fee in the media. What is it?

ANSWER:

When you, the consumer, use your Visa or MasterCard credit card to pay for goods or services, you don't pay a fee for the transaction. However

- the merchant (retailer, restaurant, etc...) pays a fee to process the purchase transaction called the merchant fee (or merchant discount rate) to its payment processor, which may be the merchant's bank or a third party hired to process the credit card transaction, and
- the payment processor pays a fee called the interchange fee to the credit card issuer, called the issuing bank.

Merchant fee

The merchant who accepts the credit card payment pays a fee to the payment processor to process the transaction and deposit the money into its bank account. This fee is called the **merchant fee** or **merchant discount rate** and is usually a percentage of the purchase amount.

This fee is a cost to the merchant for having the right or ability to accept credit cards as a method of payment. In return for paying this fee, the merchant is guaranteed payment, avoids costs related to handling cash, and receives other benefits, as well.

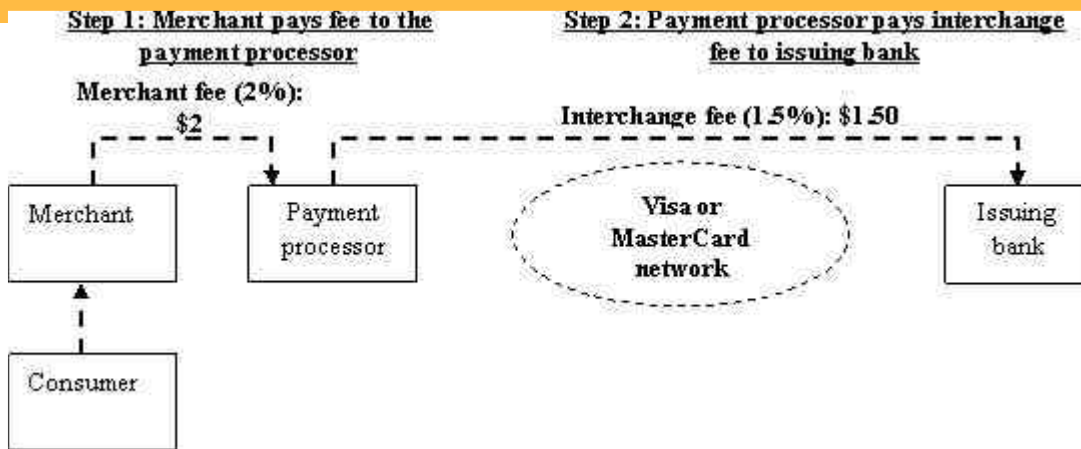
Interchange fee

The payment processor pays **the interchange fee** to the bank that issued the credit card. Interchange fees are also calculated as a percentage of the transaction's purchase price.

Visa and MasterCard set the interchange fee rate but do not receive any revenue from interchange fees. Interchange rates vary by type of card, type of transaction and type of merchant.

The bank that issues the credit card receives the interchange fees as an incentive to issue credit cards and carry the credit cardholder's credit risk, and to pay for things such as customer rewards, benefits and fraud protection.

In the following example, a consumer purchases \$100 worth of goods with a credit card.



Note:

The merchant fee (2%) and interchange fee (1.5%) are examples only.

Other facts:

Unlike Visa and MasterCard, American Express (AMEX) performs all the functions necessary to complete the transaction, from issuing credit cards to signing up merchants. This means that AMEX charges the merchant directly and does not have an interchange fee when processing credit card transactions.

RESOURCE(S):

- [MasterCard Canada – Interchange Fee](#)
- [Visa Canada - Interchange Fee](#)

CLASSIFICATION OF THIS FAQ:

Category	Sub-category
Credit cards	Fees

RELATED QUESTION(S):

When can my financial institution add new fees, or increase existing fees?

EXHIBIT B

Document Redacted

EXHIBIT C

Document Redacted

EXHIBIT D



Visa International Operating Regulations

15 April 2012



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Summary of Changes

Quick Reference

Overview

Major Topics

V.me by Visa Platform

Effective 15 April 2012, introduces a global Operating Regulation framework for V.me by Visa.

Requirements for AP and CEMEA Issuers to Process Incoming Original Credit Transactions as Fast Funds

Effective 1 January 2012, 12 October 2012, and 19 April 2013, introduces requirements in the AP Region and CEMEA Region to support Fast Funds processing of incoming Money Transfer Original Credit Transactions.

Proximity Payment-Only Acceptance at Transit Fare Gates and Points of Boarding

Effective 13 October 2011, allows Proximity Payment-Only Terminals to be deployed at turnstiles, fare gates, and points of boarding for transit Merchants that are classified with Merchant Category Codes 4111, "Local and Suburban Commuter Passenger Transportation, Including Ferries," 4112, "Passenger Railways," and 4131, "Bus Lines."

Expansion of Authorization Tolerance for Car Rental Merchants

Effective 14 April 2012, expands the Authorization tolerance for Car Rental Companies beyond the current 15% and requires a Car Rental Company to obtain incremental Authorization only if the final Transaction amount exceeds specified thresholds.

Transaction Aggregation and Estimated/Incremental Authorizations at Transit Merchants

Effective 14 November 2011, allows specific transit Merchants to aggregate Transactions and to process estimated and incremental Authorizations.

Visa Corporate Prepaid Product Specifications

Effective 14 November 2011, clarifies and details requirements relating to the issuance of Visa Corporate Prepaid Cards.

Account Data Compromise Recovery (ADCR) and Data Compromise Recovery Solution (DCRS) Global Alignment

Effective 15 May 2012, replaces the various data compromise recovery programs with one globally aligned program, the Visa Global Compromised Account Recovery (GCAR) Program.

Distribution of Corporate and Government Funded Prepaid Cards Outside of the Country of Issuance

Effective 8 December 2011, incorporates into the *Visa International Operating Regulations* rules for distribution of Visa Prepaid Cards outside the country of issuance.

Updates to Information Classification Labels and Protection Standards

Effective 12 January 2012, announces additional classification categories for designating sensitive and confidential Visa information and prescribes standards of due diligence that Members must observe when communicating information containing such classification labels.

Dual-Issuer Branded Visa Commercial Cards in the Multinational Program - Visa Europe Addition

Effective 1 February 2012, reflects expansion of the Visa Multinational Program to include the participation of Issuers in Visa Europe.

Expansion of Quality of Goods or Services Dispute Rights

Effective for Chargebacks processed on or after 30 June 2012, introduces Chargeback rights for Reason Code 53, "Not as Described or Defective Merchandise" for disputes relating to the quality of goods or services purchased in the Canada Region and for disputes between the Canada Region and U.S. Region.

Mobile Payment Device Requirements

Effective 8 March 2012 and 13 October 2012, introduces the Consumer Device Cardholder Verification Method (CDCVM) for use with smart phones and other handheld devices, and specifies requirements for the issuance and acceptance of Mobile Payment Devices.

Visa Authority to Approve Variances, Waivers, and Pilots

Effective 8 March 2012, introduces revisions to recognize the authority of Visa management to approve Member requests for Variances, Waivers, and pilot programs.

ID#: 060412-010100-0027009

Variance Topics

ATM Access Fee - Thailand

Effective 10 February 2012, permits ATM Acquirers in Thailand to impose an Access Fee on domestic ATM Cash Disbursements.

ID#: 040412-010100-0027026

Miscellaneous Topics

Revised Chargeback Rights for Counterfeit Transactions Approved with an Unverified CVV

Effective 1 May 2012, requires additional conditions to be met before a Chargeback right is allowed under the EMV liability shift for Transactions made using a counterfeit Magnetic Stripe on a Chip Card.

Secure Handling and Destruction of Visa Card Products

Effective 13 October 2011, requires Issuers to follow approved processes for the secure destruction of Visa Card products and to ensure compliance with Visa security requirements at Card Distribution Points, such as retail locations.

VisaNet Processor Rules Clarification

Effective 7 March 2012, clarifies that a VisaNet endpoint is not transferable without express written consent from Visa.

Chip Card Language Clarifications

Effective 14 November 2011, clarifies Merchant requirements for checking the Card Recovery Bulletin (CRB) for Transactions completed at Chip-Reading Devices and removes obsolete or redundant language related to Chip Card compliance.

Plus Directory Update Requirement

Effective 14 November 2011, requires Plus Members to submit updates for the Plus Directory when they are assigned a BIN, and 10 business days before any changes to their information in the Plus Directory.

Visa Risk Manager Update

Effective 29 November 2011, revises the Visa Risk Manager definition and removes redundant language.

Fraud Chargeback Processing Requirements Alignment

Effective 13 October 2012, aligns Chargeback processing requirements within Chargeback Reason Codes 81 and 83.

Removal of BIN-Level Billing Currency Requirement

Effective 12 January 2012, removes the obsolete rule requiring Issuers to have a separate BIN for each Billing Currency.

Visa Online Globalization

Effective 5 May 2012, globalizes and streamlines Operating Regulations related to Visa Online and recognizes the new *Visa Online Terms and Conditions* that will govern Visa Online use by all licensed parties.

Electronic Commerce Terminology Update

Effective 15 March 2012, updates and standardizes rules and definitions, consolidates international and regional rules, and streamlines Operating Regulations related to Electronic Commerce Transactions.

Visa Regulation II Certification Program

Effective 8 March 2012, formalizes the Visa Regulation II Certification Program to enable Issuers in the U.S. Region and U.S. Territories to certify their status in alignment with the U.S. Federal Reserve requirements.

Visa payWave Requirements Update

Effective 1 January 2012, requires all Visa products issued with Contactless Payment functionality in the U.S. Region to include the Visa payWave application.

Effective 1 April 2012, clarifies that a U.S. contactless-only debit product may be processed through another network.

Visa Chip Services

Effective 12 January 2012, introduces U.S. Regional Operating Regulations for a new optional suite of Chip services, which includes Visa Streamlined Chip Setup, Visa Custom Chip Setup, Visa Chip Authenticate, and Visa iCVV Convert, to support Issuers in quickly and cost-effectively adopting Chip technology.

Visa Signature Product Revisions

Effective 8 March 2012, revises requirements for Visa Signature and Visa Signature Preferred consumer products in the U.S. Region to remove the no preset spending limit requirement and amend the 24/7 live agent customer service requirement.

ID#: 060412-010100-0027028

AP Region Major Topics

Sunset of Chip Card Issuing Requirements in the AP Region

Effective 16 December 2011, removes language relating to Chip Card issuing requirements in the AP Region.

Visa Merchant Trace System (VMTS) Expansion

Effective 1 February 2012, expands the requirement to add Merchants that were terminated for cause into the Visa Merchant Trace System (VMTS) to include Acquirers in Singapore and Vietnam.

Effective 1 May 2012, expands the requirement to add Merchants terminated for cause into the Visa Merchant Trace System (VMTS) to include Acquirers in China.

Miscellaneous Clarifications to the Operating Regulations related to 7-Point Card Security Plan – Australia and New Zealand

Effective 16 December 2011, introduces clarifications to the use of PIN as a Cardholder Verification Method, Chip Card acceptance, Chip Card issuance, Dynamic Data Authentication and Verified by Visa requirements for Issuers and Acquirers in Australia and New Zealand.

Minimum Spending Limit for Visa Signature Product – Australia

Effective 15 November 2011, revises the Minimum Spending Limit for Visa Signature Cards issued in Australia.

ID#: 040412-010100-0027044

Canada Region Major Topics

Emergency Card Replacement Service Requirement for all Visa Classic Products in Canada

Effective 30 April 2012, requires Issuers of Visa Classic credit and debit products in Canada to provide Cardholders with the Emergency Card Replacement Service.

ID#: 040412-010100-0027049

CEMEA Region Major Topics

Removal of Visa Electron Gold and Visa Electron Platinum Products

Effective 1 December 2012, the issuing of Visa Electron Gold Cards and Visa Electron Platinum Cards will be discontinued in the CEMEA Region.

ID#: 040412-010100-0027051

LAC Region Major Topics

Participation of Venezuela in the EMV Liability Shift

Effective 1 January 2012, requires Members in Venezuela to participate in the EMV Liability Shift for domestic point-of-sale and ATM counterfeit Chip Transactions processed through VisaNet.

ID#: 040412-010100-0027053

U.S. Region Major Topics

Revisions to CPS/Small Ticket MCC Eligibility for Consumer Debit and Elimination of the Supermarket and Retail Debit Performance Threshold IRF Program

Effective 1 October 2011, in the U.S. Region extends CPS/Small Ticket IRF eligibility to Visa Debit Card Transactions originating at supermarket, convenience store, and service station Merchants.

Business-to Business Transaction Authorization and Settlement Match Requirements

Effective 14 April 2012, in the U.S. Region requires the amount in the Settlement Record and the Authorization Request to be the same for Transactions enrolled in the Authorization and Settlement Match service.

Visa Debit with PIN Preauthorization Transactions

Effective 14 April 2012, clarifies requirements and dispute resolution rights in the U.S. Region relating to preauthorization of Visa Debit with PIN Transactions.

U.S. Debt Repayment Program – Visa Business Check Card Enablement

Effective 15 June 2012, adds the Visa Business Check Card as a payment category for the Debt Repayment Program in the U.S. Region.

U.S. Contactless Product and Acceptance Strategy

Effective 1 January 2012 and 1 April 2013, aligns requirements for Contactless Cards and devices issued or placed in the U.S. Region with the Chip Acceleration Plan and legislative changes brought about by the Dodd-Frank Act.

Automated Fuel Dispenser (AFD) Status Check Procedure Enhancements

Effective 20 October 2012, requires an Automated Fuel Dispenser Merchant in the U.S. Region to send an Acquirer Confirmation Advice within X of a Status Check Authorization.

ID#: 060412-010100-0027055

Summary of Changes

Major Topics

V.me by Visa Platform

Background

The Operating Regulations have been revised to implement a global framework for V.me by Visa, an optional service. V.me by Visa will be available initially in the U.S. Region.

Further revisions to the *Visa International Operating Regulations* will be made as new features and enhancements are added to V.me by Visa and as the service is expanded to other geographies.

Effective Date

15 April 2012

Regulation Changes

Added or revised the following:

Chapter 4: The Visa Brand

- V.me by Visa Mark Requirements
- V.me by Visa Mark Use

Chapter 5: Visa Products and Services

- V.me by Visa - Transaction Requirements
- V.me by Visa - Card Enrollment

Chapter 6: Payment Acceptance

- V.me by Visa Merchant Requirements

Chapter 7: Transaction Processing

- V.me by Visa - Decline Response Prohibition

Glossary

- V.me by Visa
- V.me by Visa Account Holder
- V.me by Visa Mark
- V.me by Visa Merchant

ID#: 040412-010100-0027083

Requirements for AP and CEMEA Issuers to Process Incoming Original Credit Transactions as Fast Funds

Background

A requirement has been introduced for Issuers in the AP Region and the CEMEA Region to support Fast Funds processing of incoming Money Transfer Original Credit Transactions to all debit cards and Visa Prepaid Cards, with the exception of Issuers in China, Guam, Hong Kong, India, Japan, Korea, Macau, Saudi Arabia and Taiwan. The requirement for Issuers in Australia is limited to Fast Funds processing of domestic Money Transfer Original Credit Transactions only.

Effective Date

1 January 2012

12 October 2012

19 April 2013

Regulation Changes

Added or revised the following:

Chapter 7: Transaction Processing

- Money Transfer Original Credits - Fast Funds Processing – AP Region and CEMEA Region

ID#: 060412-010100-0027011

Proximity Payment-Only Acceptance at Transit Fare Gates and Points of Boarding

Background

The Operating Regulations have been revised to allow Proximity Payment-Only Terminals to be deployed at turnstiles, fare gates, and points of boarding for transit Merchants that are classified with Merchant Category Codes 4111, "Local and Suburban Commuter Passenger Transportation, Including Ferries," 4112, "Passenger Railways," and 4131, "Bus Lines." These Merchants are required to accept all Visa Cards at all other acceptance points at their Merchant Outlets.

Effective Date

13 October 2011

Regulation Changes

Added or revised the following:

Chapter 6: Payment Acceptance

- Below-Floor Limit Transactions
- Deployment of Proximity Payment-Only Terminals
- Merchant Authorization Requirements
- Transaction Date Authorization Requirement
- Transaction Receipt Delivery Requirements
- Uniform Services - Acquirer Requirements
- Valid Acceptance

Chapter 9: Dispute Resolution

- Invalid Chargebacks - Reason Code 70

Glossary

- Proximity Payment-Only Terminal

ID#: 060412-010100-0027012

Expansion of Authorization Tolerance for Car Rental Merchants**Background**

To accommodate the potential difference between the estimated amount in the Authorization Request and the final Transaction amount submitted by a T&E Merchant, current rules allow such Merchants to clear a Transaction for an amount up to 15% greater than the authorized amount and provide Chargeback protection up to that threshold. Revisions to the *Visa International Operating Regulations* have been made to expand the 15% tolerance between the Authorization and Settlement amounts for Car Rental Companies. The revised rules also expand the Chargeback protection under Chargeback Reason Code 72, "No Authorization" to match the new tolerance amounts.

The revised rules require a Car Rental Company to request incremental Authorization if the final Transaction amount exceeds:

- The Merchant's Floor Limit
- The greater of the following amounts:

- 15% plus the authorized amount or
- US \$75 plus the authorized amount

Effective Date

14 April 2012

Regulation Changes

Added or revised the following:

Chapter 6: Payment Acceptance

- T&E Final Authorization VIOR 5.1.E.4, USOR 5.2.K.3

Chapter 9: Dispute Resolution

- Chargeback Rights and Limitations - Reason Code 72
- Representment Conditions - Reason Code 72
- Representment Rights and Limitations - Reason Code 72

Chapter 10: Pricing, Fees and Interchange

- Car Rental Merchant CPS Authorization Requirements - U.S. Region

ID#: 060412-010100-0027013

Transaction Aggregation and Estimated/Incremental Authorizations at Transit Merchants**Background**

The Operating Regulations have been revised to support the transit segment by allowing Merchants properly assigned Merchant Category Codes 4111, "Local and Suburban Commuter Passenger Transportation, Including Ferries," 4112, "Passenger Railways," and 4131, "Bus Lines," to aggregate Transactions and to process estimated and incremental Authorizations.

Effective Date

14 November 2011

Regulation Changes

Added or revised the following:

Chapter 6: Payment Acceptance

- Aggregated Transaction Authorization
- Aggregated Transaction Cardholder Notification
- Aggregated Transaction Processing Requirements
- Aggregated Transaction Receipt Data
- Aggregated Transaction Requirements
- Aggregated Transaction Requirements for Electronic Commerce Merchants - U.S. Region
- Authorization Reversal Requirements
- Authorization Reversal Requirements - U.S. Region
- Estimated and Incremental Authorization Procedures for Transit Merchants
- Transaction Date Authorization Requirement
- Transaction Date Authorization Requirement - U.S. Region 5.2.K

Chapter 7: Transaction Processing

- Transaction Submission Subsequent to an Authorization Reversal

Chapter 9: Dispute Resolution

- Additional Information - Reason Code 71
- Additional Information - Reason Code 72

Glossary

- Aggregated Transaction
- Aggregated Transaction Receipt

ID#: 060412-010100-0027014

Visa Corporate Prepaid Product Specifications

Background

The Operating Regulations have been revised to formalize and establish a set of requirements for the issuance of Visa Corporate Prepaid Cards. The Visa Corporate Prepaid Card is a commercial product that offers a suite of corporate benefits, features, and optional enhancements.

In addition, current prepaid product rules have been repositioned for easier referencing. A new generic section applicable to all prepaid products has been created within Chapter 5 (Visa Products and Services), while existing consumer specific rules have been retained within the Consumer Products section.

Effective Date

14 November 2011

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Visa Prepaid Card BIN - U.S. Region
- Visa Corporate Prepaid Card - General Requirements
- Visa Corporate Prepaid Card - Commercial Products Core Feature Requirements
- Visa Corporate Prepaid Card - Commercial Card Mandatory Core Services
- Visa Corporate Prepaid Card - Customer Support Services
- Commercial Products Core Feature Requirements
- Commercial Products Mandatory Core Services
- Visa Global Customer Assistance Services Program Requirements

Glossary

- Visa Corporate Prepaid Card
- Visa Prepaid Corporate Card - U.S. Region

ID#: 040412-010100-0027015

Account Data Compromise Recovery (ADCR) and Data Compromise Recovery Solution (DCRS) Global Alignment

Background

Revisions were approved to align Visa's various data compromise recovery programs—DCRS International, DCRS Canada, and U.S. ADCR—into a single, global data compromise recovery program called the Visa Global Compromised Account Recovery (GCAR) Program. The GCAR Program provides consistent policies, procedures, and time frames.

In addition to aligning program attributes, processes, and systems under the GCAR Program, a *Visa Global Compromised Account Recovery (GCAR) Guide* was developed to provide additional supporting program details, such as core program attributes, stakeholder benefits, and fees, for Visa Members.

Effective Date

For Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012

Regulation Changes

Added or revised the following:

Chapter 8: Risk Management

- GCAR - Non-Cooperation Analysis Fee
- GCAR - Appeal Fee
- GCAR - Appeal Rights
- GCAR - Catastrophic Loss
- GCAR - Conditions for Reimbursement
- GCAR - Debits, Credits, and Fees
- GCAR - Notification of Final Liability and Recovery Amounts
- GCAR - Preliminary Determination of Event Qualification
- GCAR General Calculation Rules
- GCAR Incremental Fraud Recovery
- GCAR Operating Expense Recovery
- GCAR Program Compliance
- GCAR Qualification
- Global Compromised Account Recovery Program Overview

Chapter 9: Dispute Resolution

- Compliance Filing Reasons
- Data Compromise Recovery - U.S. Region
- Data Compromise Recovery Event Resolution

Glossary

- Account Data Compromise Event
- CAMS
- CAMS Alert
- CAMS Event
- Compromised Account Management System
- Compromised Entity
- Counterfeit Fraud Recovery
- Fraud Window
- Global Compromised Account Recovery
- Incremental Counterfeit Fraud

- Intrusion Access Window
- Operating Expense Recovery
- Qualifying CAMS Event
- VAB
- VAB Event
- Visa Account Bulletin

Appendices

- Extensions - Risk Management

ID#: 060412-010100-0027016

Distribution of Corporate and Government Funded Prepaid Cards Outside of the Country of Issuance

Background

Revisions to the *Visa International Operating Regulations* have been made to formalize and clarify existing policies that allow cross-border distribution of corporate remittance Visa Prepaid Cards, for example, employee incentive Cards. Additional modifications have been made to expand the rules for certain other corporate and government-funded programs.

Effective Date

8 December 2011

Regulation Changes

Added or revised the following:

Chapter 2: Visa System Participation

- Liability of Distribution of Visa Prepaid Cards Outside the Country of Issuance

Chapter 5: Visa Products and Services

- Distribution of Visa Prepaid Cards Outside the Country of Issuance - Limitations
- Distribution of Visa Prepaid Cards Outside the Country of Issuance Requirements

Glossary

- Distribution of Visa Prepaid Cards Outside the Country of Issuance

ID#: 060412-010100-0027018

Updates to Information Classification Labels and Protection Standards

Background

Changes to Visa's internal information classification categories and associated protection standards were undertaken in an effort to strengthen processes and procedures for protective handling and safeguarding of sensitive Visa information. *Visa International Operating Regulations* have been revised to ensure Members understand the revised confidentiality categories and provide the prescribed degree of protection and due diligence during communication of any information so classified.

Effective Date

12 January 2012

Regulation Changes

Added or revised the following:

Chapter 1: Visa Operating Regulations Governance

- Visa Confidential Materials
- Visa Confidential Materials - U.S. Region

Chapter 3: The Visa License

- Confidentiality of BIN Information

Glossary

- Visa Confidential

ID#: 040412-010100-0027019

Dual-Issuer Branded Visa Commercial Cards in the Multinational Program - Visa Europe Addition

Background

In October 2010, Operating Regulations were introduced that permitted Visa Multinational Program participants to issue Dual-Issuer Branded Visa Commercial Cards, identifying the issuing Partner Bank on the back of the Card and the Lead Bank on the Card front. However, such dual-Issuer branding was not applicable to Issuers in Visa Europe.

The Operating Regulations have been revised to allow Visa Multinational Program participants in Visa Europe to issue Dual-Issuer Branded Visa Commercial Cards.

Effective Date

1 February 2012

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Centralized Card Issuance - Dual-Issuer Branded Visa Commercial Card Requirements

ID#: 040412-010100-0027020

Expansion of Quality of Goods or Services Dispute Rights

Background

To enable Issuers in the Canada Region to compete more effectively, revisions to the Canada Regional Operating Regulations and the U.S. Regional Operating Regulations have been made to introduce Chargeback rights for Reason Code 53, "Not as Described or Defective Merchandise" for disputes relating to the quality of goods or services purchased in Canada and for disputes between the Canada Region and the U.S. Region.

Effective Date

For Chargebacks processed on or after 30 June 2012

Regulation Changes

Added or revised the following:

Chapter 9: Dispute Resolution

- Additional Information - Reason Code 53
- Chargeback Conditions - Reason Code 53
- Chargeback Processing Requirements - Reason Code 53
- Chargeback Rights and Limitations - Reason Code 53
- Chargeback Time Limit - Reason Code 53
- Overview - Reason Code 53

ID#: 060412-010100-0027021

Mobile Payment Device Requirements

Background

To facilitate the use of consumer handheld devices for Visa payments, a new Cardholder Verification Method, the Consumer Device Cardholder Verification Method (CDCVM), has been introduced for use with smart phones and other handheld devices, and requirements established for the issuance and acceptance of such devices for Visa Transactions. At the same time, requirements for Card and Cardholder verification have been clarified.

Effective Date

8 March 2012

1 October 2012

13 October 2012

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Cardholder Verification Method Preferences
- Mobile Gateways - Issuer Requirements
- Mobile Payment Devices - Cardholder Verification Method Requirements
- Mobile Payment Devices - Issuer Requirements
- Mobile Payment Devices - Third Party Requirements
- Proximity Payment Device Requirements

Chapter 6: Payment Acceptance

- Below-Floor Limit Transactions
- Card and Cardholder Verification
- Cardholder Identification and Card Verification Table - U.S. Region 5.2.J.1.a
- Cash-Back Transaction Requirements
- Manual Cash Disbursement - Mobile Payment Device Prohibition
- Quasi-Cash Transactions - Mobile Payment Device Prohibition

Chapter 8: Risk Management

- CVV2 on Visa Cards
- Merchant Card Recovery Procedures - U.S. Region
- Merchant Card Recovery Procedures at the Point of Sale

Chapter 9: Dispute Resolution

- Chargeback Processing Requirements - Reason Code 81

- Chargeback Processing Requirements - Reason Code 83
- Chargeback Rights and Limitations - Reason Code 75
- Chargeback Rights and Limitations - Reason Code 81
- Documentation - Reason Code 81
- Invalid Chargebacks - Reason Code 57
- Invalid Chargebacks - Reason Code 60
- Invalid Chargebacks - Reason Code 62
- Invalid Chargebacks - Reason Code 75
- Invalid Chargebacks - Reason Code 81
- Overview - Reason Code 81
- Representment Rights and Limitations - Reason Code 75
- Transaction Receipt Fulfillment Exceptions

Glossary

- Consumer Device Cardholder Verification Method (CDCVM)
- Mobile Payment Device
- Passcode
- Visa Mobile Gateway Specifications
- Visa Mobile Payment Application

Appendices

- Extensions - Risk Management
- Extensions - Standards and Specifications

ID#: 040412-010100-0027023

Visa Authority to Approve Variances, Waivers, and Pilots

Background

The Operating Regulations have been revised to recognize the shift in authority from the Visa Board to Visa management for granting Variances, Waivers, and pilot program Waivers, as well as formalize the process for Member requests for such Variances and Waivers.

Effective Date

8 March 2012

Regulation Changes

Added or revised the following:

Chapter 1: Visa Operating Regulations Governance

- Applicable Laws
- Board Powers
- Emergency Variances
- Other Rules
- Regional Rules
- Requests for Variances, Waivers, and Pilots
- Time Limit for Emergency Variances
- Variance or Waiver Decision
- Variance or Waiver Limitations
- Variance or Waiver Submission Requirements
- Variance Requests
- Variances or Waivers to the Visa Operating Regulations
- Visa International Bylaws

Chapter 4: The Visa Brand

- Affinity Program Compliance - U.S. Region

Chapter 5: Visa Products and Services

- Plus Program Participation

Chapter 8: Risk Management

- Contesting of PIN Requirement Non-Compliance Penalty - U.S. Region

Glossary

- Extension
- Variance
- Waiver

ID#: 040412-010100-0027025

Variance Topics

ATM Access Fee - Thailand

Background

A variance has been granted to ATM Acquirers in Thailand to allow them to impose an Access Fee on domestic ATM Cash Disbursements, as permitted by their local law.

Effective Date

10 February 2012

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Domestic ATM Cash Disbursement Access Fees

ID#: 040412-010100-0027027

Miscellaneous Topics

Revised Chargeback Rights for Counterfeit Transactions Approved with an Unverified CVV

Background

To encourage Visa Members to remain proactive in guarding against counterfeit Transactions, Issuers will no longer have a Chargeback right under Chargeback Reason Code 62, "Counterfeit Transaction," for Transactions made with a counterfeit Magnetic Stripe on a Chip Card, if the Issuer approved an Authorization that contained an invalid Card Verification Value (CVV), or if the CVV was not checked, provided that the Merchant provided full, unaltered track 1 or track 2 data.

Effective Date

1 May 2012

Regulation Changes

Added or revised the following:

Chapter 6: Payment Acceptance

- EMV Liability Shift - Acquirer Liability for Card-Present Counterfeit Card Transactions

Chapter 9: Dispute Resolution

- Additional Information - Reason Code 62
- Chargeback Conditions - Reason Code 62
- Invalid Chargebacks - Reason Code 62

ID#: 060412-010100-0027029

Secure Handling and Destruction of Visa Card Products

Background

To clarify and formalize Issuer obligations for dealing with expired, recalled, and spoiled Visa Card products, requirements have been added for Issuers to follow approved processes for the secure destruction of Visa Card products and to ensure compliance with Visa security requirements at Card Distribution Points.

Effective Date

13 October 2011

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Card Destruction Security Requirements
- Security at Card Distribution Points

Glossary

- Card Distribution Point

Appendices

- Extensions - Products and Services

ID#: 060412-010100-0027030

VisaNet Processor Rules Clarification

Background

Operating Regulation revisions have been made to explicitly state that a VisaNet endpoint is not transferable and the “VisaNet Letter of Agreement” (Exhibit 5A) has been revised to reflect this clarification.

Effective Date

7 March 2012

Regulation Changes

Added or revised the following:

Chapter 3: The Visa License

- Non-Assignable Right to Use VisaNet

Chapter 7: Transaction processing

- Visa Extended Access - CEMEA Region

Glossary:

- Offshore VisaNet Processor

Appendices:

- VisaNet Letter of Agreement (Exhibit 5A)

ID#: 040412-010100-0027024

Chip Card Language Clarifications

Background

Revisions have been made to clarify Merchant requirements for checking the Card Recovery Bulletin (CRB) for Transactions at Chip-Reading Devices and to remove obsolete or redundant language related to Chip Card compliance.

Effective Date

14 November 2011

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Chip Card Compliance

Chapter 6: Payment Acceptance

- Below-Floor Limit Transactions

Glossary

- Visa Smart Payment

ID#: 040412-010100-0027031

Plus Directory Update Requirement

Background

To improve the accuracy and completeness of Member information in the Plus Directory, the Operating Regulations have been revised to require Plus Members to submit a Plus Directory Update Form when they are assigned a BIN, and 10 business days before any of their information changes.

Effective Date

14 November 2011

Regulation Changes

Added or revised the following:

Chapter 3: The Visa License

- Plus Directory Update Form - Submission

ID#: 060412-010100-0027032

Visa Risk Manager Update

Background

Revisions to the Visa Risk Manager Operating Regulations have been made to provide a more concise definition and remove redundant rules.

Effective Date

29 November 2011

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Visa Risk Manager - U.S. Region
- Visa Risk Manager Description

Glossary

- Visa Risk Manager

ID#: 040412-010100-0027033

Fraud Chargeback Processing Requirements Alignment

Background

To align Chargeback processing requirements between Chargeback Conditions 1 and 2 under Chargeback Reason Codes 81, "Fraud – Card-Present Environment" and 83, "Fraud – Card-Absent Environment," Issuers will be required to list the Account Number on the Exception File, and report Fraud Activity through VisaNet for Chargeback Condition 2.

Effective Date

13 October 2012

Regulation Changes

Added or revised the following:

Chapter 9: Dispute Resolution

- Chargeback Processing Requirements - Reason Code 81
- Chargeback Processing Requirements - Reason Code 83
- Chargeback Rights and Limitations - Reason Code 81
- Chargeback Rights and Limitations - Reason Code 83
- Documentation - Reason Code 81
- Representment Processing Requirements - Reason Code 83
- Representment Rights and Limitations - Reason Code 81

ID#: 060412-010100-0027034

Removal of BIN-Level Billing Currency Requirement

Background

To align with current system capabilities, the rule requiring Issuers to have a separate BIN for each Billing Currency has been removed. This rule is no longer applicable as Issuers have the ability to establish the Billing Currency at the account range level.

Effective Date

12 January 2012

Regulation Changes

Added or revised the following:

Chapter 7: Transaction Processing

- Issuers Using Multiple Billing Currencies

ID#: 040412-010100-0027036

Visa Online Globalization

Background

The Operating Regulations have been revised to support the rollout of the global Visa Online portal where all licensed parties worldwide will access Visa Online and other applications through this portal. Revisions have been made to recognize the new consolidated global *Visa Online Terms and Conditions* that will govern Visa Online use by all licensed parties.

Effective Date

5 May 2012

Regulation Changes

Added or revised the following:

Chapter 2: Visa System Participation

- Visa Online Indemnification
- Visa Online Indemnification - U.S. Region

Chapter 5: Visa Products and Services

- Use of Visa Online
- Visa Online Information - U.S. Region

- Visa Online Information Non-Disclosure - U.S. Region
- Visa Online Participation - U.S. Region
- Visa Platinum Card BIN - Canada Region

Chapter 7: Transaction Processing

- National Net Settlement Policies and Procedures - Canada Region

Chapter 8: Risk Management

- Domestic Merchant Fraud Performance Program - Canada Region
- Fraud Alert Requirements - Canada Region
- Issuer PIN Security Requirements - Canada Region
- Visa Anti-Bribery Program

Glossary

- Chip Specifications - Canada Region
- Visa Online

Appendices

- Extensions - Products and Services

ID#: 040412-010100-0027038

Electronic Commerce Terminology Update

Background

Revisions have been made to streamline and clarify rules related to Electronic Commerce Transactions. These include changes to ensure the appropriate usage of the terms “Verified by Visa” and “3-D Secure,” the consolidation of international and regional rules where appropriate, and the removal of references to older technologies.

Effective Date

15 March 2012

Regulation Changes

Added or revised the following:

Chapter 2: Visa System Participation

- Verified by Visa Indemnification

Chapter 5: Visa Products and Services

- 3-D Secure Availability Notification
- 3-D Secure Cardholder Authentication Verification Requirements - U.S. Region
- 3-D Secure Issuer Participation Requirements - U.S. Region
- Acquirer Support for Verified by Visa
- Acquirer Use of the Verified by Visa Mark
- Chip Card Requirements - Canada Region
- Electronic Commerce Acquirer Requirements - U.S. Region
- Electronic Commerce Indicator Requirement for High-Risk Merchants - U.S. Region
- Issuer Use of the Verified by Visa Mark
- Merchant Authentication Requirements - CEMEA Region
- MPI Certificate Requirements - Canada Region
- MPI Client Certificate Requirements - Canada Region
- Requirements for High-Risk Merchants that Enable Verified by Visa - U.S. Region
- Secure Transaction Data Transmission Requirements - CEMEA Region
- Unable-to-Authenticate Response for Visa Commercial Cards - AP Region
- Verified by Visa Account and Cardholder Data Requirements - CEMEA Region
- Verified by Visa Acquirer and Merchant Requirements
- Verified by Visa Acquirer Compliance Requirements
- Verified by Visa Acquirer Participation Requirements
- Verified by Visa Acquirer Requirements in India – AP Region
- Verified by Visa Activate Later Feature Participation Requirements - Canada Region
- Verified by Visa Activate Later Feature Enrollment - Canada Region
- Verified by Visa Activate Later Feature Merchant Requirements - Canada Region
- Verified by Visa Authentication Approval Rate - U.S. Region
- Verified by Visa Cardholder Enrollment
- Verified by Visa Chargeback Protection Limitations - U.S. Region
- Verified by Visa Global Performance Enhancement Program
- Verified by Visa in China – AP Region
- Verified by Visa Issuer Authentication Standards
- Verified by Visa Issuer Participation Requirements
- Verified by Visa Acquirer Participation Requirements
- Verified by Visa Penalties for Excessive Decline Rates
- Verified by Visa Unable-to-Authenticate Response - Canada Region

- Verified by Visa Unable-to-Authenticate Response Conditions
- Virtual Account Issuer Certification Requirements - CEMEA Region
- Visa Debit Card Issuer Verified by Visa Participation - Canada Region
- Visa Secure Electronic Commerce Authentication Records - U.S. Region
- Visa Secure Electronic Commerce Cardholder Authentication - U.S. Region
- Visa Secure Electronic Commerce Chargeback Protection Limitations, Ineligible Merchants - U.S. Region
- Visa Secure Electronic Commerce Participation Options - U.S. Region
- Visa Secure Electronic Commerce Participation Requirements - U.S. Region
- Visa Secure Electronic Commerce Program Compliance - U.S. Region
- Visa-Provided Attempt Response - U.S. Region

Chapter 6: Payment Acceptance

- 3-D Secure Failure at Authorization - U.S. Region
- Account Funding Transaction Requirements - U.S. Region
- Data Protection Method Requirements
- Electronic Commerce Account Number Requirements
- Electronic Commerce Indicator for Recurring Transactions - U.S. Region
- Electronic Commerce Indicator Requirements
- Electronic Commerce Member Requirements - U.S. Region
- Electronic Commerce Website Merchant Agreement Requirements
- Internet Merchant Acquiring Qualifications - AP Region
- Mail/Phone Order and Electronic Commerce Expiration Date in Authorization - U.S. Region 5.2.K
- Mail/Phone Order and Electronic Commerce Merchant Outlet Location
- Recurring Electronic Commerce Transactions
- Use of Verified by Visa Mark - U.S. Region
- Verified by Visa Display Requirements - CEMEA Region
- Verified by Visa Mark Prohibitions
- Website Requirements
- Wire Transfer Money Order Acquirer Responsibilities - U.S. Region

Chapter 7: Transaction Processing

- Australia Bill Payment Transaction Requirements – AP Region
- Authorization Response for Electronic Commerce Transactions - U.S. Region
- Decline Response Prohibition for Electronic Commerce Transactions
- Decline Response Prohibition for Verified by Visa Transactions

- Verified by Visa CAVV Requirements

Chapter 9: Dispute Resolution

- Additional Information - Reason Code 75
- Chargeback Rights and Limitations - Reason Code 75
- Chargeback Rights and Limitations - Reason Code 83
- Invalid Chargebacks - Reason Code 75
- Invalid Chargebacks - Reason Code 83
- Representment Conditions - Reason Code 83
- Representment Processing Requirements - Reason Code 83

Chapter 10: Pricing, Fees and Interchange

- CPS Electronic Commerce Transactions - U.S. Region
- Interchange Reimbursement Fee Qualification Requirements
- Standard Interchange Reimbursement Fee Eligibility - U.S. Region

Glossary

- 3-D Secure Authenticated Payment Program - U.S. Region
- 3-D Secure Authentication Request - U.S. Region
- 3-D Secure Electronic Commerce Transaction Specification
- 3-D Secure Specification - U.S. Region
- Access Control Server - U.S. Region
- Activate Later Feature - Canada Region
- Attempt Response
- Authentication Confirmation
- Authentication Data
- Authentication Data - U.S. Region
- Authentication Denial
- Authentication History Server
- Authentication Identifier
- Authentication Method
- Authentication Record
- Authentication Record - U.S. Region
- Authentication Request
- Authentication Response
- Cardholder Authentication Verification Value

- Cardholder Authentication Verification Value - U.S. Region
- CPS/e-Commerce Preferred Transaction - U.S. Region
- CPS/e-Commerce Transaction - U.S. Region
- Electronic Commerce Indicator
- Electronic Commerce Merchant Monitoring Program - U.S. Region
- Electronic Commerce Merchant Rate
- Electronic Commerce Transaction - CEMEA Region
- Electronic Commerce Transaction - U.S. Region
- Electronic Commerce Transaction Indicator (ECI) - CEMEA Region
- Mail/Telephone Order, Recurring, Installment Billing, or Electronic Commerce Transaction Indicator - U.S. Region
- Merchant Outlet
- Merchant Plug-In (MPI) Client Certificate - Canada Region
- Non-Participation Message
- PAREq
- PAREs
- Payment Gateway
- Secure Electronic Transaction™ Specification - U.S. Region
- Three-Domain (3-D) Secure Authentication Request - U.S. Region
- Three-Domain Secure
- Three-Domain Secure Electronic Commerce Transaction Specification
- Three-Domain Secure Specification - U.S. Region
- Unable-to-Authenticate Response
- VERes
- Verified by Visa
- Verified by Visa Mark
- Visa Payment Gateway Service
- Visa Secure Electronic Commerce
- Visa Three-Domain Secure Services - U.S. Region

Appendices

- Extensions - Products and Services
- Extensions - Standards and Specifications

ID#: 040412-010100-0027039

Visa Regulation II Certification Program

Background

The Visa Regulation II Certification Program is a certification program that enables an Issuer in the U.S. Region or in the U.S. Territories to certify the status of its consumer debit, commercial debit, and prepaid portfolios in alignment with U.S. Federal Reserve Board Regulation II. The Operating Regulations have been revised to formalize the program and outline its requirements for BIN Licensees.

Effective Date

8 March 2012

Regulation Changes

Added or revised the following:

Chapter 3: The Visa License

- Visa U.S. Regulation II Certification Program Requirements - AP Region, LAC Region, and U.S. Region

Glossary

- Visa U.S. Regulation II Certification Program - AP Region, LAC Region, and U.S. Region

ID#: 060412-010100-0027041

Visa payWave Requirements Update

Background

The U.S. Regional Operating Regulations have been revised to require all Visa products issued in the U.S. Region with Contactless Payment functionality to include the Visa payWave application and to clarify that a contactless-only debit product (such as a mobile device or a fob) that provides a Merchant with no alternative processing interface (e.g., Magnetic Stripe or contact Chip) may be processed through another network.

Effective Date

1 January 2012

1 April 2012

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Visa payWave Application Requirement - U.S. Region
- Visa payWave Transaction Processing - U.S. Region

Glossary

- Visa payWave Application - U.S. Region

ID#: 060412-010100-0027035

Visa Chip Services**Background**

Visa has developed an optional suite of Chip services to support Issuers in quickly and cost-effectively adopting Chip technology. U.S. Regional Operating Regulations have been introduced to support this suite of optional services, which includes Visa Streamlined Chip Setup, Visa Custom Chip Setup, Visa Chip Authenticate, and Visa iCVV Convert.

Effective Date

12 January 2012

Regulation Changes

Added or revised the following:

Chapter 2: Visa System Participation

- Visa Chip Services Indemnification - U.S. Region

Chapter 5: Visa Products and Services

- Visa Chip Services Issuer Participation - U.S. Region

Glossary

- Visa Chip Services - U.S. Region

ID#: 060412-010100-0027037

Visa Signature Product Revisions

Background

As a result of a comprehensive evaluation of U.S. consumer credit products, U.S. Regional Operating Regulation revisions have been made to remove the “no preset spending limit” (NPSL) requirement for Visa Signature and Visa Signature Preferred Cards issued as revolving credit products. (Note that the NPSL requirement still applies for Visa Charge Cards.) In addition, the requirement to provide 24/7 live agent customer service has been amended to provide greater flexibility for Issuers.

Effective Date

8 March 2012

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Visa Charge Card Authorization Requirements
- Visa Signature Card Customer Service Requirements - U.S. Region
- Visa Signature Card Requirements
- Visa Signature Card Spending Limits and Payment Options - U.S. Region
- Visa Signature Preferred Card Customer Service Requirements - U.S. Region
- Visa Signature Preferred Card Spending Limits and Payment Options - U.S. Region

Chapter 7: Transaction Processing

- Visa Signature Card Allowable Decline and Referral Reasons
- Visa Signature Card Restriction on Declines - U.S. Region
- Visa Signature Preferred Card Restriction on Declines - U.S. Region
- Visa Signature Preferred Charge Card Allowable Decline and Referral Reasons - U.S. Region

ID#: 060412-010100-0027040

AP Region Major Topics

Sunset of Chip Card Issuing Requirements in the AP Region

Background

Three Chip Card issuing requirements specific to the AP Region have been removed to adopt individual market plans to establish different levels of participation in Chip migration on a country-by-country basis.

Effective Date

16 December 2011

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Chip Card Issuance in Markets with Excessive Fraud - AP Region
- Chip Card Issuing Requirements - AP Region
- Chip Card Issuing Variance - AP Region

ID#: 060412-010100-0027045

Visa Merchant Trace System (VMTS) Expansion**Background**

The existing requirement for Acquirers in the AP Region to add Merchants into the Visa Merchant Trace System (VMTS) when terminating them for cause has been extended to include Acquirers in Singapore, Vietnam and China.

Effective Date

1 February 2012 (Singapore and Vietnam)

1 May 2012 (China)

ID#: 040412-010100-0027046

Miscellaneous Clarifications to the Operating Regulations related to 7-Point Card Security Plan – Australia and New Zealand**Background**

Minor changes have been made to the wording of the current PIN as Cardholder Verification Method, Dynamic Data Authentication, Verified by Visa, and Chip Card acceptance requirements for Issuers and Acquirers in Australia and New Zealand.

Effective Date

16 December 2011

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Chip Card Issuing Requirements in Australia - AP Region
- Chip Card Issuing Requirements in New Zealand - AP Region
- Dynamic Data Authentication in Australia and New Zealand - AP Region
- PIN as Cardholder Verification Method in Australia – Issuer Requirements – AP Region
- PIN as Cardholder Verification Method in New Zealand – Issuer Requirements – AP Region
- Verified by Visa in Australia - AP Region
- Verified by Visa in New Zealand - AP Region

Chapter 6: Payment Acceptance

- Chip Card Acceptance in Australia – AP Region
- Chip Card Acceptance in New Zealand – AP Region

Chapter 8: Risk Management

- PIN as Cardholder Verification Method in Australia – Acquirer Requirements – AP Region
- PIN as Cardholder Verification Method in New Zealand – Acquirer Requirements – AP Region

ID#: 040412-010100-0027047

Minimum Spending Limit for Visa Signature Product – Australia

Background

The Visa Signature Card Minimum Spending Limit for Australia has been revised to AUD 18,000.

Effective Date

15 November 2011

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Visa Signature Card Issuance - AP Region

ID#: 040412-010100-0027048

Canada Region Major Topics

Emergency Card Replacement Service Requirement for all Visa Classic Products in Canada

Background

To provide Cardholders with greater confidence in Visa Classic credit and debit products when traveling internationally, the Canada Regional Operating Regulations have been modified to require Issuers to provide the Emergency Card Replacement Service to all Visa Classic Cardholders.

Effective Date

30 April 2012

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Visa Global Customer Assistance Services Program - Canada Region

ID#: 060412-010100-0027050

CEMEA Region Major Topics

Removal of Visa Electron Gold and Visa Electron Platinum Products

Background

The Operating Regulation which permitted the issuance of Visa Electron Gold Cards and Visa Electron Platinum Cards in the CEMEA Region, with prior written approval granted by Visa, has been removed.

Effective Date

1 December 2012

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Visa Electron Gold Cards/Premier Cards - CEMEA Region

ID#: 040412-010100-0027052

LAC Region Major Topics

Participation of Venezuela in the EMV Liability Shift

Background

Revisions have been made to support Members in Venezuela with the participation in the EMV liability shift, for their domestic point-of-sale and ATM counterfeit Chip Transactions processed through VisaNet.

Effective Date

1 January 2012

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- EMV Liability Shift Participation

ID#: 060412-010100-0027054

U.S. Region Major Topics

Revisions to CPS/Small Ticket MCC Eligibility for Consumer Debit and Elimination of the Supermarket and Retail Debit Performance Threshold IRF Program

Background

Operating Regulation revisions were approved to more closely align Merchant Category Code eligibility between Visa Consumer Credit Card and Visa Debit Card Transactions for the CPS/Small Ticket Interchange Reimbursement Fee. Qualified Visa Debit Card Transactions at Grocery Stores and Supermarkets (MCC 5411), Convenience Stores (MCC 5499) and Service Stations (MCC 5541) may now receive the CPS/Small Ticket IRF rate.

In addition, revisions have been made to reflect the phase-out of the consumer Visa Debit Performance Threshold Interchange Reimbursement Fee program. The incentive program for retail and supermarket segment will be fully eliminated by the VisaNet Business Release of April 2012.

Effective Date

1 October 2011 through 14 April 2012

15 October 2011

Regulation Changes

Added or revised the following:

Chapter 10: Pricing, Fees and Interchange

- CPS/Small Ticket Merchant Category Codes - U.S. Region
- Performance Threshold Interchange Reimbursement Fee - Visa Consumer Credit - U.S. Region
- Performance Threshold Interchange Reimbursement Fee - Visa Consumer Debit - General - U.S. Region

Glossary

- Performance Threshold Interchange Reimbursement Fee Program - Visa Consumer Debit - U.S. Region
- Performance Threshold Interchange Reimbursement Fee Transaction - U.S. Region

ID#: 060412-010100-0027056

Business-to Business Transaction Authorization and Settlement Match Requirements**Background**

U.S. Regional Operating Regulations have been revised to require that the Transaction amount in the Settlement record for specifically identified business-to-business Transactions is exactly equal to the Transaction amount in the Authorization Request. This requirement eases reconciliation problems created in a Commercial Payables environment when the two amounts do not match.

Effective Date

14 April 2012

Regulation Changes

Added or revised the following:

Chapter 2: Visa System Participation

- Indemnification Related to Authorization and Settlement Match Service - U.S. Region

Chapter 5: Visa Products and Services

- Authorization and Settlement Match Participation Requirements – U.S. Region

Chapter 7: Transaction Processing

- Authorization Request Amount - U.S. Region
- Authorization Request and Settlement Amount Match - U.S. Region

Glossary

- Authorization and Settlement Match - U.S. Region
- Commercial Payables - U.S. Region

ID#: 040412-010100-0027058

Visa Debit with PIN Preauthorization Transactions

Background

The U.S. Regional Operating Regulations have been revised to delete a provision from Chargeback Reason Code 72, "No Authorization," that permitted an Issuer to charge back a Visa Debit with PIN Transaction if a preauthorization completion message is sent more than X after the initial preauthorization request. Instead, if a Merchant sent the completion message after the X time limit, the Issuer may pursue Compliance. In addition, a clarification has been made for Visa Debit with PIN Transactions, requiring an Issuer to release any hold on funds in a Cardholder's account upon receipt of the completion message or after X of the preauthorization request if a completion message was not received by that time.

Effective Date

14 April 2012

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Visa Check Card Funds Hold Release - U.S. Region
- Visa Prepaid Card Funds Hold Release - U.S. Region

Chapter 6: Payment Acceptance

- Visa Debit with PIN Transactions - Preauthorization Transactions - U.S. Region

Chapter 9: Dispute Resolution

- Chargeback Rights and Limitations - Reason Code 72

- Invalid Chargebacks - Reason Code 72

ID#: 060412-010100-0027022

U.S. Debt Repayment Program – Visa Business Check Card Enablement

Background

The Operating Regulations have been revised to add Visa Business Check Card as a payment category for the Debt Repayment Program in the U.S. Region.

Effective Date

15 June 2012

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Commercial Card Issuance

Chapter 6: Payment Acceptance

- Acquirer Requirements for Debt Repayment Program - U.S. Region
- Merchant Requirements for Debt Repayment Program - U.S. Region
- Qualification for Debt Repayment Program - U.S. Region
- Valid Acceptance

Glossary

- Limited Acceptance - U.S. Region
- Visa Business Card

ID#: 040412-010100-0027059

U.S. Contactless Product and Acceptance Strategy

Background

To provide support for mobile product offerings, align with broader authentication objectives, and enable compliance with new legislation, U.S. Regional Operating Regulation revisions have been made to modify and update certain Issuer and Acquirer requirements related to Contactless Payment.

Effective Date

15 April 2012

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1 January 2012

1 April 2013

Regulation Changes

Added or revised the following:

Chapter 5: Visa Products and Services

- Proximity Payment Issuer Requirements

Chapter 6: Payment Acceptance

- Proximity Payment Terminal Compliance

ID#: 060412-010100-0027060

Automated Fuel Dispenser (AFD) Status Check Procedure Enhancements

Background

The Status Check procedure for AFD Transactions protects Merchants from a Reason Code 72, "No Authorization" Chargeback for up to US \$75. Issuers, however, do not know the final Transaction amount until the Clearing Record is processed, 1-2 days later. To allow Issuers to establish more accurate hold amounts on their Cardholder accounts, revisions to the U.S. Regional Operating Regulations have been made to require AFD Acquirers to send a non-financial message, an Acquirer Confirmation Advice, within X of a Status Check Authorization. When received, Issuers may place a hold on the Cardholder's account, but the hold must not be in excess of the advice amount.

Effective Date

20 October 2012

Regulation Changes

Added or revised the following:

Chapter 6: Payment Acceptance

- Automated Fuel Dispenser Requirements – U.S. Region

Chapter 5: Visa Products and Services

- Status Check Procedure - U.S. Region

Glossary

- Acquirer Confirmation Advice – U.S. Region

ID#: 060412-010100-0027017

Other Revisions

Minor Edits, Grammar, Punctuation, and Rephrasing

The *Visa International Operating Regulations* is updated throughout the year and published to support new products, services and programs, and to modify existing rules to respond to changes in the electronic payments industry. Part of this update process includes incorporating minor editorial revisions to ensure consistency and clarity and to delete obsolete or redundant language and exhibits.

ID#: 060412-010100-0027066

Effective Dates

Most effective dates older than one year have been deleted.

ID#: 040412-010100-0027065

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About the Operating Regulations

General Overview

What are Operating Regulations?

Purpose

Visa has established regulations that are designed to minimize risks and provide a common, convenient, safe, and reliable global payment experience. The *Visa International Operating Regulations* are set and modified by Visa to support the use and innovation of Visa products and services, and represent a binding contract between Visa and all Members. The Operating Regulations do not constitute a third-party beneficiary contract as to any entity or person, nor do they constitute a contract, promise or representation, or confer any rights, privileges, or claims of any kind as to any third parties.

The *Visa International Operating Regulations* are based on consistent principles around the globe to ensure a common payment experience, while supporting region-specific and domestic regulations that allow for variations and unique marketplace needs. The *Visa International Operating Regulations* are proprietary and confidential to Visa. The *Visa International Operating Regulations* are distributed to Members for use exclusively in managing their Visa programs and must not be duplicated, published, distributed or disclosed, in whole or in part, to Merchants, Cardholders, or any other person without prior written permission from Visa.

The Visa Operating Regulations are updated regularly. You are responsible for obtaining and referring to the current content of the *Visa International Operating Regulations* on the Visa Publication Center at all times.

ID#: 050411-010410-0020308

General Contents

The *Visa International Operating Regulations* specifies standards that all Members must meet to operate and participate in Visa payment services, and contains:

- The International regulations applicable to all Members of Visa International and its subsidiaries
- *AP Regional Operating Regulations* applicable to Members operating in the Asia-Pacific Region, including clients of Visa Worldwide Private Ltd.
- *Canada Regional Operating Regulations* applicable to customers operating in the Canada Region
- *CEMEA Regional Operating Regulations* applicable to Members operating in the Central Europe, Middle East, & Africa Region
- *LAC Regional Operating Regulations* applicable to Members operating in the Latin America & Caribbean Region

- *U.S. Regional Operating Regulations* applicable to Members operating in the U.S. Region

Content unique to a specific region is indicated within titles, language, and system attributes.

Note: As a separate company, Visa Europe independently manages the publication of the *Visa Europe Operating Regulations*. Common regulations that are necessary to ensure the continued interoperability and consistency of the Visa brand, global payment transactions and system interoperability are found in both the *Visa International Operating Regulations* and the *Visa Europe Operating Regulations*.

ID#: 050411-010410-0020309

What Do Operating Regulations Include?

General

The *Visa International Operating Regulations* is organized according to the "Visa International Operating Regulations - Core Principles" that describes the expectations and requirements for participating in the Visa system. These Core Principles are outlined below and are also described at the beginning of each chapter. They are intended to:

- Serve as fundamental policy statements that describe the rules and processes designed to ensure the long-term value and reliability of Visa's products, system and brand
- Be presented in general terms as broad guidelines or statements of intent to guide business discussions, dealings and decisions, absent a specific rule
- Provide global consistency for the integrity of the Visa brand and system

ID#: 010410-010410-0020310

Organization

Operating Regulations Structure

Chapter Descriptions

The Operating Regulations are organized according to the "Visa International Operating Regulations - Core Principles" that describe the expectations and requirements for participating in the Visa system.

Core Principle 1: Visa Operating Regulations Governance - Outlines the scope and application of the *Visa International Operating Regulations*, a Member's requirement to comply with the Operating Regulations, and general fines for non-compliance.

Core Principle 2: Visa System Participation - Specifies minimum requirements for Members, Third Parties and VisaNet Processors, including liability and indemnification provisions.

Core Principle 3: The Visa License - Specifies various license, copyright and trademark provisions.

Core Principle 4: The Visa Brand - Specifies Member requirements for reproduction of the Visa-Owned Marks, including Card production, promotions, sponsorships and responsibilities for non-Card use of the Visa-Owned Marks.

Core Principle 5: Visa Products and Services - Specifies both Issuer requirements for participation in the Visa, Visa Electron and Plus programs, and Acquirers with respect to Acquirer-Merchant contracts, terminal requirements, Electronic Commerce and participation in the Visa Global ATM Program.

Core Principle 6: Visa Payment Acceptance - Specifies requirements for Merchants, including Transaction acceptance, special Merchant payment acceptance services and Transaction Receipt completion and processing.

Core Principle 7: Transaction Processing - Specifies Member requirements for payment processing, including Authorization, Clearing, and Settlement.

Core Principle 8: Risk Management - Specifies general security requirements, the rights and responsibilities of Visa and Members related to risk management and security, counterfeit losses, and the Visa risk management services.

Core Principle 9: Dispute Resolution - Governs the Transaction Receipt retrieval process, as well as a Member's attempts to resolve disputes and the processes available to the Member if its resolution efforts are unsuccessful. These processes include Chargebacks, Representments, Arbitration, and Compliance.

Core Principle 10: Pricing, Fees and Interchange - Specifies international fees applicable to Members, Interchange Reimbursement Fees, and procedures for collection, disbursement, and problem resolution.

Exhibits - Groups exhibits by topic for easy reference.

Maximum Authorized Floor Limits - Lists maximum authorized Floor Limits according to country.

Defined Terms - Lists terms used throughout the *Visa International Operating Regulations* that have a meaning beyond, or in lieu of, their dictionary meaning.

ID#: 010410-010410-0020311

Other Publications

References to Other Publications

Extensions to the Operating Regulations

The *Visa International Operating Regulations* refers to other Visa publications. Information in these publications is considered an extension of the *Visa International Operating Regulations* and applies if a Member participates in its respective services. The *Visa International Operating Regulations* governs in the event of any inconsistency or contradiction. Other Visa publications include:

- *Visa International Certificate of Incorporation and Bylaws*
- *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*
- *Interlink Network, Inc. Bylaws and Operating Regulations*
- **Effective through 31 December 2013, Visa Cash Program Operating Regulations**
- *Plus System, Inc. Bylaws and Operating Regulations*
- *Visa Product Brand Standards*

ID#: 111011-010410-0020312

Authoring Style

General Authoring Conventions

Grammar and Usage

The following conventions apply to grammar and usage throughout the *Visa International Operating Regulations*:

- "Visa" refers to any Visa Region, regional office, management or committee as applicable
- "*Visa International Operating Regulations*" refers to content from the *Visa International Operating Regulations* and all Regional Operating Regulations.
- The singular imports the plural, and the plural imports the singular. For example: "A Merchant must ...," implies that "All Merchants must..."
- Combination of Terms:
 - The term "Transaction" when combined with a Merchant type means a Transaction completed at that Merchant Outlet or Branch. For example: "Airline Transaction" means "a Transaction at an Airline."

- The term "Cardholder" when combined with a Card product name means the Cardholder of that Card type. For example: "Visa Electron Cardholder" or "Visa Classic Cardholder"
- Other terms may be combined in a similar manner

ID#: 010410-010410-0020313

Symbols and Style

In the *Visa International Operating Regulations*, special symbols and conventions are used as follows:

- Words that appear with initial capitalization have a special meaning beyond, or in lieu of, their dictionary meaning. These terms are specified in "Terms and Definitions."
- References to other documents and sections within the document are included as a hyperlink and either formatted in *italics* or enclosed within quotation marks

ID#: 060412-010410-0020314

Changes to the Operating Regulations

Changes to the *Visa International Operating Regulations* will be communicated and identified as part of the "Summary of Changes" for each edition.

Unless an effective date is specified in the text for a change to the *Visa International Operating Regulations*, all changes are effective on the publication date.

ID#: 010410-010410-0020315

Contents Numbering

Section Numbering

Unique Regulation Identifiers

Legacy alpha-numeric section numbering designed for traditional book publishing has been replaced with a unique regulation Identification (ID) code more appropriate for dynamic online publication capabilities.

The unique ID remains with each regulation for as long as the regulation remains unchanged. If modified, the regulation ID is updated to reflect the date of change, but a unique 7-digit reference number is retained to allow users to easily track the lifecycle of any given regulation. When searching by section number, or quoting a particular section within the *Visa International Operating Regulations*, the user may use or refer to the final digits in the ID sequence as the regulation number.

ID#: 050411-010410-0020316

Unique Identifier Format

The new regulation ID format includes the date the regulation section was published, its effective date, and a unique 7-digit reference number. The format is as follows:

(Publication date) DDMMYY - (Effective date) DDMMYY - (unique 7-digit reference #) 1234567

Sample: ID# 090909-171009-0003557

ID#: 010410-010410-0020317

Chapter 1: Visa Operating Regulations Governance

Core Principle 1.1

The Operating Regulations

Binding Contract

The Visa Operating Regulations represent a binding contract between Visa and participants in the system.

ID#: 010410-010410-0007750

Core Principle 1.2

Visa Management

Setting the Rules

Visa Operating Regulations are set and modified by Visa management to support the use of Visa products and services for all participants in the electronic payments chain. To protect the Visa system and brand, maintain its leadership position, and deliver competitive value to all system participants, Visa constantly evaluates marketplace trends, technological developments, and opportunities for greater efficiency or innovation, and modifies its rules to respond to business and technology trends.

ID#: 010410-010410-0007751

Core Principle 1.3

Compliance

Monitoring Compliance

Visa actively and reactively monitors compliance with Visa Operating Regulations, for product, brand and technical requirements, merchant acceptance procedures, and industry-wide standards.

ID#: 010410-010410-0007752

Core Principle 1.4

Consistency

Ensuring a Common Experience

Visa Operating Regulations are based on consistent principles around the globe to ensure a common experience, while supporting region-specific and domestic rules that allow for variations and unique marketplace needs.

ID#: 010410-010410-0007753

Core Principle 1.5

Conflicts

Settling Conflicts

In the event of any conflict between the Visa Operating Regulations and any applicable laws or regulations, the requirements of such law or regulation will govern.

ID#: 010410-010410-0007754

Core Principle 1.6

Variances and Waivers

Granting Variances and Waivers

Visa management may grant variances or temporary waivers to Visa Operating Regulations for unique marketplace conditions and customer needs, including emergency variances that may be granted in the event of a natural disaster.

ID#: 010410-010410-0007755

Use and Application of Bylaws and Operating Regulations

Obligation to Comply with Bylaws and Visa International Operating Regulations

Visa International Bylaws (Updated)

The *Visa International Certificate of Incorporation and Bylaws* specify the minimum standards with which Members must comply unless Visa specifically grants a Variance or Waiver. Further, the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*, Appendix E to the *Visa Canada Operating Regulations*, and the *Visa Worldwide Supplementary Operating Regulations (for Asia-Pacific)* also govern their respective Members.

ID#: 230312-010410-0000342

Appendix E - Canada Region

A Canada Member must comply with "Appendix E" to the *Visa Canada Operating Regulations*.

ID#: 010410-010410-0003767

Use and Application of Operating Regulations

Applicable Laws (Updated)

A Member must comply with applicable laws and a Transaction must be legal in both the Cardholder's jurisdiction and the Merchant Outlet's jurisdiction. In the event of any conflict between the *Visa International Operating Regulations* and any applicable law or regulation, the requirements of the law or regulation govern. See also:

- "Cardholder Notifications"
- "Merchant Agreement"

ID#: 160312-010410-0000385

Definition of a U.S. Domestic Transaction - U.S. Region

A Transaction is considered a U.S. Domestic Transaction if it occurs inside one of the following:

- The 50 United States, including the District of Columbia
- A U.S. military base overseas

- A U.S. embassy or consulate on foreign territory

ID#: 010410-010410-0003684

Use of the Visa International Operating Regulations

The *Visa International Operating Regulations* are **only** to be reviewed or used in connection with the Visa payment services and must **not** be used, modified, copied, downloaded, transferred, or printed in part or in total for any other purpose without the express written permission of Visa.

The *Visa International Operating Regulations* govern the relationship between Visa and its Members and their agents. The *Visa International Operating Regulations* do not constitute a third-party beneficiary contract as to any entity or person, nor do they constitute a contract, promise, or representation or confer any rights, privileges, or claims of any kind, as to any third parties.

Visa may amend, modify, delete, or otherwise change the *Visa International Operating Regulations* at any time. Changes will be reflected in the next edition of the *Visa International Operating Regulations*.

ID#: 081010-010410-0007428

Use and Application of the U.S. Regional Operating Regulations - U.S. Region

The U.S. Regional Operating Regulations apply only to financial institutions conducting Card issuing and Merchant acquiring activities within the U.S. Region as Members of Visa U.S.A. Inc. and their Agents. As such, the U.S. Regional Operating Regulations govern the relationship between Visa U.S.A. Inc. and its Members and their Agents.

ID#: 010410-010410-0003436

Operating Regulation Violations - Canada Region

A Canada Member must **not** do anything to cause Visa Canada to violate the Canada Regional Operating Regulations or the *Visa International Operating Regulations*.

ID#: 010410-010410-0003760

Obligations Imposed on Visa Canada - Canada Region

A Canada Member must perform obligations imposed on Visa Canada under the Canada Regional Operating Regulations or the *Visa International Operating Regulations* that arise out of Interchange or a Transaction resulting in Interchange, between the Member and a non-Member of Visa Canada.

ID#: 010410-010410-0003768

Obligation to Comply with the “Code of Conduct” – Canada Region

In the Canada Region, all Members must abide by the "Code of Conduct for the Credit and Debit Card Industry" as outlined in Appendix 1 as it may be amended from time to time (the "**Code**"). Members must ensure that all participants which the Member is responsible for under the *Visa International Operating Regulations* including participants that interact, directly or indirectly with Merchants or Cardholders (including without limitation, VisaNet Processors and Third Parties) on behalf of the Member must abide by the Code.

All Members will be required, on an annual basis, to submit to Visa:

- By 31 January of each year, an officer's certificate, in the form attached as Schedule A-1, confirming their compliance with the Code.
- By 15 August of each year, a Code of Conduct Compliance Questionnaire in the form required by Visa from time to time.

A Member that fails to submit a completed officer's certificate or questionnaire as required will be subject to a penalty of CAD \$100,000 per month of non-compliance.

Visa may, in its sole discretion, charge any Member or Members, fees charged to Visa Canada by the Financial Consumer Agency of Canada with respect to compliance with the Code, where such fee is attributable to that Member or its VisaNet Processor or its Third Party.

ID#: 111011-160810-0025973

Obligation to Comply with Operating Regulations

Visa International Operating Regulations Description

Effective through 31 December 2013, the *Visa International Operating Regulations* specify the common rules with which Members must comply when operating and participating in the Visa, Visa Electron, Visa Cash, Plus, Interlink, and Visa TravelMoney Programs, unless Visa specifically grants a variance.

Effective 1 January 2014, the *Visa International Operating Regulations* specify the common rules with which Members must comply when operating and participating in the Visa, Visa Electron, Plus, Interlink, and Visa TravelMoney Programs, unless Visa specifically grants a variance.

ID#: 111011-010410-0000343

Obligation to Comply with Card Design Specifications

Issuers must comply with the following specifications for Card design, as applicable:

- *Visa Product Brand Standards* for all Visa and Visa Electron Cards
- **Effective through 31 December 2013**, *Visa Cash Program Operating Regulations*

- *Visa TravelMoney Product Guide*

ID#: 111011-010410-0007012

Member Responsibilities - U.S. Region

A U.S. Member must perform all obligations imposed on Visa U.S.A. Inc. under the *Visa International Operating Regulations* that arise out of Interchange or a Transaction resulting in Interchange between the Member and a Foreign Licensee.

The Member must **not** do anything to cause Visa U.S.A. Inc. to violate the *Visa International Operating Regulations*.

ID#: 050411-010210-0000349

Local, Domestic, and Regional Operating Regulations and Private Agreements

Regional Operating Regulations

Visa International Operating Regulations - Canada Region

Except as otherwise provided in the Canada Regional Operating Regulations and any Services Agreement, the provisions of the *Visa International Operating Regulations* apply to Canada Members operating in the Canada Region.

ID#: 010410-010410-0000380

National, Group Members, and Private Agreements

Private Processing Arrangements Prohibition — AP Region

Private Processing Arrangements are prohibited in the AP Region for Members in Malaysia, Philippines, Singapore, Thailand and Vietnam.

ID#: 160312-010411-0026202

Private Arrangements Prohibition - U.S. Region

Private Arrangements are prohibited in the U.S. Region.

ID#: 010410-010410-0000384

Extensions to the Operating Regulations

Publications with Equivalent Authority

Authority of Other Publications

The requirements in the publications referenced throughout the *Visa International Operating Regulations* have the same authority as the *Visa International Operating Regulations*. They are binding upon participants in the services referenced. The *Visa International Operating Regulations* govern in the event of any inconsistency or contradiction, unless Visa specifically grants a variance.

ID#: 111011-010410-0007426

Variations or Waivers to the Operating Regulations

Variations or Waivers - Procedures

Board Powers (Updated)

Effective through 7 March 2012, Visa, by a majority vote of the directors in attendance at any meeting of the Board of Directors where a quorum is present, may adopt, amend, or repeal variations to the *Visa International Operating Regulations* to expand markets in previously uncommitted countries or to attract new Members.

ID#: 160312-010410-0000368

Variance Requests (Updated)

Effective through 7 March 2012, a request for a variance to the *Visa International Operating Regulations* must be submitted to the Board of Directors for approval if the variance meets any of the following criteria:

- Undermines the integrity of the Visa brand
- Contravenes a Visa core business principle, e.g., the "honor all Cards" rule
- Impacts fee rates

All other variations, including pilot program variations, that do not meet any of these criteria are subject to approval by Visa.

ID#: 160312-010410-0000369

Emergency Variances (Updated)

Effective through 7 March 2012, Visa may grant a Member an emergency variance to a specific operating regulation if the Member cannot comply due to circumstances beyond its control, such as:

- Natural disasters
- Acts of war
- Government restrictions due to political unrest
- Failure of public infrastructure

ID#: 160312-010410-0000370

Time Limit for Emergency Variances (Updated)

Effective through 7 March 2012, an emergency variance must **not** exceed 120 calendar days without Visa consent.

ID#: 160312-010410-0000371

Variances or Waivers to the Visa Operating Regulations (New)

Effective 8 March 2012, Visa may grant a Member's request for a Variance or Waiver to a particular rule or requirement in the *Visa International Operating Regulations* or an Extension if the Member cannot comply for reasons including but not limited to:

- Member is testing a new product or service
- Member is participating in a pilot program
- Member is expanding into new market segments or countries or Visa determines a need for a Variance or a Waiver to expand acceptance, or for other purposes
- Member is unable to comply due to circumstances beyond its control, such as:
 - Natural disasters
 - Acts of war
 - Failure of public infrastructure
 - Government restrictions due to political unrest
 - Government regulation that contravenes *Visa International Operating Regulations* requirements

If a Member cannot comply due to a government regulation or applicable law that contravenes *Visa International Operating Regulations* requirements, Visa reserves the right to require proof of the specific law or regulation. If such proof is requested by Visa and the law or regulation is written in a language other than English, the Member must submit a copy of the applicable law or regulation accompanied by an English translation.

Visa reserves the right to adopt, amend or repeal any Variance or Waiver.

ID#: 160312-080312-0025926

Variance or Waiver Submission Requirements (New)

Effective 8 March 2012, a Member that cannot comply with a particular rule or requirement in the *Visa International Operating Regulations* or an Extension must submit a Variance or Waiver request^[1] to Visa for approval. The request must:

- Be submitted in writing
- Be completed in English
- Specify the regulation(s) for which the Variance or Waiver is sought
- Contain full details about the nature and circumstances of the requested Variance or Waiver, including, but not limited to:
 - Scope
 - Business justification
 - Impact to Visa and all participants in the Visa system
 - Duration
 - Any other relevant information that would enable Visa to make a sound determination
- Be signed by an officer of the Member

ID#: 160312-080312-0025927

Variance or Waiver Decision (New)

Effective 8 March 2012, Visa will notify the Member in writing regarding its decision on the Variance or Waiver request.

ID#: 160312-080312-0025928

Variance or Waiver Limitations (New)

Effective 8 March 2012, each Variance or Waiver granted by Visa is unique and limited only to the specific circumstances of the individual request. A Member must not apply a previously granted Variance or Waiver to any other future programs or services nor consider a previously granted Variance or Waiver as determining the outcome of future requests.

ID#: 160312-080312-0025929

1 A Variance or Waiver request form is available from Visa upon request.

Confidentiality of Visa Materials

Confidentiality Requirements

Visa Confidential Materials (Updated)

A Visa Member must:

- Maintain Visa Confidential information in strict confidence
- **Not** disclose any Visa Confidential information^[2]
- Store and handle Visa Confidential information in such a way as to prevent unauthorized disclosure
- **Effective through 11 January 2012**, take reasonable measures to protect Visa Confidential information and treat it with at least the degree of care with which a Member treats its own confidential and proprietary information
- **Effective 12 January 2012**, take reasonable measures to protect Visa Confidential information and treat it with at least the degree of care with which a Member treats its own confidential and proprietary information, or in case of information assigned a higher classification standard, as follows:
 - For information labeled or otherwise designated as Visa Confidential – Special Handling, in accordance with Visa handling instructions, which may be delivered with its transmission or in its content
 - For information labeled or otherwise designated as Visa Confidential – PII Private, with the strongest level of protection (including encryption, or sufficient compensating controls, and limited distribution for any transmissions) applied by the Member for its highly sensitive information
- Disclose Visa Confidential information only to those employees with specific need to know

Disclosure to contractors of technical specifications is subject to "Confidentiality of VisaNet Information."

ID#: 230312-010410-0000467

Visa Confidential Materials - U.S. Region (Updated)

Effective through 11 January 2012, except as specified in "Disclosure of BIN Information to Merchants - U.S. Region" a U.S. Member must:

- Prevent disclosure of any Visa confidential information to any non-Member
- Treat all Visa documents marked "Confidential" or "Visa Member Use Only" as confidential and proprietary information of Visa

2 A variance to this requirement applies in the U.S. Region and in U.S. Territories.

- Take reasonable measures to protect documents and treat them with at least the degree of care with which a Member treats its own confidential and proprietary information
- Disclose confidential and proprietary information only to those employees with a specific need to know

Disclosure to contractors of technical specifications is subject to "Confidential Information Disclosed to Contractors."

ID#: 160312-010410-0000504

Confidentiality of VisaNet Information

VisaNet consists of confidential and proprietary information belonging to Visa. Each Member must take appropriate action, by agreement or otherwise, to ensure that its employees or agents with access to VisaNet are:

- Advised of the confidential and proprietary nature of these systems
- Prohibited from providing access to or disclosing these systems to any third party ^[3]
- Prohibited from using these systems for any purpose not authorized in the *Visa International Operating Regulations*

ID#: 010410-010410-0003669

Visa Right to Monitor, Audit, Inspect, or Investigate

Visa Right to Monitor, Audit, Inspect, or Investigate

Visa Right to Monitor, Audit, Inspect, and Investigate

Visa may:

- Inspect the premises of a Member or its agents or Merchants at any time and charge the Member a fee for this inspection
- Conduct an investigation or onsite review at the Member's expense
- Audit the records and procedures of any Member or agents

Visa may audit the records and procedures of any Issuer, and Merchant with which it has contracted to sell Visa Prepaid Cards, including, but not limited to:

- Issuer shipping and storage security procedures
- Issuer procedures for issuance and distribution
- Merchant shipping and storage security procedures for Visa Prepaid Cards

³ A variance to this requirement applies in the U.S. Region.

- Merchant procedures for issuance and distribution of Visa Prepaid Cards

For Visa Corporate and Visa Purchasing Card Issuers, Visa may also audit the records and procedures of the Issuer and of other agents or entities participating in the Issuer's multinational programs.

- Monitor and inspect the security and quality control procedures of each Approved Manufacturer and Third-Party Personalizer
- Audit and review the premises of an Approved Manufacturer or Third-Party Personalizer without notice at any time and request a production-run sample of:
 - Visa Cards or Visa Electron Cards
 - Security features of Visa Cards or Visa Electron Cards
- Monitor an Acquirer to determine disproportionate fraud-to-sales ratios
- Conduct security inspections at any agent or Merchant location that has excessive Fraud Activity

ID#: 010410-010410-0007121

Right to Request Cards

Visa may, request a functional Visa Card, Visa Electron Card, Plus Card or access to any New Channel associated with any or all BINs owned or used by an Issuer.

Upon written request, an Issuer must:

- Provide Visa with a Visa Card, Visa Electron Card, Plus Card or access to any New Channel and its associated PIN within 30 calendar days
- Personalize the Visa Card, Visa Electron Card, Plus Card, or New Channel, as specified by Visa

ID#: 160312-130111-0026009

Visa Right to Monitor, Audit, Inspect or Investigate – U.S. Region

In the U.S. Region, Visa may perform periodic audits, at the Member's expense, to ensure that the Member, its Agents, and its Merchants are complying with:

- *Visa International Operating Regulations*
- VisaNet Manuals
- PIN Management Requirements Documents

ID#: 111011-140412-0026501

Member Rights and Obligations

Member Cooperation

A Member or its agent, or a Merchant must cooperate fully with Visa in an investigation or onsite review. This cooperation includes providing access to the premises and to all pertinent records and releasing any information to Visa upon request.

ID#: 010410-010410-0000469

Appeals

If an Acquirer believes that an imposed condition or a specific Merchant or Sponsored Merchant prohibition is unreasonable, it may appeal to Visa.

ID#: 010410-010410-0006840

Appeal Documentation and Decision

The Acquirer must prove in its appeal that the prohibition or imposed conditions are impractical or unwarranted.

The decision of Visa is final.

ID#: 010410-010410-0007130

General Investigation Responsibilities

Member Investigation of Suspected Fraud VIOR 2.1.E

A Member must comply with the *Global Visa Acquirer Fraud Control Manual*, the *Global Visa Issuer Fraud Control Manual*, and *What To Do If Compromised*, and conduct a thorough investigation of suspected or confirmed:

- Loss, theft, or compromise of Visa account or Cardholder information
- Loss, theft, or compromise of Visa account or Cardholder information by one of its agents or Merchants
- Fraud and/or laundering of a Transaction

ID#: 050411-010410-0007123

Prevention of Loss or Theft of Information

After completing the investigation, the Member must demonstrate its ability to prevent future loss, theft, or compromise of Visa account or Cardholder information, in accordance with the requirements of the Account Information Security Program and the Payment Card Industry Data Security Standard (PCI DSS).

ID#: 111011-110210-0025605

Additional Investigation

Visa may require a Member or its agent to conduct an additional investigation. If required, the Member or its agent must:

- Cooperate fully with Visa
- Comply with the Visa investigation timeline, as specified in *What To Do If Compromised*
- Provide access to the premises involved in the investigation
- Provide Visa and/or its agent access to all applicable records, including, but not limited to:
 - Computer forensic reports
 - Network diagrams
 - Systems connected directly or indirectly to VisaNet or used to transmit, process, or store account data
- **Effective through 20 April 2011**, engage a Qualified Incident Response Assessor (QIRA) or Qualified Forensic Investigator (QFI). If the Member or its agent fails to do so, Visa may engage a QIRA or a QFI to perform a forensic investigation and will assess all investigative costs to the Member in addition to any applicable fine.
- **Effective 21 April 2011**, engage a Payment Card Industry Forensic Investigator (PFI). If the Member or its agent fails to do so, Visa may engage a PFI to perform a forensic investigation and will assess all investigative costs to the Member in addition to any applicable fine.

ID#: 111011-210410-0007124

Assistance to Other Members

A Member must assist other Members in an investigation of fraudulent activity with a Visa Card or Visa Electron Card by performing tasks such as:

- Interviewing Merchants, Sponsored Merchants, Cardholders, suspects, witnesses, and law enforcement personnel
- Obtaining handwriting samples, photographs, fingerprints, and any other similar physical evidence
- Recovering lost, stolen, or Counterfeit Visa Cards or Visa Electron Cards
- Providing information to proper authorities for the possible arrest of suspects, at the Issuer's request

- Performing any other reasonable investigative assistance
- Inspecting the facilities of credit card manufacturers, embossers, encoders, mailers, and chip embedders

ID#: 010410-010410-0007122

Investigative Services Fee

A Member that requests investigative services of other Members must pay an investigative service fee, as follows:

- US \$50 per hour (payable in half-hour increments)
- US \$0.20 per mile for necessary travel
- Extraordinary out-of-pocket expenses

A Member that performs investigative services for other Members must prepare an itemized statement for the Member requesting the services.

ID#: 010410-010410-0008484

Investigative Services Fee - U.S. Region

A U.S. Member performing investigative services at the request of another U.S. Member is entitled to reimbursement of the following fees:

- US \$50 per hour (payable in half-hour increments)
- Prevailing mileage rate (as permitted by the U.S. Government) for necessary travel
- Extraordinary out-of-pocket expenses

Payment must be made when an itemized statement is received from the Member providing the service.

ID#: 010410-010410-0003971

Member Response Standards - CEMEA Region

A CEMEA Member must respond to a request from another CEMEA Member, Visa, or a law enforcement agency

ID#: 111011-010410-0002249

Merchant Investigation Responsibilities

Investigation of Merchant Outlet

Visa may contact a Merchant Outlet directly and conduct an onsite investigation of the Merchant Outlet at any time.

If the Merchant fails to correct a violation identified by Visa, Visa may, for reasons such as those listed in "Visa Right to Terminate Merchant, Payment Service Provider, or Sponsored Merchant," impose conditions upon the Merchant or permanently prohibit the Merchant, or its principals, from participating in the Visa or Visa Electron Program.

ID#: 111011-010410-0007429

Operating Regulations Compliance and Enforcement

Fines and Penalties - General

Visa Right to Fine

The *Visa International Operating Regulations* contain enforcement mechanisms that Visa may use for violations of the *Visa International Operating Regulations*. The Operating Regulations also specify the procedure for the allegation and investigation of violations and the rules and schedules for fines and penalties.

Visa may levy fines and penalties as specified in the *Visa International Operating Regulations*. Visa officers will enforce these fines and penalties.

These procedures and fines are in addition to enforcement rights available to Visa under other provisions of the *Visa International Operating Regulations*, the applicable Certificate of Incorporation and Bylaws, or through other legal or administrative procedures.

ID#: 010410-010410-0007280

General Fines Schedule

The fines listed in the table below are in addition to any other fines or penalties specified in the *Visa International Operating Regulations*.

General Schedule of Fines

Violation	Fine
First violation of regulation	Effective through 14 February 2011 , warning letter with specific date for correction and US \$500 fine Effective 15 February 2011 , warning letter with specific date for correction and US \$1,000 fine
Second violation of same regulation in a 12-month period after Notification of first violation	US \$5,000 fine
Third violation of same regulation in a 12-month period after Notification of first violation	US \$10,000 fine
Fourth violation of same regulation in a 12-month period after Notification of first violation	US \$25,000 fine
5 or more violations of same regulation in a 12-month period after Notification of first violation	Visa discretion
If the 12-month period is not violation-free and the fines total US \$25,000 or more	Additional fine equal to all fines levied during that 12-month period

ID#: 160312-010410-0000482

Fines and Penalties Process**Determination of Violation**

Determination of a violation of the *Visa International Operating Regulations* may be made as follows:

- Based on the response from a Member to a Notification of investigation and other available information, Visa will determine whether a violation of the *Visa International Operating Regulations* has occurred.
- The Member's failure to respond to a Notification of investigation and to provide all information requested may result in a determination that a violation has occurred.

ID#: 010410-010410-0001052

Notification of Determination

Visa will notify a Member if it determines that a violation has occurred, or if it determines that a violation is continuing to occur, and will specify a date by which the Member must correct the violation. The Notification will advise the Member of the:

- Reasons for such determination
- Fines assessed
- Right to appeal the determination and/or the fines assessed for such violation

Visa may require a Member to submit a compliance plan to resolve the violation.

ID#: 160312-010410-0001053

Fine Assessment

All fines imposed by Visa are fines imposed on Members. A Member is responsible for paying all fines, regardless of whether it absorbs the fines, passes them on, or increases them in billing its customer (e.g., Cardholder, Merchant). A Member must **not** represent to its customer that Visa imposes any fine on its customer.

ID#: 010410-010410-0001054

Collection of Fines

Visa will electronically collect all fines through Visa billing statements after notifying the Member.

ID#: 160312-010410-0002449

Allegations and Investigations

Allegations of violations of the *Visa International Operating Regulations* may be brought to Visa's attention by:

- A Member
- An Agent or a VisaNet Processor, through its registering Member
- A Visa Officer

Visa may investigate allegations of violations of the *Visa International Operating Regulations*.

ID#: 160312-010410-0007366

Notification Response (Updated)

A Member must respond to and provide information requested by Visa for a *Visa International Operating Regulations* violation that is under investigation.

The Member must submit its response and information, within the time period specified, by mail, courier, facsimile, hand, e-mail, or other electronic delivery method. The Notification response is effective when posted, sent, or transmitted by the Member or its Agent to Visa.

ID#: 160312-150211-0025974

Fines and Penalties for Repetitive and Willful Violation

Repetitive Violations

Repetitive violations of the *Visa International Operating Regulations* incur heavier fines or other actions. A violation of any section qualifies as a repetitive violation only if the violating Member does not correct it by the date specified in the Notification.

ID#: 010410-010410-0003645

Time Period

Penalties increase for repetitive violations within any 12-month period. The 12-month period begins on the date of the most recent Notification of the violation and ends following a 12-month period free of violations of that regulation.

ID#: 010410-010410-0000478

Willful Violations

In addition to the fines and penalties specified in "Fines and Penalties - General," a Member found to have willfully violated the *Visa International Operating Regulations*, adversely affecting the goodwill associated with the Visa system, brand, products and services, the operation of the Visa Systems, or the operations of other Members, will be subject to a further fine. A violation is considered "willful" if the Member knew, or should have known, or its knowledge can be fairly implied, that its conduct constituted a violation of the *Visa International Operating Regulations*.

When determining the amount of a fine, in addition to the criteria above, the following will be considered:

- Type of violation
- Nature of the damage, including the amount incurred by Visa and its Members
- Repetitive nature of the violation
- Member history or prior conduct

- Effect of the assessment upon the safety and soundness of the Visa system and the Member, including the Member committing the violation
- Any other criteria Visa deems appropriate

ID#: 160312-010410-0007288

Compliance - General

Compliance Programs - General

Visa rights and Member obligations for specific compliance programs, specified in "Compliance Monitoring," follow the basic structure of fines described in "Operating Regulations Compliance and Enforcement."

ID#: 010410-010410-0007040

Compliance Enforcement Appeals

Enforcement Appeals

A Member may appeal^[4] a determination of a violation or fine to Visa as follows:

- The Member's appeal letter must be received by Visa within 30 days of the Member's receipt of the Notification of the violation or fine.
- The appealing Member must submit with the appeal any new or additional information necessary to substantiate its request for an appeal.
- A fee of US \$5,000 will be assessed to the Member upon receipt of the appeal. This fee is refundable if the appeal is upheld.

Visa bases its decision on the new information provided by the requesting Member. Each Member may submit arguments supporting its position. All decisions are final and not subject to any challenge.

ID#: 160312-150211-0025975

4 Appeal procedures are available from Visa upon request.

Right of Termination of Merchant or Agents

Visa Rights

Visa Right to Contact Merchant

Effective 1 July 2011, Visa may contact a Merchant, a Sponsored Merchant, or a Payment Service Provider directly, if warranted.

ID#: 111011-010711-0026440

Visa Right to Terminate Merchant, Payment Service Provider, or Sponsored Merchant

Effective through 30 June 2011, Visa may permanently prohibit a Merchant, Internet Payment Service Provider (IPSP), Sponsored Merchant, or any other entity, or one of its principals, from participating in the Visa or Visa Electron Program for any reasons it deems appropriate, such as:

- Fraudulent activity
- Presenting Transaction Receipts that do not result from an act between a Cardholder and a Merchant (laundering)
- Entering into a Merchant Agreement under a new name with the intent to circumvent the provisions of the *Visa International Operating Regulations*
- Activity that causes the Acquirer to repeatedly violate the *Visa International Operating Regulations*
- Activity that has resulted in a Regional Office prohibiting the Merchant from participating in the Visa or Visa Electron Program
- Any other activity that may result in undue economic hardship or damage to the goodwill of the Visa system

Effective 1 July 2011, Visa may permanently prohibit a Merchant, Payment Service Provider (PSP), Sponsored Merchant, or any other entity, or one of its principals, from participating in the Visa or Visa Electron Program for any reasons it deems appropriate, such as:

- Fraudulent activity
- Presenting Transaction Receipts that do not result from an act between a Cardholder and a Merchant or Sponsored Merchant (laundering)
- Entering into a Merchant Agreement under a new name with the intent to circumvent the provisions of the *Visa International Operating Regulations*
- Activity that causes the Acquirer to repeatedly violate the *Visa International Operating Regulations*
- Activity that has resulted in Visa prohibiting the Merchant, Sponsored Merchant, or Payment Service Provider from participating in the Visa or Visa Electron Program

- Any other activity that may result in undue economic hardship or damage to the goodwill of the Visa system

ID#: 111011-010410-0007120

Revocation of Merchant Privileges

Visa may fine an Acquirer that enters into a Merchant Agreement with a Merchant, Sponsored Merchant, or known principals of a Merchant that Visa has prohibited from participating in the Visa or Visa Electron Program.

ID#: 010410-010410-0005255

Global Merchant Chargeback Monitoring Program - Merchant Disqualification

Visa may disqualify a Merchant that has been placed in the Global Merchant Chargeback Monitoring Program from participation in the Visa Program if the Merchant meets or exceeds the specified Chargeback ratio threshold of 2% without an effective Chargeback reduction plan, and 2 of the following levels of Chargeback activity are reached:

- Merchant's Chargeback ratio is 2 or more times the specified Chargeback ratio in a single month
- Merchant is assessed fees for 3,000 or more Chargebacks in a single month
- Merchant is assessed US \$1 million or more in Global Merchant Chargeback Monitoring Program fees

ID#: 081010-010410-0002445

Termination of Merchant Agreement

After verifying that Visa has prohibited a Merchant or Sponsored Merchant from participating in the Visa or Visa Electron Program, an Acquirer must terminate the Merchant Agreement no later than the date specified by Visa.

If the Acquirer has not terminated the Merchant Agreement by the date specified, Visa may assess the Acquirer a fine, in an amount to be determined by the Board of Directors.

ID#: 010410-010410-0008241

Visa Right to Notify Merchant - U.S. Region

Effective through 30 June 2011, in the U.S. Region, Visa may contact a Merchant, a Sponsored Merchant, or an Internet Payment Service Provider directly, if warranted.

ID#: 111011-010410-0003679

Fines for U.S. Merchant Agreement with Prohibited Merchant - U.S. Region

Visa assesses a fine to a U.S. Acquirer that enters into a Merchant Agreement with a Merchant or known principals of a Merchant that Visa has prohibited from participating in the Visa or Visa Electron Program, as specified in the table below.

Acquirer Fines for Merchant Agreement with a Prohibited Merchant - U.S. Region

Violation	Fine
First violation in a 5-year period	US \$10,000
Second violation in a 5-year period	US \$20,000
Third violation in a 5-year period	US \$50,000
4 or more violations in a 5-year period	At the discretion of Visa

Visa assesses an additional fine of US \$10,000 for each 30-calendar-day period, or portion thereof, during which the U.S. Acquirer fails to terminate the Merchant Agreement.

ID#: 010410-010410-0007118

Member Obligations**Acquirer Responsibility for Costs**

An Acquirer is responsible for all costs incurred by Visa due to the Acquirer's failure to terminate a Merchant or Sponsored Merchant. This includes attorney's fees and costs of any legal action undertaken by Visa to protect the goodwill of the Visa system or to prevent further harm to Members and Cardholders.

ID#: 010410-010410-0007117

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Chapter 2: Visa System Participation

Core Principle 2.1

Bylaws and Operating Regulations

Following the Rules of Participation

Financial institutions, payment data processors, and other qualified business entities may participate in the Visa system by meeting the conditions outlined in the applicable Visa Bylaws and Operating Regulations. Key information from the Visa Bylaws and Operating Regulations are outlined in these Core Principles.

ID#: 010410-010410-0007756

Core Principle 2.2

Third Party Registration

Using a Third Party

Visa participants are generally financial institutions or other eligible businesses that issue Visa products to consumers or enroll merchants to accept Visa products for payment of goods and services. Participants may also contract with third-parties to facilitate issuing and acquiring activities, including VisaNet processors who have a direct connection to VisaNet. Participants in the Visa system agree to register VisaNet processors and third-parties that facilitate Visa activity. Participants are responsible for all errors, acts and omissions of such third-parties, including their agents and vendors.

ID#: 010410-010410-0007757

Core Principle 2.3

Liabilities and Indemnifications

Taking Responsibility

Visa participants are solely responsible for their issuance of Visa products and acquiring of merchants to accept Visa products, including responsibility for settlement of transactions, compliance with Visa Bylaws and Operating Regulations, and ensuring that their Visa programs comply with all applicable legal and regulatory requirements. Participants indemnify Visa for claims or liabilities that arise out of their issuance of Visa products and acquiring of merchants, and broadly disclaim liability against Visa for such activities.

ID#: 010410-010410-0007758

Membership

General Membership

Notification to Visa of Member's Country

Each Member (or its Group Member) must notify Visa in writing, at least 60 calendar days prior to commencement, of each country where the Member either:

- **Effective through 31 December 2013**, performs any Visa, Visa Electron, Visa Cash, Plus, or Visa TravelMoney Program services
- **Effective 1 January 2014**, performs any Visa, Visa Electron, Plus, or Visa TravelMoney Program services
- Uses, displays, or supplies any materials bearing a Visa-Owned Mark

These requirements are in addition to those of the *Visa International Certificate of Incorporation and Bylaws*, Section 2.10(g).

ID#: 111011-010410-0000901

Sponsored Member

Penalties for Violation of the Sponsored Member Registration Program - U.S. Region

Visa assesses fines for violation of the U.S. Region Sponsored Member requirements

ID#: 111011-010410-0001316

Member Acquisition

Member Acquisition Upon Regulatory Closure - Ineligible Assuming Organization - U.S. Region

In the U.S. Region, if an assuming organization is not a Member of Visa at the time of its assumption of Visa programs and is not eligible for the appropriate membership or if Visa declines its application, the organization must immediately:

- Cease all use of the Visa-Owned Marks and all other activities reserved for Members of Visa
- Cease exercising the rights and privileges reserved for Members of Visa

ID#: 111011-010100-0025753

Member Acquisition Upon Regulatory Closure - Assuming Organization Failure to Submit Required Materials - U.S. Region

In the U.S. Region, if the assuming organization is not a Member of Visa at the time of its assumption of Visa programs and does not submit the required "Client Licensing Application" agreement within the time frame specified in "Member Acquisition Upon Regulatory Closure - Assuming Organization Membership - U.S. Region," the assuming organization:

- Must cease all operations of the Visa programs and use of the Visa-Owned Marks
- Is liable for all losses, costs, damages, and expenses (including attorneys' fees and expenses) to Visa and its Members resulting from its unauthorized operations

ID#: 111011-010100-0025758

Member Acquisition Upon Regulatory Closure - Assuming Organization Membership - U.S. Region

In the U.S. Region, an assuming organization that is not a Member of Visa at the time of its assumption of Visa programs, and that is eligible for membership must:

- Submit to Visa a "Client Licensing Application" agreement within 10 calendar days after the assuming organization's assumption of the subject Visa programs

- Submit the appropriate membership materials within the time frame specified by Visa
- Meet any conditions of membership within 30 calendar days of the assuming organization's assumption of the subject Visa programs, as specified in the:
 - *Visa International Operating Regulations*
 - *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*
- Pay all applicable fees and charges within the time frame specified by Visa

ID#: 111011-010100-0025752

Member Acquisition Upon Regulatory Closure - Membership Category Requirements - U.S. Region

In the U.S. Region, if the Assuming Member is not authorized to engage in one or more of the subject assumed Visa programs, the Assuming Member must comply with **all** of the following:

- Submit the appropriate membership materials within the time frame specified by Visa
- Meet any conditions of membership within 30 calendar days of Assuming Member's assumption of the subject Visa programs, as specified in the:
 - *Visa International Operating Regulations*
 - *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*
- Pay all applicable fees and charges within the time frame specified by Visa

ID#: 111011-010100-0025750

Member Acquisition Regulatory Closure - Failure to Comply - U.S. Region

In the U.S. Region, if the Assuming Member does not comply with the obligations specified in "Member Acquisition Upon Regulatory Closure - Confirmation of Responsibilities - U.S. Region" or "Member Acquisition Upon Regulatory Closure - Membership Category Requirements - U.S. Region," Visa may, as it deems appropriate:

- Terminate all or a portion of the assumed Visa programs
- Assess fines and penalties to the Assuming Member, as specified in "General Fines Schedule - U.S. Region"

ID#: 111011-010100-0025751

Member Acquisition Upon Regulatory Closure - Assuming Member Responsibilities - U.S. Region

In the event of a regulatory closure, a Member in the U.S. Region that assumes the Visa programs of a failed Member immediately assumes full liability for those Visa programs.

ID#: 081010-010100-0025748

Member Acquisition Upon Regulatory Closure - Confirmation of Responsibilities - U.S. Region

In the U.S. Region, upon verification from the applicable regulatory agency that a Member has assumed the Visa programs of a failed Member institution, Visa will:

- Provide a Notification listing the Visa programs for which Visa understands the Assuming Member is liable as specified in "Member Acquisition Upon Regulatory Closure - Assuming Member Responsibilities - U.S. Region."
- Include in the Notification a request for written confirmation from the Assuming Member that it has assumed **one** of the following:
 - All of the Visa programs listed in the report
 - A specified portion of the Visa programs listed in the report
 - None of the Visa programs listed in the report

The Assuming Member must submit to Visa, within the time frame specified in the Notification, written confirmation of the Visa programs assumed.

ID#: 111011-010100-0025749

Quarterly Operating Certificate

Monthly Reporting - Canada Region

A Canada Member must send the completed *Schedule I through Schedule XI* in the Canada Regional Operating Regulations to Visa for consolidation and reporting no later than the 25th of the month following each reporting period.

ID#: 010410-010410-0006335

Automated Clearing House Service - Principal-Type Member Information Requirements - U.S. Region

A U.S. Principal-type Member that is required to file a Quarterly Operating Certificate and make quarterly service fee payments must submit all of the information specified in "Automated Clearing House Service Requirements - U.S. Region."

ID#: 010410-010410-0007887

Quarterly Service Fee Collection Estimated Amount

Visa initiates a Fee Collection Transaction for an estimated amount if a Member fails to file a Quarterly Operating Certificate in a timely manner.

ID#: 111011-010410-0007888

Adjustments Made through the Automated Clearing House Service - U.S. Region

Effective through 30 September 2011, in the U.S. Region, Visa may initiate an adjustment to the service fee amount to be collected or disbursed.

If a U.S. Member underpays its quarterly service fees, Visa collects the additional amount due.

If the Member overpays its fees, Visa refunds any overpayment. The refund time period is limited to 2 years from the date that the quarterly service fee in question was originally due. Refunds do not include interest charges.

ID#: 111011-010410-0007889

Quarterly Service Fee Remittance Penalties - U.S. Region

In the U.S. Region, Visa assesses quarterly service fee remittance penalties

ID#: 111011-010410-0003479

Penalties for Nonpayment of Quarterly Service Fee

If a Member does not pay the required quarterly service fee, Visa imposes penalties, as specified in Section 3.07 of the applicable Certificate of Incorporation and Bylaws.

ID#: 111011-010410-0003480

Reporting of Visa Transactions Not Processed through VisaNet

Interchange Transactions, On-U's Transactions, and other Transactions that are not processed through VisaNet must be reported to Visa on the Quarterly Operating Certificate, as specified in the applicable Certificate of incorporation and Bylaws.

ID#: 111011-010410-0000913

Exchange Rates for Quarterly Operating Certificates

Each Member (or its Group Member) with non-U.S. dollar Transaction volumes must use an exchange rate provided by Visa to file Quarterly Operating Certificates. The exchange rate is calculated using a simple average of 3 monthly spot rates for the quarter. This requirement does not apply to a Canada or U.S. Member who files in either CAD or USD.

The monthly spot rates are sourced from Reuters, as shown in the "FT Guide to World Currencies," published in the *Financial Times* on the third Monday of each month. These rates are also available for reference in the Quarterly Operating Certificate application on Visa Online.

ID#: 151011-010110-0008837

Online Submission and Electronic Signature

Use of Electronic Signature

Effective through 7 September 2011, with the exception of the initial Membership Application, once an institution has been granted Visa Membership, subsequent forms and registration requests may be submitted through Visa Online. A request submitted in accordance with the requirements constitutes an Electronic Signature and is considered binding with the same force and authority as a handwritten signature.

Effective 8 September 2011, with the exception of initial contractual agreements establishing rights within the Visa system such as the Membership Application, subsequent forms and requests may be submitted through Visa Online. A request submitted in accordance with the requirements constitutes an Electronic Signature and is considered binding with the same force and authority as a handwritten signature, subject only to applicable conditions and restrictions set out in Visa Online.

ID#: 160312-190209-0008098

Electronic Signature Applicability

Effective through 7 September 2011, unless instructed otherwise, a Member that has already executed and submitted an initial Membership Application and has been granted approval may submit electronically all subsequent documentation that is available on Visa Online, if the Electronic Signature requirements are satisfied, and subject to regional availability of the tool via Visa Online.

Effective 8 September 2011, unless instructed otherwise, a Member, VisaNet Processor, or designated Agent that has already executed and submitted an initial contractual agreement establishing rights within the Visa system and has been granted approval may submit electronically all subsequent documentation that is available on Visa Online, if the Electronic Signature requirements are satisfied, and subject to:

- Availability of the tool via Visa Online

- Applicable terms and restrictions set out in Visa Online

ID#: 111011-190209-0008100

Electronic Signature Enforceability

Effective through 7 September 2011, by submitting via Visa Online, a Member:

- Attests that the submitted documentation meets the specified requirements
- Agrees that the submitted documentation constitutes a binding commitment with the same legal force and effect as a handwritten signature

Effective 8 September 2011, by submitting via Visa Online, a Member, VisaNet Processor, or designated Agent:

- Attests that the submitted documentation meets the specified requirements
- Agrees that the submitted documentation constitutes a binding commitment with the same legal force and effect as a handwritten signature

ID#: 111011-190209-0008099

Electronic Signature Criteria

Effective through 7 September 2011, to be valid, an Electronic Signature must:

- Be submitted via Visa Online
- Be submitted and validated on the basis of Visa Online user identification and authenticated in accordance with the procedures established by Visa
- Provide evidence of the Member's officer's intent to sign by the officer's acceptance of the click-through notice provided on Visa Online

In addition, in the U.S. Region, a U.S. Member must maintain reasonable safeguards and security controls to limit access to authorized personnel.

Effective 8 September 2011, to be valid, an Electronic Signature must:

- Be submitted via Visa Online
- Be submitted and validated on the basis of Visa Online user identification and authenticated in accordance with the procedures established by Visa
- Be authorized by the Member, or provide evidence of the Member's authorized user's intent to evidence a binding commitment via the authorized user's acceptance of the click-through notice provided on Visa Online

In addition, a Member, VisaNet Processor, or designated Agent must maintain reasonable safeguards and security controls to limit access to authorized personnel.

ID#: 060412-190209-0007626

Acquirer Licensing

Penalty for Associate Member Merchant Acquiring in Russia - CEMEA Region

In the CEMEA Region, a Russian Principal Member permitting an acquiring agent to acquire Merchant Transactions without a Sponsored Merchant Acquiring License will be assessed a non-compliance fee of US \$20,000 for every 6 months or portion thereof, for each agent that fails to obtain a Sponsored Merchant Acquiring License.

ID#: 111011-010410-0024131

Agents - Third Party and VisaNet Processors

General Agent Requirements

Agent Registration

Effective 1 December 2011, an Acquirer who signs an Agent to solicit High-Brand Risk Merchants must register that Agent as high risk with Visa, as specified in the *Visa Global Brand Protection Program Guide for Acquirers*.

ID#: 111011-011211-0026347

General Member Responsibilities for VisaNet Processors

A Member that has a contract with a VisaNet Processor must:

- Provide Transaction-related processing instructions directly to its VisaNet Processor
- Distribute written policies and procedures to its VisaNet Processors
- Establish a risk management program to control risks related to the use of VisaNet Processors, such as:
 - Loss of operational control
 - Service provider failure
 - Confidentiality and physical and logical security of Cardholder and Visa Transaction Information
- Verify that the principals and senior management of the VisaNet Processor have the requisite knowledge and experience to successfully perform the contracted services (except when a VisaNet Processor is a Member or special Licensee)
- Conduct from time to time a physical inspection of the business premises (except when a VisaNet Processor is a Member or special Licensee) to:
 - Verify inventory

- Inspect operational controls
- Monitor security standards regarding unauthorized disclosure of or access to sensitive Visa data and other payment systems

ID#: 111011-010100-0025880

Use of an Airline Authorizing Processor

Before implementing a direct connection to VisaNet, a Member must ensure that an Airline Authorizing Processor has either:

- Completed and submitted a VisaNet Letter of Agreement (Exhibit 5A) to Visa
- Signed a separate agreement with Visa

A Member acquiring Airline Transactions is not required to submit a VisaNet Letter of Agreement (Exhibit 5A) or a VisaNet Processor Registration and Designation/Termination form when the VisaNet Processor used by the Airline for Authorizations is an Airline Authorizing Processor.

ID#: 111011-010410-0001021

VisaNet Processor Contracts

A Member must execute a written contract with each VisaNet Processor. The contract, to the extent permitted by applicable law, must:

- Include minimum standards established by Visa, including, but not limited to:
 - Policies
 - Procedures
 - Service levels
 - Performance standards
- Include language that:
 - Permits Visa to conduct financial and procedural audits and general reviews at any time
 - Requires VisaNet Processors to make Cardholder and Merchant information available to Visa and regulatory agencies
 - Contains a notice of termination clause
- Ensure that the VisaNet Processor will comply with:
 - *Visa International Operating Regulations*
 - Applicable laws
- Be executed by a senior officer of the Member
- Contain at least the substance of the provisions specified in “VisaNet Processor Requirements”
- Ensure that the VisaNet Processor complies with the Payment Card Industry Data Security Standard (PCI DSS)

- Ensure that all VisaNet Processors are properly registered with Visa

ID#: 111011-010100-0025879

VisaNet Processor Systems Agreement

Visa may require a Member's VisaNet Processor to enter into an agreement directly with Visa before the delivery of any of the following:

- V.I.P. System software
- BASE II software
- Visa Extended Access ^[5]
- Other systems as deemed necessary by Visa

The agreement may specify terms and conditions for the use of software or equipment that Visa determines necessary to protect its proprietary rights. This provision does not require Visa to agree to this type of arrangement, nor does it give any VisaNet Processor the right to use VisaNet.

ID#: 111011-010100-0025882

VisaNet Processor Marketing Materials

A Member must require that its VisaNet Processor:

- Uses only marketing materials approved by the Member
- Ensures that all marketing materials displaying the Visa-Owned Marks also include the Member name, which must be more prominent and in a larger font than that of the VisaNet Processor
- For Visa Prepaid Card distribution, ensures that any Website displaying the Visa-Owned Marks or offering Visa Card services clearly and conspicuously includes the Member name, which must be located within close proximity to the Visa-Owned Marks, as specified in the applicable Visa International Prepaid Program Guidelines and the *Visa Product Brand Standards*.
- Is prominently identified on the marketing materials as an agent or representative of the Member unless the Member has provided its approval to exclude its name on such marketing materials
- In the Canada Region, with the approval of the Member and provided the Acquirer Processor has entered into the form of Trademark License Agreement for Acquirer Processors as prescribed by Visa, a Member's Acquirer Processor may display certain Visa-Owned Marks on its marketing materials without the Member's name or logo in accordance with the terms of the Trademark License Agreement for Acquirer Processors (*This only applies in the Canada Region.*)

ID#: 111011-010100-0025885

Agents Used for Solicitation - U.S. Region

A U.S. Member that uses an Agent for Cardholder or Merchant solicitation must:

⁵ This requirement does not apply to U.S. and CEMEA Members using Direct Exchange (DEX).

- Have a written agreement with the Agent, as specified in "Third Party/ISO Requirements - U.S. Region"
- Ensure that any use of the Visa Program Marks by its Agents complies with the *Visa International Operating Regulations*

ID#: 010410-010410-0001165

Competitors as Agents - U.S. Region

A U.S. Member must **not** appoint or permit as its Agent for Cardholder or Merchant solicitation any organization, or its respective subsidiaries or affiliates, that Visa deems to be a competitor, including:

- American Express Company
- Discover Financial Services

ID#: 081010-010410-0001166

Agent Prohibitions Related to Visa-Owned Marks - U.S. Region

An Agent of a U.S. Member must **not**:

- Permit the use of any Visa-Owned Mark by any of its own Agents
- Use any Visa-Owned Mark on any marketing material, including business cards and letterhead on stationery

ID#: 010410-010410-0001168

VisaNet Processor Requirements

VisaNet Processor Registration

Any Member that uses a VisaNet Processor, whether or not the VisaNet Processor is itself a Member, must:

- Submit to Visa a *VisaNet Processor Registration and Designation/Termination* form (available on Visa Online) before using the VisaNet Processor
- Immediately notify Visa if any change occurs in the VisaNet Processor relationship, including termination, change of ownership or business function, or processor
- Complete a contract with the VisaNet Processor, as specified in "VisaNet Processor Contracts"
- Ensure that the VisaNet Processor complies with the applicable provisions of the *Visa International Certificate of Incorporation and Bylaws* and *Visa International Operating Regulations*
- Ensure that any changes to BIN relationships comply with the requirements specified in "BIN Licensing"

ID#: 111011-010100-0025870

VisaNet Letter of Agreement for Non-Members

Any Member that uses a non-Member as a VisaNet Processor must ensure that the non-Member submits to Visa a "VisaNet Letter of Agreement" (Exhibit 5A) before using the non-Member as a VisaNet Processor.

ID#: 111011-010100-0025871

Liability for Activities of VisaNet Processors

A Member must accept liability for all activities, including both acts and omissions, of its VisaNet Processors, as specified in the *VisaNet Processor Registration and Designation/Termination* form.

ID#: 111011-010100-0025872

Responsibility for Losses Caused by VisaNet Processors

A Member is responsible for any and all losses caused by its VisaNet Processor. All Members using a Clearing or authorizing VisaNet Processor, whether a Member or non-Member, are jointly and severally responsible for the proper performance by that VisaNet Processor of all the requirements of the *Visa International Certificate of Incorporation and Bylaws* and *Visa International Operating Regulations*.

ID#: 111011-010100-0025873

Non-Member VisaNet Processor or Clearing Member Reporting

A Member that uses a non-Member VisaNet Processor or Clearing Member to process Transaction-related data must submit an annual report to Visa.

The annual report must include, at a minimum:

- Identification of the services provided by the non-Member VisaNet Processor or Clearing Member
- Products and programs supported
- BINs under which the Member's activity is processed

ID#: 111011-010100-0025874

VisaNet Processor Independent Audit

Upon designation of a VisaNet Processor, the sponsoring Member must obtain and review an independent audit of the internal controls that support the VisaNet Processor's VisaNet interface. The audit must be conducted annually and use standard audit practices of the International Audit Standards or other regionally acceptable standards as agreed to by Visa. An audit is not required if the VisaNet Processor is a Member or special Licensee.

ID#: 111011-010100-0025878

VisaNet Processor Requirements Related to Third Parties

A contract between a Member and its VisaNet Processor must require the VisaNet Processor to:

- Ensure that all Third Parties that use a Member's BIN are properly registered with Visa by that Member
- Notify BIN Licensees in writing and receive written approval before allowing any Third Party Agent to use a Member's BIN or granting access to Cardholder information
- Report at least quarterly to the Member and Visa any Third Parties that use its BIN

ID#: 111011-010100-0025881

VisaNet Processor Acting as Clearing Processor

A Member must ensure that a VisaNet Processor acting as a Clearing processor:

- Provides access to Cardholder, Merchant, Sponsored Merchant, and Member data
- Withholds or redirects Settlement funds, as required by Visa

ID#: 111011-010100-0025883

VisaNet Processor Limitations on Liability

A Member may limit its liability for the failure of a VisaNet Processor if it provides Visa with an updated *VisaNet Processor Registration and Designation/Termination* form showing that it had terminated the VisaNet Processor relationship before the failure. This form is available through either Visa Online or upon request from Visa.

Limitations of liability, as defined in "Unauthorized Use," are effective upon receipt of Member Notification to Visa.

ID#: 111011-010100-0025887

Losses Resulting from Unauthorized Use – VisaNet Processors

For losses resulting from Unauthorized Use, Visa may collect funds from one of the following, in the order listed:

- Member that caused the loss
- VisaNet Processor that processed the Transaction, if either:
 - No Member is directly responsible for the Unauthorized Use
 - The responsible Member does not meet its financial obligations
- Members using the VisaNet Processor, if the VisaNet Processor does not meet its financial obligations

ID#: 111011-010100-0025888

Collection of Funds from a Member or VisaNet Processor

In collecting funds owed by a Member or VisaNet Processor, Visa may take, but is not limited to, the following actions:

- Take and liquidate collateral posted by a Member or VisaNet Processor, as specified in the agreement for the posting
- After providing at least one business day's notice before the collection, either:
 - Debit the Member's or VisaNet Processor's Clearing account through VisaNet
 - Withhold amounts from payments that Visa owes to the VisaNet Processor

ID#: 111011-010100-0025889

VisaNet Processor Payment Disputes

A Member or VisaNet Processor:

- May contest the amount collected by Visa, as specified in Section 10.03 of the *Visa International Certificate of Incorporation and Bylaws*
- Must provide written notice to Visa within 60 calendar days of the collection date, if it wishes to dispute its liability for, or the amount of, the collection
- Must not withhold payment because the Member or VisaNet Processor disputes its liability for the payment

Visa is:

- Liable only for the amount improperly collected plus interest at the prime rate in effect at the Settlement Bank used by Visa

- Not liable for collections made in error, except for intentional misconduct

ID#: 111011-010100-0025891

Collection of Funds from a Member or VisaNet Processor - U.S. Region

A U.S. Member or VisaNet Processor must remit the total amount owed, as specified in the *Visa International Certificate of Incorporation and Bylaws* and the *Visa International Operating Regulations*.

Visa is not required to exhaust its remedies in collecting from one U.S. Member or VisaNet Processor before collecting from another Member.

If a U.S. Member or VisaNet Processor does not remit the amount owed, the Member is responsible for Visa expenses incurred in collecting the funds, including, but not limited to, costs and expenses of legal action.

A U.S. Member from which Visa collects amounts due must continue to honor its obligations to Merchants and Sponsored Merchants.

A VisaNet Processor must **not** charge a U.S. Member's Clearing account unless either:

- Visa has directed the VisaNet Processor to do so
- The Member whose account is to be charged has provided written consent for the charge and the consent does not prevent the Member from complying with the *Visa International Operating Regulations*

ID#: 111011-010100-0025890

Third Party/ISO Requirements

Third Party Agent Registration Program

A Member that uses a Third Party Agent must comply with all of the requirements specified for Third Party Agents. Only a Third Party Agent that has a direct written contract with a Member may perform services on behalf of the Member. A Third Party Agent is exempt from the registration requirements specified in Third Party Agent Registration Requirements and the associated fees if it only provides services on behalf of its affiliates (including parents and subsidiaries) and those affiliates are Members that own and control at least 25% of the Third Party Agent.

ID#: 111011-010100-0025892

Third Party Agent Registration Requirements

To register a Third Party with Visa, a Member must:

- Use the Visa Membership Management application, available through Visa Online

- Complete the appropriate regional forms, available from the appropriate regional risk representative
- Registration must be completed before the performance of any contracted services or Transaction activity

Visa may deny or reject a Third Party Agent's registration at any time with or without cause.

ID#: 111011-010100-0025893

Registration Requirements for Merchant Third Party Agents

A Member must register with Visa any Third Party Agent that has been engaged by any of its Merchants before the performance of any contracted services by the Third Party Agent on behalf of the Merchant.

Registration of a Third Party Agent is specific to each Member, and requires a separate registration by each Member for any Third Party Agent that:

- Uses its BIN. For a Member in the LAC Region, the registration is per Member, per country, and per agent.
- Provides contracted services on behalf of the Member or its Merchants

ID#: 111011-010100-0025894

Third Party Agent Compliance with Due Diligence Standards

Before registering a Third Party Agent, a Member must complete, and validate compliance with, the applicable regional due diligence standards that are available through the Visa Membership Management Application Service on Visa Online or from the appropriate regional contact. Upon Visa request, a Member may be required to provide documentation to confirm compliance with regional due diligence standards.

A Member with currently registered Third Party Agents must:

- Perform an annual review of all Third Party Agents to confirm ongoing compliance with applicable regional due diligence standards available through the Visa Membership Management Application Service on Visa Online or from Visa
- Upon Visa request, provide documentation to confirm compliance with regional due diligence standards

ID#: 111011-010100-0025895

Member Approval of Third Party Agent

A senior officer of a Member must review all documentation and approve a Third Party Agent. Approval must be based on sound business practices that will not compromise the Member or Visa, and must not be based solely on any purported limitation of the Member's financial liability in any agreement with the Third Party Agent.

ID#: 111011-010100-0025896

Third Party Change Notification

A Member must use the Visa Membership Management Application, available through Visa Online, or the appropriate regional form to notify Visa of any change in a Third Party's principals or business relationship (including change of ownership or termination of contract). The Member must submit the notice to Visa within 5 business days of the change or knowledge of the change.

The Member must forward to Visa, via the Visa Membership Management Application or the appropriate regional form, requests for correction.

ID#: 111011-010100-0025899

Third Party Registration Fee

Visa assesses a registration fee and annual fee for Third Party Agents, as specified in the applicable regional fee guide. The fee for Member registration of each Third Party Agent will be charged directly to the Member, unless otherwise specified by Visa. Visa will waive the annual registration fee for the calendar year in which the agent has been registered, unless otherwise specified.

ID#: 111011-010100-0025900

Third Party Agent Contract Requirements

A Member must execute a written contract with each Third Party Agent that performs Cardholder or Merchant solicitation and/or stores, processes, or transmits Cardholder or Transaction data on behalf of the Member. The contract, to the extent permitted by applicable law, must:

- Include minimum standards established by Visa, including, but not limited to:
 - Policies
 - Procedures
 - Service levels
 - Performance standards
- Include language that:
 - Permits Visa to conduct financial and procedural audits and general reviews at any time

- Requires the Third Party Agent to make available to Visa and regulatory agencies Cardholder and Merchant information
- Contains an appropriate notice of termination clause
- Permits Visa to determine the necessity of and impose risk conditions on the Third Party Agent
- Ensure that the Third Party Agent will comply with:
 - *Visa International Operating Regulations*
 - Applicable Visa Regional Operating Regulations
 - Applicable local laws
- Be executed by a senior officer of the Member
- Contain at least the substance of the provisions specified for Third Party Agents
- Ensure that the Third Party Agent complies with the Payment Card Industry Data Security Standard (PCI DSS) and with the *Visa International Operating Regulations*

ID#: 111011-010100-0025902

Termination of Third Party Agent Contract

A Third Party Agent contract must include a provision allowing a Member or its Merchant to terminate a contract if the Third Party Agent participates in any of the activities described in “Prohibition of Third Party Agents from Providing Services” or the Member or its Merchant becomes insolvent.

ID#: 111011-010100-0025903

Assignment of Liability for Third Party Agents

If a Member fails to meet its responsibilities regarding Third Party Agents, as specified in the applicable *Visa International Certificate of Incorporation and Bylaws* and the *Visa International Operating Regulations*, Visa assigns liability in the following order of precedence:

- Member from whose performance or nonperformance (including by its Third Party Agents) the loss arose
- Member, if any, that sponsored the above Member, with limitations specified in the *Visa International Certificate of Incorporation and Bylaws*, Section 2.11
- BIN Licensees of BINs used in Transactions, with limitations specified in “Liabilities and Indemnifications”
- Other BIN users, in an order determined by Visa

ID#: 111011-010100-0025904

Losses Resulting from Unauthorized Use of Third Party Agents

For losses resulting from Unauthorized Use, Visa may collect funds from one of the following, in the order listed:

- Member that caused the loss
- Members using the Third Party Agent

ID#: 111011-010100-0025905

Member Risk Management Responsibilities for Third Party Agents

Before contracting with a Third Party Agent, a Member must:

- Determine that the entity is financially responsible and will comply with the substance of the *Visa International Operating Regulations* and applicable law
- Comply with the Third Party Agent Registration Program

The Member must also conduct a background investigation to verify the responsibility (including, where appropriate, financial responsibility) of the principals and ensure that no significant derogatory information exists. If local laws prohibit checks (including financial reviews) on individuals, the Member must note this when registering the Third Party Agent and note what other due diligence procedures were undertaken to ensure that due diligence has been completed.

ID#: 111011-010100-0025906

Third Party Agent On-Site Inspection

In order to register a Third Party Agent, a Member must perform an on-site inspection of the Third Party Agent's business location prior to the initial registration as part of the due diligence requirement to:

- Verify inventory, if applicable
- Review solicitation or sales materials
- Inspect operational controls
- Monitor security standards regarding unauthorized disclosure of, or access to, sensitive Visa Transaction Information and other payment systems' transaction information

Visa may conduct an on-site inspection of any Third Party Agent to validate its compliance with the applicable security requirements.

ID#: 111011-010100-0025907

Third Party Agent Reference File Query Requirement

A Member must review the Visa Membership Management Application or the appropriate regional form each time the Member signs a Third Party Agent to confirm if another Member has discontinued its relationship with a Third Party Agent. Visa refers the inquiring Member to the Member with the former relationship for further information, but the Member with the former relationship is not obligated to disclose information to the inquiring Member.

Visa will not provide an inquiring Member with details of a Third Party Agent's existing relationships with other Members, nor with the Members' identities.

Registration of a Third Party Agent does not represent confirmation by Visa of the Third Party Agent's compliance with any specific requirement.

ID#: 111011-010100-0025908

Member Requirements for Third Party Agents

A Member using a Third Party Agent must:

- Control the approval and review of Merchants, approval of Cardholder applications, and establishment of Merchant fees for Transactions
- Maintain a file on the Third Party Agent that includes records of all applicable due diligence and retain this file, with the reason for discontinuance, for a minimum of 2 years following the discontinuance of the Third Party Agent relationship
- Guarantee that it and the Third Party Agent will comply with Third Party Agent requirements and "Account and Transaction Information Security"
- Identify each Third Party Agent and designate the activities that it is authorized to perform on the Member's, or the Member's Merchant's, behalf
- Ensure that the Third Party Agent has access to and uses the information contained in the current *Visa Interchange Directory*, if the Member uses the Third Party Agent for processing any of the following:
 - Chargebacks
 - Arbitration cases
 - Compliance cases
 - Authorizations
 - Referrals
 - Fraud reporting cases
 - Settlement
- Advise the Third Party Agent that:
 - Such organization or individual must not represent registration in the Third Party Registration Program as Visa endorsement of its services
 - Registration of a Third Party Agent is specific to each Member, and requires a separate Third Party Agent registration process for each Member business relationship
- Accept responsibility for any and all losses caused by its Third Party Agent

ID#: 111011-010100-0025909

Member Responsibilities for Third Party Agents

A Member is responsible for all Card activities associated with Visa products and services, whether performed directly or indirectly by the Member or any Third Party Agent. The Member must, at a minimum, guarantee that:

- Its Merchants are paid for proper acceptance of a Card
- Payments received from Cardholders are applied for the purpose for which they were remitted

These obligations must not be waived, abrogated, or superseded in any manner.

ID#: 111011-010100-0025910

Third Party Agent Reporting

A Member must, upon Visa request, submit the detailed quarterly report in the form provided by Visa, regarding the activities and services of each Third Party Agent doing business on its behalf. The quarterly report must be signed by an authorized officer.

Visa may assess a fine if the Member fails to provide this information within 30 calendar days from the end of each quarter.

ID#: 160312-010100-0025911

Third Party Agent Responsibility for Providing Information

Unless prohibited by local law, if a Member, Visa, its designees, or any regulatory agency requests Cardholder or Merchant information, a Third Party Agent must provide the information in writing as soon as possible, but no later than 7 business days from receipt of a request. If local law prohibits providing the information, the Third Party Agent must note the exception when the original request is submitted. Requests may include information of any type, including any of the following:

- Organizational structure
- Employee information
- Sales-related data
- Financial information
- Transaction data

ID#: 111011-010100-0025912

Third Party Agent Solicitation and Marketing Materials

A Member must ensure that a Third Party Agent:

- Uses only solicitation materials, such as advertisements, stationery, business cards, sales brochures, and Website promotional content approved by the Member, as specified in the *Visa Product Brand Standards*
- Uses only solicitation materials that prominently identify the registering Member
- Complies with the substance of *Visa International Operating Regulations* regarding any permitted use of the Visa Program Marks

ID#: 111011-010100-0025913

Required Member Identification in Solicitation and Marketing Materials

If a Third Party Agent uses solicitation and marketing materials displaying the Visa-Owned Marks, a Member must ensure that:

- The Member is prominently identified by name and city, in which the headquarters is located, adjacent to the Visa-Owned Marks
- Subsequent Cardholder or Merchant Agreement is between the Member and the individual Cardholder or Merchant
- If Cardholder solicitation material, the Member, not the Third Party Agent, is the Issuer of the Card
- The material does not identify the Third Party Agent, unless such organization or individual is prominently identified as a representative of the Member, as specified in the *Visa Product Brand Standards*

ID#: 111011-010100-0025914

Use of Visa Marks on Third Party Agent Materials

A Member must not permit the use by a Third Party Agent of any Visa-Owned Mark on marketing materials, such as business cards and letterhead on stationery, as specified in the *Visa Product Brand Standards*.

A Third Party Agent must present itself to all current and prospective Cardholders and Merchants under the Trade Name or "doing business as" (DBA) name registered with the Member.

ID#: 111011-010100-0025915

Transaction Information Security for Third Party Agents

A Member must ensure that all Third Party Agents with access to account or Visa Transaction Information comply with Visa Transaction Information security requirements.

ID#: 111011-010100-0025916

Disclosure of Account or Visa Transaction Information

A Member, in the event of the failure, including bankruptcy, insolvency, or other suspension of business operations, of one of its Third Party Agents, must ensure that the Third Party Agent does not sell, transfer, or disclose any materials that contain Cardholder Account Numbers, personal information, or other Visa Transaction Information to any other entity. The Member must ensure that its Third Party Agent either:

- Returns this information to the Member
- Provides to the Member acceptable proof of secure destruction of this information

ID#: 111011-010100-0025917

Prohibition of Third Party Agents from Providing Services

Visa may permanently prohibit a Third Party Agent and its principals from providing services with respect to Visa products for good cause, such as:

- Fraudulent activity
- Activity that causes the Member to repeatedly violate the *Visa International Operating Regulations*
- Operating in an unsound, unsafe manner
- Any other activities that may result in undue economic hardship or damage to the goodwill of the Visa system, if the Third Party fails to take corrective action

ID#: 111011-010100-0025918

Acquirer Eligibility – Third Party Agent – U.S. Region

Before entering into a Merchant Agreement with Third Party Agent, a U.S. Acquirer must:

- Be in good standing in all Visa risk management programs
- Meet the Acquirer Tier 1 capital requirement of US \$100 million

ID#: 111011-010100-0025898

Third Party Agent Operational Review – U.S. Region

In the U.S. Region, a new or existing Acquirer that does not have the necessary capital, as specified in “Acquirer Eligibility - Third Party Agent - U.S. Region,” must undergo an Acquirer Risk Program Operational Review before approval of its first Third Party Agent registration for soliciting Merchants. The cost of the Operational Review is the responsibility of the Acquirer.

ID#: 151011-010100-0025897

Use of Third Party Agents by a Participant-Type Member – U.S. Region

A U.S. Participant-Type Member must not use a Third Party Agent unless authorized, in writing, by its Sponsor. The Sponsor must notify Visa of this authorization.

ID#: 111011-010100-0025919

Card Manufacturers and Personalizers

Issuer Standards for Approved Manufacturers, Approved Personalizers, and Approved Fulfillment Vendors

An Issuer that does not perform its own manufacturing, personalization, and/or fulfillment must:

- Use an Approved Manufacturer to manufacture or print Visa Products
- Ensure that the Approved Manufacturer is posted on the *Visa Approved Card Vendor List* or approved by Visa and complies with the most current version of the *Global Physical Security Validation Requirements for Card Vendors*
- Use an Approved Personalizer to personalize Visa Products unless using an Instant Card Personalization Issuance Agent or another Issuer (an Issuer performing personalization through an Instant Card Personalization Issuance Agent or another Issuer must comply with the requirements specified in "Visa Product Personalization - Issuer Requirements")
- Ensure that the manufacturing, embossing or printing, and encoding of all Visa Products comply with the most current version of the *Visa Product Brand Standards and Payment Technology Standards Manual*
- Ensure that the Approved Personalizer is posted on the *Visa Approved Card Vendor List* or approved by Visa and complies with the most current version of the *Global Physical Security Validation Requirements for Card Vendors* and *Global Logical Security Validation Requirements for Card Personalization Vendors*
- Use an Approved Fulfillment Vendor to package, store, or ship Visa Products unless using a Distribution Channel Vendor for pre-manufactured, commercially ready Visa Products (an Issuer performing fulfillment through a Distribution Channel Vendor must comply with the requirements specified in "Issuer Standards for Distribution Channel Vendors")
- Ensure that the Approved Fulfillment Vendor is posted on the *Visa Approved Card Vendor List* or approved by Visa and complies with the most current version of the *Visa Global Physical Security Validation Requirements for Data Preparation, Encryption Support and Fulfillment Card Vendors*
- Immediately notify Visa if the Approved Manufacturer, Approved Personalizer, and/or Approved Fulfillment Vendor is unable to complete its responsibilities
- Contract through another Issuer, an Approved Manufacturer, an Approved Personalizer, and/or an Approved Fulfillment Vendor for the production, personalization, and/or fulfillment of Visa Products
- Review completed Card products for accuracy, including embossing, printing, and encoding

ID#: 050411-010100-0025517

Fines Related to Agents

VisaNet Processor Fines and Penalties

A Member using a VisaNet Processor that fails to comply with the *Visa International Operating Regulations* and *Visa International Certificate of Incorporation and Bylaws* is subject to fines and penalties as specified in "General Fines Schedule."

The combined liability of all Members for a VisaNet Processor's failure to comply must **not** be more than the fine or penalty amount for the violation involved.

Visa may assess fines resulting from the activities of a Member performing services on behalf of another Member to the:

- Performing Member
- Member for which the services are performed

The total paid by both Members must **not** be more than the fine or penalty amount for the violation involved.

Visa may impose penalties whether a Member or non-Member is performing services on behalf of another Member.

If a Member acts as a VisaNet Processor for another Member, it is considered a single entity with that other Member in determining repetitive violations.

ID#: 160312-010100-0025886

Third Party Agent Fines

Visa assesses fines to a Member that fails to comply with the provisions of "Use of Third Party Agents" as specified in "Fines Related to Third Party Agents." A Member is subject to fines for the failure of its Third Party Agents to comply with the substance of the Third Party Agent requirements, including nonpayment of fees to Visa.

ID#: 111011-010100-0025901

Fines Related to Third Party Agents

A Member that fails to comply with the Third Party Agent requirements is assessed a fine

For repeated violations in a rolling 60-month period, Visa may assess fines in addition to those specified, at management's discretion. Fines are cumulative.

ID#: 111011-010100-0025868

Third Party Registration/Notification Fine - U.S. Region

Visa assesses an additional fine of US \$20,000 for each 30-calendar-day period, or portion thereof, during which a U.S. Member fails to:

- Register a Third Party, as specified in "Third Party Registration Program - U.S. Region"
- Notify Visa of a change, as specified in "Third Party Change Notification - U.S. Region"

If a U.S. Member repeatedly fails to comply with registration or notification requirements in a 60-month rolling period, Visa may assess the Member fines in addition to the US \$20,000 fine. Such fines may be assessed at Visa discretion and are cumulative.

ID#: 010410-010410-0003503

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Chapter 3: The Visa License

Core Principle 3.1

Intellectual Property

Visa Ownership of Intellectual Property

All participants in the Visa system recognize Visa's ownership of valuable intellectual property, including the Visa name, Visa marks, and Visa technology, and agree to protect these ownership rights and the integrity of the marks by following Visa's applicable rules in all activities, including issuing, acquiring and processing. These rules and the Visa license address appropriate use of the licensed marks, technology, software, hardware, and other valuable intellectual property in conjunction with Visa systems, products and services.

ID#: 010410-010410-0007727

Core Principle 3.2

Brand and Licensed Technology

Using the Visa Brand and Technology

All participants in the Visa system may use the Visa brand and licensed technology to provide payment and other financial services, under the Visa brand, to customers within the geographic locations defined by Visa and as permitted by local banking regulation.

ID#: 010410-010410-0007759

Core Principle 3.3

BIN Licensing

Obtaining a BIN

Visa participants may obtain one or more Bank Identification Numbers (BINs) from Visa for use in all Visa activities. As a BIN licensee, the participant is responsible for all activities associated with any BIN that it licenses.

ID#: 010410-010410-0007760

Marks License

Marks License Grant

License Grant for Visa-Owned Marks

Visa grants to each Member, excluding one that is solely a Plus Program Participant, a non-exclusive, non-transferable license to use each of the Visa-Owned Marks **only** in conjunction with the applicable Visa Programs that are licensed to the Member.

ID#: 010410-010410-0008906

License Grant for Plus Program Marks

Visa may grant to a Member **not** otherwise licensed a non-exclusive, non-transferable license to use each of the Plus Program Marks with the Plus Program.

ID#: 010410-010410-0001122

License for Plus Card Acceptance - U.S. Region

Visa grants a U.S. Member that is required to display the Plus Symbol on its ATM a license to use each of the Plus Program Marks for the purpose of accepting Plus Cards at ATMs, subject to the terms and conditions of the applicable sections of the *Plus System, Inc. Bylaws and Operating Regulations*.

A U.S. Member granted such a license acknowledges that Visa owns the Plus Program Marks.

ID#: 010410-010410-0007436

Visa Marks Ownership Acknowledgement

A Member must:

- Acknowledge that Visa owns all Visa-Owned Marks
- Agree that it will do nothing inconsistent with this ownership
- Agree that the use of all Visa-Owned Marks must be for the benefit of, and on behalf of, Visa

ID#: 010410-010410-0006463

Denotation Requirements for Visa-Owned Marks

A Member must not use any denotation or legend of Marks registration or ownership in connection with the Visa-Owned Marks, except as required or approved by Visa. Upon request, Visa will provide a current list of both the:

- Countries in which a denotation or legend must be used
- Required denotation or legend

ID#: 050411-010410-0006464

Registration/Ownership Denotation

A Member desiring to use a denotation or legend of registration or ownership with any proprietary Mark or Trade Name used in association with, or on the same piece as, any Visa-Owned Mark may do so only if Visa:

- Determines that this use will **not** adversely affect the rights of Visa
- Has provided written approval

ID#: 010410-010410-0007431

Use of Visa-Owned Marks in Sponsorship Events

A Member must obtain written approval from Visa for its planned use of any Visa-Owned Mark in the sponsorship of events, including all advertising, promotions, and public relations. These rules do **not** apply to the purchase of advertising not specifically tied to sponsorship of these events.

ID#: 010410-010410-0001109

Use of Visa-Owned Marks in Country of License

The Member may use the Visa-Owned Marks only in a country where it is licensed to do so. The written approval request must specify each country where the sponsorship activity will occur. If a Member plans sponsorship activities in any additional country at a later date, it must submit a new request.

ID#: 010410-010410-0001110

Scope of Visa-Owned Marks Use

A Member must ensure that it uses each Visa-Owned Mark within the scope of the written approval from Visa. After Notification from Visa, a Member must correct any improper use of any of these Marks.

ID#: 010410-010410-0001114

Infringement Proceedings Regarding Visa Marks

Unless Visa grants express consent, Visa reserves the sole right to initiate infringement proceedings or other challenges involving any use of the Visa-Owned Marks.

ID#: 010410-010410-0006462

Visa Proprietary Rights

Members acknowledge the proprietary rights of Visa and that unauthorized or inappropriate use of the Visa-Owned Marks and Visa Brand Name may cause Visa irreparable damage or injury. Visa has the full authority to enforce all Visa regulations governing Members, Merchants, agents, and other entities using the Visa-Owned Marks and Visa Brand Name.

ID#: 010410-010410-0007432

Sponsorships/Partnerships Including Olympics

Olympic Marks in Media

Use of Olympic Marks, logos, designations, and authenticating statements in any media with any Visa Program Mark must comply with the *Visa International Operating Regulations*, the *Visa Product Brand Standards*, and the current *Visa Olympic Tool Kit*.

ID#: 010410-010410-0007452

Sponsorship Pass-Through Rights

A Member's enjoyment of pass-through rights to use the Marks and promotional materials of any organization with which Visa has signed a global partnership or sponsorship agreement, including without limitation those of the Olympics, must comply with the requirements specified in the *Visa International Operating Regulations* and supplemental documents that specify the Marks usage standards that must be maintained for that partnership or sponsorship.

A Member must **not** make any use of such pass-through rights without the prior written approval of Visa and the partner or sponsor organization.

ID#: 010410-010410-0007450

Partnership/Sponsorship Agreement

A partnership or sponsorship agreement governs in the case of ambiguity, conflict, or inconsistency between that agreement and any *Visa International Operating Regulations*, contract, sublicense, agreement, or other arrangements between Visa and a Member, Merchant, or affiliate.

ID#: 010410-010410-0001128

Member Use of Partnership/Sponsorship Marks

A Member participating in certain Visa Programs may use the Marks, logos, designations, and authenticating statements associated with any partnership or sponsorship, including, but not limited to:

- The International Olympic Committee
- The organizing committees of the current Winter and Summer Olympic Games
- A National Olympic committee

ID#: 010410-010410-0007454

Olympic Marks on Cards/Decals

A Member may use the Olympic Marks on Cards and decals and with other representations of the Visa, Visa Electron, or Visa TravelMoney Program Marks in advertising and on promotional materials.

ID#: 010410-010410-0001581

Compliance with Marks Use Guidelines

Each Member must strictly observe the guidelines for use of the partnership or Sponsorship Marks as specified in governing documents, including, but not limited to:

- *Visa International Operating Regulations*

- The current *Visa Olympic Tool Kit*

ID#: 050411-010410-0007456

Improper Use of Sponsorship/Partnership Marks

After Notification from Visa, a Member must correct any improper use of the partnership or Sponsorship Marks.

ID#: 050411-010410-0007453

Olympic Marks on Commercial Products - U.S. Region

Olympic Marks, logos, designations, and authenticating statements may be used on a Commercial Visa Product in the U.S. Region, provided the Member obtains prior written approval from Visa. Such uses will be permitted in limited circumstances and are subject to approval of the Olympic authorities.

ID#: 010410-010410-0006193

BIN License and Administration

License

BIN License Agreement

Effective through 31 March 2012, a Principal-Type or Associate-Type Member must submit a "BIN License Agreement" (available through the Visa Publication Center on Visa Online) request to Visa before using the BIN for acquiring or issuance of a Visa Card bearing the requested BIN. By completing the "BIN License Agreement" request, the Member acknowledges that it will use the requested BIN only for the purpose specified in the request. The Member must submit a revised request to reflect any change in use before the effective date of the change.

Effective 1 April 2012, a Principal-Type Member or Associate-Type Member must submit a "BIN License Agreement" (available through the Visa Publication Center on Visa Online) request to Visa before using the BIN for acquiring or issuance of a Visa Card bearing the requested BIN. A VisaNet Processor must submit a "BIN License Agreement" request to Visa before using the BIN for processing activities. By completing the "BIN License Agreement" request, the Member or VisaNet Processor acknowledges that it will use the requested BIN only for the purpose specified in the request. The Member or VisaNet Processor must submit a revised request to reflect any change in use before the effective date of the change, and with appropriate approval by Visa.

ID#: 111011-010410-0001220

BIN License Recipients

Visa will license a BIN to a Principal-Type Member, Associate-Type Member, or a VisaNet Processor.

ID#: 111011-010410-0001246

BIN Jurisdiction

A BIN is licensed for use in a single country, except as defined in the *Visa Multinational Program Guide*, the applicable Visa International Prepaid Program Guidelines, or the International Airline Program.

ID#: 111011-080911-0026465

Purpose of BIN Use

Visa licenses BINs to be used for issuing, acquiring, processing and other approved activities; the BIN Licensee must use BINs only for the purpose for which the BIN Licensee is approved, and in a country in which the BIN Licensee is licensed to perform those activities, as specified in the applicable Certificate of Incorporation and Bylaws.

ID#: 111011-010410-0001250

Private Label BIN Use

If a BIN Licensee or its designated Sponsored Member uses a Visa BIN for a Private Label Card program, the Issuer or its Sponsored Member must have a written acceptance agreement directly with each merchant that accepts its Private Label Cards.

ID#: 111011-010410-0001253

Administration

Visa Interchange Directory Update Form - Submission

Each Member or VisaNet Processor assigned a BIN to use on Cards and through Interchange must submit a completed "Visa Interchange Directory Update Form" (available through the Visa Publication Center on Visa Online) to Visa.

If any of the required Visa Interchange Directory information changes, a Member must send a new form with any updates to Visa at least 10 business days before the effective date, for distribution to other Members and VisaNet Processors.

ID#: 160312-010410-0007725

Plus Directory Update Form - Submission (New)

Effective 14 November 2011, each Plus Program Participant or processor acting on behalf of a Plus Program Participant, that has been assigned a BIN, must submit to Visa a completed "Plus Directory Update Form."

Effective 14 November 2011, if any of the required *Plus Directory* information changes, a Plus Program Participant or processor must send a new "Plus Directory Update Form" with any updates to Visa at least 10 business days before the effective date for distribution to other Plus Program Participants and processors.

ID#: 160312-141111-0026665

BIN Sale or Exchange

A BIN Licensee must **not** sell, rent, or exchange any BIN. However, Visa may, at its sole discretion, accommodate requests for BIN transfers in connection with a portfolio sale.

ID#: 111011-010410-0001238

BIN Release Request

A BIN Licensee that no longer uses a BIN must release it to Visa by submitting a "BIN Release Request." Any BIN released back to Visa must not be used after the release effective date. The "BIN Release Request" form is available through the Visa Publication Center on Visa Online.

ID#: 151011-010410-0001239

BIN Release Reversal

A BIN Licensee must:

- Notify its VisaNet Processors of a BIN release reversal prior to submitting the "Reversal of BIN Release Request" to Visa. The "Reversal of BIN Release Request" form is available through the Visa Publication Center on Visa Online.
- Submit a "Reversal of BIN Release Request" to reverse a previously requested BIN release

ID#: 111011-010410-0001240

Membership Downgrade - BIN Requirement

A Principal-Type Member or Associate-Type Member that reclassifies to a Participant-Type Member must either:

- Return its licensed BINs to Visa by submitting a "BIN Release Request" (available through the Visa Publication Center on Visa Online) before the effective date of the membership change

- Transfer its licensed BINs to its Sponsor by submitting a "BIN Licensee Transfer Request" (available through the Visa Publication Center on Visa Online)

ID#: 111011-010410-0001241

Use of Numeric ID

Effective 1 April 2012, to support the implementation of products, services, and tracking, Visa may assign Numeric IDs (separate to the assignment of BINs) to a Visa Member, VisaNet Processor, or Third Party Agent. Any Numeric IDs must be used only for the purposes for which they are assigned.

An assignee of a Numeric ID must only use a Numeric ID for activities for which the assignee has been approved.

A Visa Member, VisaNet Processor, or Third Party Agent assigned a Numeric ID is fully liable for all activity occurring on the Numeric ID until it is fully deleted from all Visa production systems.

An assignee of a Numeric ID is responsible for notifying Visa regarding the maintenance of the Numeric ID, including:

- Portfolio sale or transfer
- Merger or Acquisition
- Cessation of use
- Modification to service
- Change in user of the Numeric ID, if applicable

If the Numeric ID is being used for the purposes of acquiring Transactions, the assignee must comply with the requirements as specified in "BIN Release" and "Recalled BIN Responsibility."

A Member that designates a VisaNet Processor to act on their behalf must ensure the VisaNet Processor:

- Only uses the Numeric ID for the purposes for which the Numeric ID was assigned to the Visa Member
- Only submits activity on the Numeric ID associated with the assignee of the Numeric ID, or the assignee's Sponsored Member approved to share the Numeric ID
- Does not use the Member's Numeric ID for the purpose of processing, Clearing, or settling Transactions for any Member other than the assignee and its approved Sponsored Member(s)

ID#: 111011-010100-0026469

Sponsored Member BIN Use

A Participant-Type Member must use a BIN licensed to its sponsoring Principal.

An Associate-Type Member may license its own BIN, or use a BIN licensed to its Sponsor.

A Principal-Type Member must only use a BIN for which it is the BIN Licensee.

ID#: 111011-010410-0001242

VisaNet Processor BIN Changes

When a Member changes a VisaNet Processor or begins processing through an additional VisaNet Processor, the Member must migrate its BIN(s) from its former VisaNet Processor to the new one, unless the Member retains a processing relationship with the former VisaNet Processor.

ID#: 111011-010410-0001267

VisaNet Processor Relationship Termination - BIN Requirement

If a Member's VisaNet Processor terminates its relationship with Visa, the Member must ensure that all of its BINs installed with that VisaNet Processor are migrated to another VisaNet Processor before the termination.

ID#: 111011-010410-0001268

BIN Transfer to New VisaNet Processor

In the event that a Member signs an agreement with a new VisaNet Processor and migrates a BIN to it, the Member must require the new VisaNet Processor to process any Chargebacks, Representments, Retrieval Requests, billing, and other miscellaneous activity associated with Transactions originated by the former VisaNet Processor under that BIN, unless the former VisaNet Processor agrees to continue processing those items.

ID#: 111011-010410-0001269

BIN Release

Effective through 31 March 2012, if Visa has recalled a BIN:

- The BIN is eligible for deletion from VisaNet six months after the latter of:
 - Expiration date on the last Card issued has passed
 - Date acquiring activities have ceased
 - Date any processing activities have ceased
- The BIN may subsequently be assigned to another Member following the deletion
- The original BIN Licensee remains liable for any exception activity related to Transactions generated on the BIN before the deletion. Settlement of such liability to Visa or Members will be conducted by Visa in conjunction with the original BIN Licensee.

Effective 1 April 2012, when a Member releases a BIN back to Visa:

- The BIN is eligible for deletion from VisaNet:

- Six months after the later of:
 - Expiration date on the last Card issued has passed or last date of Card usage as communicated to Cardholders
 - Date acquiring activities have ceased
- After all processing activities have ceased, if applicable
- The BIN may subsequently be assigned to another Member following the deletion
- The original BIN Licensee remains liable for any exception activity related to Transactions generated on the BIN before the deletion. Settlement of such liability to Visa or Members will be conducted by Visa in conjunction with the original BIN Licensee.
- Any Member voluntarily terminating its Visa membership cannot terminate its membership until all BIN(s) and other Numeric IDs assigned to the Member are fully deleted from all VisaNet systems
- A BIN Licensee that requests the blocking and deletion of a BIN must meet all outstanding obligations to the Cardholders and/or Merchants on the BIN before the blocking and deletion can become effective

ID#: 111011-010410-0001272

Non-Visa-Assigned BIN Management - U.S. Region

Effective 8 November 2010 through 31 March 2012, a U.S. Issuer using a non-Visa-assigned BIN in connection with a Visa service or product must:

- Ensure it has the right to provide the BIN to Visa
- Maintain the accuracy of the information relative to the BIN

ID#: 111011-081110-0026016

Recalled BIN Responsibility

A BIN Licensee is responsible and liable for any recalled BIN until it is fully deleted from all VisaNet systems.

ID#: 111011-010100-0025578

Cessation of BIN Authorized Usage

If a Member ceases any of the authorized usages on an existing licensed BIN, the timeframes referenced in "BIN Release" must be adhered to for removing the usage from the BIN.

ID#: 111011-010100-0025577

Sales and Transfers

Notification of BIN Sale or Transfer

Members involved in a portfolio sale or transfer that results in a change of BIN Licensee or BIN User must notify Visa within 10 calendar days of the portfolio sale or transfer by submitting to Visa a "BIN Licensee Transfer Request" or a "BIN User Transfer Request." The "BIN Licensee Transfer Request" or "BIN User Transfer Request" form is available through the Visa Publication Center on Visa Online.

ID#: 111011-010410-0001243

Member Financial Liability During BIN Sale or Transfer

Visa holds the selling institution financially liable for all portfolio activities, in addition to payment of all applicable fees, until Visa acknowledges all required documentation.

ID#: 111011-010410-0007667

Portfolio Sale or Transfer Forms

Visa will make the VisaNet system changes required to accommodate portfolio sales and program transfers only after Visa receives a written request for the changes from the Member.

ID#: 111011-010410-0001258

Mergers and Acquisitions

VisaNet Systems Changes Due to Merger or Acquisition

Visa will make the VisaNet system changes required to accommodate Mergers/Acquisitions only after Visa acknowledges receipt of a "BIN Licensee Transfer Request" or "BIN User Transfer Request" from the Member. The "BIN Licensee Transfer Request" and "BIN User Transfer Request" are available through the Visa Publication Center on Visa Online.

ID#: 151011-010410-0001236

Mergers, Acquisitions, or Restructuring Membership Qualifications

For a portfolio sale, all Visa membership qualifications must be met by the purchasing organization. Membership documentation must be submitted to Visa, as specified in the *Visa International Operating Regulations* and the applicable Certificate of Incorporation and Bylaws.

ID#: 111011-010410-0001245

Surviving Member Liability Due to Merger

If Visa does not receive notification within 30 calendar days of the effective date of a Merger, Visa may take the necessary steps to process the Merger, including the transfer of all products and programs.

ID#: 111011-010410-0001257

Membership Status

Voluntary Membership Termination

Before a request for voluntary membership termination will be processed by Visa, all BINs must be either:

- Fully deleted from the VisaNet systems
- Transferred to another BIN Licensee

ID#: 111011-010100-0025579

BIN Licensee

Responsibilities

BIN Licensee Responsibilities

A BIN Licensee is responsible for all activities associated with any BIN that it licenses.

ID#: 010410-010410-0007652

Termination of BIN Use Authorization

If a BIN User is no longer authorized by the BIN Licensee to use its BIN, the BIN User must:

- Discontinue use of the BIN
- Ensure all Cards are reissued using a BIN it is authorized to use

ID#: 111011-010410-0001265

Sponsor Liability - AP Region, CEMEA Region, and LAC Region

A Principal-Type Member is responsible and liable for all activities associated with the BINs licensed directly to an Associate-Type Member whom they sponsor within the AP Region, CEMEA Region, or LAC Region. The Sponsor's liability is limited to the BINs associated with the sponsorship relationship between the Principal-Type Member and Associate-Type Member.

A Principal-Type Member must countersign the "BIN License Agreement" for any BIN License request submitted to Visa from an Associate-Type Member domiciled in the AP Region, CEMEA Region, or LAC Region prior to Visa fulfilling the request.

Visa may provide a Sponsor with a report listing its Associate-Type Members domiciled in the AP Region, CEMEA Region, or LAC Region and the BIN(s) tied to the sponsorship relationship with the Associate-Type Member. The Sponsor must notify Visa of any inaccuracies in the report.

ID#: 111011-010100-0026466

BIN Use

Member Use

BIN Usage Rights

Only the BIN Licensee or the BIN Licensee's designated Sponsored Member may use the BIN for the purpose noted on the "BIN License Agreement" (available through the Visa Publication Center on Visa Online).

ID#: 111011-010410-0001225

Unauthorized BIN Use

Effective 1 April 2012, if a BIN Licensee or its designated Sponsored Member uses a BIN for a purpose other than specified on the "BIN License Agreement" and approved by Visa, Visa reserves the right to block and remove the Visa BIN from the Visa production systems.

ID#: 111011-010100-0026468

Unique Identification Within the Account Number

An Issuer using a BIN licensed to its sponsoring Member must be uniquely identified within the first 9 digits of the Account Number.

ID#: 111011-010410-0001226

Processor BIN Usage

A non-Member VisaNet Processor acting on behalf of a Member must use its licensed BINs exclusively for processing activities. It must **not** use the BINs for issuing or acquiring purposes.

A Member that designates a VisaNet Processor to act on their behalf must ensure the VisaNet Processor only:

- Processes transactions on the Member's BIN(s) for activities for which the BIN is licensed
- Processes transactions on the Member's BIN(s) that are originated by the BIN Licensee or the BIN Licensee's Sponsored Members approved to share the BIN
- Clears or settles transactions on the Member's BIN(s) that are originated by the BIN Licensee or the BIN Licensee's Sponsored Members approved to share the BIN

ID#: 111011-010410-0001227

PIN Debit Gateway Service BIN Use

A BIN licensed to a Visa Member for Visa PIN Debit Gateway Service acquiring must not be used for any other purpose.

ID#: 111011-010100-0026467

Use of BINs for Non-Visa Purposes

A Member requesting the assignment of a Visa BIN to be used for a program not associated with the Visa brand or a Visa-Owned Mark (e.g., Plus, Interlink, Electron), including but not limited to Private Label Card programs, must:

- Request approval for the program by submitting a written statement of program objectives to Visa that identifies the BIN uses
- Submit a "BIN License Agreement" request (available through the Visa Publication Center on Visa Online)

ID#: 111011-010410-0001228

BIN Processing

Each Member and VisaNet Processor must be capable of accepting and processing any Visa-licensed BIN for any Visa-defined purpose.

ID#: 010410-010410-0008895

Merchant Use and Disclosure of BIN Information

Disclosure of BIN or Other Product Data Information to Merchants - AP Region

In the AP Region, an Acquirer may provide BIN information or other product-identifying data to its Merchant or its Agent located in a U.S. Territory, solely for purposes of identifying Visa Card product types at the point of sale.

ID#: 160312-210710-0026412

Use of BIN or Other Product Data Information - AP Region

In the AP Region, a Merchant or Agent that receives BIN information or other product-identifying data from its Acquirer must not use such information for any reason other than to identify Visa Card product types at the point of sale and for purposes of implementing acceptance practices permitted by the *Visa International Operating Regulations*, unless authorized by Visa.

ID#: 111011-210710-0026413

Non-Disclosure of BIN Information - AP Region

An AP Merchant or its Agent receiving BIN information or other product-identifying data must not disclose such information to any third party without prior written permission from Visa.

ID#: 111011-210710-0026414

Merchants Receiving BIN Information - AP Region

An AP Acquirer that provides BIN information or other product-identifying data to its Merchant or Agent as specified in "Disclosure of BIN or Other Product Information to Merchants – AP Region" must ensure that:

- The Merchant or Agent complies with the substance of "Merchant Use and Disclosure of BIN Information – AP Region"
- These requirements are included in its Merchant Agreement or Agent contract as a separate addendum

ID#: 111011-210710-0026415

Third Parties Receiving BIN Information - AP Region

An AP Acquirer whose Merchant provides BIN information or other product-identifying data to its Third Party must:

- Ensure that the Third Party complies with the substance of "Merchant Use and Disclosure of BIN Information – AP Region"
- Require the Merchant to include the substance of these requirements in its agreement or contract with its Third Party

ID#: 111011-210710-0026416

Disclosure of BIN or Other Product Data Information to Merchants - LAC Region

In the LAC Region, an Acquirer may provide BIN information or other product-identifying data to its Merchant or its Agent located in a U.S. Territory, solely for purposes of identifying Visa Card product types at the point of sale.

ID#: 160312-210710-0026417

Use of BIN or Other Product Data Information - LAC Region

In the LAC Region, a Merchant or Agent that receives BIN information or other product-identifying data from its Acquirer must not use such information for any reason other than to identify Visa Card product types at the point of sale for purposes of implementing acceptance practices permitted by the *Visa International Operating Regulations*, unless authorized by Visa.

ID#: 111011-210710-0026418

Non-Disclosure of BIN Information - LAC Region

An LAC Merchant or its Agent receiving BIN information or other product-identifying data must not disclose such information to any third party without prior written permission from Visa.

ID#: 111011-210710-0026419

Merchants Receiving BIN Information - LAC Region

An LAC Acquirer that provides BIN information or other product-identifying data as specified in "Disclosure of BIN or Other Product Information to Merchants – LAC Region" to its Merchant or Agent must ensure that:

- The Merchant or Agent complies with the substance of "Merchant Use and Disclosure of BIN Information – LAC Region"
- These requirements are included in its Merchant Agreement or Agent contract as a separate addendum

ID#: 111011-210710-0026420

Third Parties Receiving BIN Information - LAC Region

An LAC Acquirer whose Merchant provides BIN information or other product-identifying data to its Third Party must:

- Ensure that the Third Party complies with the substance of "Merchant Use and Disclosure of BIN Information – LAC Region"
- Require the Merchant to include the substance of these requirements in its agreement or contract with its Third Party

ID#: 111011-210710-0026421

Disclosure of BIN or Other Product Data Information to Merchants - U.S. Region

Effective through 19 July 2011, a U.S. Acquirer may provide Visa Debit Card BIN information to its Merchant or its Agent solely for purposes of identifying Visa Debit Cards presented at the point of sale. An Acquirer must provide this BIN information to any Merchant requesting it for the permitted purpose.

Effective 20 July 2011, a U.S. Acquirer may provide BIN information or other product-identifying data to its Merchant or its Agent solely for purposes of identifying Visa Card product types at the point of sale. An Acquirer must provide BIN information to any Merchant requesting it for the permitted purpose.

ID#: 160312-010410-0000506

Use of BIN or Other Product Data Information - U.S. Region

Effective through 19 July 2011, a U.S. Merchant or Agent that receives BIN information from its Acquirer must **not** use such information for any reason other than to identify Visa Debit Category products at the point of sale, unless authorized by Visa.

Effective 20 July 2011, a U.S. Merchant or Agent that receives BIN information or other product-identifying data from its Acquirer must not use such information for any reason other than to identify Visa Card product types at the point of sale and to implement acceptance practices permitted by the *Visa International Operating Regulations* including "Discount Offer – U.S. Region 5.2.D.2" based on such information, unless authorized by Visa.

ID#: 111011-010410-0002311

Confidentiality of BIN Information - U.S. Region

Visa BIN information provided by an Acquirer to a Merchant or an Agent is proprietary and confidential information belonging to Visa and, **effective 12 January 2012**, must be treated with the same degree of care as information labeled "Visa Confidential."

ID#: 040412-010410-0002314

Non-Disclosure of BIN or Other Product Data Information - U.S. Region

Effective through 19 July 2011, a U.S. Merchant or its Agent must **not** disclose Visa BIN information to any third party without prior written permission from Visa.

Effective 20 July 2011, a U.S. Merchant or its Agent must not disclose Visa BIN information or other product-identifying data to any third party without prior written permission from Visa.

ID#: 111011-010410-0002315

Merchants Receiving BIN or Other Product Data Information - U.S. Region

Effective through 19 July 2011, a U.S. Acquirer that provides BIN information as specified in "Disclosure of BIN or Other Product Data Information to Merchants - U.S. Region" to its Merchant or Agent must ensure that:

- The Merchant or Agent complies with the substance of "Merchant Use and Disclosure of BIN Information"
- These requirements are included in its Merchant Agreement or Agent contract as a separate addendum

Effective 20 July 2011, a U.S. Acquirer that provides BIN information or other product-identifying data specified in "Disclosure of BIN or Other Product Data Information to Merchants – U.S. Region" to its Merchant or Agent must ensure that:

- The Merchant or Agent complies with the substance of "Merchant Use and Disclosure of BIN Information"
- These requirements are included in its Merchant Agreement or Agent contract as a separate addendum

ID#: 151011-010410-0003346

Third Parties Receiving BIN or Other Product Data Information - U.S. Region

Effective through 19 July 2011, a U.S. Acquirer whose Merchant provides BIN information to its Third Party must:

- Ensure that the Third Party complies with the substance of "Merchant Use and Disclosure of BIN Information"
- Require the Merchant to include the substance of these requirements in its agreement or contract with its Third Party

Effective 20 July 2011, a U.S. Acquirer whose Merchant provides BIN or other product data information to its Third Party must:

- Ensure that the Third Party complies with the substance of "Merchant Use and Disclosure of BIN Information"

- Require the Merchant to include the substance of these requirements in its agreement or contract with its Third Party

ID#: 111011-010410-0003347

Non-Visa BINs

Non-Visa-Assigned BINs

Non-Visa-Assigned BIN Management

Effective 1 April 2012, a Member using a non-Visa-assigned BIN in connection with a Visa service or product must:

- Ensure it has the right to provide the BIN to Visa
- Maintain the accuracy of the information relative to the BIN

By using a non-Visa-assigned BIN in connection with Visa services or products, the Licensee of that BIN represents and warrants to Visa and its Members that its use of the non-Visa-assigned BIN in connection with Visa services or products is duly authorized by the authority under which the Visa Member obtained use of the BIN. The Licensee also indemnifies and holds harmless Visa and its Members from any Claims and Liabilities arising from the Licensee's use of the non-Visa-assigned BIN.

A Licensee of a non-Visa-assigned BIN is responsible for, and indemnifies and holds harmless Visa against, all activities associated with its non-Visa-assigned BIN. In addition, any Visa Member that uses a non-Visa-assigned BIN licensed to another Visa Member is responsible for, and indemnifies and holds harmless Visa against, all activities associated with the use of the non-Visa-assigned BIN.

A Licensee of a non-Visa-assigned BIN is responsible for notifying Visa regarding the maintenance of the non-Visa-assigned BIN, including:

- Portfolio sale or transfer
- Merger or Acquisition
- Cessation of use
- Modification to product or service

A Licensee of a non-Visa-assigned BIN must comply with all applicable requirements specified in "BIN License and Administration."

ID#: 111011-010100-0026514

Software License

Ownership and Confidentiality

Rights To Sell - Canada Region

The Canada Region may sell products, services, systems, and software that it has developed.

ID#: 010410-010410-0001353

Non-Transferability

Non-Assignable Right to Use VisaNet (Updated)

A Member's right to use VisaNet is **not** assignable and its duties are non-delegable without prior written consent from Visa. However, a Member may use a non-Member VisaNet Processor that has executed and delivered to Visa a "VisaNet Letter of Agreement" (Exhibit 5A).

Effective 7 March 2012, a VisaNet Processor acknowledges and agrees that the VisaNet endpoint connectivity is a Visa asset and not transferable without the express written consent of Visa. A VisaNet Processor must not transfer its VisaNet endpoint to another Member or Agent. It must notify Visa in writing at least 90 days prior to the effective date of a change, for example, but not limited to, a sale of all or substantially all of the assets of the operation, acquisition, merger, ownership change, or financial restructuring and promptly provide Visa with any related information that is requested.

ID#: 160312-010410-0003081

Limitations

Restricted Use of VisaNet

A Member must restrict its use of the VisaNet systems and services to purposes specifically approved by Visa.

ID#: 010410-010410-0003331

Restricted Use of VisaNet - U.S. Region

A U.S. Member, VisaNet Processor acting on behalf of a Visa Member, or U.S. Direct-Connect Merchant must restrict its use of VisaNet to purposes specifically approved by Visa.

ID#: 010410-010410-0003719

Software Enhancements/Modifications

Enhancements/Modifications

BASE II Edit Package

A Member may modify or enhance the BASE II Edit Package software for its own use if it:

- Does **not** take any action that may endanger the rights of Visa in and to the BASE II Edit Package software
- Uses all updated versions of the BASE II Edit Package software supplied by Visa

ID#: 010410-010410-0008217

Use of Visa Systems

Visa Systems Use

Proprietary Interest in Visa Systems

No Member will have any property or other right, claim, or interest, including any patent right, Trade Secret right, or Copyright interest, in the VisaNet systems or services, or in any systems, processes, equipment, software, or data that Visa uses with the VisaNet systems or services, excluding Member-supplied data or equipment.

In the U.S. Region, no U.S. Member or U.S. Direct-Connect Merchant will have any property or other right, claim, or interest, including any patent right, Trade Secret right, or Copyright interest, in the V.I.P. System, BASE II, or in any systems, processes, equipment, software, data, or materials that Visa or its subsidiaries use with the V.I.P. System, BASE II, or in connection with a Visa program, except for Merchant- or Member-supplied data or equipment. *(This only applies in the U.S. Region.)*

ID#: 010410-010410-0006468

Confidentiality of Visa Systems Information - U.S. Region

The V.I.P. System and BASE II consist of confidential and proprietary information belonging to Visa. Each U.S. Member, VisaNet Processor acting on behalf of a U.S. Member, or U.S. Direct-Connect Merchant must take appropriate action to ensure that its employees or agents with access to the V.I.P. System or BASE II or related documentation:

- Are advised of the confidential and proprietary nature of these systems and documentation
- Use their best efforts to protect the VisaNet Access Points

- Are prohibited from:
 - Providing access to or disclosing these systems and documentation to any third party
 - Using these systems and documentation for any purpose not authorized in the U.S. Regional Operating Regulations

A U.S. Member or Direct-Connect Merchant must **not** disclose any confidential information of Visa or its subsidiaries to a non-Member.

ID#: 010410-010410-0005821

Confidential Information Disclosed to Contractors

A Member may disclose confidential information to contractors that the Member employs to provide services in connection with Visa products and services, if the contractor has a written agreement with its Member that the contractor:

- Will **not** disclose the confidential information to any third party
- Will use the confidential information only to provide services to the Member for use only with the Member's Visa products and services

Any confidential information disclosed to the contractor must:

- Remain solely the property of Visa
- Be returned to Visa immediately upon Visa request
- Be immediately returned to the Member upon termination of the relationship that required use of the confidential information

The Member is responsible for its contractor's compliance with these conditions and must **not** allow a non-Member VisaNet Processor to use the V.I.P. System or BASE II unless the non-Member VisaNet Processor has delivered a completed "VisaNet Letter of Agreement" (available through Visa Online) to Visa.

ID#: 050411-010410-0006467

Non-Assignable Right To Use V.I.P. System or BASE II - U.S. Region

A U.S. Member's or Direct-Connect Merchant's right to use the V.I.P. System or BASE II is **not** assignable and its duties are non-delegable without prior written consent from Visa. However, a Member or Direct-Connect Merchant may use a non-Member processing organization that has executed and delivered a "VisaNet Letter of Agreement" (available through Visa Online) to Visa.

ID#: 050411-010410-0003718

VisaNet Access Point Modification - U.S. Region

A U.S. Member, VisaNet Processor acting on behalf of a U.S. Member, or U.S. Direct-Connect Merchant must not make or attempt to make any repair, adjustment, alteration, or modification to a VisaNet Access Point, except as expressly authorized by Visa.

ID#: 010410-010410-0003721

VisaNet Access Point Security - U.S. Region

A U.S. Direct-Connect Merchant must provide the same level of security for its VisaNet Access Points that it provides to its other proprietary systems.

ID#: 010410-010410-0003722

VisaNet Access Point Restrictions - AP Region

An AP Member may use a VisaNet Access Point only for V.I.P. System and BASE II processing as specified by Visa.

AP Members must not share a VisaNet Access Point without the prior written consent of Visa. If Visa permits 2 or more Members to share a VisaNet Access Point for BASE II transmissions, Visa may schedule the sequence and processing times for the transmission.

ID#: 081010-010410-0007418

Use of VisaNet System for Non-Visa Card Transactions - AP Region

In the AP Region, an organization that uses the VisaNet System for Authorization, Clearing, or Settlement of non-Visa Card transactions must comply with the following:

- The organization must obtain the prior written consent of Visa to use the VisaNet System for non-Visa Card transactions
- Use of the VisaNet System must be authorized by each entity with administrative or operational responsibility over the non-Visa Card transactions
- All non-Visa Card transactions entered into the VisaNet System must comply with the applicable regulations established by Visa

An organization in the AP Region that uses the VisaNet System for non-Visa Card transactions must pay all applicable fees for use of the VisaNet System for Authorization, Clearing, or Settlement of non-Visa Card transactions.

ID#: 010410-010410-0007029

Visa U.S. Regulation II Certification Program

Visa U.S. Regulation II Certification Program - AP Region, LAC Region, and U.S. Region

Visa U.S. Regulation II Certification Program Requirements - AP Region, LAC Region, and U.S. Region (Updated)

Effective 8 March 2012, in the U.S. Region or in a U.S. Territory, a BIN Licensee that is subject to U.S. Federal Reserve Board Regulation II must comply with the Visa U.S. Regulation II Certification Program requirements.

The BIN Licensee is solely responsible for ensuring that all consumer debit, commercial debit, and prepaid programs conducted under its BINs comply with applicable laws and regulations, including U.S. Federal Reserve Board Regulation II.

The BIN Licensee must submit a Dodd-Frank Act Certification Addendum and Fraud Prevention Adjustment Addendum, as applicable, when requesting or modifying a consumer debit, commercial debit, or prepaid BIN. Addendums are available from Visa upon request.

Visa may distribute certification materials to a BIN Licensee that is subject to U.S. Federal Reserve Board Regulation II. An Issuer that receives certification materials from Visa is required to respond within the published timeframes.

ID#: 230312-080312-0027000

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Chapter 4: The Visa Brand

Core Principle 4.1

Brand Prominence

Using Visa-Owned Marks

Usage of the Visa-owned marks must be consistent with the *Visa Product Brand Standards*, and such marks must **never** be obscured, distorted, defaced, altered in any way, or appear less prominently than any other payment marks. ^[6]

ID#: 160312-010410-0007761

Core Principle 4.2

Communications

Protecting the Brand

No activities or materials may infringe, dilute, denigrate, or impair the goodwill and/or reputation of the brand or Visa-owned marks.

ID#: 010410-010410-0007762

6 **Effective 20 July 2011**, there are certain exceptions to this requirement for the display of Visa marks at the point of sale by a U.S. merchant or a merchant located in a U.S. territory.

Core Principle 4.3

Visa-Owned Mark on a Payment Device

Positioning the Brand Mark

The Visa brand mark must always appear on the front of the payment device (e.g., Card), and no marks deemed competitive by Visa may appear on a Visa payment device, among other reasons so as to avoid causing consumer confusion.^[7]

ID#: 151011-010410-0007763

Core Principle 4.4

Corporate Names

Keeping Visa Separate from Corporate Names

Visa participants and third-parties may **not** use the Visa name, a Visa-owned mark, or a derivative of a Visa-owned mark as part of its corporate name or identity.

ID#: 010410-010410-0007766

Core Principle 4.5

Denote and Promote Visa

Using the Visa-owned Mark

A Visa-owned mark, including associated elements, may only be used to denote or promote Visa products, offers, sponsorships, services, processing and/or acceptance.

ID#: 010410-010410-0007767

⁷ **Effective 1 October 2011**, there are certain exceptions to this requirement for U.S. covered Visa debit cards.

Core Principle 4.6

Card Acceptance Outside of Country of Issuance

Using the Visa Brand Mark With Country-Specific Marks

Only the Visa brand mark may be used on cards or payment devices to denote card acceptance outside of the country of issuance, and must appear clearly more prominent than country-specific marks.

ID#: 010410-010410-0007770

Core Principle 4.7

Card Acceptance at Point-of-Sale

Using the Visa Brand Mark to Show Acceptance at the Point-of-Sale

A card or payment device design may **not** be used at the point-of-sale to denote acceptance. Only the Visa brand mark may be used to denote acceptance at the point-of-sale.

ID#: 010410-010410-0007771

Marks

General Use of Marks

Visa Program Marks List

The Visa Program Marks include:

- Visa Flag Symbol
- Visa Brand Mark
- Visa Brand Name
- Visa Wordmark
- Dove Design

- Any other Mark that Visa adopts for use with the Visa Program

ID#: 010410-010410-0006267

Restricted Use of Visa-Owned Marks

A Member must only use the Visa-Owned Marks:

- To denote or promote a Visa Program
- To promote a Member's Visa Program
- In operations in support of its Visa products or services

ID#: 010410-010410-0006308

Marks Degradation

Materials bearing any of the Visa-Owned Marks must **not** degrade the Marks.

ID#: 010410-010410-0006315

Marks Infringement/Denigration

A Member's Visa Card Program, Visa Electron Program, Verified by Visa, or Visa TravelMoney Program materials, including Global Co-branded Card materials, must **not** contain any matter which would tend to infringe, dilute, or denigrate any of the Visa-Owned Marks, Visa Products, Visa services, or impair the reputation or goodwill of Visa or the goodwill associated with the Marks.

ID#: 111011-010100-0025557

Marks Use and Marketing Restrictions

A Member must **not** adopt any Mark, or market, either directly or indirectly, any Visa Product or service, to consumers, Merchants or other Members in a manner which has the likely effect of confusing, misleading, defrauding or deceiving such consumers, Merchants or Members, either as to the program, product or service, or the source, affiliation, sponsorship or association of such program, product or service. Such prohibited acts include, without limitation, making direct or indirect, false, confusing or misleading statements or failing to disclose a material fact about the programs, products or services, or any aspect thereof, of a Member, Visa, another Member, a Merchant, or a competitor.

ID#: 111011-010100-0025558

Competitive Marks - AP Region, LAC Region, and U.S. Region

Effective 1 October 2011, in the U.S. Region or in a U.S. Territory, a Member may use the Marks of the American Express Company, MasterCard Worldwide (including Maestro), Discover Financial Services, or the subsidiaries or affiliates of these entities, or other entities deemed competitive by Visa, on U.S. Covered Visa Debit Cards as specified in the *Visa Product Brand Standards*, provided that the overall appearance resulting from such use unmistakably conveys the idea that the Marks associated with Visa identify a product or service separate and distinct from any product or service of the American Express Company, MasterCard Worldwide (including Maestro), Discover Financial Services, or their subsidiaries or affiliates.

ID#: 151011-011011-0026529

Non-Visa General Purpose Payment Card Network – AP Region, LAC Region, and U.S. Region

Effective 1 October 2011, in the U.S. Region or in a U.S. Territory, a Member may use the Marks of a non-Visa general purpose payment card network, on a U.S. Covered Visa Debit Card, as specified in the *Visa Product Brand Standards*.

ID#: 151011-011011-0026533

Marks Infringement/Denigration - U.S. Region

A U.S. Member's Visa Card Program, Visa Electron Program, Verified by Visa Program, or Visa TravelMoney Program materials, including Affinity Card materials, or other Member materials using any Mark(s) of the Visa Card Program, the Visa Electron Program, Verified by Visa Program, or the Visa TravelMoney Program, must **not** contain any matter which would tend to infringe, dilute, or denigrate any of the Visa-Owned Marks, Visa Products, Visa services, or any Member or Merchant, or impair the reputation or goodwill of Visa or the goodwill associated with the Marks. No Member may adopt any Mark or market, either directly or indirectly, any Visa Product or service, to consumers, Merchants, or other Members in a manner which has the likely effect of confusing, misleading, defrauding, or deceiving such consumers, Merchants, or Members, either as to the program, product, or service, or the source, affiliation, sponsorship, or association of such program, product, or service. Such prohibited acts include, without limitation, making direct or indirect false, confusing, or misleading statements or failing to disclose a material fact about the programs, products, or services, or any aspect thereof, of a Member, Visa, another Member, a Merchant, or a competitor.

ID#: 081010-010410-0006259

Obscured/Defaced Marks

No portion of a Visa-Owned Mark may be obscured, distorted, or defaced. A Visa-Owned Mark that is a graphic design must **not** be used separately.

ID#: 010410-010410-0003578

The Visa Brand Mark

The Visa Brand Mark is a Visa-Owned Mark that represents the Visa organization and its product and service offerings. The Visa Brand Mark must appear exactly as shown in the *Visa Product Brand Standards*.

ID#: 010410-010410-0003581

The Visa Brand Mark Color Requirements - U.S. Region

For U.S. Members, the Visa Brand Mark must appear in full color if it appears with any other acceptance mark that is in full color. It may appear in black and white **only** if it appears with other Marks in black and white. **Effective 20 July 2011**, these requirements do not apply to the display of the Visa Brand Mark at the point of sale by U.S. Merchants.

ID#: 111011-010410-0005759

Classic Wordmark - U.S. Region

For U.S. Members, the registered Mark denotation ® must appear at the first or most prominent mention of the Classic Wordmark.

ID#: 010410-010410-0005760

V.me by Visa Mark Requirements (New)

Effective 15 April 2012, the V.me by Visa Mark must be used as specified in the *Visa Product Brand Standards*. The V.me by Visa Mark must not appear on a Card.

ID#: 040412-150412-0026990

V.me by Visa Mark Use (New)

Effective 15 April 2012, a Member or V.me by Visa Merchant that uses the V.me by Visa Mark must:

- Not use the V.me by Visa Mark in a way that implies endorsement of any other product or service
- Not use the V.me by Visa Mark as a substitute for the Visa Mark to indicate Card acceptance
- Not use, adopt, register, or attempt to register a company name, product name, or Mark that is confusingly similar to the V.me by Visa name or the V.me by Visa Mark
- Ensure that any material where the V.me by Visa Mark appears does not infringe, dilute, or denigrate any of the Visa-Owned Marks or Visa products or services or impair the reputation or goodwill of Visa or the goodwill associated with the Marks

ID#: 040412-150412-0026991

Dual Payment Card Marketing Requirements

An Issuer that engages in Dual Payment Card Marketing must:

- Obtain the prior written consent of Visa
- Submit to Visa for review and approval all offers, solicitations, promotions, and communication materials that include any Visa-Owned Marks or Visa-branded products
- Ensure that all communication and marketing materials relating to Marks, products or services of a non-Visa general purpose payment card network as designated by Visa are not positioned in conjunction with Visa-Owned Marks, products, or services in a manner that dilutes or denigrates the Visa brand

ID#: 111011-010100-0025569

Non-Visa General Purpose Payment Card Network

No Member may use the Marks of a non-Visa general purpose payment card network, on a Visa Card without prior written consent from Visa. ^[8]

A Member may use the Visa Card Program Marks in conjunction with the Marks of these entities on items and materials other than Visa Cards provided that the overall appearance resulting from such use unmistakably conveys the idea that the Marks associated with Visa identify a product or service separate and distinct from any product or service of any non-Visa general purpose payment card network.

ID#: 160312-010410-0025567

Offer/Issuance Conditions

No Member may condition the offer or issuance of any payment card product bearing Visa Card Program Marks or the maintenance of a Visa Cardholder relationship upon the possession or acceptance of a product bearing the Marks of the American Express Company, MasterCard Worldwide, Discover Financial Services, Diner's Club, JCB, or any other non-Visa general purpose payment card network, as designated by Visa, without the prior written consent of Visa. ^[9]

ID#: 160312-010410-0025568

Competitive Marks - U.S. Region

Effective through 30 September 2011, no U.S. Member may use the Marks of the American Express Company, MasterCard Worldwide (including Maestro), Discover Financial Services, or the subsidiaries or affiliates of these entities on Visa Cards. Notwithstanding the preceding, as long as:

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- 8 **Effective 1 October 2011**, a variance to this provision applies in the AP Region, LAC Region, and U.S. Region for U.S. Covered Visa Debit Cards.
 - 9 **Effective 1 October 2011**, a variance to this provision applies in the AP Region, LAC Region, and U.S. Region for U.S. Covered Visa Debit Cards.
-

- The Wordmark is used to denote ATM sharing only, it may appear on the back of a Visa Card, as specified in "Cirrus Wordmark - U.S. Region"
- The Issuer processes Non-Visa Debit Transactions, the PULSE Mark may appear on the back of a Visa Check Card or a Visa Debit Card

Effective 1 October 2011, no U.S. Member may use the Marks of the American Express Company, MasterCard Worldwide (including Maestro), Discover Financial Services, or the subsidiaries or affiliates of these entities on Visa Cards not defined as U.S. Covered Visa Debit Cards, except that:

- A Wordmark may be used to denote ATM sharing only, if it appears on the back of a Visa Card, as specified in "Cirrus Wordmark - U.S. Region"
- The PULSE Mark may appear on the back of a Visa Check Card or a Visa Debit Card, if the Issuer processes Non-Visa Debit Transactions

A U.S. Member may use the Visa Program Marks in conjunction with the Marks of these entities on items and materials other than Visa Cards provided that the overall appearance resulting from such use unmistakably conveys the idea that the Marks associated with Visa identify a product or service separate and distinct from any product or service of the American Express Company, MasterCard Worldwide (including Maestro), Discover Financial Services, or their subsidiaries or affiliates.

ID#: 151011-010410-0006300

Brand Protection

Members must not use the Visa-Owned Marks:

- In any manner that may bring the Visa-Owned Marks or Visa Inc. or its affiliates into disrepute
- In relation to, or for the purchase or trade of, photographs, video imagery, computer-generated images, cartoons, simulation or any other media or activities including, but **not** limited to:
 - Child pornography
 - Bestiality
 - Rape (or any other non-consensual sexual behavior)
 - Non-consensual mutilation of a person or body part

Effective through 31 May 2011, Members not complying with these requirements will be subject to penalties prescribed under the Electronic Commerce Merchant Monitoring Program.

Effective 1 June 2011, Members not complying with these requirements will be subject to penalties prescribed under the Global Brand Protection Program.

ID#: 111011-010509-0007283

Member Cooperation Concerning Marks

Each Member must cooperate with Visa to ensure protection of each of the Visa-Owned Marks.

ID#: 010410-010410-0006321

Ownership of Visa Programs

A Member must **not** state or imply that it is the exclusive owner or provider of any Visa-Owned Mark, except as stated in the *Visa International Operating Regulations*.

ID#: 010410-010410-0006503

Visa Endorsement of Goods/Services

A Member must **not** use any of the Visa-Owned Marks to indicate that Visa endorses, is identified with, or sponsors goods or services other than those of Visa, except as permitted in "License Grant for Visa-Owned Marks."

ID#: 010410-010410-0006555

Member Compliance with Operating Regulations

Each Member agrees that all use of the Visa-Owned Marks, as well as the nature and quality of all services rendered under these Marks, must comply with the *Visa International Operating Regulations* and the *Visa Product Brand Standards*.

If requested, a Member must supply Visa with samples of any materials bearing any Visa-Owned Mark produced by or for the Member.

ID#: 010410-010410-0006554

Use of a Mark to Resemble a Card

In marketing collateral, a Member must **not** use:

- A Visa-Owned Mark in such a way that it could be mistaken for an actual Card and used in a Transaction
- The Visa Brand Name in any classified advertising section, except as specified in "Permitted Merchant Use - U.S. Region"
- The Visa Brand Name or the bands design on any check

ID#: 010410-010410-0008273

Compliance with Brand Standards Website

All Visa-Owned Marks must meet the Brand standards as established by Visa, including, but **not** limited to, the *Visa Product Brand Standards*.

ID#: 010410-010410-0006322

Periodic Audits by Visa

Visa may conduct periodic audits to ensure that all entities authorized to use the Visa-Owned Marks are doing so in a manner approved by Visa. Visa may conduct audits to ensure compliance with, but not limited to, the:

- Use of the Visa Brand Mark and the Visa Brand Name
- Product-related communications
- Partner and sponsorship materials and implementations
- Advertising
- Direct mail
- Marketing materials
- Websites

ID#: 010410-010410-0006560

Verified by Visa Mark Use by Merchant

An Acquirer must ensure that a Merchant using the Verified by Visa Mark complies with the *Visa Product Brand Standards*.

ID#: 010410-010410-0006265

Use of Product Marks

Verified by Visa Mark Use by Members

A Member using the Verified by Visa Mark must:

- Ensure that the Mark complies with the *Visa Product Brand Standards*
- **Not** use the Mark in a way that implies endorsement of any other product or service
- **Not** use the Mark to indicate payment acceptance

ID#: 010410-010410-0006263

V PAY Brand Mark Use

The V PAY Brand Mark is a Visa-Owned Mark. Implementation of the V PAY Product and use of the V PAY Brand Mark outside of Visa Europe is subject to approval and trademark availability. The V PAY Brand Mark must appear exactly as specified in the *Visa Product Brand Standards*.

ID#: 111011-010410-0003585

Visa TravelMoney Program Marks Compliance

The Visa TravelMoney Program Marks must be used as specified in the:

- *Visa International Operating Regulations*
- *Visa International Certificate of Incorporation and Bylaws*
- *Visa Product Brand Standards*
- *Visa TravelMoney Product Guide*

ID#: 010410-010410-0006292

The Visa Gold Product Name - Canada Region

A Canada Member must use the product name "Visa Gold" in all communications regarding the Visa Gold program, including solicitations, advertising, and promotions.

ID#: 010410-010410-0007230

Corporate Identity

Use of Brand in Corporate Identity

Written Consent for Use of Visa Brand Name

Only with prior written consent from Visa may a Member, or a wholly owned subsidiary of one of its members that exclusively engages in Visa Transaction processing, use the Visa Brand Name in its corporate name or other business name, except as permitted in "Restricted Use of Visa-Owned Marks." A Member must **not** file or register any of these names with any governmental office without prior written consent from Visa.

ID#: 010410-010410-0007268

Member Use of Country Name

A Member must **not** use the name of a country with the Visa Brand Name or any other Visa-Owned Mark in its corporate name or other business name, unless Visa has granted exclusive jurisdiction to the Member under the *Visa International Certificate of Incorporation and Bylaws* and has been granted express permission.

A country name may be used in a Member's corporate name in which the country name is an integral part, provided it complies with the *Visa International Operating Regulations*.

ID#: 010410-010410-0007643

Group Member Corporate Identity

In a country with a single Group Member, the Group Member may use "Visa" as a part of its corporate legal name and identity as permitted in the *Visa International Operating Regulations*. In a country with multiple Group Members, a Group Member must **not** use "Visa" as part of its corporate legal name or identity. When multiple Group Members exist in the same country, 12 months after the formation of a new Group Member, an existing Group Member must **not** use the name "Visa" in its corporate name and identity.

ID#: 010410-010410-0006274

Visa as Part of Corporate Identity

Visa must grant permission to a Member requesting use of the name "Visa" or any other Visa-Owned Mark as part of its corporate name or identity. If permission is granted, the name must be used:

- In a Member's corporate name, and must include the country identifier. The name "Visa" must **not** be used without the country identifier.
- In all media (business cards, letterhead, press releases, Websites, etc.) and must contain a clear indication of actual corporate identity, including full legal name
- In a contract or legal instrument with third parties, the Member must clearly state that it does **not** have the authority to act (and is **not** acting) as an agent of, or represent, Visa or any affiliate of Visa
- Solely for the promotion of Visa products and services

ID#: 010410-010410-0007277

National Organization Use of Visa Name

A National Organization established in compliance with Article XVI of the *Visa International Certificate of Incorporation and Bylaws* may use "Visa" as part of its corporate legal name and identity as provided in the *Visa International Operating Regulations*.

ID#: 111011-010410-0006276

Use of Marks on Cards

Marks Usage Requirements

Extraneous Numbers or Devices

Except for the Account Number, a Visa Card must **not** bear any number or device, whether embossed, printed, etched, encoded, or otherwise affixed, that is used for international payment purposes.

ID#: 010410-010410-0006161

Appropriate Marks on Chip Cards

A Card containing a Chip must bear the appropriate Mark for the Visa or Visa Electron Payment Application facilitated by the Chip.

ID#: 010410-010410-0003612

Visa Mark Requirements (Updated)

All Visa Cards and Visa Electron Cards must bear the Visa Brand Mark or Visa Brand Mark with the Electron Identifier, as specified in the *Visa Product Brand Standards*.

See the *Visa Product Brand Standards* for complete embossing and printing requirements for the front and back of Visa and Visa Electron Cards.

ID#: 160312-010410-0003607

Multiple Marks on Card

Hierarchy of Marks

If more than one Visa-Owned Mark is present on a Card, an Issuer must designate a Primary Mark, complying with the following hierarchy of Marks:

- Visa Brand Mark
- Visa Brand Mark with the Electron Identifier
- **Effective through 31 December 2013**, Visa Cash Symbol

All other Visa-Owned Marks must:

- Appear together
- **Not** be separated by Non-Visa-Owned Marks

ID#: 111011-010410-0008218

Permitted Use of Other Marks

Other Marks may be used on Cards as follows:

- **Effective through 31 December 2013**, a Member must **not** use any Mark other than the Visa Brand Mark, Visa Brand Mark with the Electron Identifier, or Visa Cash Symbol on Cards to indicate Card acceptance at Merchant Outlets outside the country of Card issuance.
- **Effective 1 January 2014**, a Member must **not** use any Mark other than the Visa Brand Mark or Visa Brand Mark with the Electron Identifier on Cards to indicate Card acceptance at Merchant Outlets outside the country of Card issuance.
- A Mark owned by a Single Merchant may appear on a Card as part of an affinity program approved by Visa. If the Mark is **not** one that is used as an identifier of payment services at Merchant Outlets other than those of the Single Merchant, this Mark is **not** considered to indicate payment acceptance.
- A Member may use non-Visa-owned brand marks to indicate acceptance at Merchant Outlets solely within the country of Card issuance **only** if these non-Visa-owned brand marks are clearly less prominent than the Visa Brand Mark, or Visa Brand Mark with the Electron Identifier.^{[10] [11]}

ID#: 151011-010410-0006326

Permitted Use of Other Marks – AP Region, LAC Region, and U.S. Region

Effective 1 October 2011, in the U.S. or in a U.S. Territory, a Member may use non-Visa-owned brand marks on U.S. Covered Visa Debit Cards that are equally prominent with or less prominent than the Visa Brand Mark to indicate acceptance at Merchant Outlets solely within the country of Card issuance and as specified in the *Visa Product Brand Standards*.

ID#: 151011-011011-0026531

Competitive Marks

Prohibited Use of Trade Name or Mark

The following must not appear on any part of a Visa or Visa Electron Card:

- Any Trade Name or Mark that identifies or is associated with any entity, or its subsidiaries or affiliates, deemed competitive by Visa, including^[12]:

10 A variance to this requirement applies in the Canada Region.

11 **Effective 1 October 2011**, a variance to this requirement applies in the AP Region, LAC Region, and U.S. Region for U.S. Covered Visa Debit Cards.

- American Express Company
- Discover Financial Services^[13]
- MasterCard Worldwide (including Maestro)^[14]
- Any Trade Name or Mark that is confusingly similar to any other Visa-Owned Mark

ID#: 151011-010410-0008458

Cards Bearing the Plus Symbol

A Card bearing the Plus Symbol must **not** bear the Marks of any entity that is ineligible for membership in Visa, or of any of the following entities, or their subsidiaries or affiliates, deemed competitive by Visa:^{[15] [16]}

- American Express Company
- Discover Financial Services^[17]
- JCB
- MasterCard Worldwide

A Card bearing the Plus Symbol is exempt from this requirement if it was issued under an agreement executed with Visa or Plus System, Inc. **prior to 1 October 1992.**

A Card bearing the Plus Symbol must **not** bear a Trade Name or Mark that is confusingly similar to any other Visa-Owned Mark.

ID#: 111011-010410-0006159

Cards Bearing the Plus Symbol - AP Region, LAC Region, and U.S. Region

Effective 1 October 2011, in the U.S. Region or in a U.S. Territory, a U.S. Covered Visa Debit Card bearing the Plus Symbol may bear the Marks of entities deemed competitive by Visa, as specified in the *Visa Product Brand Standards*.

ID#: 151011-011011-0026527

12 **Effective 1 October 2011**, a variance to this provision applies in the AP Region, LAC Region, and U.S. Region, for U.S. Covered Visa Debit Cards.

13 A variance to this requirement applies in the U.S. Region for Visa Cards bearing the Pulse Mark and Cards bearing the Plus Symbol.

14 Except as specified in "Cirrus Wordmark - LAC Region" and "Cirrus Wordmark - U.S. Region."

15 Visa may grant a variance to this section for Chip Cards bearing the Plus Symbol.

16 **Effective 1 October 2011**, a variance to this provision applies in the AP Region, LAC Region, and U.S. Region for U.S. Covered Visa Debit Cards.

17 A variance to this requirement applies in the U.S. Region for Visa Cards bearing the Pulse Mark and Cards bearing the Plus Symbol.

Prohibited Use of Trade Name or Mark – AP Region, LAC Region, and U.S. Region

Effective 1 October 2011, in the U.S. Region or in a U.S. Territory, a Member may use the Marks of the American Express Company, Discover Financial Services, MasterCard Worldwide (including Maestro) or the subsidiaries or affiliates of these entities, or other entities deemed competitive by Visa, on U.S. Covered Visa Debit Cards as specified in the *Visa Product Brand Standards*.

ID#: 151011-011011-0026532

Cirrus Wordmark - LAC Region

An LAC Issuer whose Visa Cards participated in the Cirrus network on 31 March 2010 may continue to do so under the following conditions:

- The Issuer must not extend its use of the Cirrus Wordmark or functionality beyond the existing debit, credit, or prepaid Card product types or Visa Card Programs participating in the Cirrus network on 31 March 2010
- The Issuer must not allow the Cirrus Wordmark and functionality to continue on a Visa Card Program obtained through a Merger or an Acquisition

ID#: 111011-010410-0025674

Cirrus Wordmark - U.S. Region

A U.S. Issuer whose Visa Cards participated in the Cirrus network on 31 March 2010 may continue to do so under the following conditions:

- The Issuer must not extend its use of the Cirrus Wordmark or functionality beyond the existing debit, credit, or prepaid Card product types or Visa Card Programs participating in the Cirrus network on 31 March 2010
- The Issuer must not allow the Cirrus Wordmark and functionality to continue on a Visa Card Program obtained through a Merger or an Acquisition

ID#: 111011-010410-0006306

General Card Design

Card Design Considerations

All Card designs must comply with the *Visa Product Brand Standards*.

ID#: 010410-010410-0006160

Visa Mark Requirements

The Visa Brand Mark must:

- Appear as specified in the *Visa Product Brand Standards*
- Be placed on the front of the Card

ID#: 010410-010410-0006162

Other Marks Prohibition - AP Region, LAC Region, and U.S. Region

Effective 1 October 2011, in the U.S. Region or in a U.S. Territory, a Member may use Marks that are specifically related to bank card programs and/or services related to those programs on U.S. Covered Visa Debit Cards, as specified in the *Visa Product Brand Standards*.

ID#: 151011-011011-0026528

Requirements for Variations - U.S. Region

Any variation from the Card reproduction, printing, or embossing specifications and dimensions specified in the *Visa Product Brand Standards* requires the prior written consent of Visa.

Visa approval of a Card design does **not**:

- Replace the need for an Issuer to consult with its own legal counsel regarding the use of a Card design and any Mark
- Offer legal protection from possible infringement or other types of actions

ID#: 010410-010410-0006168

Other Marks Prohibition - U.S. Region

Effective through 30 September 2011, a U.S. Member must not use Marks that are specifically related to bank card programs and/or services related to those programs, unless the U.S. Regional Operating Regulations expressly allow them.

Effective 1 October 2011, for Visa Cards not defined as U.S. Covered Visa Debit Cards, a U.S. Member must not use Marks that are specifically related to bank card programs and/or services related to those programs, unless the U.S. Regional Operating Regulations expressly allow them.

ID#: 151011-010410-0006189

Restrictions on Cards Bearing Photographs - U.S. Region

For Cards issued in the U.S. Region, a Card design bearing a photograph on the front of the Card:

- Must **not** bear any Visa Sponsorships, Visa-Owned Marks, or confusingly similar marks, logos, designations, or authenticating statements
- Must comply with the *Visa International Operating Regulations* and the *Visa Product Brand Standards*

ID#: 010410-010410-0006177

Requirements for Cards Bearing Photographs - U.S. Region

Visa may require a U.S. Member to replace a Card containing a photograph that does not comply with the:

- *Visa International Operating Regulations*
- *Visa Product Brand Standards*

ID#: 010410-010410-0006178

Member Identification

Member Identification on Card

Permitted Member Identification

The following may be printed on a Visa Card as specified in the *Visa Product Brand Standards*:

- Certain Trade Names, including those of an Issuer, an Issuer's holding company Member, or an Issuer's agent member
- With the prior written consent of Visa:
 - Certain Marks associated with proprietary, local, regional, national, or multinational services
 - Marks to identify the services of the Issuer or Trade Names to identify the Member, in any color

ID#: 010410-010410-0006156

Member Identification Area - U.S. Region

With the prior consent of Visa, any of the following may be printed in the Member identification area of a Visa Card issued by a U.S. Issuer:

- Certain Trade Names, including those of an Issuer, an Issuer's holding company that is eligible for membership, or an Issuer's Sponsored Member
- Any subsidiary of the above that is eligible for membership or solely engaged in banking activities

Use of these Marks on all Visa Cards must comply with the Affinity Card specifications if the Marks are:

- Associated with products or services offered by an institution engaged in non-banking activities
- Not owned by the Issuer, its parent, subsidiaries, affiliates, or related companies in the case of an employee credit union

ID#: 010410-010410-0007292

Prohibited Language - U.S. Region

Effective through 7 September 2011, advertising, promotional, or other language that is not an integral part of the identification of the Member's organization or service must **not** be printed in the Member identification area of a Visa Card issued by a U.S. Issuer.

Effective 8 September 2011, except as specified in the *Visa Product Brand Standards* for Visa Incentive Cards, advertising, promotional, or other language that is not an integral part of the identification of the Member's organization or service must **not** be printed in the Member identification area of a Visa Card issued by a U.S. Issuer.

Any promotional, marketing, or other language on Visa Incentive Cards must be approved by Visa.

ID#: 111011-010410-0006192

Affinity/Co-Branding/Non-Member Marks

Non-Member Marks on Cards

Issuer Affinity/Co-Branding Requirements - AP Region

An AP Issuer of an Affinity Card Program or Co-Branded Card Program must:

- Comply with all *Visa International Operating Regulations* for Visa Card Programs
- Submit a completed "Affinity Card Program and Co-Branded Card Program Approval" form to Visa for each program launched
- Underwrite, issue, and maintain the accounts accessed by the Affinity Card Program or Co-Branded Card Program. Visa may approve variances to this subsection for mortgage originator programs, pastoral companies, and superannuation funds in Australia, subject to assessment of the risk and eligibility of each request.

In addition, before Visa approval, an Issuer may be required to provide information concerning the reputation and financial standing of an affinity or co-brand partner.

ID#: 010410-010410-0001664

Affinity/Co-Branding Partner Eligibility Requirements - AP Region

An affinity partner or co-branding partner must:

- Be sponsored by an AP Issuer
- **Not** be an organization that is eligible for membership
- **Not** be an organization deemed to be a competitor of Visa

ID#: 050411-010410-0001663

Affinity and Co-Branding Program Documentation Requirements - AP Region

An AP Issuer must provide Visa with documentation of the following:

- Acknowledgement from the affinity partner or co-branding partner that Visa owns the rights to all Visa-Owned Marks
- Acknowledgement from the affinity partner or co-branding partner that the Issuer has the right to use the partner's name and/or logo on the Affinity Card Program or Co-Branded Card Program
- A trademark search has been performed by the Issuer, and Visa is indemnified and **not** responsible for any disputes and legal costs that may arise from use of that Trade Name or Mark

ID#: 010410-010410-0001665

Non-Member Marks on Cards - CEMEA Region

In the CEMEA Region, with the prior written approval of Visa, a Member may include, within the Member identification area of its Visa and Visa Electron Cards, the Trade Name or Mark of up to 2 organizations not eligible for membership in Visa.

ID#: 010410-010410-0008640

Non-Member Marks on Card Requirements - CEMEA Region

For all Cards issued in the CEMEA Region with the Trade Name or Mark of up to 2 non-Members the Issuer must ensure that the non-Member(s) does **not**:

- Maintain a contractual relationship with the Cardholder where the use of a Card accesses an account that the non-Member establishes, maintains, manages, or underwrites
- Directly or indirectly control or exercise controlling influence over the management or policies of the Issuer
- Finance more than 25% of the receivables arising out of the program
- Perform the credit evaluation of the applicant, billing of the Cardholder, or Visa customer service in connection with the non-Member Marks program

- Be an organization deemed to be a competitor of Visa

ID#: 081010-010410-0007233

Non-Member Marks on Card Advertising/Promotional Language - CEMEA Region

For all Cards with non-Member Marks issued by a CEMEA Issuer, advertising, promotional, or other language that is not an integral part of the non-Member Trade Name or Mark is **not** permitted.

ID#: 010410-010410-0007247

Non-Member Trade Name or Mark Requirements - CEMEA Region

For all Cards with non-Member Marks issued by a CEMEA Issuer, the non-Member Trade Name or Mark must be that usually used in the non-Member's corporate identity and advertising materials. The non-Member Trade Name or Mark must be a registered trademark. Where used, the Trade Name or Mark must **not**:

- Compromise any of the required Card features specified in the *Visa Product Brand Standards*
- Bear any FIFA or Olympic Marks, logos, designation, or authentication statements or any of Visa's other sponsorship assets
- Bear any political, provocative or other image or Mark that may, as determined by Visa, result in non-acceptance or other problems at the Point-of-Transaction

ID#: 081010-010410-0007246

Back of the Card with Non-Member Marks - CEMEA Region

With the prior written approval of Visa, the back of a Card issued by a CEMEA Issuer may contain the Trade Name or Mark of organizations not eligible for membership in Visa.

ID#: 010410-010410-0007236

Affinity/Co-Branding Card Issuance - LAC Region

With the prior written consent of Visa, an LAC Member may issue Affinity/Co-Branding Cards, as specified in the LAC Regional Operating Regulations.

ID#: 111011-010410-0007415

Copy of Affinity and Co-Branding Contract and/or Collateral Material - LAC Region

Visa has the right to request a copy of the contract with the Affinity/Co-Branding Partner and/or marketing collateral material used in the program to determine compliance with the Affinity/Co-Branding Program ownership and control requirements in the LAC Regional Operating Regulations.

ID#: 010410-010410-0001652

Requests for Affinity/Co-Branding Program Information - LAC Region

An LAC Member or Affinity/Co-Branding Partner must provide information requested by Visa in order to determine whether its Affinity/Co-Branding Program complies with the LAC Regional Operating Regulations.

ID#: 010410-010410-0001653

Affinity/Co-Branding Program Ownership Requirement - LAC Region

An LAC Issuer must own and control the Affinity/Co-Branding Program. The Affinity/Co-Branding Partner must **not** control the Affinity/Co-Branding Program.

ID#: 010410-010410-0001649

Determination of Affinity/Co-Branding Program Ownership - LAC Region

Visa (subject to delegation and approval by the Board of Directors) determines whether the program is owned and controlled by the LAC Member or the Affinity/Co-Branding Partner. The decision is based on the LAC Issuer's entire relationship with the Affinity/Co-Branding Partner, including, but **not** limited to, the following:

- Whether the Member:
 - Establishes program management policies, such as setting credit criteria and making Cardholder credit decisions
 - Is at risk as the owner of the program
 - Actively ensures that its policies and guidelines are implemented
- The Issuer's role in setting the fees and rates for Affinity/Co-Branding Program products and services
- Whether all or part of the receivables are financed with the Affinity/Co-Branding Partner
- The degree to which the Issuer, not the Affinity/Co-Branding Partner, is portrayed as the owner of the Affinity/Co-Branding Program
- The extent to which the Issuer provides all or part of the program operations, such as customer service and collections

ID#: 010410-010410-0001651

Second Line of Credit for On-Us Transactions - LAC Region

An LAC Affinity/Co-Branding Partner may establish a second line of credit for On-Us Transactions. Access to the second line of credit is restricted to Transactions completed at an Affinity/Co-Branding Partner's Merchant Outlet for goods or services. The amount of the second line of credit must **not** exceed the amount of the primary line of credit.

ID#: 010410-010410-0007302

Affinity/Co-Branding Visa Transaction - LAC Region

An On-Us Transaction from an LAC Affinity/Co-Branding Partner is considered a Visa Transaction.

ID#: 010410-010410-0001654

Affinity/Co-Branding Reporting Requirements - LAC Region

An LAC Issuer must report separately the following information about its Affinity/Co-Branding Program:

- Number of Affinity/Co-Branding Visa Cards
- Sales volume on its Quarterly Operating Certificate

ID#: 010410-010410-0001657

Affinity/Co-Branding Communications Standards - LAC Region

In all communications and Collateral Materials, the product must **not** state or imply that any institution other than the LAC Member is the Issuer of the Card. An Affinity/Co-Branding Partner's Trade Name or Mark must **not** be positioned as adding superior acceptability of the Visa Card at the Point-of-Transaction. The Visa Brand Name or Trade Mark must be prominently featured or at least be of the same size of those owned by the Issuer or its Affinity/Co-Branding Partner. Visa may request samples of the Collateral Material.

ID#: 010410-010410-0001658

Affinity/Co-Branding Partner Marks Display - LAC Region

Visa may require modification of any display of an LAC Affinity/Co-Branding Partner's Trade Name or Mark at a Merchant Outlet if Visa determines that the display adversely affects the Visa brand.

ID#: 010410-010410-0004923

Affinity/Co-Branded Card Discounts - LAC Region

An LAC Affinity/Co-Branding Partner's Merchant must **not** provide a discount at the Point-of-Transaction. The Merchant may provide a discount, such as credit on a Cardholder statement or a rebate, at a later time.

ID#: 010410-010410-0004924

Affinity/Co-Branding Program Modification - LAC Region

If Visa determines that any provisions of an LAC Affinity/Co-Branding Program have been violated, Visa may require modification of the program, including, but **not** limited to:

- Assignment of the program to a third party
- Suspension or termination of the program
- Fines

ID#: 010410-010410-0001650

Termination of Affinity and Co-Branding Program - LAC Region

If an LAC Member violates any provisions of the Affinity/Co-Branding Program, Visa may, with 90 calendar days' prior written notice, impose penalties, including:

- Fines
- Termination of the Affinity/Co-Branding Program

ID#: 010410-010410-0001659

Co-Branded Cards

Co-Branding Partner Reputation and Financial Standing

An Issuer participating in a Global Co-branding Partnership may be required to provide information about the reputation and financial standing of the Global Co-branding Partner before approval of the individual program.

ID#: 010410-010410-0004056

Co-Branding Partnership Approval Documentation Requirements

A Global Co-branding Partner and Issuer must provide a dossier of proprietary and public information for approval to Visa, including:

- "Co-branding Partnership Regional Approval Form" for each proposed Interregional and Intraregional co-branding program
- Global Co-branding Partners' Marks and design guidelines (including color proofs) or evidence that a trademark search has been conducted
- Color proofs

ID#: 010410-010410-0004052

Co-Branding Partner Eligibility

A Global Co-branding Partner must:

- Be sponsored by an Issuer
- **Not** be eligible for Visa membership
- **Not** be an entity deemed to be a competitor of Visa

ID#: 010410-010410-0004053

Co-Branding Partnership Requirements

A Global Co-branding Partnership participant must comply with:

- The *Visa International Operating Regulations*
- Applicable local laws
- Applicable Regional Operating Regulations

ID#: 010410-010410-0004054

Co-Branding Issuer Qualification and Notification

An Issuer participating in a Global Co-branding Partnership must:

- Be a qualified Issuer in countries where Global Co-branded Cards will be issued
- Notify Visa of planned interregional and intraregional Global Co-branding Partnership expansion

ID#: 010410-010410-0004055

Affinity Cards

Affinity Card Issuance - Canada Region

With the prior written consent of Visa, a General Member in the Canada Region may issue Affinity Cards as specified in the Canada Regional Operating Regulations.

ID#: 010410-010410-0001667

Affinity Participant on Cards - Canada Region

With the prior written consent of Visa and provided that consent has not been withdrawn, Cards issued by a General Member in the Canada Region and displaying the corporate name or Trade Name of that General Member on the front of the Card may bear the name, Trade Name, or Mark of up to 2 Affinity Participants in conjunction with the General Member's Affinity Card Program if it appears either:

- In the Member identification area on the front of the Affinity Card
- On the back of the Affinity Card in the area not covered by the signature panel or Magnetic Stripe

ID#: 010410-010410-0001678

Affinity Program Documentation Requirements - Canada Region

A General Member in the Canada Region must follow the Visa Affinity Card Program application submission process and receive written consent from Visa before launching an Affinity Card program.

Upon Visa request, a Canada Member must submit a copy of the *Affinity Participant Agreement* and any other contracts or documentation relative to an Affinity Card Program.

ID#: 050411-010410-0001668

Affinity Program Approval - Canada Region

A General Member in the Canada Region must **not** produce Collateral Material, solicit prospective Cardholders, or issue Affinity Cards until Visa has approved and returned the "Visa Canada Affinity Program Approval Form" (Exhibit CAN-3) to the General Member.

ID#: 010410-010410-0001669

Affinity Card Requirements - Canada Region

An Affinity Card issued by a Canada Issuer must:

- Be a Visa Card

- Be referred to as a "Visa Card"
- Be issued only to residents of Canada

ID#: 010410-010410-0001671

Affinity Card Restrictions - Canada Region

An Affinity Card issued by a Canada Issuer must **not**:

- Be used to debit any credit, charge, payment, or deposit account other than the account maintained by the General Member in connection with that Affinity Card
- Contain any number or other device that may be used to effect a point-of-sale Transaction, other than the Account Number

ID#: 010410-010410-0001670

Affinity Program Member Requirements - Canada Region

A General Member in the Canada Region sponsoring an Affinity Participant agrees to comply with the following terms:

- The General Member owns and controls the Affinity Program
- The Affinity Participant does **not** directly or indirectly own, control, or exercise controlling influence over the Affinity Card Program
- The General Member, and **not** the Affinity Participant, is portrayed as the owner of the Affinity Card Program
- The Affinity Participant does **not** provide payment card services or advertise that it is providing payment card services
- The General Member provides printed, broadcasted, or other materials used to solicit applications for Cards or to communicate with holders of Cards, or to otherwise advertise the Affinity Card Program
- The Affinity Participant is acting pursuant to the direct instructions of the General Member to the extent any materials used to promote the Affinity Card Program are prepared by the Affinity Participant
- All materials used to promote the Affinity Card Program have been reviewed by the General Member, and will **not** be distributed without the prior approval of the General Member

ID#: 010410-010410-0001672

Determination of Affinity Program Ownership and Control - Canada Region

Visa may request from a General Member in the Canada Region all documentation relative to an Affinity Card Program and make a determination whether the General Member has sufficient ownership and control of the Affinity Card Program. The decision may be based on the General Member's entire relationship with the Affinity Participant, and may take into account the following factors:

- Whether the General Member:
 - Establishes program management policies, such as setting credit criteria and making Cardholder credit decisions
 - Is at risk as the owner of the program
 - Actively ensures that its policies and guidelines are implemented
- The General Member's role in setting fees and rates for the Affinity Card Program products and services
- Whether all or part of the receivables are financed with the Affinity Participant
- The degree to which the General Member, not the Affinity Participant, is portrayed as the owner of the Affinity Program
- The extent to which the General Member provides all or part of the program operations, such as customer service and collections

ID#: 010410-010410-0001673

Terms of the Affinity Participant Agreement - Canada Region

A General Member in the Canada Region must ensure that an Affinity Participant acknowledges and agrees to at least the following provisions, which must be substantially reproduced in the Affinity Participant Agreement:

- The General Member owns and controls the Affinity Card Program
- To the extent the Affinity Participant prepares materials to promote the Affinity Card Program that contains Visa-Owned Marks, it does so pursuant to direct instructions from the General Member, and the General Member's use of the Visa-Owned Marks is governed by the *Visa International Operating Regulations* and Canada Regional Operating Regulations
- The incorporation of Visa-Owned Marks in materials to promote the Affinity Card Program must be reviewed and approved by the General Member to confirm that it conforms to the terms and conditions of the *Visa International Operating Regulations* and Canada Regional Operating Regulations, to which the General Member confirms receipt
- Acknowledge that Visa owns the Visa-Owned Marks
- Ensure that the Affinity Participant's display of the Visa-Owned Marks as expressly directed by the General Member is limited to the Affinity Card Program
- Provide samples of any Affinity Card and related Collateral Material upon request to the General Member or Visa, as appropriate

- Ensure that the Affinity Participant does **not** represent to the public that use of an Affinity Card will create indebtedness to the Affinity Participant
- Acknowledge the right of Visa to withdraw its consent to the Affinity Card Program if either the:
 - General Member or Affinity Participant (on behalf of the General Member) violates the Canada Regional Operating Regulations, policies of the Canada Region, or Affinity Participant Agreement
 - Affinity Participant does **not** meet the conditions of the Canada Regional Operating Regulations for approval of the use of its name, Trade Name, or Mark on Affinity Cards and related Collateral Material as such conditions are amended from time to time

ID#: 010410-010410-0001675

Owner and Issuer of Affinity Card - Canada Region

An Affinity Card issued by a Canada Issuer must clearly disclose that the General Member is issuing and is the owner of the Affinity Card, and it must be clear from the Affinity Card design that the Affinity Card is issued by the General Member and **not** by the Affinity Participant.

ID#: 010410-010410-0001677

Affinity Program Issuer Identification - Canada Region

It must be clear from the Collateral Material that an Affinity Card is issued by the General Member in the Canada Region and not by the Affinity Participant.

ID#: 010410-010410-0001679

Affinity Program Collateral Material - Canada Region

On all Collateral Material for an Affinity Card issued by a Canada Issuer, the:

- Corporate name or Trade Name of the General Member must be clearly disclosed as the owner and Issuer of the Affinity Card
- Affinity Participant must **not** state or imply that the Affinity Card is owned or issued by the Affinity Participant
- Affinity Participant must **not** state or imply that the Affinity Card is accepted only by a particular Merchant or class of Merchants

ID#: 010410-010410-0001680

Affinity Program Communications - Canada Region

A General Member in the Canada Region issuing an Affinity Card must refer to the Affinity Card as a "Visa Card" in all communications regarding its Affinity Card Program.

ID#: 010410-010410-0001681

Affinity Program Criteria - Canada Region

Communications for an Affinity Card issued by a Canada Issuer and related Collateral Material may bear the Trade Name or Mark of an Affinity Participant only if all of the following criteria are met:

- Affinity Participant has a good reputation and is financially sound
- Affinity Participant's name, Trade Name, or Mark is recognized on a national, provincial, regional, or local basis
- Proposed program complies with the *Visa International Operating Regulations* and the Canada Regional Operating Regulations
- If the Affinity Participant is a Merchant, it accepts all Cards, including all Affinity Cards, where its goods or services are available for purchase
- Affinity Participant and each of its affiliates directly or indirectly do **not**:
 - Control or exercise controlling influence over the management or policies of the General Member with respect to the Affinity Card Program
 - Share, participate, or assist in the funding of more than 25% of the receivables at any time outstanding, due to use of its Affinity Cards, whether by loans, deposits, purchase, or financing of receivables, loan guarantees, or otherwise
 - Conduct credit evaluations, participate in billings, or provide customer services in connection with its Affinity Card Program

ID#: 010410-010410-0001682

Affinity Program Collateral Material Submission - Canada Region

A General Member in the Canada Region must submit all Collateral Materials, including solicitations, print advertisements, and telemarketing scripts, regarding any Affinity Card Program to Visa upon request.

ID#: 010410-010410-0001683

Affinity Card Rules for Proprietary Cards Bearing the Plus Symbol - Canada Region

The Canada Affinity Card rules do **not** apply to Proprietary Cards bearing the Plus Symbol and no other Visa Marks on which a non-Member Identification appears.

ID#: 010410-010410-0001684

Affinity Card Rules for Visa Commercial Cards - Canada Region

The Canada Affinity Card rules do not apply to Business, Corporate, or Purchasing Cards on which a non-Member Identification appears.

ID#: 010410-010410-0001685

Violation of Affinity Card Program Regulations - Canada Region

If it determines that any provisions of the Canada Affinity Card Program have been violated, Visa may:

- Require modification of the program, including, but **not** limited to:
 - Assignment of the program to a third party
 - Suspension or termination of the program
- Impose fines or terminate the program on 30 calendar days' written notice
- Terminate an Affinity Card Program, without cause, with at least 60 calendar days' prior written notice to the General Member and Affinity Participant

ID#: 010410-010410-0001674

Affinity Program Participation Requirements - U.S. Region

With the prior written consent of Visa a Member may issue Affinity Cards as specified in the U.S. Regional Operating Regulations and *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*. Except as specifically stated to the contrary, all other Operating Regulations apply to Affinity Cards, without modification.

ID#: 010410-010410-0001600

Affinity Program Communications - U.S. Region

A U.S. Visa Card Issuer must refer to its Affinity Card as a "Visa Card" in all communications regarding its Visa Affinity Card program.

ID#: 010410-010410-0001614

Affinity Program Issuer Identification - U.S. Region

Affinity Cards and Cardholder communications must **not** state or imply that any institution other than the U.S. Member is the Issuer of the Card. A Card is deemed to comply with this requirement if it:

- Bears only the Affinity Partner's Trade Name or Mark on the front
- Satisfies Issuer identification requirements specified in the *Visa International Operating Regulations* and the *Visa Product Brand Standards*

ID#: 010410-010410-0001615

Affinity Program - Superior Acceptability - U.S. Region

An Affinity Card issued by a U.S. Issuer or an Affinity Partner's Trade Name or Mark may **not** be positioned as adding superior acceptability of the Visa Card at the Point-of-Transaction.

ID#: 010410-010410-0001616

Visa Brand Mark in Affinity Program Collateral Material - U.S. Region

The Visa Logotype or Visa Flag Symbol or Visa Brand Mark must be prominently featured in all Collateral Material regarding any U.S. Affinity Card program.

ID#: 010410-010410-0001617

Affinity Program Visa Brand Mark Display - U.S. Region

If the Affinity Card or Affinity Partner's Mark appears as part of any written communication regarding any aspect of the U.S. Visa Affinity Card program, the Visa Logotype or Visa Flag Symbol or Visa Brand Mark must also be at least equally and prominently displayed.

ID#: 010410-010410-0001618

Submission of Affinity Program Collateral Material and Solicitations - U.S. Region

Upon request, a U.S. Member must submit all Collateral Material regarding any Affinity Card program, including solicitations, print advertisements, and telemarketing scripts, to Visa for approval.

Visa may prohibit the use of any material that denigrates the Visa Brand Mark or the Visa Brand Name, or for any other reason Visa deems appropriate.

Visa review of the Member's materials should not be construed as legal approval against potential third-party claims.

ID#: 050411-010410-0007458

Restricted Affinity Card Issuance - U.S. Region

A U.S. Member may issue an Affinity Card only to a resident of the United States of America.

ID#: 010410-010410-0003830

Affinity Program Positioning, Acceptance, and Accounts - U.S. Region

A U.S. Visa Affinity Card Issuer must **not**:

- Position the Affinity Card as something other than a Visa Card ^[18]
- Position its Trade Name or Mark as adding superior acceptability of the Card at the Point-of-Transaction
- Designate or design any of its Affinity Cards, whether through the use of a Trade Name, Mark, numbering scheme, code on the Magnetic Stripe, or any other device or means, in order to either:
 - Permit exclusive or preferential acceptance of any of its Affinity Cards by any Merchant or any Affiliated-merchant that is affiliated with the Member
 - Allow any Transaction involving use of these Cards to be treated as other than a Visa Transaction for all purposes, except as specified in "PIN-Debit Network Requirements - U.S. Region" ^[19]
- Allow its Affinity Cards to be used to debit any credit, charge, or asset account other than the Visa account maintained by the Issuer in connection with the Affinity Card, when that Affinity Card is presented to a Visa Merchant

ID#: 081010-010410-0001603

Affinity Program Ownership Requirement - U.S. Region

A U.S. Issuer must own and control its Affinity Card program. The Affinity Partner must **not** directly or indirectly own, control, or exercise controlling influence over the Affinity Card program.

ID#: 010410-010410-0001605

Affinity Program Ownership Portrayal - U.S. Region

A U.S. Member must ensure that the Issuer, not the Affinity Partner, is portrayed as the owner of the Affinity Card program.

ID#: 010410-010410-0001606

Determination of Affinity Program Ownership - U.S. Region

Visa may determine whether the U.S. Affinity Card program is owned and controlled by the Member. The decision is based on the Issuer's entire relationship with the Affinity Partner, including, but not limited to, the following:

- Whether the Issuer:
 - Establishes program management policies, such as setting credit criteria and making Cardholder credit decisions
 - Is at risk as the owner of the program

18 A limited exception is allowed for Campus Cards to facilitate closed-loop proprietary campus transactions and permit the use of campus identification/access applications. A Campus Card must still be positioned as a Visa Card, but with the additional functionality noted here.

19 A limited exception is allowed for Campus Cards to facilitate closed-loop proprietary campus transactions and permit the use of campus identification/access applications. A Campus Card must still be positioned as a Visa Card, but with the additional functionality noted here.

- Actively ensures that its policies and guidelines are implemented
- The Issuer's role in setting fees and rates for Affinity Card program products and services
- Whether all or part of the receivables are financed with the Affinity Partner
- The degree to which the Issuer, not the Affinity Partner, is portrayed as the owner of the Affinity Card program
- The extent to which the Issuer provides all or part of the program operations, such as customer service and collections

ID#: 010410-010410-0001608

Affinity Card Issuer Identification - U.S. Region

If the U.S. Issuer's Trade Name or Mark does not appear on the front of the Affinity Card, the following language must be clearly legible on the back of the Card, in addition to, or instead of, other Issuer identification: "This Card is issued by (Issuer name) pursuant to a license from Visa U.S.A. Inc."

ID#: 010410-010410-0001701

Visa Requests for Affinity Program Information - U.S. Region

Upon Visa request, a U.S. Member must submit the following to Visa to determine compliance with "Affinity Program Ownership Requirement - U.S. Region":

- Any and all contracts with the Affinity Partner
- Any other documentation relative to the Affinity Card program

ID#: 010410-010410-0001607

Sponsorship Marks on Affinity Cards - U.S. Region

Visa Sponsorships, logos, designations, and authenticating statements may be used on an Affinity Card issued by a U.S. Issuer, provided that the Issuer obtains prior written approval from Visa. Such uses will be permitted in limited circumstances and are subject to approval of the applicable authorities.

ID#: 010410-010410-0001702

Affinity Program Compliance - U.S. Region (Updated)

A U.S. Member or Affinity Partner must provide information requested by Visa in order to determine whether its Affinity Card program complies with the U.S. Regional Operating Regulations.

ID#: 160312-010410-0001610

Determination of Affinity Program Violation - U.S. Region

If it determines that any provisions of the U.S. Affinity Card program have been violated, Visa may:

- Require modification of the program, including, but **not** limited to:
 - Assignment of the program to a third party
 - Suspension or termination of the program
 - Fines
- Impose fines or terminate the program on 30 calendar days' written notice
- Terminate an Affinity Card program, without cause, with at least 180 calendar days' prior written notice to the U.S. Member and Affinity Partner

ID#: 010410-010410-0001611

Appeal Rights for Affinity Program Termination - U.S. Region

If Visa terminates a U.S. Affinity Card program, the Member may appeal the termination to the Board of Directors by providing written notice to Visa within 30 calendar days of receipt of Notification.

The Board's decision is final.

ID#: 010410-010410-0007407

Brand Positioning

Card and Product Positioning

Design Approval for Cards and Displays

A Member must submit proposed designs for all Cards and Point-of-Transaction displays to Visa for written approval:

- Before production
- Each time the design is changed

ID#: 010410-010410-0006146

Visa Product Name

If a Member uses a Visa Product Name or any Visa-Owned Mark in typed or printed text, it must comply with *the Visa International Operating Regulations* and the *Visa Product Brand Standards*.

ID#: 010410-010410-0006155

Visa Card Product Name

A Member must **not**:

- Position any Visa Card as something other than a Visa Card
- Position a Visa Business, Visa Corporate, or Visa Purchasing Card as something other than a Visa Card for the payment of business expenditures
- Position its Trade Name or Mark as adding superior acceptance of the Card at the Point-of-Transaction

ID#: 010410-010410-0006153

Card Reproduction Requirements

A Member:

- Must produce a Card as specified in the *Visa Product Brand Standards*
- Must **not** distribute or display a reproduction of a Card as an indication of acceptance of Visa products at the Point-of-Transaction

ID#: 010410-010410-0006329

Positioning, Acceptance, and Accounts - U.S. Region

A U.S. Issuer must **not**:

- Position the Card as something other than a Visa Card ^[20]
- Position its Trade Name or Mark as adding superior acceptability of the Card at the Point-of-Transaction
- Designate or design any of its Visa Cards, whether through the use of a Trade Name, Mark, numbering scheme, code on the Magnetic Stripe or Chip, or any other device or means, in order to:
 - Permit exclusive or preferential acceptance of any of its Visa Cards by any Merchant or any Affiliated-merchant that is affiliated with the Member
 - Allow any Transaction involving use of these Cards to be treated as anything other than a Visa Transaction, except as specified in "PIN-Debit Network Requirements - U.S. Region"

- Allow a Visa Card that is used primarily to access a line of credit, to participate in any PIN-based debit program, unless the participation is for ATM access only

ID#: 081010-010410-0003210

Card and Product Positioning

An Issuer must refer to its Visa Card as a "Visa Card" in all communications regarding its program, including solicitations, advertising, promotions, and other Collateral Material.

ID#: 010410-010410-0003211

Positioning Trade Name or Mark - Canada Region

A Canada Member must **not** position its Trade Name or Mark as adding superior acceptability of the Card at the Point-of-Transaction.

ID#: 010410-010410-0007231

Use of Marks in Promotions, Advertisements, and Solicitations

Solicitations

Member Identification

A Member must identify itself by city and principal name, and may substitute the local Branch name and city, if desired, on all supplies, materials (including broadcast), and oral or written solicitations sent to current or prospective Cardholders or Merchants. A Member must **not** state or imply in these materials that any other Member's Cards or Merchant materials are being replaced, are invalid, or should be destroyed. A Member must **not** state or imply that Visa provided or endorsed these materials unless Visa designed them for Member use.

ID#: 010410-010410-0006311

References to Bankruptcy - U.S. Region

Visa Program solicitation materials in the U.S. Region must **not** reference bankruptcy, insolvency, or any similar circumstance.

ID#: 010410-010410-0001216

20 A limited exception is allowed for Campus Cards to facilitate closed-loop proprietary campus transactions and permit the use of campus identification/access applications. A Campus Card must still be positioned as a Visa Card, but with the additional functionality noted here.

Visa Approval of Marketing Materials - U.S. Region

A U.S. Issuer must submit all marketing materials or other customer communications pertaining to any of the core and optional services to Visa for written approval before distribution.

These materials must comply with the requirements specified in the implementation materials available from Visa, unless the U.S. Member has received prior written approval from Visa.

ID#: 010410-010410-0007438

Promotional Material

Merchant Use for Promotions/Advertising

A Member must **not** allow a Merchant or other entity to use any Visa-Owned Mark for promotional or advertising purposes in any media, unless the:

- Member distributes the material
- *Visa International Operating Regulations* or the *Visa Product Brand Standards* permit their use
- U.S. Member's name and city appear on the material, as applicable

If a Merchant uses promotional materials and advertisements that include the use of Visa-Owned Marks, the Merchant must comply with the:

- Regional Operating Regulations
- *Visa International Operating Regulations*
- *Visa Product Brand Standards*

ID#: 090411-010410-0008277

Competitive Marks with Visa-Owned Marks

A Member may use certain Visa Program Marks on items other than Cards or for sponsorship activities with the Marks of the following or its subsidiaries or affiliates:

- American Express Company
- Discover Financial Services
- MasterCard Worldwide
- Any other entity Visa deems competitive

The overall appearance of this use must unmistakably convey the idea that the Visa-Owned Mark, when used on items other than Cards or for sponsorship activities, clearly identifies a product or service that is separate and distinct from any product or service of the entities listed above.

ID#: 081010-010410-0006327

Competitive Marks with Visa-Owned Marks – AP Region, LAC Region, and U.S. Region

Effective 1 October 2011, in the U.S. Region or in a U.S. Territory, a Member may use the Marks of the American Express Company, MasterCard Worldwide (including Maestro), Discover Financial Services, or the subsidiaries or affiliates of these entities, or other entities deemed competitive by Visa, in connection with a Member's promotion, offer or solicitation of a U.S. Covered Visa Debit Card, or the maintenance of a Cardholder relationship for a U.S. Covered Visa Debit Card as specified in the *Visa Product Brand Standards*.

ID#: 151011-011011-0026530

Competitive Marks with Visa-Owned Marks - U.S. Region

Effective through 30 September 2011, a U.S. Member may not use the Visa-Owned Marks in connection with a Member's promotion, offer or solicitation of a payment card product, or the maintenance of a U.S. Cardholder relationship, together with Marks that are associated with payment card products issued by the American Express Company, Discover Financial Services, and their subsidiaries or affiliates (including, by way of example and not limitation, "American Express," "Optima," "Discover," "Bravo," "Novus," and "Membership Rewards") or together with Marks associated with any other payment card company deemed competitive by the Board of Directors, if such Marks are owned or controlled by such competitors.

Effective 1 October 2011, a U.S. Member may **not** use the Visa-Owned Marks in connection with a Member's promotion, offer or solicitation of a Visa Card not defined as a U.S. Covered Visa Debit Card, or the maintenance of a U.S. Cardholder relationship for a Visa Card not defined as a U.S. Covered Visa Debit Card, together with Marks that are associated with payment card products issued by the American Express Company, Discover Financial Services, and their subsidiaries or affiliates (including, by way of example and not limitation, "American Express," "Optima," "Discover," "Bravo," "Novus," and "Membership Rewards") or together with Marks associated with any other payment card company deemed competitive by the Board of Directors, if such Marks are owned or controlled by such competitors.

ID#: 160312-010410-0006302

Offer/Issuance Conditions – AP Region, LAC Region, and U.S. Region

Effective through 30 September 2011, a U.S. Member may **not** condition the offer or issuance of any payment card product bearing the Visa-Owned Marks or the maintenance of a U.S. Cardholder relationship upon the possession or acceptance of a general purpose payment card product issued by the American Express Company, Discover Financial Services, or any other payment card company deemed competitive by Visa.

Effective 1 October 2011, in the U.S. Region or in a U.S. Territory, a Member may condition the offer or issuance of a U.S. Covered Visa Debit Card, or the maintenance of a Cardholder relationship for a U.S. Covered Visa Debit Card, upon the possession or acceptance of a product bearing the Marks of the American Express Company, MasterCard Worldwide, Discover Financial Services, Diner's Club, JCB, or any other non-Visa general purpose payment card network as specified in the *Visa Product Brand Standards*.

ID#: 151011-010410-0006303

Advertisements Using Visa-Owned Marks

If a Merchant uses promotional materials and advertisements that include the use of the Visa-Owned Marks, the Acquirer must approve them in advance.

ID#: 010410-010410-0002863

Merchant Use of Marks

A Merchant must **not**:

- Indicate or imply that Visa endorses any Merchant goods or services
- Refer to Visa in stating eligibility for its products, services, or membership
- Use the Visa-Owned Marks for any purpose other than those permitted in the *Visa International Operating Regulations* or without written permission from Visa

In addition, a U.S. Merchant must **not** use the signage associated with the Limited Acceptance Category it has selected for any purpose other than those permitted in the U.S. Regional Operating Regulations or without written permission from Visa. (*This only applies in the U.S. Region.*)

ID#: 010410-010410-0007416

Permitted Merchant Use - U.S. Region

A U.S. Merchant may:

- Indicate in a single advertisement, display, or notice that the Visa Program services and other Card services are available
- Use the Visa-Owned Marks or, if the U.S. Merchant has selected Limited Acceptance, the signage associated with the Limited Acceptance category it has selected, on promotional, printed, or broadcast materials only to indicate the types of Cards it accepts for payment

ID#: 010410-010410-0002343

Advertising Materials - Canada Region

In the Canada Region, Point-of-Transaction advertising and promotional materials (except credit card application forms) must **not** indicate that the Canada Merchant has been signed by, or represents the interests of, a particular Canada Member.

ID#: 010410-010410-0006233

Non-Member Marks on Collateral Material - Canada Region

Except as permitted in the Canada Regional Operating Regulations and except as may be permitted by Visa, a name, Trade Name, or Mark of a non-Member must **not** be used on Collateral Material bearing the Visa Program Marks that is used for soliciting applications or communicating with Canada Cardholders. The Marks of the Interac Association are excepted.

ID#: 111011-010410-0006236

Member Sponsorships

Sponsorships Usage Requirements

Use of a Visa-Owned Mark with Member Sponsorships

A Member may use a Visa-Owned Mark to sponsor a specific sporting, musical, artistic, or other event only with prior written consent from Visa.

ID#: 010410-010410-0006317

Approval Request for Sponsorship Materials

A Member must submit an approval request to Visa at least 2 months before the anticipated release date of any materials associated with sponsorship activities or the start date of a sponsored event, whichever is earlier.

ID#: 010410-010410-0007408

Use of Visa-Owned Marks with Competitive Marks

A Member must **not** use the Visa-Owned Marks with the Marks of any of the following, or its subsidiaries or affiliates, in any sponsorship activity:

- American Express Company
- Discover Financial Services

- MasterCard Worldwide (including Maestro)
- Any other entity that Visa deems competitive

ID#: 081010-010410-0006572

Member as Sponsor

A Member participating in any sponsorship activity must clearly convey in all of its communications and displays that only the Member, **not** Visa, is the sponsor. The Member must **not** state or imply that it owns any of the Visa-Owned Marks.

ID#: 010410-010410-0007405

Use of Marks on Cards/Decals

A Member may use the partnership or Sponsorship Marks on Cards and decals with other representations of certain Visa Program Marks in advertising and on promotional materials.

ID#: 050411-010410-0001132

Visa Approval for Use of Visa-Owned Mark in Event Sponsorship - U.S. Region

A U.S. Member must obtain written approval from Visa for its planned use of any Visa-Owned Mark in the sponsorship of events, including all advertising, promotions, and public relations. These rules do not apply to the purchase of advertising not specifically tied to sponsorship of an event.

A U.S. Member must ensure that it uses each Visa-Owned Mark within the scope of the written approval from Visa. After Notification from Visa, a Member must correct any improper use of any of these Marks.

ID#: 010410-010410-0007439

Use of Marks in U.S. Region - U.S. Region

If permitted, a U.S. Member may use the Visa-Owned Marks only in the United States. If a U.S. Member plans sponsorship activities in any additional country, it must:

- Submit a new request to Visa
- Obtain written consent from Visa prior to the sponsorship
- Comply with the *Visa International Operating Regulations* and the *Visa Product Brand Standards*

ID#: 010410-010410-0001160

Electron Mark/Identifier

Electron Marks Usage Requirements

The Visa Brand Mark with the Electron Identifier

The Visa Brand Mark with the Electron Identifier is a Visa-Owned Mark that must appear on the front of a Card as specified in the *Visa Product Brand Standards*.

ID#: 010410-010410-0006149

Visa Brand Mark Conversion

All newly-created Visa Electron Cards issued or reissued must:

- Bear the Visa Brand Mark with the Electron Identifier
- Comply with the Visa Product Brand Standards

An Issuer may issue or reissue a Visa Electron Card bearing the Visa Electron Symbol to deplete existing card stock. The Visa Electron Card must expire **no later than 30 June 2011**.

Effective 1 July 2011, all Visa Electron Cards must bear the Visa Brand Mark with the Electron Identifier.

ID#: 040412-010307-0007409

Visa Electron Card Bearing the Visa Brand Mark with the Electron Identifier

The Visa Brand Mark with the Electron Identifier must:

- Appear as specified in the *Visa Product Brand Standards*
- Be placed on the front of the Card

ID#: 010410-010410-0006163

Electron Acquiring Only - U.S. Region

The Visa Electron Program Marks must be used in the U.S. Region for acquiring purposes only.

ID#: 010410-010410-0007406

Use of Electron Marks to Resemble an Electron Card - U.S. Region

On marketing collateral, a U.S. Member must **not** use the Visa Electron Symbol or Visa Brand Mark with the Electron Identifier in such a way that it could be mistaken for an actual Visa Electron Card and used in a Transaction.

ID#: 010410-010410-0006281

Prohibition on Checks - U.S. Region

A U.S. Member must **not** use the Visa Electron Wordmark on any check or Cheque.

ID#: 010410-010410-0006282

Interlink Program Marks

Interlink Program Marks Usage Requirements

Visa Approval to Use Interlink Mark on Visa Cards - U.S. Region

The Interlink Program Marks may appear on Visa Check Cards or Visa Debit Cards if the U.S. Issuer obtains written approval from Visa before issuance.

ID#: 010410-010410-0006288

Interlink Mark Prominence - U.S. Region

For Cards issued by a U.S. Issuer, the Interlink Program Marks must appear, in equal prominence, on a Visa Check Card or Visa Debit Card also participating in the Interlink Program, if the Card displays the acceptance Mark of any non-Visa PIN-based debit or ATM program.

ID#: 010410-010410-0006290

Prohibition of Interlink Mark on Credit Cards - U.S. Region

For Cards issued by a U.S. Issuer, the Interlink Program Marks must **not** appear on Visa Cards that primarily access a line of credit.

ID#: 010410-010410-0006291

Interlink Mark Display on Cards - U.S. Region

For Cards issued by a U.S. Issuer, Interlink Program Marks are **not** required to appear on a Visa Check Card or Visa Debit Card also participating in the Interlink Program if:

- The Card does not display the acceptance Mark of any other PIN-based debit program
- The Issuer clearly communicates to its Cardholders, at the time of issuance, that the Card may also be used for PIN debit transactions anywhere Interlink cards are accepted

ID#: 010410-010410-0006289

Plus Program Marks

Plus Program Marks Usage Requirements

Plus Symbol Use

A Member must use the Plus Symbol only as a Mark indicating acceptance for ATM services. Any change to this provision requires a majority vote of the directors in attendance at any meeting of the Board of Directors where a quorum is present.

ID#: 010410-010410-0006324

Plus Symbol Displayed at an ATM

The Plus Symbol must only be displayed at an ATM that accepts Cards bearing the Plus Symbol for ATM services. Any changes to this provision require a majority 3/4 vote of the directors in attendance at any Board of Directors meeting where a quorum is present.

ID#: 010410-010410-0003583

Plus Program Marks on Proprietary Cards

An Issuer of Proprietary Cards with Plus Program capabilities must place the Plus Symbol on all Proprietary Cards within 5 years from the beginning date of participation in the Plus Program. The presence of the Plus Symbol is optional on Visa Cards if no other ATM Acceptance Mark is present on the Card.

ID#: 010410-010410-0003577

Plus Program Marks Description - U.S. Region

The U.S. Plus Program Marks are:

- Plus Symbol, which consists of the Plus Design positioned to the left and above the Plus Logotype
- Plus Wordmark
- Plus Design or Diamond Design
- Plus Logotype
- Any other Mark that Visa adopts for use with the Plus Program

ID#: 010410-010410-0006283

Member Agreement for Plus Program Marks Use - U.S. Region

A U.S. Member agrees:

- That it will do nothing inconsistent with Visa ownership of the Plus Program Marks
- That the use of all Plus Program Marks must be for the benefit of, and on behalf of, Visa
- To supply Plus System Inc. and Visa with samples of all materials bearing the Plus Program Marks produced by or for the Member
- To comply with the:
 - *Visa International Operating Regulations*
 - Applicable Certificate of Incorporation and Bylaws
 - *Visa Product Brand Standards*
 - *Plus System, Inc. Bylaws and Operating Regulations*

ID#: 010410-010410-0006284

Plus Symbol Display Requirement at ATM - U.S. Region

The Plus Symbol must be displayed on participating U.S. ATMs. The Visa Brand Mark with the Electron Identifier may be displayed on participating ATMs.

ID#: 010410-010410-0005768

Chapter 5: Visa Products and Services

Core Principle 5.1

Issuing and Technology Standards

Following the Standards Established by Visa

Participants in the Visa system agree to follow the card issuing and technology standards established by Visa to ensure systems work together to provide seamless transaction and data processing. For example, the magnetic stripe and chip used on Visa cards must follow compatible standards and specifications to guarantee global interoperability and payment acceptance.

ID#: 010410-010410-0007774

Core Principle 5.2

Issuing and Using Visa Products

Preserving Security, Integrity, and Consistency

To preserve the security, integrity and consistency of experience of the Visa system and meet the diverse needs of participants in the Visa system, participants agree to follow Visa's policies, requirements and standards for issuing and using Visa products and services.

ID#: 010410-010410-0007775

Core Principle 5.3

Card Design Requirements and Standards

Receiving Approval from Visa

Visa specifies card design requirements and standards for use of its marks to ensure the integrity, safety, and security of the Visa brand and products and to ensure the common, immediate recognition of Visa products and services around the world. Participating issuers agree to use only Visa-authorized card manufacturers and card personalizers to produce Visa cards. Participants agree to submit card designs for Visa approval to ensure adherence to the *Visa Product Brand Standards*.

ID#: 010410-010410-0007776

Card Issuance

Issuer Responsibilities - General

General Member Card Program Requirements - Canada Region

A Visa Canada General Member must:

- Operate its own Card program
- Issue Cards in its own legal name or in a Trade Name or Mark owned by the Member and approved by Visa, bearing the Visa-Owned Marks, to eligible Cardholders

ID#: 010410-010410-0004091

General Member Card Plan - Canada Region

Each Visa Canada General Member must operate its own Card plan that conforms to the minimum standards specified below:

- Each Member must issue Cards in its own name and own the receivables arising from the use of such Cards; securitization does not impact ownership for the purpose of the Operating Regulations
- Cards issued by each Member will entitle Cardholders to make purchases of goods and services and to obtain Cash Disbursements
- Subject to appropriate Authorization, each Member will honor Cards issued by other Members for Cash Disbursements

- Subject to appropriate Authorization, each General Member will cause its Merchants to honor Cards issued by other such Members for the purchase of goods and services

ID#: 010410-010410-0004092

Card Accessing Cardholder Funds on Deposit - U.S. Region

A U.S. Issuer must **not** issue or reissue a Visa Card that accesses Cardholder funds on deposit at an organization other than the Issuer's, unless it:

- Receives prior written consent from the organization where the funds are deposited
- Completes automated clearing house notification requirements

Monthly periodic payments are excluded from this prohibition.

ID#: 010410-010410-0004573

Adhesive Material on Cards - U.S. Region

Except as specified in "Card Activation Sticker - U.S. Region," a U.S. Issuer must ensure that no adhesive material is affixed to either side of a Visa Card unless it is integral to the manufacture of the Card.

ID#: 010410-010410-0003407

Card Activation Sticker - U.S. Region

A U.S. Issuer may affix a Card activation sticker to the front or back of its Cards if the sticker does not interfere with any other security features of the Card.

The Card activation sticker or other material enclosed with the Card mailer must either:

- Provide a telephone number for the Cardholder to call to activate the Card and instruct the Cardholder to contact the Issuer upon receipt of the Card for activation and to remove the sticker from the Card once activation has occurred
- For Visa Check Cards that are activated by the Cardholder at a PIN-based Terminal, instruct the Cardholder to remove the sticker from the Card before activation

ID#: 010410-010410-0008695

Telephone Number for Cardholder Inquiries - U.S. Region

A U.S. Member that lists a telephone number in a telephone directory for the purpose of receiving Cardholder inquiries must insert at least the following listing: "Visa Card Center-(Name of Member)."

ID#: 010410-010410-0006330

Account Range and BIN Use

Multiple Programs on Same BIN

An Issuer may establish multiple Visa Card programs or Virtual Account programs within the same BIN.

ID#: 010410-010410-0004555

Business Plan Requirement for Multiple Visa Programs on Single BIN

Visa may require a business plan if an Issuer requests the assignment of designated account ranges to multiple Visa Card programs within a single BIN.

ID#: 010410-010410-0003145

Visa Right to Deny Account Range Request

Visa reserves the right to deny a request for a designated account range within an existing BIN.

ID#: 010410-010410-0003147

BIN Assignment for New Visa Card Programs

For a new Visa Card program, an Issuer may assign either a:

- Unique BIN for each Visa Card program
- Designated account range within a BIN for a specific Visa Card program by completing Section 6 of the "BIN License Agreement" available through the Visa Publication Center on Visa Online

ID#: 050411-010410-0003143

Account Range and BIN Assignment for Existing Visa Card Programs

For existing Visa Card programs, an Issuer must **not** request a new designated account range assignment within an active BIN.

ID#: 171011-010410-0003146

BIN Requirements for Card Program Category Conversion - U.S. Region

If a U.S. Member converts its Card program from one Visa category to another (e.g., Visa credit Cards to Visa Debit Cards), it must comply with the unique BIN requirements of the Visa category to which the program is converted as specified in the *Visa International Operating Regulations* on the date of the Card program conversion.

ID#: 010410-010410-0003217

Account Number Specifications

BIN and Account Number Specifications

The specifications for BIN and Account Number structures embossed, encoded, or printed on all Visa Cards and Visa Electron Cards.

ID#: 111011-010410-0003196

PIN Issuance

PIN Availability Requirement

An Issuer must make a PIN available to each Cardholder for use with a Card. PIN issuance is **not** required for certain Visa Prepaid Card programs bearing the Visa Brand Mark, or Visa Brand Mark with the Electron Identifier, as outlined in the applicable Visa International Prepaid Program Guidelines. An Issuer may elect not to offer PINs for certain types of Visa Prepaid Card products with prior written approval from Visa.

ID#: 081010-010410-0004019

PIN Issuance Requirements

An Issuer must:

- Notify its Cardholders of PIN availability
- Comply with the *Payment Technology Standards Manual*
- Successfully complete certification testing to demonstrate its capability to perform PIN Verification, or designate Visa to perform this function
- Select Stand-In Processing Issuer options pertaining to a Transaction for which a PIN is used

ID#: 111011-010210-0004571

PIN Issuance Requirements - U.S. Region

A U.S. Issuer must:

- Comply with the *Payment Technology Standards Manual*
- Successfully complete required testing to demonstrate its capability to perform PIN Verification, or designate Visa to perform this function
- Issue a PIN to each Cardholder for use with their Visa Card. A Visa Traditional and Classic Visa Check Card Issuer has complied with this requirement if the Issuer notifies its Cardholders that they may either:
 - Select their own PIN
 - Request that a PIN be issued
- Notify each of its Cardholders of the availability of PINs and the Visa ATM Network. Issuers of the following Card products must provide this notification annually to all active:
 - Visa Check Card Cardholders
 - Visa Signature Cardholders
 - Visa Signature Preferred Cardholders
- Ensure the security of the PIN
- Select V.I.P. System Issuer options pertaining to a Transaction for which a PIN is used

ID#: 081010-010410-0004563

PIN for Emergency Card Replacement - CEMEA Region

A CEMEA Issuer that issues an Emergency Card Replacement is **not** required to issue a PIN.

ID#: 081010-010410-0007232

PIN Issuance for Visa Signature and Visa Signature Preferred Cards - U.S. Region

A U.S. Issuer must comply with "PIN Issuance Requirements - U.S. Region" within one year of issuing one of the following Card products to a new Cardholder:

- Visa Signature
- Visa Signature Preferred

A U.S. Issuer whose internal systems support customer PIN selection must offer the availability of PINs to all of its Cardholders, unless prohibited by applicable law.

A U.S. Issuer whose internal systems do not support customer PIN selection must issue PINs to all of its Cardholders, unless prohibited by applicable law. Notifying Cardholders that a PIN is available upon request does **not** satisfy this requirement.

ID#: 010410-010410-0008126

Expiration Date Standards

Expiration Date Consistency

The expiration date contained in the Chip must be the same as the expiration date encoded on the Magnetic Stripe and displayed on the Card. If applicable, the expiration date of proprietary services on the Card must **not** exceed the Visa or Visa Electron Payment Application expiration date.

ID#: 081010-010410-0003209

Expiration Date Consistency - Chip Cards

The expiration date on a Visa Card, Visa Electron Card, or Card bearing the Plus Symbol must **not** be later than the expiration date of the Issuer's Public Key, or any security feature containing an expiration date in a Chip, if one is present on the Card.

ID#: 010410-010410-0003199

Emergency Card Replacement Expiration Date - CEMEA Region

For a CEMEA Issuer that issues an Emergency Card Replacement, the expiration date must be either:

- The last day of the month following the month of issuance
- A date assigned by the Issuer of no later than 1 year from the issuance date

ID#: 090411-010410-0007234

Issuer Performance Standards

Retrieval Request Rate Standards for Copy Bearing Signature - U.S. Region

A U.S. Issuer must **not** exceed the monthly rate of 0.016% for Retrieval Requests for copy bearing signature. A copy bearing signature Retrieval Request rate is defined as the combined total of Retrieval Requests for reason code 28, "Request for Copy Bearing Signature," and reason code 33, "Request for Legal Process or Fraud Analysis," as a percentage of the total number of Transactions for each month.

ID#: 010410-010410-0006430

Chargeback Rate Standards - U.S. Region

A U.S. Issuer must **not** exceed the Chargeback rate of 0.17% for its Consumer Visa Product or Commercial Visa Product program. The Chargeback rate is the number of Chargeback rights exercised as a percentage of all Sales Drafts received.

ID#: 010410-010410-0006900

Representment Rate Standards - U.S. Region

A U.S. Issuer must **not** exceed the Representment rate of 42% for its Consumer Visa Product or Commercial Visa Product program. The Representment rate is the number of Representments received as a percentage of all Chargebacks processed.

ID#: 010410-010410-0006901

Card Manufacture and Delivery

Card Shipping and Security

Issuer Standards for Distribution Channel Vendors

An Issuer may contract through another Issuer or a Distribution Channel Vendor for the packaging, storing, and shipping of pre-manufactured, commercially ready Visa Products. ("Pre-manufactured, commercially ready" refers to non-personalized Visa Products that have already been manufactured, encoded, and embossed/printed and are ready for sale or distribution to Cardholders.)

If the Issuer uses a Distribution Channel Vendor, it must:

- Register the Distribution Channel Vendor as a Third Party Agent, as specified in "General Agent Requirements"
- Validate annually the Distribution Channel Vendor's compliance with the *Visa Global Physical Security Validation Requirements for Data Preparation, Encryption Support and Fulfillment Card Vendors*
- Comply with Third Party Agent program requirements, as specified in "General Agent Requirements"

Visa may audit the Third Party Agent's or Issuer's processes and controls to validate that a Distribution Channel Vendor is compliant with the *Visa Global Physical Security Validation Requirements for Data Preparation, Encryption Support and Fulfillment Card Vendors*.

ID#: 050411-010100-0025520

Preparation for Mailing of Individual Personalized Visa Products

An Issuer must:

- Proof and prepare Visa Products for mailing under dual control in a high-security area separate from other operations
- Prevent unauthorized entry into the area
- Ensure that Cardholder addresses, including postal codes, are complete and correct
- Maintain stuffed, sealed, and stamped envelopes in a vault under dual control until mailing
- Record the exact date, time, and place of mailing for each Visa Product
- Report any Visa Products lost in the mail to Visa, the postal authorities, and the appropriate carrier

ID#: 050411-010100-0025519

Security at Card Distribution Points (New)

Effective 13 October 2011, an Issuer must comply with Visa security requirements specific to a Visa Product for storing, shipping, distributing, and destroying Visa Products at Card Distribution Points, as specified in:

- The applicable Visa International Prepaid Program Guidelines
- *Visa Global Physical Security Validation Requirements for Data Preparation, Encryption Support, and Fulfillment Vendors*
- In addition, for Visa Prepaid Card Issuers, *Visa International Prepaid Retail Channel Guidelines*

ID#: 160312-131011-0026579

Card Destruction Security Requirements (New)

Effective 13 October 2011, an Issuer must comply with Visa security requirements for the destruction of Visa Products, as specified in:

- *Visa Global Physical Security Validation Requirements for Data Preparation, Encryption Support, and Fulfillment Vendors*
- In addition, for Visa Prepaid Card Issuers, *Visa International Prepaid Retail Channel Guidelines*

ID#: 160312-131011-0026580

Card Security Staff Requirements

An Issuer must have a qualified fraud control and Card security officer and staff that are primarily responsible for all areas of security for Visa Cards and Visa Electron Cards. The security staff must:

- Investigate all fraudulent use of the Issuer's Visa Cards or Visa Electron Cards

- Plan and supervise the manufacturing, embossing, encoding, printing, and mailing of the Issuer's Visa Cards or Visa Electron Cards
- Plan and supervise the physical protection of the Issuer's Center and building
- Participate in Center employee background investigations

ID#: 010410-010410-0002394

Card Embossing, Printing, Encoding, and Personalization

Visa Product Personalization - Issuer Requirements

An Issuer that personalizes Visa Products on its own behalf must create and maintain a secure environment.

An Issuer that personalizes Visa Products on behalf of other Issuers must ensure that it complies with the requirements specified in:

- *Global Physical Security Validation Requirements for Card Vendors*
- *Global Logical Security Validation Requirements for Card Personalization Vendors*
- Applicable regional Issuer personalization policy, available from Visa

If participating in Instant Card Personalization Issuance, the Issuer must ensure that the Card personalization process complies with the *Visa Global Instant Card Personalization Issuance Security Standards*.

The Issuer may complete an annual "Instant Card Personalization Issuance Self-Audit Questionnaire," as specified in the *Visa Global Instant Card Personalization Issuance Security Standards*, for each Instant Card Personalization Issuance location and retain the questionnaire for auditing purposes.

For each Third Party Agent performing Instant Card Personalization Issuance, the Issuer must:

- Register the Third Party Agent, as specified in "General Agent Requirements"
- Validate the Third Party Agent's compliance with the *Visa Global Instant Card Personalization Issuance Security Standards* and complete an annual "Instant Card Personalization Issuance Self-Audit Questionnaire" for each location
- Comply with Third Party Agent program requirements, as specified in "General Agent Requirements"

Visa may audit the Third Party Agent's or Issuer's processes and controls to validate that the Third Party Agent performing Instant Card Personalization Issuance complies with the *Visa Global Instant Card Personalization Issuance Security Standards*.

ID#: 050411-010100-0025518

Liability for Misencoded Visa or Visa Electron Cards

Visa assigns liability for payment of Transaction Receipts resulting from the use of a Misencoded Visa Card or Visa Electron Card:

- To the Acquirer that received the Transaction Receipt, if the Misencoded Visa Card bears a BIN that was **not** assigned to a Member. The Acquirer is liable until:
 - The Misencoded Visa Card or Visa Electron Card is recovered
 - Visa identifies the Issuer that ordered its manufacture
- To the Issuer to which the BIN is assigned, if an Acquirer receives a Misencoded Visa Card or Visa Electron Card bearing a valid BIN but an invalid Account Number. The Issuer is liable:
 - If the Acquirer presents the Transaction Receipt within 180 calendar days of the Transaction Date
 - Until the Issuer that ordered the manufacture of the Visa Card or Visa Electron Card is identified

ID#: 010410-010410-0001813

Liability for Misembossed or Misencoded Visa Cards - U.S. Region

In the U.S. Region, Visa assigns liability for payment of Transaction Receipts resulting from the use of Misembossed or Misencoded Visa Cards based on the following priorities in the order shown:

- Member or foreign licensee that appears on the Misembossed or Misencoded Card as its Issuer, if the Card has been recovered
- Member or foreign licensee whose BIN appears on the Transaction Receipt, if the Misembossed or Misencoded Card has not been recovered or if the name of the Member or foreign licensee does not appear on the Card
- Member or foreign licensee that first received the Transaction Receipt. If the Misembossed or Misencoded Card is recovered within 12 months of the Transaction Date, the Member or licensee may transfer liability for the Transaction Receipt to the Member or foreign licensee appearing on the Misembossed or Misencoded Card as its Issuer.

ID#: 010410-010410-0001817

Issuer Requirements - General

Exchange Rates

International Transaction or Currency Conversion Fee Disclosure

An Issuer must provide a complete written disclosure of any fees that may be charged to a Cardholder for an International Transaction or when currency conversion occurs.

ID#: 010410-010410-0000387

Issuer Disclosure of Exchange Rate - AP Region

An AP Issuer must disclose to each of its Cardholders in writing that the exchange rate between the Transaction Currency and the Billing Currency used for processing International Transactions is either:

- A rate selected by Visa from the range of rates available in wholesale currency markets for the applicable Processing Date, which rate may vary from the rate Visa receives
- The government-mandated rate in effect for the applicable Processing Date

in each instance, plus or minus any adjustment that the Issuer determines.

ID#: 010410-010410-0004088

Cardholder Notification of Fees and Charges - CEMEA Region

A CEMEA Issuer of Visa Cards, Proprietary Cards bearing the Plus Symbol, and Cards bearing the Visa Brand Mark with the Electron Identifier must notify its Cardholder in writing of the following:

- That the exchange rate between the Transaction Currency and the Billing Currency used for processing International Transactions is either:
 - A wholesale market rate
 - The government-mandated rate
- Additional fees and charges (if any) assessed by the Issuer through the addition of a percentage increase to the Basic Currency Conversion Rate or any other fees for currency conversion
- Specific fees and charges to be assessed to the Cardholder, where appropriate, including, but not limited to:
 - Annual fee
 - Interest rate(s), if applicable
 - ATM Cash Disbursement fee

- Manual Cash Disbursement fee
- PIN Replacement charge
- Fee for additional statement copies
- Late payment fee
- Date on which the Cardholder will incur a late payment fee if the Issuer does **not** receive payment for outstanding Transaction amounts appearing on the Cardholder billing statement

A CEMEA Issuer may choose the method by which it notifies the Cardholder in writing. This may include, but is not limited to, one or more of the following:

- Cardholder Agreement
- Cardholder Terms and Conditions
- Any other Agreement between the Cardholder and the Issuer
- Monthly billing statement

ID#: 111011-010410-0008822

Issuer Disclosure of Exchange Rate - U.S. Region

A U.S. Issuer must disclose to each of its Cardholders in writing that the exchange rate between the Transaction Currency and the Billing Currency used for processing International Transactions is either:

- A rate selected by Visa from the range of rates available in wholesale currency markets for the applicable Central Processing Date, which rate may vary from the rate Visa itself receives
- The government-mandated rate in effect for the applicable Central Processing Date

in each instance, plus or minus any adjustment determined by the Issuer.

ID#: 010410-010410-0000389

Cardholder Liability

Limitation of Cardholder Liability - AP Region

An AP consumer Card Issuer must limit a Cardholder's liability to zero upon notification of all Cardholder-disputed, unauthorized Visa Transactions except ATM Cash Disbursements.

ID#: 010410-010410-0003925

Limitation of Cardholder Liability - Canada Region

A Canada Issuer must hold harmless a Cardholder from any liability for Transactions which the Cardholder establishes, to the satisfaction of the Issuer, are **not** the responsibility of the Cardholder in accordance with the terms of the Issuer's Cardholder agreement and of any related documentation.

ID#: 010410-010410-0000394

Limitation of Cardholder Liability for Unauthorized Transactions - Canada Region

A Canada Issuer must **not** impose a minimum Cardholder liability amount with regard to unauthorized Transactions. Unauthorized Transactions may be defined in the Issuer's Cardholder agreement and in any related documentation.

ID#: 010410-010410-0000395

Applicability of Liability-Related Operating Regulations - Canada Region

In the Canada Region, "Limitation of Cardholder Liability - Canada Region" and "Limitation of Cardholder Liability for Unauthorized Transactions - Canada Region" only apply to consumer and Business Cardholder Transactions and do **not** apply to Visa Corporate Card and Visa Purchasing Card Transactions.

ID#: 010410-010410-0000396

Advertising for the Zero Liability Program - Canada Region

Any promotional, advertising, or marketing language used for the Zero Liability Program in the Canada Region must contain messaging, in the body of the promotional, advertising, or marketing language and not as a footnoted disclaimer, to the effect that Cardholders are responsible for ensuring that they protect their PIN.

ID#: 010410-010410-0000397

Limitation of Cardholder Liability - U.S. Region

For Visa Consumer Cards and Visa Business Cards issued in the U.S. Region, upon receipt of notification from its Cardholder of unauthorized Visa Transactions, a U.S. Issuer must limit the Cardholder's liability for those Transactions to zero. This requirement is **not** applicable for ATM Cash Disbursements or Visa Corporate Card or Visa Purchasing Card Transactions.

ID#: 010410-010410-0008434

Increase of Cardholder Liability - U.S. Region

A U.S. Issuer may increase the limit of the Cardholder's liability for unauthorized Visa Transactions only if the Issuer reasonably determines, based on substantial evidence, that the Cardholder was grossly negligent or fraudulent in the handling of the account or the Card.

ID#: 010410-010410-0008171

Notification of Unauthorized Visa Business Card Transactions - U.S. Region

A U.S. Issuer of Visa Business Cards may require the notification of unauthorized Visa Transactions to be received within 60 calendar days of the mailing date of the first statement showing unauthorized Visa Transactions.

ID#: 010410-010410-0000404

Unauthorized Visa Business Card Transaction Exclusions - U.S. Region

A U.S. Issuer of Visa Business Cards may define an unauthorized Visa Transaction to exclude any Transaction allegedly conducted by:

- A business co-owner
- The Cardholder or person authorized by the Cardholder
- Any other person with an interest in or authority to transact business on the account

ID#: 010410-010410-0000406

Provisional Credit

Provisional Credit - AP Region

An AP Issuer must provide provisional credit to a Cardholder's account within 5 business days of such notification.

The AP Issuer may require written confirmation or other documentation from the Cardholder before providing provisional credit as per the terms and conditions of the Cardholder agreement.

The AP Issuer may:

- Withhold providing provisional credit if the Issuer determines that specific investigations are required, including those for specific transactions and Merchant types, if the prior account history is unsatisfactory, or if the nature of transactions justifies the delay in crediting the Cardholder's account

- Increase the amount of the Cardholder's liability for unauthorized Visa transactions if the Issuer determines, based on available evidence (provided by the Cardholder or otherwise), that the Cardholder was grossly negligent or fraudulent in the handling of the account or the Card (this includes protecting the Card, account, or PIN and reporting the loss or unauthorized transactions)

ID#: 010410-010410-0008700

Provisional Credit - Canada Region

A Visa Debit Card Issuer in the Canada Region must provide provisional credit to any Visa Debit Cardholder's account within 2 business days of the notification of a dispute or unauthorized Transactions.

ID#: 050411-200209-0008069

Withholding of Provisional Credit - Canada Region

A Visa Debit Card Issuer in the Canada Region may withhold a provisional credit if any of the following apply:

- The Issuer determines that specific investigations are required, including those for specific Transactions and Merchants
- The prior account history is unsatisfactory
- The nature of the Transaction justifies the delay in crediting the Cardholder's account

ID#: 050411-200209-0008070

Cardholder Applications

Card Application Processing Fee - U.S. Region

A U.S. Issuer or Agent that charges an application processing fee for a Visa Card must:

- Disclose that the fee is for processing the application and is in addition to Cardholder fees or charges payable if the Visa Card is issued
- Provide the disclosure in a way that allows the Cardholder to avoid the fee if they do not want to pursue the application

ID#: 010410-010410-0000412

Card Application Processing Fee Restrictions - U.S. Region

A U.S. Issuer or its Agent must **not**:

- Charge a fee for providing an application to a potential Cardholder

- Use a "900" area code, "976" telephone exchange, or any similar telephone number to charge a fee for inquiries about obtaining a Visa Card

ID#: 010410-010410-0000413

Required Card Issuance - U.S. Region

A U.S. Issuer must issue a Visa Card to any prospective Cardholder who has:

- Requested the Card on the application
- Met all application and Card issuance requirements

ID#: 010410-010410-0000414

Confidentiality of Cardholder Information

Cardholder Information Privacy Requirements - Canada Region

A Canada Issuer must certify to Visa that it has met the applicable requirements of privacy legislation for the collection, use, and disclosure of personal Cardholder information among Visa and its employees and agents, for the purpose of processing, authorizing, and authenticating a Cardholder's Transactions and providing customer assistance services to a Cardholder.

ID#: 010410-010410-0001986

Contest and Promotion Privacy Requirements - Canada Region

A Canada Issuer will have met the applicable requirements of privacy legislation where the Issuer's Cardholders participate in contests and promotions administered by Visa on behalf of the Issuer.

ID#: 010410-010410-0001987

Privacy Legislation - Acquirer Requirements - Canada Region

A Canada Acquirer must certify to Visa that it has met the applicable requirements of privacy legislation for the collection, use, and disclosure of personal information among Visa and its employees and agents, for the purpose of a Merchant's participation in the Visa Program.

ID#: 010410-010410-0005395

Cardholder Data Provision for Prize Awards - U.S. Region

A U.S. Issuer must provide Cardholder data to Visa for the purposes of awarding prizes in conjunction with promotional activities conducted by Visa, unless prohibited by applicable law.

A U.S. Issuer that is prohibited by applicable law from disclosing Cardholder data must:

- Assist Visa as follows:
 - Notify its Cardholder that they have been awarded a prize
 - Obtain the necessary documentation from the Cardholder
- Comply with all requirements specified by Visa
- Ensure that any prize is awarded directly to the Cardholder

ID#: 010410-010410-0008704

Disclosure of Visa Transaction Information - U.S. Region

A U.S. Issuer may only disclose Visa Transaction Information to third parties approved by Visa, for the sole purpose of:

- Supporting a loyalty program
- Providing fraud control services

This requirement does **not** apply to Commercial Visa Product Issuers in the U.S. Region.

ID#: 010410-010410-0003555

Data Retention and Transmission

Recurring Transaction Data

An Issuer must include the data transmitted in the Clearing Record on the Cardholder billing statement that:

- Identifies a Recurring Services Merchant
- Enables the Cardholder to contact the Merchant

This data may include, but is **not** limited to:

- Merchant name
- Merchant city
- Merchant state/province
- Merchant country
- Merchant telephone number

ID#: 010410-010410-0004080

Enriched Transaction Data - U.S. Region

A U.S. Issuer that receives enriched data with any of the following Transactions, as specified in "VisaNet Clearing Message Content Standards" (Exhibit NN), must comply with this section:

- CPS/Hotel and Car Rental Card Present
- CPS/Hotel and Car Rental Card Not Present
- CPS/e-Commerce Preferred Hotel and Car Rental
- A Transaction that includes Airline itinerary data

For the above Transactions, an Issuer must either:

- Print the data on the Cardholder statement
- Retain the data for a minimum of 200 calendar days from the Transaction Date

ID#: 010410-010410-0003554

Disputed Transactions - Canada Region

Issuer Contact Disclosure - Canada Region

A Canada Issuer must disclose in its consumer Cardholder agreements that Cardholders may contact the Issuer to discuss disputes the Cardholder may have with respect to a Transaction on their Cardholder statement.

ID#: 010410-010410-0004106

Disputed Transactions - Issuer Requirements - Canada Region

Where a Canada Issuer reasonably determines the dispute is:

- Legitimate
- Properly documented by the Cardholder as required in accordance with the *Visa International Operating Regulations* and/or the Canada Regional Operating Regulations
- Aligned with the Chargeback rights as defined in the *Visa International Operating Regulations* and/or the Canada Regional Operating Regulations (including without limitation the time limit for initiating the Chargeback)

the Issuer must provisionally credit the Cardholder's account and process the Chargeback, provided that:

- The dispute relates to an Electronic Commerce or Mail/Phone Order Transaction
- The Cardholder has attempted to resolve the dispute with the Merchant and the Merchant has failed to refund the Cardholder within 30 days of their request for a refund

- There is no other person, entity, board, official, fund, or other source that will provide Cardholder with a refund for such Transaction

ID#: 010410-010410-0004107

Cardholder Credit Requirements - Canada Region

Where all of the conditions stipulated in "Disputed Transactions - Issuer Requirements - Canada Region" are met and a Canada Issuer chooses not to process a Chargeback, the credit to the Cardholder's account must be final.

ID#: 010410-010410-0004108

Reversal of Disputed Transaction Credit - Canada Region

A Canada Issuer may reverse a provisional credit only if it properly initiated a Chargeback that is determined by Visa to be invalid, except where the Chargeback is determined by Visa to be valid on its merits and properly documented, but declined by reason of the Issuer's failure to meet a Visa requirement.

ID#: 010410-010410-0004109

Cardholder Notifications

Notification of Card Use Restrictions

An Issuer must include language in its Cardholder agreement that a Card must **not** be used for any unlawful purpose, including the purchase of goods or services prohibited by local law.

ID#: 010410-010410-0000386

Chip Card Issuer Identification

A single Issuer must be designated and identified to a Cardholder as the Issuer of a Chip Card.

ID#: 010410-010410-0004022

Disclosure and Disclaimer Information for Visa Gold or Visa Business/Corporate Card Issuer - AP Region

In the AP Region, Visa may require a Visa Gold or Business/Corporate Card Issuer to provide disclosure and disclaimer information, as specified in its implementation materials, and any subsequent communications to its Cardholders as required under applicable law.

ID#: 010410-010410-0000824

Disclosure of Responsibility for Charges - AP Region

While an AP Member is free to represent to its Cardholder or Merchant that Visa imposes a charge on the Member, the Member must **not** represent to its Cardholder or its Merchant that Visa imposes any charge on the Cardholder or the Merchant. Members are responsible for making whatever disclosures applicable law requires with respect to their charges to their Cardholders or to their Merchants.

ID#: 010410-010410-0004089

Merchant Portfolio Purchase Information Requirements - U.S. Region

When a U.S. Issuer replaces a Merchant's credit card with a Card, due to a portfolio purchase, the Issuer must inform the Cardholder of the name of that Merchant whose card is being replaced as well as the Issuer's name and city.

ID#: 010410-010410-0000410

Disclosure of Provision of Cardholder Data - U.S. Region

A U.S. Issuer must:

- Disclose in its Cardholder agreement that it may provide Cardholder personal data to Visa, its Members, or their respective contractors for the purpose of providing Emergency Cash and Emergency Card Replacement Services
- Require that the Cardholder consent to the release of this information

ID#: 010410-010410-0003870

Telephone Number for Cardholder Assistance - U.S. Region

A U.S. Issuer must provide a toll-free telephone number where a Cardholder of one of the following products may obtain assistance 24 hours a day, 7 days a week while traveling:

- Visa Signature
- Visa Signature Preferred
- Commercial Visa Products

ID#: 010410-010410-0000417

Communication of Cardholder Assistance Telephone Number - U.S. Region

A U.S. Issuer must communicate one of the following toll-free telephone numbers to each Cardholder at least once a year:

- Visa Customer Care Services telephone or fax number
- Issuer's own or its agent's assistance center telephone or fax number

The toll-free telephone number for U.S. Cardholder assistance must be printed on the back of the Card, on a wallet card, or on other material furnished to the Cardholder.

ID#: 050411-010410-0008723

Disclosure of Features and Services - U.S. Region

A U.S. Issuer must disclose to its Cardholders, in a timely manner, upgraded features and services when a Cardholder converts from one Card program to another (e.g., Visa Traditional to Visa Signature). The Issuer is responsible for any liability that arises from the timing of the disclosure.

ID#: 010410-010410-0000425

Disclosure of Non-Visa PIN Debit Transaction Information - U.S. Region

A U.S. Issuer that issues a Visa Check Card or Visa Debit Card that also may be used for non-Visa PIN debit transactions but does not bear any PIN debit program Marks must clearly communicate to its Cardholders how such Cards may be used to initiate non-Visa PIN debit transactions.

ID#: 010410-010410-0007424

Insurance Program - U.S. Region

Insurance Program Issuer Requirements - U.S. Region

In the U.S. Region, a Visa Product Issuer that offers any Visa insurance program must:

- Provide disclosure and disclaimer information to Cardholders as specified in implementation materials and subsequent communications available from Visa, as follows:
 - Send a paper copy of the insurance certificate or other disclosure of terms, conditions, and exclusions to each Visa Cardholder upon initial issuance of a Card, and for existing Cardholders 30 days prior to any material change in benefit coverage, conditions, or exclusions (except as specified for discontinuance of coverage), or if new insurance benefits are added, unless more frequent disclosure is required by applicable law
 - If an Issuer discontinues one or more insurance benefits, send each Cardholder a paper-based termination notice via statement insert, statement message, or direct mail communication no later than 60 days prior to the effective date of the change. In addition, prior to sending a termination notice to Cardholders, the Issuer must obtain written approval from Visa for the proposed content of such notice.
 - If an Issuer adds insurance benefits, fully disclose the new insurance benefit information, administrator's phone number, and other pertinent information to each Visa Cardholder

- If an Issuer discontinues insurance benefits provided by Visa and elects to provide such benefits through an alternate provider, it must fully disclose the new insurance benefit information, administrator's phone number, and other pertinent information to each Visa Cardholder
- Inform Cardholders that in order to receive Insurance benefits, their beneficiaries must prove that the Cardholder purchased the product or service with a Visa Card
- Maintain accurate records documenting the fact that the Issuer sent a copy of the insurance certificate or other disclosure of terms, conditions, and exclusions to each enrolled Visa Cardholder

ID#: 010410-010410-0000420

Insurance Claim Payment - U.S. Region

A U.S. Issuer must pay for any valid insurance claim if either:

- The Issuer did not maintain coverage
- The insurance carrier would have been responsible but failed to pay a valid claim due to insolvency, bankruptcy, or other financial inability to meet its policy obligations

ID#: 010410-010410-0000423

Issuer Responsibility for Insurance Claims - U.S. Region

A U.S. Issuer must defend and pay for any insurance claim if the Cardholder files a claim based on an insurance certificate or other disclosure of terms, conditions, and exclusions and either:

- The Issuer failed to send, or cannot provide documentation of fulfilling its obligation to send, disclosure and disclaimer information to the Visa Cardholder advising the Cardholder that such coverage was no longer available
- The Issuer misrepresented the actual terms of the coverage underwritten, misstated the type or scope of coverage offered by the Issuer, or altered the insurance coverage description without Visa written approval, and such misrepresentation, misstatement, or alteration results in an obligation or claim to pay a claim that was not otherwise covered

ID#: 010410-010410-0000424

Other Issuer Requirements

Issuer Credit Transaction Posting

An Issuer must post a Credit Transaction Receipt to a Cardholder's account within 5 calendar days from the Settlement date.

ID#: 160312-161010-0025743

Issuer Credit Transaction Posting - U.S. Region

Except for U.S. Visa Debit Card Issuers, a U.S. Issuer must post a Credit Transaction Receipt to a Cardholder's account within 3 business days from the Settlement date.

ID#: 160312-161010-0025744

Real-Time Clearing - U.S. Region

In the U.S. Region, for a Real-Time Clearing Transaction, an Issuer must release any hold on available funds in its Cardholder's account as a result of an approved Authorization request:

- Upon receipt of the Completion Message
- Upon expiration of the time limit for completion specified in the preauthorization request if a Completion Message has not been received by that time

ID#: 010410-010410-0006428

Cardholder Payments - Canada Region

Subject to Cardholder consent to any charge imposed by a Canada Member, the Member must accept from the Cardholder a payment in Canadian dollars for another Canada Member's Canadian dollar-denominated Visa billing. Payment must be promptly remitted to that Member.

ID#: 010410-010410-0007459

Status Check Procedure - U.S. Region (New)

Effective 20 October 2012, in the U.S. Region, for a Status Check Procedure Transaction, an Issuer that has received an Acquirer Confirmation Advice must upon receipt of the Acquirer Confirmation Advice release any hold on available funds in its Cardholder's account in excess of the final Transaction amount specified in the Acquirer Confirmation Advice.

ID#: 160312-201012-0026795

Magnetic-Stripe Requirements

General Magnetic-Stripe Requirements

Magnetic-Stripe Material - U.S. Region

For Cards issued in the U.S. Region, Magnetic-Stripe material on Cards must consist of high coercivity magnetic tape. A U.S. Issuer must ensure that Visa-defined values are encoded on the Magnetic Stripe of a Visa Mini Card as specified in the *Payment Technology Standards Manual*.

ID#: 081010-010410-0004575

Magnetic-Stripe Encoding

Magnetic-Stripe Encoding Requirements

The Magnetic Stripe on a Visa Card or Visa Electron Card must be encoded on both track 1 and 2, as specified in the *Payment Technology Standards Manual*.

A variance to this requirement applies in the LAC Region for Magnetic Stripe personalization of instant issue embossed Visa Cards.

ID#: 010410-010410-0003602

Service Codes on Magnetic Stripe

An Issuer may encode its Card acceptance policies in the Service Code field of the Magnetic Stripe using all Service Codes valid for the applicable Card product.

Service Code values must be encoded as specified in the *Payment Technology Standards Manual*.

ID#: 010410-010210-0003603

Chip Card Requirements

General Chip Card Requirements

Chip Card Compliance

Effective through 13 November 2011, all new Visa or Visa Electron Chip programs, initiated on or after 1 January 2001, must:

- Be compliant with the:
 - EMV specifications
 - *Visa Integrated Circuit Card Specification (VIS)*
- Successfully complete the *Visa Chip Security Program - Security Testing Process*

Effective through 13 November 2011, non-compliant Cards issued through 31 December 1999 may be non-compliant until they expire.

Effective through 13 November 2011, all Visa Smart Payment programs must be EMV- and VIS-Compliant.

All Chip Cards must:

- Successfully complete the *Visa Chip Security Program - Security Testing Process*
- **Effective 14 November 2011**, contain Visa Smart Payment

ID#: 160312-010101-0008182

Chip Application Approval

Visa may review and approve all applications contained in a Chip used to facilitate a Visa Smart Payment service.

ID#: 010410-010410-0004023

Chip Parameter Values and Processing Options

An Issuer is responsible and liable for the parameter values and processing options contained in the Visa Smart Payment Application.

ID#: 010410-010410-0004038

Chip Card Authentication

All Chip Card Issuers must perform, and be capable of acting on the results of, validation of EMV-Online Card Authentication Cryptograms for all Chip-initiated Authorization messages processed through VisaNet. Online Card Authentication support may be provided by the Issuer directly, or through either:

- VisaNet
- Third party/VisaNet Processor

ID#: 111011-170410-0007163

Chip Technology Use Notification

An Issuer must notify Visa of its intention to use Chip technology on Cards at least 60 calendar days before issuance.

ID#: 010410-010410-0003590

Chip Financial Application Approval

If a Chip is designed to support a purchase, credit, Cash Disbursement, or other directly related financial application, the Issuer must obtain prior approval for issuance from Visa.

ID#: 010410-010410-0003591

Cardholder Name on Chip

The Cardholder name in a Chip must be the same as the name displayed on the Card and encoded on the Magnetic Stripe^[21].

ID#: 111011-270411-0003595

Information in Chip Magnetic-Stripe Image

Information in a Chip Magnetic-Stripe Image must be the same as that encoded on the Magnetic Stripe^[22]. However, at the Issuer's option, the Cardholder Verification Value contained in the Magnetic Stripe Image (track 2 equivalent data) on the Chip (Chip Card Verification Value-iCVV) may differ from the Card Verification Value encoded on the Card's Magnetic Stripe.

ID#: 111011-270411-0003596

21 **Effective 27 April 2011**, a variance to this requirement applies in the AP Region for Issuers of Contactless Cards in Hong Kong.

22 **Effective 27 April 2011**, a variance to this requirement applies in the AP Region for Issuers of Contactless Cards in Hong Kong.

Non-Visa Services Facilitated by Chip Cards

A Chip Card may facilitate access to non-Visa services provided that the:

- Services do **not** compromise the security or functional integrity of the Visa Smart Payment Applications
- Additions of these services are managed and controlled by the Issuer or its sponsored member
- Issuer indemnifies Visa from any and all Claims or losses resulting from non-Visa services facilitated by the Chip Card

ID#: 010410-010410-0003598

Magnetic-Stripe Information on Chip Cards

Magnetic-Stripe track 2 information and the Cardholder name from track 1 must be contained in a Chip (other track 1 discretionary data is optional).

ID#: 010410-010410-0003601

Chip Issuer Requirements

An Issuer of Cards bearing a Chip must:

- Comply with the *Visa Integrated Circuit Card Specification (VIS)*, available from Visa
- Ensure that any Chip used to facilitate Visa payment services complies with Visa Chip security and service-level standards
- Ensure that its Chip Cards meet the *EMV Integrated Circuit Card Specifications for Payment Systems*

ID#: 220411-010410-0003611

Placement of Chip on Card

A Chip must:

- Be on the front of the Card
- Comply with the International Standards Organization Standard 7816-2, Reference Number ISO/IEC 7816-2:1988 (E) - "Identification on Cards-Integrated Circuit(s) Cards with Contacts-Part 2: Dimensions and Locations of the Contacts"

ID#: 010410-010410-0004586

Chip Interoperability Compliance Program

The Chip Interoperability Compliance Program provides the framework for a Member or Member's agent identified with high-severity Chip interoperability problems to establish an agreed-upon resolution plan and effect a timely resolution. Visa requires the implementation of the Chip Interoperability Compliance Program when Visa determines that progress toward an agreed-upon resolution is no longer acceptable.

ID#: 010410-010410-0001291

Chip Interoperability Compliance Program Penalties

A Member is subject to the penalties specified in the table below if Visa determines that the Member or Member's agent has violated the Chip Interoperability Compliance Program by failing to either:

- Establish and commit to an agreed-upon Chip interoperability resolution plan
- Make satisfactory progress toward an agreed-upon Chip interoperability resolution plan

Member Penalties for Non-Compliance with the Chip Interoperability Compliance Program

Violation	Month	Visa Action or Fine
Initial identification and confirmation of a violation	Month 1	Member receives Notification that Visa will take action if the situation is not addressed to the satisfaction of Visa within 30 calendar days
Unaddressed violation	Month 2	Visa discontinues any Member incentives associated with deployment of products that have been identified as contributors to interoperability problems. Visa may also suspend other incentives. Visa issues a second Notification that fines may apply if the situation is not corrected to the satisfaction of Visa within 60 calendar days of the second Notification.
Unaddressed violation	Months 4-5	Member is assessed US \$25,000 per month
Unaddressed violation	Month 6 and subsequent months	Member is assessed US \$50,000 per month

ID#: 111011-010410-0001292

Chip Card Issuing Requirements - AP Region

Effective through 15 December 2011, an AP Issuer within a given market must:

- Start the migration of at least 80% of all new Visa Cards to be EMV- and VIS-compliant within one year
- Complete the migration of at least 80% of all Visa Cards to be EMV- and VIS-compliant within 6 years

if the following AP thresholds are met:

- Reported EMV terminal penetration equals 80% of all electronic POS devices (as reported on the Quarterly Operating Certificate) **or**
- Reported EMV Chip Card issuing exceeds 25% of all Visa Cards (as reported on the Quarterly Operating Certificate) **and**
- Issuers representing in excess of 60% of total Visa Cards have commenced EMV-Chip Card issuance

ID#: 160312-010410-0008183

Chip Card Issuing Variance - AP Region (Updated)

Effective through 15 December 2011, in AP markets where debit Cards (including Visa Prepaid Cards in this context) comprise more than 50% of the total Visa Card base, or in markets where the business case for Chip Credit Card issuance is challenging, those markets may request a variance from Visa.

ID#: 160312-151211-0004085

Chip Card Issuance in Markets with Excessive Fraud - AP Region (Updated)

Effective through 15 December 2011, if the counterfeit fraud-to-sales ratio (over 4 rolling quarters) in an AP market that has been granted a Chip Card issuing variance exceeds 3 times the AP regional average counterfeit fraud-to-sales ratio, then it is mandatory for that market to commence Chip Card issuance within 12 months from the date when this excess occurred.

ID#: 160312-151211-0004086

Chip Card Issuing Requirements in Australia - AP Region

All Issuers in Australia must migrate their Visa credit, debit, and Reloadable Cards to EMV and VIS-Compliant Chip Cards in accordance with the following timeframes:

- **Effective 1 January 2010**, all newly-issued or re-issued Visa credit Cards must be EMV and VIS-Compliant
- **Effective 1 April 2013**, all Visa credit Cards must be EMV and VIS-Compliant

- **Effective 1 January 2011**, all newly-issued or re-issued Visa debit Cards must be EMV and VIS-Compliant
- **Effective 1 April 2013**, all Visa debit Cards must be EMV and VIS-Compliant
- **Effective 1 January 2013**, all newly issued or re-issued Reloadable Cards must be EMV and VIS-Compliant
- **Effective 1 January 2015**, all Reloadable Cards must be EMV and VIS-Compliant ^[23]

ID#: 230312-060111-0026145

Chip Card Issuing Requirements in New Zealand - AP Region

- **Effective 1 April 2010**, all newly-issued or re-issued Visa credit Cards must be EMV and VIS-Compliant
- **Effective 1 April 2013**, all Visa credit Cards must be EMV and VIS-Compliant
- **Effective 1 April 2012**, all newly-issued or re-issued Visa debit Cards must be EMV and VIS-Compliant
- **Effective 1 April 2014**, all Visa debit Cards must be EMV and VIS-Compliant
- **Effective 1 January 2013**, all newly issued or re-issued Reloadable Cards must be EMV and VIS-Compliant
- **Effective 1 January 2015**, all Reloadable Cards must be EMV and VIS-Compliant ^[24]

ID#: 230312-060111-0026140

Service Requirements for Chip Cardholders - Canada Region (Updated)

A Canada Issuer of Chip Cards bearing the Visa Brand Mark, the Visa Brand Mark with Electron Identifier, or the Visa Electron Symbol and the word "smart" must make available to Cardholders:

- EMV Compliant (Level 1) PC-compatible Chip Card readers/writers
- Authenticated payment software
- Secure online access to Chip Card account statements
- One or more value-added application(s) (e.g., loyalty, secure access, reservation/ticketing) on the Chip

ID#: 160312-010410-0004607

23 Non-Reloadable Cards and Visa TravelMoney Cards are excluded from this requirement.

24 Non-Reloadable Cards and Visa TravelMoney Cards are excluded from this requirement.

Chip Card Branding Requirements - Canada Region (Updated)

A Canada Issuer of Chip Cards bearing the Visa Brand Mark, the Visa Electron Symbol, the Visa Brand Mark with Electron Identifier, or the Visa Electron Symbol and the word "smart" must comply with the *Visa International Operating Regulations* and Canada Regional Operating Regulations when branding all Chip Card readers/writers.

ID#: 160312-010410-0004613

Chip Card Requirements - Canada Region (Updated)

Canada Chip Cards bearing the Visa Brand Mark, the Visa Brand Mark with Electron Identifier, or the Visa Electron Symbol and the word "smart" must:

- Comply with the *Visa International Operating Regulations*, *Visa Product Brand Standards*, *Canada Regional Operating Regulations*, and *Visa Smart Payment International Operating Principles Guide*
- Be Global Platform Cards approved by Visa
- Have a Visa-approved EMV-Compliant Payment Application active on the Chip
- **Effective through 14 March 2012**, be capable of participating in Visa's 3-D Secure global authentication program
- **Effective 15 March 2012**, be capable of participating in Verified by Visa

ID#: 160312-010410-0004614

Liability in Card-Present Environment - Canada Region

A Canada Issuer will be liable for a Transaction in a Card-Present Environment, whether or not the Transaction is Chip-initiated, when the:

- Transaction takes place at a Compliant Chip Card Reading Device with a Compliant PIN entry device within Canada
- Canada Acquirer has complied with all Card acceptance requirements in the *Visa International Operating Regulations* and the *Canada Regional Operating Regulations*

ID#: 160312-011010-0004962

Chip Card Technology Requirements

Smart Payment Application Options

An Issuer must define the Payment Application options for its Visa Smart Payment program.

ID#: 010410-010410-0004024

Visa Public Keys

An Issuer must ensure that the Visa Public Keys used for the Visa or Visa Electron Payment Application are used solely for that purpose.

ID#: 010410-010410-0004025

Chip Card Issuer Terminal Risk Management

A Chip Card Issuer must **not** inhibit Terminal Risk Management (e.g., by programming the Chip to bypass terminal risk management).

ID#: 010410-010410-0004026

iCVV on Chip Cards

All newly issued EMV Chip Cards and existing EMV Chip Cards on renewal must use Chip Card Verification Value-iCVV as part of the Magnetic-Stripe Image, as defined in the *Payment Technology Standards Manual*.

ID#: 081010-010109-0004027

Service Codes on Chip Cards

An Issuer must use a Service Code on all EMV- and VIS-Compliant Chip Cards bearing the Visa Brand Mark or Visa Brand Mark with the Electron Identifier, as specified in the:

- *EMV Integrated Circuit Card Specifications for Payment Systems*
- *Visa Integrated Circuit Card Specification (VIS)*

ID#: 111011-010210-0003593

Chip Card Payment Application

The Payment Application encoded on the Magnetic Stripe of a Chip Card must also be facilitated by the Chip.

ID#: 081010-010410-0003594

Chip Card Application Effective Dates

If an application effective date on a Chip Card is provided within the Chip, it must reflect the same month as the "VALID FROM" date displayed on the Card, if such a date appears on the Card.

ID#: 010410-010410-0003599

Visa Chip Card Payment Application

A Card containing a Chip bearing a Visa-Owned Mark must be capable of facilitating the Payment Application associated with that Mark.

ID#: 010410-010410-0003613

Chip Card Script Message Length - Canada Region

A Canada Issuer of a Compliant Chip Card must ensure that the length of any script message sent to any of its Compliant Chip Cards does not exceed 128 bytes per Transaction.

ID#: 010410-010410-0004631

Chip Card Application Selection Flag - Canada Region

A Canada Issuer may only program an Application Selection Flag (ASF) as follows:

- Where a Compliant Chip Card displays any Visa Brand Name and a competitor Brand, the Issuer of that Compliant Chip Card may program an ASF to suppress the ability of the Visa Smart Payment Application contained in the Compliant Chip Card to transact at domestic ATMs
- Where a Compliant Chip Card displays any Plus Program Mark, the Issuer of that Compliant Chip Card may program an ASF to suppress the ability of the Visa Smart Payment Application contained in the Compliant Chip Card to transact at domestic POS and ATM locations

ID#: 111011-010410-0008733

Chip Card Account Access - U.S. Region

A U.S. Issuer of a Chip Card must:

- Allow a Cardholder to select the service and account to be used for a Transaction, as permitted by local law, and as specified in the U.S. Regional Operating Regulations
- Designate an Account Number for each account accessed by a Visa Smart Payment Application. In addition:
 - The Chip may contain multiple Account Numbers
 - The Visa Payment Application may provide access to more than one account
- Specify an alphanumeric name for each funding account facilitated by the Visa Smart Payment Application when the Chip provides access to more than one account, as specified in the *Visa Integrated Circuit Card Specification (VIS)*

ID#: 220411-010410-0004591

Cardholder Verification Method

PIN as Cardholder Verification Method in Australia – Issuer Requirements – AP Region (Updated)

In Australia, all newly issued or re-issued Visa Cards must be issued with a PIN as the preferred Cardholder Verification Method (CVM).^{[25] [26]}

Effective 1 April 2013, signature will no longer be accepted as Cardholder Verification Method (CVM) for domestic Visa Card Transactions where there is an active PIN-capable electronic device, with the exception of Visa Easy Payment Service (VEPS) Transactions which do not require any Cardholder Verification Method (CVM).^{[27] [28]}

Effective 1 April 2013, when PIN bypass is performed for a Domestic Transaction conducted in a Card-Present Environment, the Issuer must respond with a Decline Response.^[29]

Issuers must ensure that:

- The appropriate host system changes are completed to be able to decline a Transaction where PIN has been bypassed
- The appropriate communication to Cardholders takes place in advance of the above mandate coming into effect

ID#: 160312-210611-0026146

PIN as Cardholder Verification Method in New Zealand – Issuer Requirements – AP Region (Updated)

In New Zealand, all newly-issued or re-issued Visa Cards must be issued with a PIN as the preferred Cardholder Verification Method (CVM).^{[30] [31]}

25 Excludes Cards issued as non-PIN-preferring in order to accommodate specific individual Cardholder needs, as required by local law.

26 Non-Reloadable Cards are excluded from this requirement.

27 Excludes Cards issued as non-PIN-preferring in order to accommodate specific individual Cardholder needs, as required by local law.

28 Non-Reloadable Cards are excluded from this requirement.

29 Excludes Cards issued as non-PIN-preferring in order to accommodate specific individual Cardholder needs, as required by local law.

30 Excludes Cards issued as non-PIN-preferring in order to accommodate specific individual Cardholder needs, as required by local law.

31 Non-Reloadable Cards are excluded from this requirement.

Effective 1 April 2013, signature will no longer be accepted as Cardholder Verification Method (CVM) for domestic Visa Card Transactions in New Zealand where there is an active PIN-capable electronic device, with the exception of Visa Easy Payment Service (VEPS) Transactions which do not require any CVM. ^[32] ^[33]

Effective 1 April 2013, when PIN bypass is performed for a Domestic Transaction conducted in a Card-Present Environment, the Issuer must respond with a Decline Response. ^[34]

Issuers must ensure that:

- The appropriate host system changes are completed to be able to decline a Transaction where PIN has been bypassed
- The appropriate communication to Cardholders takes place in advance of the above mandates coming into effect

ID#: 160312-210611-0026141

Cardholder Verification Method List - Canada Region

A Canada Issuer of a Compliant Chip Card must ensure that the Compliant Chip Card contains a Cardholder Verification Method (CVM) List, which must contain, at minimum, the following methods of Cardholder verification:

- "Offline PIN at POS"
- "Online PIN at ATM"
- "Signature"
- "No CVM required"

An Issuer of a Compliant Chip Card must ensure that the use of CVM condition codes relating to cash or Cash-Back do not prevent the completion of Manual Cash Disbursements.

ID#: 010410-010410-0008187

Offline PIN Cardholder Verification Method - Canada Region

Effective 1 October 2011, a Canada Issuer of a Compliant Chip Card must ensure that the Cardholder Verification Method (CVM), "Offline PIN at POS," is activated and is the preferred CVM unless either the:

- Compliant Chip Card is issued no more than 6 months before the date of the Compliant Chip Card Transaction in question

32 Excludes Cards issued as non-PIN-preferring in order to accommodate specific individual Cardholder needs, as required by local law.

33 Non-Reloadable Cards are excluded from this requirement.

34 Excludes Cards issued as non-PIN-preferring in order to accommodate specific individual Cardholder needs, as required by local law.

- Cardholder is subject to a disability or impairment that would prevent them from using a PIN

ID#: 010410-011011-0004963

Cardholder Verification Method List - U.S. Region

In the U.S. Region, if a Cardholder Verification Method List is specified, the Issuer of a Chip Card containing a Visa Smart Payment Application must:

- Include "signature"
- Include "Online PIN"
- Define "no Cardholder Verification Method required" as the last option
- For a Chip-initiated Manual Cash Disbursement Transaction, define "signature" as a secondary Cardholder Verification Method

ID#: 010410-010410-0004590

Card Authentication Method

Dynamic Data Authentication in Australia and New Zealand - AP Region (Updated)

Effective 1 January 2012, in Australia and New Zealand, all newly-issued Visa Chip Cards and existing Visa Chip Cards on renewal, that support offline data authentication, must support Dynamic Data Authentication (DDA). Online-only Visa Cards that do not support any type of offline data authentication are still permitted.

Effective 1 January 2012, in Australia and New Zealand, all newly-issued Visa Chip Cards and existing Visa Chip Cards on renewal must **not** support Static Data Authentication (SDA).

Effective 1 January 2016, in Australia and New Zealand, all Visa Chip Cards, that support offline data authentication, must support Dynamic Data Authentication (DDA). Online-only Visa Cards that do not support any type of offline data authentication are still permitted.

Effective 1 January 2016, in Australia and New Zealand, all Visa Chip Cards must **not** support Static Data Authentication (SDA).

ID#: 160312-060111-0026149

Chip Card Online/Offline Data Authentication - Canada Region

In the Canada Region, a Compliant Chip Card must instruct the terminal to go Online if the Offline Data Authentication fails. If the terminal is unable to go Online, the Transaction must be declined.

ID#: 010410-010410-0004626

Chip Card Support Static Data Authentication - Canada Region

In the Canada Region, all Compliant Chip Cards must at a minimum support Static Data Authentication.

ID#: 010410-010410-0004627

Cardholder Account Selection

Chip Card Account Access

The Visa or Visa Electron Payment Application on a Chip Card may provide access to more than one account.

ID#: 010410-010410-0004030

Chip Card Account Requirements

An Issuer of a Chip Card must:

- **Not** use a Visa Smart Payment Application to directly credit or debit any account other than an account that is maintained by that Issuer or another Member under contract with the Issuer. This does not prevent the debiting or crediting of funds maintained elsewhere to that account.
- Allow a Cardholder to select the service and account to be used for a Transaction, as permitted by local law, and as specified in the *Visa International Operating Regulations*
- Designate an Account Number for each account accessed by a Visa Smart Payment Application. In addition, the Chip may contain multiple Account Numbers.
- Specify an alphanumeric name for each funding account facilitated by the Visa Smart Payment Application when the Chip provides access to more than one account, as specified in the *Visa Integrated Circuit Card Specification (VIS)*

ID#: 220411-010410-0004031

Chip Card Account Selection

To assist Cardholder account selection, the Issuer of a Chip Card may establish account priorities determining the order in which accounts are displayed or reviewed by the Chip-Reading Device. The first priority account must be the same as the account that is encoded on the Magnetic Stripe, and if applicable, displayed on the front of the Card.

ID#: 081010-010410-0004032

Chip Card Post-Issuance Updates

Chip Card Post-Issuance Updates

An Issuer may process Post-Issuance Updates to a Chip Card used to facilitate a Visa Smart Payment Application, as specified in:

- *Visa Integrated Circuit Card Specification (VIS)*
- *Visa International Operating Regulations*

ID#: 220411-010410-0004033

Issuer Control of Post-Issuance Updates

Post-Issuance Updates to a Chip Card containing a Visa or Visa Electron Payment Application must be controlled exclusively by the Issuer.

ID#: 010410-010410-0004034

Impact of Post-Issuance Updates

Post-Issuance Updates must **not** adversely impact the Transaction completion time at a Point-of-Transaction Terminal or an ATM.

ID#: 010410-010410-0004035

Post-Issuance Application Load Conditions

Post-Issuance Application Load of a Visa or Visa Electron Payment Application is **not** permitted unless the Card bears the appropriate Visa Brand Mark or Visa Brand Mark with the Electron Identifier.

ID#: 111011-010410-0004036

Post-Issuance ATM Application Load

Post-Issuance Application Load of a proprietary ATM application that supports Plus requires the addition of the Plus Symbol at the time of Card reissuance. Card reissuance must occur within 5 years of the Post-Issuance Application Load.

ID#: 010410-010410-0004037

Chip Issuer Liability

Liability for Chip-Initiated Offline-Authorized Transactions

The Issuer is liable for Chip-initiated, offline-authorized Transactions when:

- Visa Smart Payment Application is active
- Terminal Risk Management is performed
- Merchant's Floor Limit is not exceeded

ID#: 010410-010410-0004039

EMV Liability Shift - Issuer Liability for Card-Present Counterfeit Chip Card Transactions

Counterfeit Card Transactions completed in a Card-Present Environment are the liability of the Issuer if:

- The Transaction takes place at an EMV-Compliant Chip-Reading Device
- The Transaction is Chip-initiated, the Transaction is correctly processed to completion in accordance with the *EMV Integrated Circuit Card Specifications for Payment Systems* and *Visa Integrated Circuit Card Specification (VIS)*

The requirements in this section apply to qualifying Transactions, as specified in "EMV Liability Shift Participation."

ID#: 160312-010410-0001820

EMV Liability Shift - Issuer Liability for Non-Counterfeit Card-Present Fraudulent Transactions

Non-Counterfeit Card fraudulent Transactions completed in a Card-Present Environment are the liability of the Issuer if:

- The Transaction takes place at an EMV PIN-Compliant Device
- Correct acceptance procedures have been followed (including compliance with "Maximum Authorized Floor Limits")
- The Transaction is Chip-initiated, the Transaction is correctly processed to completion in accordance with the *EMV Integrated Circuit Card Specifications for Payment Systems* and *Visa Integrated Circuit Card Specification (VIS)*

The requirements in this section apply to qualifying Transactions, as specified in "EMV Liability Shift Participation."

ID#: 160312-010410-0001834

Liability for Chip Fallback Transactions

Transactions accepted as Fallback Transactions are the liability of the Issuer if:

- Card is a Chip Card containing a Visa or Visa Electron Smart Payment Application, or an EMV and VIS-Compliant Plus application
- Transaction is authorized by the Issuer or the Issuer's agent, the appropriate values identifying the Transaction as a Fallback Transaction are included within the related Authorization Message, and correct acceptance procedures are followed

ID#: 010410-010410-0001835

EMV Liability Shift - Acquirer Liability for Account Generated Counterfeit Fraud

Counterfeit Transactions completed in a Card-Present Environment are the liability of the Acquirer, if:

- Transaction did **not** take place at a Chip-Reading Device
- Account Number was **not** resident on the Issuer's Master File on the Transaction Date
- All valid Cards bearing Account Numbers within the same account range as the Counterfeit Card are Chip Cards containing a Visa or Visa Electron Smart Payment Application
- Transaction was below Merchant's Floor Limit and did **not** receive Authorization
- Account Number was resident on the Exception File with a Pickup Response on the Processing Date of the Compliance filing and was on the Exception File for a total period of at least 60 calendar days from the date of listing

The requirements in this section apply to qualifying Transactions, as specified in "EMV Liability Shift Participation."

ID#: 160312-010410-0001819

Authorization of Chip Fallback Transactions - Canada Region

A Canada Issuer or the Issuer's agent must send a Decline Response to all Authorization Requests for Fallback Transactions.

ID#: 050411-020209-0004959

Issuer Liability for Chip Fallback Transactions - Canada Region

A Canada Issuer is liable for a Fallback Transaction if the:

- Card is a Compliant Chip Card
- Transaction was authorized Online by the Issuer or the Issuer's agent
- Appropriate values identifying the Transaction as a Fallback Transaction are included in the Authorization Request

ID#: 010410-010410-0004960

Issuer Liability for Chip-Initiated Offline-Authorized Transactions - Canada Region

A Canada Issuer is liable for all Chip-initiated Transactions generated at Compliant Chip Card Reading Devices with a Pin Entry Device (PED) using Offline Authorizations, when:

- The Visa Smart Payment Application is active
- Terminal Risk Management is performed
- Merchant's Floor Limit is **not** exceeded
- The Cardholder Verification Method List is used as specified in the *Visa International Operating Regulations* and the Chip Specifications

ID#: 160312-010410-0004961

EMV Liability Shift

EMV Liability Shift Participation (Updated)

The EMV Liability Shift applies to qualifying Transactions, as specified in the following table.

EMV Liability Shift Participation

Region	Trans- actions in EMV Liability Shift effective before 1 January 2012	Trans- actions in EMV Liability Shift effective 1 January 2012	Trans- actions in EMV Liability Shift effective 1 October 2012	Trans- actions in EMV Liability Shift effective 1 April 2013	Trans- actions in EMV Liability Shift effective 1 October 2014	Trans- actions in EMV Liability Shift effective 1 October 2015
AP Region	All domestic, intraregional, and Interregional ¹ counterfeit POS Transactions, except Domestic Transactions in China and Japan			All domestic, intraregional, and interregional ¹ counterfeit POS Transactions, except Domestic Transactions in China and Japan In addition, for Australia and New Zealand only, all domestic, intraregional, ³ and interregional ¹ counterfeit ATM Transactions		

Visa International Operating Regulations

Region	Transactions in EMV Liability Shift effective before 1 January 2012	Transactions in EMV Liability Shift effective 1 January 2012	Transactions in EMV Liability Shift effective 1 October 2012	Transactions in EMV Liability Shift effective 1 April 2013	Transactions in EMV Liability Shift effective 1 October 2014	Transactions in EMV Liability Shift effective 1 October 2015
Canada Region	All domestic and interregional ¹ POS and ATM Transactions ⁵					
CEMEA ² Region	All domestic, intraregional, and interregional ¹ POS and ATM Transactions ⁵					
LAC Region	For Brazil and Mexico, all domestic, intraregional, ⁴ and interregional ¹ POS Transactions ⁵	For Brazil and Mexico, all domestic, intraregional, ⁴ and interregional ¹ POS Transactions ⁵ For Venezuela, all domestic counterfeit POS and ATM Transactions	All intraregional and interregional ¹ counterfeit POS Transactions In addition, for Brazil and Mexico only, all domestic, intraregional, ⁴ and interregional ¹ POS and ATM Transactions ⁵ For Venezuela, all domestic counterfeit POS and ATM Transactions		All intraregional and interregional ¹ POS and ATM Transactions and Domestic Transactions in Brazil and Mexico For Venezuela, all domestic counterfeit POS and ATM Transactions	
U.S. Region	Not applicable					All domestic and interregional ¹ counterfeit POS Transactions ⁶
Visa Europe	All domestic, intraregional, and interregional ¹ POS and ATM Transactions ⁵					
<ol style="list-style-type: none"> 1. Among Visa Regions and individual countries participating in the EMV Liability Shift 2. Including Afghanistan and Pakistan 3. Between Australia and New Zealand 4. Between Brazil and Mexico 5. Counterfeit, lost, stolen, and "not received item" (NRI) fraud only 6. Effective through 30 September 2017, except Transactions at Automated Fuel Dispensers 						

ID#: 040412-010410-0008190

Proximity/Contactless Cards

Proximity Payment Issuer Requirements (Updated)

An Issuer that issues Proximity Payment Cards in countries without an existing contactless implementation must comply with the Visa Contactless Payment Specifications.

Effective 1 January 2012, except for Issuers in the U.S. Region, a Proximity Payment Device Issuer must ensure that all newly issued or replacement Proximity Payment Devices comply with the *Visa Contactless Payment Specification 2.0* or later, ^[35] and must support the qVSDC transaction path. Support for the MSD transaction path is optional.

ID#: 230312-010410-0002051

Proximity Payment Device Requirements (Updated)

Effective through 8 June 2011, a Proximity Payment Device:

- Has distinct branding requirements, as specified in the *Visa Product Brand Standards*
- Must be issued with linkage to a Visa Card account, excluding Prepaid devices
- Must be assigned an expiration date that is on or before the date on the primary account Card
- May be assigned a different Account Number
- Must comply with one of the following specifications:
 - *Visa Contactless Payment Specifications*
 - *Visa Contactless Payment Specification ISO 14443 Type A and Type B*

Effective 9 June 2011, an Issuer that issues Proximity Payment Devices must ensure that the Proximity Payment Device:

- Is issued with linkage to a Visa Card account, excluding Prepaid devices. (A Proximity Payment Device may be assigned a different Account Number.)
- Is assigned an expiration date that is on or before the date on the primary account Card
- Complies with the following:
 - *Visa Contactless Payment Specifications*
 - For adhesive micro tags, *Visa payWave Adhesive Micro Tag Requirements*
 - **Effective 8 March 2012**, for Mobile Payment Devices, *Visa Mobile Contactless Payment Specification (VMCPS)*
 - *Visa Product Brand Standards*

ID#: 160312-010410-0002052

35 **Effective 1 January 2013**, for Proximity Payment Devices issued in Korea, Malaysia, and Taiwan.

Notification of Proximity Payment Device Risks and Restrictions

Effective 9 June 2011, before or at the time of issuance, an Issuer that provides a Proximity Payment Device (including, in the U.S. Region, a Visa Micro Tag) to a Cardholder must provide written notification that informs the Cardholder of potential risks and restrictions associated with the Proximity Payment Device, including, but not limited to:

- **Effective through 14 October, 2011**, the inability to use the Proximity Payment Device at Cardholder-Activated Terminals, such as ATMs or Automated Fuel Dispensers, where card insertion is required
- **Effective 15 October 2011**, the inability to use the Proximity Payment Device at ATMs or Unattended Cardholder-Activated Terminals, such as Automated Fuel Dispensers, where card insertion is required
- Any daily Transaction amount limit implemented by the Issuer in connection with the Proximity Payment Device, if applicable
- For a Proximity Payment Device in the form of an adhesive micro tag, the risk of impairing the functionality of a mobile phone or other device to which a Proximity Payment Device is attached
- For a Proximity Payment Device in the form of an adhesive micro tag, the risk of invalidating the manufacturer's warranty, if applicable, for a mobile phone or other device to which a Proximity Payment Device is attached

ID#: 151011-090611-0026159

Visa payWave Application Requirement - U.S. Region (New)

Effective 1 January 2012, a U.S. Issuer that issues a Visa Card with contactless payment capability must enable the Visa payWave Application on the Visa Card.

ID#: 160312-010112-0026754

Visa payWave Transaction Processing - U.S. Region (New)

Effective 1 April 2012, a Transaction initiated using the Visa payWave Application on a Visa Card issued in the U.S. Region must be processed as a Visa Transaction or an Interlink Transaction, as applicable.^[36]

ID#: 160312-010412-0026763

Visa Contactless Payment Program Participation - U.S. Region

A U.S. Issuer that participates in the optional Visa Contactless Payment Program must comply with issuance, operating, and processing requirements specified in:

36 **Effective 1 April 2012**, this provision does not apply to U.S. Covered Visa Debit Cards that are Visa contactless-only payment devices.

- *Visa U.S.A. Contactless Payment Program Member Implementation Guide*
- *Visa U.S.A. Contactless Payment Program Technical Implementation Guide*
- *Visa U.S.A. Contactless Payment Program Member Testing and Certification Guide*
- *Contactless Indicator Guidelines for Cards*
- *Contactless Indicator and Contactless Symbol Reproduction and Applications Guide*
- *Visa Product Brand Standards*
- Appropriate VisaNet manual, including Proximity Payment processing requirements, which are also applicable to Contactless Payment Transactions

ID#: 111011-010410-0002063

Cardholder Name on Contactless Payment Chip - U.S. Region

A Contactless Payment Issuer in the U.S. Region must either use a generic identifier or leave blank the Cardholder name field on the Contactless Payment chip embedded in the Visa Contactless Payment Card or the Visa Micro Tag, as specified in the *Visa U.S.A. Contactless Payment Program Technical Implementation Guide*.

ID#: 111011-010410-0008189

Cardholder Name on Magnetic Stripe of Contactless Payment Card - U.S. Region

In the U.S. Region, the requirement in "Cardholder Name on Contactless Payment Chip - U.S. Region" does **not** apply to the data contained in the Magnetic Stripe of a Contactless Payment Card.

ID#: 010410-010410-0008188

Contactless Card Expiration Date - U.S. Region

In the U.S. Region, the expiration date on a Visa Mini Card with Contactless functionality or a full-size Visa Contactless Card must be the same as the expiration date encoded on the Magnetic Stripe and printed or displayed on the corresponding full-size Visa Card.

ID#: 010410-010410-0002082

Contactless Card Application Transaction Counter - U.S. Region

A U.S. Issuer must validate the Application Transaction Counter on each of its Cards with contactless payment capability during the Authorization process for a Contactless Payment Transaction.

ID#: 010410-010410-0002064

Allowed Contactless Cards - U.S. Region

With prior written consent of Visa, a U.S. Issuer participating in the Visa Contactless Payment Program may issue Contactless Cards in any of the following forms:

- A full-sized Visa Card
- A Visa Mini Card
- A Visa Micro Tag

Except when specifically stated to the contrary, all other Operating Regulations apply to Visa Contactless products in the U.S. Region.

ID#: 010410-010410-0008904

Notification of Contactless Card Usage Restrictions - U.S. Region

Effective through 8 June 2011, before or at the time of issuance, a Visa Contactless Issuer in the U.S. Region must provide written notification, approved by Visa, that informs the Cardholder of potential usage restrictions associated with Visa Contactless devices, including, but not limited to:

- The inability to use the Visa Contactless device at Cardholder-Activated Terminals such as ATMs or Automated Fuel Dispensers, where card insertion is required
- Any daily Transaction dollar limit implemented by the Issuer in connection with the Visa Micro Tag, if applicable

ID#: 111011-010410-0002067

Contactless Payment Program Customer Service Telephone Number - U.S. Region

A U.S. Issuer participating in the Contactless Payment Program must print a toll-free customer service telephone number on the back of a Visa Contactless Card, with the exception of the Visa Micro Tag.

ID#: 010410-010410-0002068

Mini Card Issuance Requirements - U.S. Region

A Visa Contactless Mini Card Issuer in the U.S. Region must:

- Comply with the Visa Mini Card program requirements specified in the *Visa International Operating Regulations*
- Comply with the Visa Mini Card design requirements specified in the *Visa Product Brand Standards*

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ID#: 111011-010410-0002069

Proximity Payment Program Issuer Requirements - Canada Region

A Canada Issuer that issues a Proximity Payment Card may program the Proximity Payment Card to allow for Offline Authorizations for any amount and must program the Proximity Payment Card to ensure that it complies with all of the following:

- A Cardholder Verification Method is not required
- Both the MSD protocol and the qVSDC protocol that uses Cryptogram 17, as defined in the Visa Contactless Payment Specifications, are supported
- A total maximum amount, including applicable taxes, of at least CAD \$50 is programmed

ID#: 220411-010410-0008192

Mobile Payment Devices

Mobile Payment Devices - Issuer Requirements (New)

Effective 8 March 2012, an Issuer of a Mobile Payment Device must:

- Register with Visa
- Ensure that the Mobile Payment Device:
 - Is approved by Visa
 - Uses a Visa-approved secure element
 - Uses a Visa-approved Visa Mobile Payment Application
 - Complies with the *Visa Mobile Contactless Payment Specification (VMCPS)*
 - Complies with the *Visa Product Brand Standards*

Effective 8 March 2012, if an Issuer pre-sets the Passcode on the Mobile Payment Device, it must not use a Passcode that is the same as, or otherwise represents, the PIN on the account if the PIN may also be used with the corresponding Card.

Effective 8 March 2012, an Issuer must not systematically synchronize the Online PIN and the Passcode on a Mobile Payment Device if the Online PIN is also linked to the corresponding Card.

ID#: 160312-080312-0026783

Mobile Payment Devices - Third Party Requirements (New)

Effective 8 March 2012, an Issuer that contracts with a third party for the provisioning, personalization, or management of a secure element or a payment application on a Mobile Payment Device must ensure that the third party complies with either of the following, as applicable:

- *Visa Global Security Requirements for Secure Element Vendors and OTA Service Providers.*
- *Global Security Validation Requirements for Over-the-Air Secure Element Personalization Vendors*

ID#: 160312-080312-0026804

Mobile Gateways - Issuer Requirements (New)

Effective 8 March 2012, an Issuer that uses a mobile gateway for its Mobile Payment Devices must ensure that the mobile gateway:

- Is approved by Visa
- Complies with the Visa Mobile Gateway Specifications
- Complies with the *Visa Mobile Gateway Logical and Physical Security Requirements*

ID#: 160312-080312-0026796

Mobile Payment Devices - Cardholder Verification Method Requirements (Updated)

Effective 8 March 2012, an Issuer of a Mobile Payment Device in the AP, CEMEA, or U.S. Regions must ensure that the Mobile Payment Device supports signature as a Cardholder Verification Method.

Effective 1 October 2012, an Issuer of a Mobile Payment Device must ensure that the Mobile Payment Device supports a Consumer Device Cardholder Verification Method (CDCVM).

ID#: 230312-080312-0026784

Limited Use Products

Restricted Use Cards

Restricted Card Program - LAC Region

With Visa approval, an LAC Issuer that operates a restricted Card program may:

- Expand the use of restricted Cards to countries where reciprocal Settlement is permitted

- Issue Cards as specified in the *Visa Product Brand Standards*

ID#: 010410-010410-0004582

Non-Standard Cards

Non-Standard Card General Requirements

Non-Standard Card Plastic Specifications

With Visa approval, an Issuer may issue a Visa Card or Visa Electron Card in a size and design that does not comply with the plastic specifications in the *Visa Product Brand Standards*. Refer to the *Visa Product Brand Standards* for more information on Non-Standard Cards.

ID#: 010410-010410-0003243

Non-Standard Card Requirements

A Non-Standard Card must:

- Provide the designated level of utility promised to the Cardholder
- Contain the physical elements and data components required to complete a Transaction

ID#: 010410-010410-0003241

Non-Standard Card Prohibitions

A Non-Standard Card must **not**:

- Permit exclusive or preferential acceptance by a Merchant
- Be linked to a Virtual Account

ID#: 010410-010410-0003242

Non-Standard Card BIN Requirements - AP Region

A Visa Infinite Card Issuer must:

- Be available to respond to a request from the Emergency Payment Authorization Service 24 hours a day, 7 days a week
- Provide all needed information and a decision to approve or deny the request during the initial telephone contact with Visa Global Customer Care Services
- Provide the Merchant, or Visa Global Customer Care Services, with a unique Authorization Code

- If providing the service directly to the Cardholder, contact the Merchant to verify the circumstances, explain the service, and complete the Transaction
- Send a fax to the Merchant that includes the Cardholder name, Account Number, expiration date, Authorization Code, and Transaction amount

ID#: 050411-010410-0001666

Visa Mini Cards - U.S. Region

Visa Mini Card Issuance Requirements - U.S. Region

With the prior written consent of Visa, a U.S. Member may issue Visa Mini Cards, provided the Member meets the requirements specified in the *Visa International Operating Regulations* and the *Visa Product Brand Standards*. Except when specifically stated to the contrary, all other Operating Regulations apply without modification. Refer to the *Visa Product Brand Standards* for more information on Non-Standard Cards.

ID#: 050411-010410-0000434

Visa Mini Card Issuance Limitations - U.S. Region

Except as stated otherwise in "Visa Mini Card Instant/Remote Issuance - U.S. Region," a Visa Mini Card may be issued **only** in the United States and **only** if the Cardholder either:

- Already possesses a corresponding full-sized Visa Card
- Is issued a corresponding full-sized Card contemporaneously with the issuance of the Visa Mini Card

ID#: 010410-010410-0000435

Visa Mini Card Corresponding Card Requirements - U.S. Region

A Visa Mini Card Issuer in the U.S. Region must ensure that the Visa Mini Card and the corresponding full-sized Card are the same Visa product type and offer the same benefits.

ID#: 010410-010410-0000436

Notification of Visa Mini Card Usage Restrictions - U.S. Region

Before or at the time of issuance, a Visa Mini Card Issuer in the U.S. Region must provide written notification, approved by Visa, that informs the Cardholder of potential usage restrictions, including the inability to use the Visa Mini Card at Cardholder Activated Terminals where card insertion is required, such as an ATM or an Automated Fuel Dispenser.

ID#: 010410-010410-0000437

Visa Micro Tag

Visa Micro Tag Issuance - U.S. Region

A Visa Micro Tag may be issued if a U.S. Cardholder either:

- Already possesses a corresponding full-size Card
- Is issued a corresponding full-size Card contemporaneously with the issuance of the Visa Micro Tag

ID#: 010410-010410-0002070

Visa Micro Tag Issuance Requirements - U.S. Region

A Visa Contactless Issuer in the U.S. Region must ensure that the Visa Micro Tag and the corresponding full-size Card are the same Visa product type and offer the same benefits.

ID#: 010410-010410-0002071

Unembossed Cards

Service Codes on Unembossed Cards

If permitted by Visa, an Issuer may issue unembossed Visa Cards with any valid Service Code, as specified in the *Payment Technology Standards Manual*, excluding unembossed Visa Prepaid Cards.

All newly issued unembossed Visa Prepaid Cards must be encoded with Service Code.

ID#: 160312-010210-0004058

Unembossed Visa Electron Card Requirements

In countries where the Visa Electron Program exists, an Issuer may temporarily print the Visa Brand Mark with the Electron Identifier on the back of an unembossed Visa Card, provided that the Card is issued within 5 years of the initial unembossed Visa Card program offering.

ID#: 010410-010410-0004059

Unembossed Card Issuance - U.S. Region

In the U.S. Region, an Issuer of unembossed Visa Cards must:

- Only issue unembossed Visa Cards for the following products:

- Visa Consumer Credit Cards
- Consumer Visa Check Cards
- Visa Business Check Cards
- Visa Business credit Cards
-

ID#: 111011-010410-0003406

Virtual Accounts

Virtual Accounts - General Requirements

Virtual Account Requirements

A Virtual Account must:

- Be established as a Visa consumer or commercial credit, debit, or Prepaid Account
- Comply with electronic commerce payment authentication requirements established by Visa

ID#: 081010-010410-0001643

Virtual Accounts - Commercial BIN Requirements

An Issuer that provides a Commercial Visa Product as a Virtual Account must use a Commercial Visa Product BIN.

ID#: 081010-010410-0001635

Virtual Accounts - Consumer Programs

Approval of New Virtual Account Programs

Visa must review and approve new consumer Virtual Account programs.

ID#: 010410-010410-0003636

Virtual Account Issuer Requirements

A consumer Virtual Account Issuer must:

- Provide Lost/Stolen Card Reporting Service

- Verify Virtual Account Information, including name, as applicable, Account Number, and account expiration date, with the Virtual Account Holder
- Prior to Activation, inform a Virtual Account Holder of program details covering the use of a Virtual Account
- Communicate Virtual Account information to the Virtual Account Holder in a secure manner so as to prevent the unauthorized access to account information
- If a Reference Card is provided, comply with Reference Card design requirements as specified in the *Visa Product Brand Standards*

ID#: 081010-010410-0001645

V.me by Visa

V.me by Visa - General Requirements

V.me by Visa - Transaction Requirements (New)

Effective 15 April 2012, if a Transaction is conducted through V.me by Visa with a Visa-branded product, it is subject to all current Visa International Operating Regulations.

ID#: 040412-150412-0026988

V.me by Visa - Card Enrollment (New)

Effective 15 April 2012, an Issuer must not restrict a V.me by Visa Account Holder from enrolling the Issuer's Card in one or more V.me by Visa accounts.

ID#: 040412-150412-0026989

Consumer Products

Visa Consumer Products - General Requirements

Visa Premium Product Hierarchy

An Issuer must establish a premium product value hierarchy based on features, performance standards, and spending limits as follows:

- A Visa Platinum Card must be equal to or higher in value to a Cardholder than a Visa Gold/Premier Card
- A Visa Gold/Premier Card must have more value to a Cardholder than a Visa Classic Card
- A Visa Business Gold Card must have more value to a Cardholder than a Visa Business Card

A variance to this requirement applies in the U.S. Region.

ID#: 050411-010410-0008225

Consumer Card Issuer Requirements - U.S. Region

A Visa Consumer Credit Card Issuer in the U.S. Region must comply with the requirements specified in the *Visa Enhancements Resource Guide*.

ID#: 050411-010410-0004146

Visa Classic Cards

Visa Classic Card Customer Support Services

A Visa Classic Card Issuer must comply with the customer support services requirements specified in the *Visa International Operating Regulations*. Visa may require that Issuers provide these services within a Visa Region.

ID#: 010410-010410-0004219

Visa Classic Card Fees - LAC Region

In the LAC Region, Visa will assess an annual fee as specified in the *Visa LAC Fee Guide* or applicable local fee guide for each Visa Classic account reported. This fee includes mandatory travel accident insurance with coverage of US \$75,000.

ID#: 050411-011009-0008921

Visa Charge Card

Visa Charge Card Authorization Requirements (New)

Effective 8 March 2012, in the U.S. Region, a Visa Charge Card issued as a Visa Signature Card or Visa Signature Preferred Card must be issued with no pre-set spending limit.

ID#: 160312-080312-0026981

Visa Charge Card Issuer Requirements - U.S. Region

A Visa Charge Card Issuer in the U.S. Region must:

- Register the program and obtain prior approval from Visa

- Comply with all of the requirements specified in the *Visa Consumer Charge Card Product and Implementation Guide – U.S. Region*

ID#: 160312-240211-0026356

Visa Charge Card Classification - U.S. Region

A U.S. Issuer must identify a Visa Charge Card and distinguish it from a Visa Consumer Credit Card by using one of the following classification levels, as specified in the appropriate VisaNet manual:

- BIN
- Account Range Definition (ARDEF)
- Account level processing

ID#: 160312-240211-0026357

Visa Signature Preferred Charge Card Allowable Decline and Referral Reasons - U.S. Region (Updated)

Effective 8 March 2012, a U.S. Issuer that issues a Visa Signature Preferred Card as a Visa Charge Card must give a Decline Response or Referral Response only as specified

ID#: 230312-010410-0005414

Visa Traditional Rewards Cards - U.S. Region

Traditional Rewards Card Issuance - U.S. Region

A Visa Traditional Issuer in the U.S. Region may, with prior approval from Visa, issue a Visa Traditional Rewards Card if it meets the requirements specified in the *Visa International Operating Regulations*.

ID#: 081010-010410-0003874

Rewards Currency Administration - U.S. Region

In the U.S. Region, Visa, the Issuer, or a third party may administer Rewards Currency requirements, including, but not limited to, aggregation, redemption, expiration, statements, and valuation disclosure.

ID#: 010410-010410-0003875

Issuer Rewards Program Registration - U.S. Region

A U.S. Issuer must register its rewards program with Visa and meet the Visa Traditional Rewards Card requirements by the dates specified in the *Visa Traditional Rewards Product Registration Toolkit*.

Visa may impose conditions on U.S. Issuer participation at any time.

ID#: 010410-010410-0008806

Visa Traditional Rewards Product Requirements - U.S. Region

A Visa Traditional Rewards Card Issuer in the U.S. Region must comply with Visa Traditional product requirements, including, but not limited to, core service requirements outlined in the *Visa Enhancements Resource Guide*.

ID#: 010410-010410-0003883

Visa Traditional Rewards Card Classification - U.S. Region

A U.S. Issuer must identify Visa Traditional Rewards Card Account Numbers and distinguish them from other Visa Traditional (non-rewards) Account Numbers by using one of the following classification levels, as specified in the appropriate VisaNet manual:

- BIN
- Account Range Definition (ARDEF)
- Card Account Number

ID#: 010410-010410-0003886

Visa Traditional Rewards Program Registration - U.S. Region

In addition to the "BIN License Agreement" (available through the Visa Publication Center on Visa Online), in order to request the required classification, a U.S. Issuer must submit to Visa for approval a completed registration package, which is outlined in the *Visa Traditional Rewards Product Registration Toolkit*.

ID#: 111011-010410-0003887

Visa Traditional Rewards Terms and Conditions - U.S. Region

In the U.S. Region, a Visa Traditional Rewards Card Issuer must:

- Provide complete and accurate disclosure of all Visa Traditional Rewards Card terms and conditions, including, but not limited to, Rewards Currency, Rewards Currency accrual, expiration and maximum cap, point redemption, costs, fees (if any), an explanation of Qualifying Purchase Transactions, and all other material terms and conditions upon Cardholder enrollment in the program, and as required by applicable laws and regulations
- Notify the Cardholder of any material changes to the program terms and conditions before the revision effective date
- Ensure the accuracy of any information that it or its Agent provides to its Cardholders

ID#: 010410-010410-0003897

Communication of Rewards Currency Value - U.S. Region

In the U.S. Region, a Visa Traditional Rewards Card Issuer must communicate, in writing, the value of the Rewards Currency to its Cardholders, annually or more frequently as required by applicable laws and regulations. The communication must, at minimum, include the following information about the Rewards Currency:

- Amount earned
- Amount redeemed
- Balance remaining

ID#: 010410-010410-0003898

Visa Traditional Rewards Program Auditing - U.S. Region

Visa, or a third party designated by Visa, may audit the records and procedures of any U.S. Issuer at any time to ensure that the Visa Traditional Rewards Card product criteria are met. An Issuer must bear any internal administrative costs associated with such an audit.

ID#: 010410-010410-0006842

Visa Traditional Rewards Program Penalties for Non-Compliance - U.S. Region

A U.S. Issuer that fails to comply with the Visa Traditional Rewards Card product requirements or fails to maintain operational compliance with the terms and conditions specified in the *Visa International Operating Regulations* may be subject to fines. Failure to comply with the terms of the rewards program will disqualify the Issuer from receiving the Visa Traditional Rewards Interchange Reimbursement Fee.

ID#: 010410-010410-0003899

Visa Traditional Rewards Program Participation - U.S. Region

A Visa Traditional Rewards Card Issuer in the U.S. Region must:

- Offer a rewards program to its Visa Traditional Cardholders in accordance with the requirements specified in the *Visa Traditional Product Rewards Registration Toolkit*
- Notify Cardholders, at least quarterly, via billing statement or stand-alone statement, regarding reward points earned during the relevant period

ID#: 160312-160211-0026236

Visa Debit Cards

Check Card BIN Usage - U.S. Region

A U.S. Issuer must use a unique check card BIN assigned to it by Visa for each of the following consumer program types:

- Visa Check Card
- **Effective through 30 June 2012**, Visa Check Card II Cards

ID#: 111011-010410-0004149

Consumer Debit Card Brand Standards Compliance - U.S. Region

All of a U.S. Issuer's Visa consumer Debit Cards must comply with the *Visa Product Brand Standards*.

ID#: 010410-010410-0008226

Visa Debit Card Issuer Cash-Back Requirements – U.S. Region

Effective 14 April 2012, a U.S. Visa Debit Card Issuer and Visa Business Check Card Issuer must support the Visa Cash-Back Service. This requirement does not apply to certain Visa Prepaid Cards, as specified in the *Visa International Prepaid Program Guidelines With Additional United States Guidelines*.

ID#: 111011-140412-0026502

Visa Debit Card Partial Preauthorization – U.S. Region

Effective 14 April 2012, in the U.S. Region, a Visa Debit Card Issuer and Visa Business Check Card Issuer, and its VisaNet Processor, must support partial preauthorization Responses for Visa Debit with PIN Transactions, as specified in the:

- VisaNet manuals
- *Visa Partial Authorization Service Description and Implementation Guide*

ID#: 111011-140412-0026503

Visa Debit Card Issuer Chip Requirements - Canada Region

A Canada Issuer of a Visa Debit Card must ensure that:

- The Visa Debit Card complies with the *Visa Canada Debit Card - Technical Specifications*
- The Visa Application Identifier (AID) must be present on the Card and the Application Selection Flag (ASF) settings are as specified in the *Visa Canada Debit Card - Technical Specifications*

ID#: 050411-200209-0008072

Visa Debit BIN Requirements – Canada Region

A Canada Issuer of a Visa Debit Card must use a unique BIN for its Visa Debit Card Account Numbers and not share a BIN range.

A Canada Issuer must not reclassify a BIN to represent a product other than Visa Debit without prior permission from Visa.

ID#: 111011-160810-0025967

Visa Debit Transaction Identification - Canada Region

A Canada Issuer of a Visa Debit Card must identify all Visa Debit Transactions as Visa Transactions in all communications displaying Transaction information, including account activity statements, and clearly disclose to the Cardholder any distinction between a Visa Debit Transaction and other payment services.

ID#: 050411-200209-0008073

Visa Debit Card Issuer Verified by Visa Participation - Canada Region (Updated)

Effective through 14 March 2012, a Canada Issuer of a Visa Debit Card must ensure that its Visa Debit BINs participate in 3-D Secure (Verified by Visa).

Effective 15 March 2012, a Canada Issuer of a Visa Debit Card must ensure that its Visa Debit BINs participate in Verified by Visa.

ID#: 230312-200209-0008074

Visa Debit Card Issuer Verified by Visa Participation for Brazil - LAC Region

Effective 1 June 2012, an Issuer in Brazil of Visa debit Cards must ensure that its Visa Debit BINs participate in Verified by Visa.

ID#: 151011-010612-0026441

Visa Electron Cards

Visa Electron Program Features

The Visa Electron Program offers the following features:

- International or domestic point-of-sale capability, ATM access, and Manual Cash Disbursements
- 100% Authorization and electronic Transaction processing
- Signature or PIN verification
- Optional use for Electronic Commerce Transactions

All Chargeback rights for Electronic Commerce Transactions apply to Visa Electron Transactions.

ID#: 010410-010410-0004528

Key-Entered Visa Electron Electronic Commerce Transactions

If an Issuer approves a key-entered Visa Electron Electronic Commerce Transaction, liability and Chargeback rights are the same as for a Visa Transaction.

ID#: 010410-010410-0004529

Visa Electron Card Use

A Visa Electron Card may be:

- Used to access any type of account
- Issued for either international or domestic use
- Used at an ATM or Point-of-Transaction Terminal

ID#: 010410-010410-0004530

Cardholder Instructions for Visa Electron Card Use

A Visa Electron Issuer must inform its Cardholders that a Visa Electron Card may be used:

- At a Merchant Outlet displaying the Visa Brand Mark with the Electron Identifier
- At an ATM displaying the Visa Brand Mark or Visa Brand Mark with the Electron Identifier

ID#: 010410-010410-0004531

Visa Electron Card Service Code

A Visa Electron Issuer must ensure that the Service Code designated for Visa Electron Cards is encoded on the Magnetic Stripe and complies with the *Payment Technology Standards Manual*.

ID#: 010410-010210-0008235

Visa Electron Card Issuer Verified by Visa Participation for Brazil - LAC Region

Effective 1 June 2012, an Issuer in Brazil of Visa Electron Cards must ensure that its Visa Electron BINs participate in Verified by Visa.

ID#: 151011-010612-0026442

Visa Gold/Premier Cards

Visa Gold/Premier Card Issuance

A Visa Gold Card or Visa Premier Card Issuer:

- May issue Visa Gold Cards or Visa Premier Cards at the option of Visa
- Must comply with the global support services requirements, either independently or through Visa, as specified in the *Visa International Operating Regulations*
- May offer its Visa Gold Cards or Visa Premier Cards as any type of payment device with an option to access any of the following:
 - Line of credit
 - Depository account
 - Other Cardholder assets available through the Issuer

ID#: 010410-010410-0004220

Visa Gold/Premier Card Customer Service Telephone Number

Each Issuer must make available to its Visa Gold/Premier Cardholders a free 24-hour-a-day, 7-day-a-week telephone number to obtain emergency services. The Issuer must communicate the telephone number to the Cardholder at least once each year.

ID#: 010410-010410-0004222

Visa Gold Card Self-Select PIN Option - AP Region

In addition to the requirements specified in the *Visa International Operating Regulations*, a Visa Gold Card Issuer in the AP Region must offer a self-select PIN option.

ID#: 010410-010410-0004262

Visa Gold Card Requirements - Canada Region

Participation in the consumer Visa Gold Card program is optional in the Canada Region. However, if a Canada Member participates, it must provide at a minimum the core services specified in the *Visa International Operating Regulations*. A Member may offer enhanced services that are greater than the required core services specified in "Visa Gold Card Core Services - Canada Region."

ID#: 010410-010410-0004407

Visa Gold Card Issuer Contact Information - Canada Region

In addition to the requirements specified in the *Visa International Operating Regulations*, a Canada Member that issues consumer Visa Gold Cards must notify Visa at least 2 weeks before any change in the Emergency Cash Disbursement contact or Emergency Card Replacement contact.

ID#: 081010-010410-0004408

Visa Gold Card Core Services - Canada Region

A participating consumer Visa Gold Card Issuer in the Canada Region must provide to its Cardholders the following emergency Cardholder services:

- Cardholder Inquiry Service
- Collision/Loss Damage Insurance
- Emergency Card Replacement
- Emergency Cash Disbursement
- Legal referral assistance and Cash Disbursement Service
- Lost/Stolen Card Reporting
- Medical referral assistance and Cash Disbursement Service

ID#: 081010-010410-0004409

Visa Gold Card Collision/Loss Damage Insurance - Canada Region

A consumer Visa Gold Card Issuer in the Canada Region may offer Collision/Loss Damage Insurance either:

- Through the Visa Collision/Loss Damage Insurance program
- Independently

If the Canada Issuer offers Collision/Loss Damage Insurance independently, the program features must meet or exceed the minimum features, customer service level, and program administration standards currently available from Visa. A certificate of insurance and details of the program are available from Visa.

ID#: 010410-010410-0008236

Visa Gold Collision/Loss Damage Insurance Information - Canada Region

In the Canada Region, a consumer Visa Gold Cardholder may obtain information about the Collision/Loss Damage Insurance program through Visa Global Customer Care Services, unless Visa has approved alternate arrangements.

ID#: 081010-010410-0004412

Visa Gold Product Name Usage - Canada Region

A Canada Member must use the product name "Visa Gold" in all communications regarding the consumer Visa Gold Card program, including solicitations, advertising, and promotions.

ID#: 010410-010410-0006586

Visa Gold Trade Name or Mark Positioning - Canada Region

A Canada Member must **not** position its Trade Name or Mark as adding superior acceptability of a consumer Visa Gold Card at the Point-of-Transaction.

ID#: 010410-010410-0006587

Visa Gold Card Service Requirements - CEMEA Region

Visa Gold Card Issuers in the CEMEA Region must comply with the *Global Customer Assistance Services Member Guide - CEMEA Region*, as specified in the *Visa International Operating Regulations*.

ID#: 050411-010410-0004427

Visa Gold Card Issuer Requirements - LAC Region

A Visa Gold Card Issuer in the LAC Region must:

- Advise its Cardholders of the availability of PINs and Cash Disbursements through the Visa and Plus ATM programs

- Use Stand-In Processing and the PIN Verification Service

ID#: 010410-010410-0004455

Visa Gold Card Fees - LAC Region

In the LAC Region, Visa will assess an annual fee for each Visa Gold account reported, as specified in the *Visa LAC Fee Guide* or applicable local fee guide. This fee includes mandatory travel accident insurance with coverage of US \$250,000 and auto rental insurance with coverage in the western hemisphere.

ID#: 050411-011009-0008922

Visa Infinite Cards

Visa Infinite Card Requirements

Visa and a Visa Infinite Card Issuer may supplement the Visa Infinite Card requirements in the *Visa International Operating Regulations*. No variances will be permitted except where required by local custom or law.

ID#: 010410-010410-0006145

Visa Infinite BIN Reclassification

An Issuer must **not** reclassify a Visa Infinite BIN to represent a product other than a Visa Infinite Card without prior permission from Visa. A variance to this requirement applies for a Member in the AP Region.

ID#: 010410-010410-0004538

Visa Infinite Card Payment Options

At the option of Visa, an Issuer may provide a Visa Infinite Card with charge, credit, or debit capability.

ID#: 010410-010410-0004537

Visa Infinite Card Features and Branding Requirements

An Issuer must offer a Visa Infinite Card with:

- Unique features not available on any other Visa Card product it issues to ensure product differentiation
- The highest purchasing power available within the applicable Visa Region and a Member's Visa Card portfolio, except when the Member-developed Card product:

- Is not branded with a Visa Card product name
- Does not use the Sample Card Design or reserved color of a Visa Card product, as specified in the *Visa International Operating Regulations*

ID#: 010410-010410-0004532

Visa Infinite Card Minimum Benefits

At a minimum, a Visa Infinite Card Issuer must comply with the requirements for the following 3 benefit categories:

- Priority assistance and convenience
- Exclusive privileges and rewards
- Safety and security

Details of the benefit categories are available from Visa.

ID#: 010410-010410-0008311

Visa Infinite Card Spending Limits

A Visa Infinite Card Issuer may offer either of the following spending limit options:

- No pre-set limit, excluding Emergency Card Replacements that have temporary pre-set limits
- Minimum limit allowing each Visa Infinite Card account to accumulate charges of at least XX, or local currency equivalent, during each or any statement cycle in which a Cardholder has satisfied previous obligations to the Issuer

Visa may impose additional restrictions to these options.

ID#: 111011-010410-0004539

Declined Visa Infinite Card Transactions

For Visa Infinite Cards issued with a no pre-set limit, the Issuer must provide notification to the Cardholder before ongoing Transactions can be declined.

ID#: 010410-010410-0004542

Visa Infinite Card Emergency Services

If a Visa Infinite Issuer offers Visa emergency services, it must:

- Provide a free 24-hour telephone number

- Communicate the telephone number to the Cardholder annually

ID#: 010410-010410-0004544

Visa Infinite Card Web Services

A Visa Infinite Cardholder must have access to a Web service that offers special information and services to high-end consumers. The Web service must be provided by Visa or independently by the Member.

The Visa Infinite Web service must, at a minimum:

- Limit access to Visa Infinite Cardholders only
- Provide a description of Visa Infinite Card services, benefits, and features
- Provide a detailed listing of the Visa Infinite Exclusive Privileges Merchant partner offers
- Include the following minimum value-added content and services for travel and entertainment:
 - Travel content that supports the Visa Infinite product positioning that is not readily available from other sources (e.g., special travel articles, expert recommendations on shows in major cities)
 - Online concierge service, if concierge service is offered by the Visa Region or Member's Infinite product
 - Contact information for Cardholders to inquire about Visa Infinite services and to provide feedback on the product or Website

ID#: 010410-010410-0008415

Visa Infinite Cardholder Notification and Complaints

A Visa Infinite Card Issuer must:

- Provide advance notification to the Cardholder when an account needs to be suspended or closed for any reason
- Monitor customer complaints related to Transaction Authorizations
- Identify action plans to improve customer service
- Make customer complaint information available to Visa

ID#: 010410-010410-0004543

Visa Infinite Card Marketing

A Visa Infinite Card Issuer intending to distribute Merchant partnership or emergency services material to its Cardholders must receive written approval from Visa before distribution.

ID#: 010410-010410-0004545

Visa Infinite Card Emergency Payment Authorization Service

A Visa Infinite Card Issuer must:

- Be available to respond to a request from the Emergency Payment Authorization Service 24 hours a day, 7 days a week
- Provide all needed information and a decision to approve or deny the request during the initial telephone contact with Visa Global Customer Care Services
- Provide the Merchant, or Visa Global Customer Care Services, with a unique Authorization Code
- If providing the service directly to the Cardholder, contact the Merchant to verify the circumstances, explain the service, and complete the Transaction
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ID#: 111011-010410-0008300

Visa Infinite Card Payment Options - AP - Region

An AP Issuer may provide a Visa Infinite Card with charge, credit, or debit capability.

ID#: 010410-010410-0004337

Visa Infinite Card Customer Service Telephone Number - AP Region

An AP Issuer must provide its Visa Infinite Cardholders with an exclusive toll-free telephone number or a telephone number where collect calls will be accepted domestically or worldwide, to obtain customer service and Account-Related Information services 24 hours a day, 7 days a week. The Issuer must communicate the telephone numbers to its Cardholders at least once each year.

ID#: 010410-010410-0004346

Visa Infinite Card Customer Service Performance Standards - AP Region

A Visa Infinite Issuer in the AP Region must meet the customer service performance standards as specified below. The Issuer must:

- Be capable of transferring calls to and establishing and maintaining a telephone bridge with the Visa Infinite customer service center
- Answer 90% of customer service calls by a customer service attendant within 15 seconds
- Immediately answer customer service calls by a voice response unit
- Provide an option that allows a Visa Infinite Cardholder to transfer from a voice response unit to customer service at any time during the call
- Ensure a maximum call abandonment of no more than 5%

- Ensure the Visa Infinite Cardholder is **not** placed on hold after a customer service agent has answered the call

ID#: 010410-010410-0004347

Visa Infinite Card Emergency Services - AP Region

For Cards issued in the AP Region, assistance will be available to Visa Infinite Cardholders 24 hours a day, 7 days a week, through Visa Global Customer Care Services. A Visa Infinite Issuer must offer the following services through Visa Global Customer Care Services and the Issuer customer service center:

- Cardholder Inquiry Service
- Emergency Card Replacement, including:
 - Card Verification Value (CVV) encoding
 -
- Emergency Cash Disbursement, with a minimum stand-in Emergency Cash Disbursement
- Lost/Stolen Card Reporting

An Emergency Card Replacement or Emergency Cash Disbursement must be delivered to the Cardholder within 24 hours.

ID#: 111011-010410-0004339

Visa Infinite Card Core Services - AP Region

In the AP Region, a Visa Infinite Issuer must also provide the following services:

- One or more insurance options that the AP Issuer may choose to apply, with a unit cost per premium that matches or exceeds the current unit cost of providing travel accident insurance, except where prohibited by local law. The Issuer must submit to Visa in writing an official quote from an insurance company for both the travel accident insurance and the proposed new features at least 30 calendar days prior to its implementation.
- Complimentary access to airport lounges in all key cities
- Emergency medical evacuation and repatriation service in case of critical Cardholder medical need^[37]
- Emergency medical insurance when traveling^[38]

ID#: 161111-010410-0004340

37 A variance applies in the AP Region for Malaysia.

38 A variance applies in the AP Region for Malaysia.

Visa Infinite Exclusive Privileges Program - AP Region

An AP Issuer must provide information to its Visa Infinite Cardholders about the Visa Infinite Exclusive Privileges program. The Issuer must communicate the following to its Visa Infinite Cardholders:

- Visa Infinite Exclusive Privileges benefits at least once a year
- New benefits or changes to existing benefits at least 2 months before the effective date

ID#: 010410-010410-0004343

Visa Infinite Card Concierge Service - AP Region

In the AP Region, concierge service assistance must be available through a customer service attendant by telephone 24 hours a day, 7 days a week, and offered in key international travel markets. The minimum services required are travel information and assistance, including:

- Emergency travel arrangement provisions
- Passport, visa, and customs information
- Country and major city information
- Translation and message assistance
- Transportation information
- Restaurant, health club, entertainment events, shopping information and assistance, and gift arrangement
- ATM location guide
- Weather forecast
- Business services

ID#: 010410-010410-0004342

Visa Infinite Year-End Account Summary - AP Region

An AP Issuer must provide its Visa Infinite Cardholders with a year-end account summary that includes:

- Total annual amount spent by the Cardholder
- Summary of spending by merchant category

ID#: 010410-010410-0004344

Visa Infinite Provisional Credit for Disputed Transactions - AP Region

A Visa Infinite Issuer in the AP Region must provide a provisional credit to the Cardholder Account Number for the amount of a disputed Transaction within 24 hours of notification of a Cardholder dispute. The disputed Transaction amount must be placed in a suspense account until the dispute is resolved. The dispute notification may be either verbal or written.

ID#: 010410-010410-0004348

Visa Infinite Preferred Card in Singapore – AP Region

Effective 4 November 2011, in addition to the Visa Infinite requirements specified in the *Visa International Operating Regulations*, a Visa Infinite Preferred Card Issuer in Singapore must comply with the requirements specified in the *Visa Infinite Preferred Card Product Guide – AP Region*.

ID#: 151011-041111-0026541

Visa Infinite Preferred Card BIN in Singapore – AP Region

Effective 4 November 2011, a Visa Infinite Preferred Card Issuer in Singapore must identify Visa Infinite Preferred Account Numbers and distinguish them from other Visa consumer credit Account Numbers by using a unique BIN.

A Visa Infinite Preferred BIN must only be used for Visa Infinite Preferred Cards, and not shared with Visa Infinite Cards or other types of Card programs.

An issuer must **not** reclassify the following without prior permission from Visa:

- A BIN designated as another Card product to a Visa Infinite Preferred Card program, or
- A BIN designated as Visa Infinite Preferred to another Card product other than the Visa Infinite Preferred Card

An Issuer must **not** reclassify a BIN of an existing other Card program to a Visa Infinite Preferred BIN unless Visa approves the reclassification and the Issuer has reviewed and confirmed that all existing Cardholders meet the qualification for Visa Infinite Preferred Cards.

ID#: 151011-041111-0026542

Visa Infinite Card Emergency Services - CEMEA Region

A Visa Infinite Issuer in the CEMEA Region must provide mandatory core services to its Cardholders, as specified in the *Global Customer Assistance Services Member Guide - CEMEA Region*.

ID#: 010410-010410-0004437

Visa Infinite Card Mandatory Core Services - CEMEA Region

A Visa Infinite Card Issuer in the CEMEA Region must offer the following core services:

- Purchase protection
- Extended warranty
- Full multi-trip travel insurance:
 - Trip cancellation
 - Trip delay
 - Medical coverage
 - Repatriation
 - Lost baggage
 - Loss of money
 - Personal liability
 - Legal expenses
 - Travel accident insurance

ID#: 010410-010410-0004438

Visa Infinite Card Optional Features - CEMEA Region

A CEMEA Issuer may offer optional services for Visa Infinite Programs:

- Key insurance/loss
- Collision damage waiver
- Airport lounge access-priority pass

ID#: 010410-010410-0004440

Visa Infinite Merchant Partner Program - CEMEA Region

In the CEMEA Region, the Visa Infinite Merchant partner program must be communicated to Cardholders annually or as required by Visa, in the form of a brochure or on the Issuer's Visa Infinite Website.

ID#: 010410-010410-0004439

Visa Infinite Card Issuer Certification - LAC Region

Before issuing a Visa Infinite Card, an LAC Issuer must receive written certification from Visa that the Issuer complies with all the Visa Infinite Card product requirements and standards.

ID#: 010410-010410-0004501

Visa Platinum Cards

Visa Platinum Card Issuance Requirements - AP Region

In the AP Region, all provisions of the *Visa International Operating Regulations* governing issuance of Visa Gold Cards apply to the issuance of Visa Platinum Cards.

ID#: 010410-010410-0004264

Visa Platinum Debit Card Issuance Requirements for Australian Issuers – AP Region

Effective 1 May 2011, in the AP Region, an Issuer in Australia may only provide a Visa Platinum debit Card to a Cardholder who meets either of the following:

- Minimum income of AU \$100,000 per annum
- Minimum savings and investments portfolio of AU \$200,000 which may be held at any financial institution or by the Cardholder outright. The minimum savings and investments exclude the Cardholder's primary residence

ID#: 111011-010511-0026378

Visa Platinum Card Core Services - AP Region

In the AP Region, a participating Visa Platinum Issuer must provide the following core services to its Visa Platinum Cardholders:

- Cardholder Inquiry Service
- One or more insurance options that the Issuer may choose to apply
- Emergency Card Replacement, including:
 - Card Verification Value encoding
 - Minimum spending limit
- Emergency Cash Disbursement,
- Emergency medical and legal referral

- Lost/Stolen Card Reporting Service

ID#: 111011-010410-0004267

Visa Platinum Card Minimum Spending Limit - AP Region (Updated)

In the AP Region, the Minimum Spending Limits for a Visa Platinum account are as specified in the following table. For countries that will launch Visa Platinum for the first time, the default Minimum Spending Limit is US \$2,000 or local currency equivalent.

Visa Platinum Card Minimum Spending Limits for AP Countries

Country	Effective through 30 April 2011, mandated Visa Platinum Minimum Spending Limits	Effective 1 May 2011, mandated Visa Platinum Minimum Spending Limits
Australia	US \$4,400	AU \$6,000 ¹
Bangladesh	US \$4,300	BDT 140,000
Bhutan		BTN 90,000
Brunei	US \$12,500	BND 8,300
Cambodia	US \$12,500	KHR 427,250
China	US \$8,000	CNY 55,000
Guam	US \$8,000	US \$8,000
Hong Kong	US \$4,000	HKD 30,000
India	Effective through 30 June 2010, US \$2000 Effective 1 July 2010, INR 50,000	INR 50,000
Indonesia	US \$4,000	IDR 40,000,000
Japan	US \$12,500	JPY 1,237,000
Korea	US \$6,000	KRW 7,500,000
Malaysia	US \$5,000	MYR 17,500
Macau	US \$4,000	MOP 30,000
Mongolia	US \$8,000	MNT 55,000
New Zealand	US \$6,700	NZ \$10,000
Philippines	US \$5,000	PHP 250,000
Singapore	US \$5,000	SG \$8,300
Sri Lanka	US \$7,500	LKR 225,000
Taiwan	US \$3,200	TWD 100,00

Country	Effective through 30 April 2011, mandated Visa Platinum Minimum Spending Limits	Effective 1 May 2011, mandated Visa Platinum Minimum Spending Limits
Thailand	US \$4,013	THB 150,000
Fiji	US \$2,000	FJD 4,000
Laos	US \$2,000	LAK 16,500,000
Maldives	US \$2,000	MVR 25,000
Nepal	US \$2,000	NPR 150,000
Papua New Guinea	US \$2,000	PGK 5,400
Vietnam	US \$2,000	VND 40,000,000
1. A variance applies for Visa Platinum debit Cards		

ID#: 160312-010511-0004268

Visa Platinum Card Required Services - AP Region

In the AP Region, a Visa Platinum Issuer must make concierge service assistance available through a customer service attendant by telephone 24 hours a day, 7 days a week, and must offer it in key international travel markets. The minimum services required are travel information and assistance, including:

- Emergency travel arrangement provisions
- Passport, visa, and customs information
- Specific country and major city information
- Translation and message assistance
- Transportation information
- Restaurant, health club, entertainment events, shopping information and assistance, and gift arrangement
- ATM location guide
- Weather forecast
- Business services

ID#: 010410-010410-0004269

Visa Platinum Card Customer Service Telephone Number - AP Region

In the AP Region, a Visa Platinum Issuer must provide its Visa Platinum Cardholders with a toll-free telephone number or a telephone number where collect calls will be accepted domestically or worldwide to obtain customer service and Account-Related Information services 24 hours a day, 7 days a week. The Issuer must communicate the telephone numbers to its Cardholders at least once each year.

ID#: 010410-010410-0004270

Visa Platinum Customer Service Standards - AP Region

In the AP Region, a Visa Platinum Issuer must meet the following customer service performance standards:

- Be capable of transferring calls to and establishing and maintaining a telephone bridge with the Visa Platinum Customer Center. ^[42]
- Answer 90% of customer service calls by a customer service attendant within 15 seconds
- Immediately answer customer service calls by a voice response unit
- Provide an option that allows a Visa Platinum Cardholder to transfer from a voice response unit to a customer service attendant at any time during the call
- Ensure a maximum call abandonment of no more than 5%
- Ensure that the Visa Platinum Cardholder is **not** placed on hold after a customer service agent has answered the call

ID#: 050411-010410-0004271

Visa Platinum Card Issuance Requirements - Canada Region

In the Canada Region, all provisions of the *Visa International Operating Regulations* governing the issuance of Visa Gold Cards apply to the issuance of Visa Platinum Cards.

ID#: 010410-010410-0004413

Visa Platinum Card Core Services - Canada Region

In the Canada Region, a participating Visa Platinum Issuer must provide to its Cardholders the following emergency Cardholder services:

- Cardholder Inquiry Service
- Collision/Loss Damage Insurance
- Emergency Card Replacement

42 A variance applies to Bangladesh.

- Emergency Cash Disbursement
- Legal referral assistance and Cash Disbursement
- Lost/Stolen Card Reporting
- Medical referral assistance and Cash Disbursement Service

ID#: 081010-010410-0004414

Visa Platinum Card Collision/Loss Damage Insurance - Canada Region

In the Canada Region, a Visa Platinum Issuer may offer Collision/Loss Damage Insurance either:

- Through the Visa Collision Loss/Damage Waiver insurance program
- Independently

If the Canada Issuer offers Collision Loss/Damage Waiver insurance independently, the program features must meet or exceed the minimum features, customer service level, and program administration standards currently available from Visa. A certificate of insurance as well as program details may be obtained from Visa.

A Visa Platinum Cardholder may obtain information about the Collision/Loss Damage Waiver insurance program through the Visa Global Customer Care Services, unless Visa has approved alternate arrangements.

ID#: 081010-010410-0008336

Visa Platinum Card BIN - Canada Region (Updated)

Each Canada Issuer must:

- Use a unique BIN for its Visa Platinum Account Numbers. The Issuer must either:
 - Choose a BIN from a BIN range previously assigned to it by Visa
 - Request a new BIN range assignment for the service
- If using a previously assigned BIN or BIN range, notify Visa of the selected BIN or BIN range before issuing any Visa Platinum Cards
- Send "Visa Interchange Directory Update Form" and "BIN License Agreement" (both available on Visa Online) to Visa for its Visa Platinum BIN range

ID#: 160312-010410-0004418

Visa Platinum Card Emergency Services - CEMEA Region

In the CEMEA Region, a Visa Platinum Card Issuer must comply with the *Global Customer Assistance Services Member Guide - CEMEA Region*.

ID#: 010410-010410-0008337

Visa Platinum Card Spending Limits - CEMEA Region

Effective through 30 April 2011, a CEMEA Issuer must offer its Visa Platinum Cardholders either of the following account options:

- Minimum spending limit of US \$10,000 or local currency equivalent
- No pre-set spending limit

A variance to this requirement applies to Members in Afghanistan and Pakistan.

Effective 1 May 2011, the Minimum Spending Limits for a Visa Platinum account are as specified in the following table. For countries that will launch Visa Platinum for the first time and the ones that are not listed in the table below, the default Minimum Spending Limit is US \$10,000 or local currency equivalent.

Visa Platinum Card Minimum Spending Limits for CEMEA Countries

Country	Mandated Visa Platinum Minimum Spending Limits
Bahrain	BD 2,800
Egypt	EGP 40,000
Jordan	JOD 5,300
Kuwait	KD 2,100
Lebanon	LBP 11,165,300
Oman	OR 2,900
Pakistan	PKR 403,000
Qatar	QAR 27,300
Russia	RUR 240,000
Saudi Arabia	SAR 28,000
United Arab Emirates	AED 27,500
Serbia	RSD 760,000
Croatia	HRK 55,000
Macedonia	MKD 450,000
Bosnia & Herg	BAM 14,400
Kosovo	EUR 7,400
Albania	ALL 1,040,000
Montenegro	EUR 7,400

Country	Mandated Visa Platinum Minimum Spending Limits
Georgia	GEL 18,000

ID#: 151011-010511-0004432

Visa Platinum Card Core Services - CEMEA Region

In the CEMEA Region, a Visa Platinum Issuer must offer the following core services:

- Purchase Protection
- Extended Warranty

ID#: 010410-010410-0004433

Visa Platinum Card Optional Features - CEMEA Region

A CEMEA Issuer may offer optional services for Visa Platinum Programs:

- Full multi-trip insurance
- Travel inconvenience insurance
- Travel accident insurance
- Key insurance
- Collision damage waiver
- Airport lounge access - priority pass

ID#: 010410-010410-0004434

BIN Requirements for Airline Co-Brand Programs - CEMEA Region

A CEMEA Issuer may issue new Visa Gold Card and Visa Platinum Airline co-brand programs on a new Visa Platinum BIN.

A CEMEA Issuer must issue new Visa Gold and Visa Platinum Airline co-brand programs on separate designated account ranges within the Visa Platinum BIN.

The Issuer must provide all Airline co-brand Cards issued on a Visa Platinum BIN with mandatory core product features applicable to Visa Platinum Cards, as specified in "Visa Platinum Card Core Services - CEMEA Region."

Mandatory minimum spending limits do not apply for Airline co-brand Cards issued on a Visa Platinum BIN.

ID#: 010410-010410-0009017

Visa Gold and Platinum Cards Issued on Visa Platinum BIN - CEMEA Region

In the CEMEA Region, Visa Gold Cards issued on a Platinum BIN must comply with Card design requirements, as specified in the *Visa International Operating Regulations* and the *Visa Product Brand Standards*.

In the CEMEA Region, Visa Platinum Cards issued on a Platinum BIN must comply with Card design requirements as specified in the *Visa International Operating Regulations* and the *Visa Product Brand Standards*.

ID#: 010410-010410-0008339

Visa Platinum Certification - LAC Region

Before issuing Visa Platinum Cards, an LAC Issuer must receive written certification from Visa that the Issuer complies with all Visa Platinum product requirements and standards.

ID#: 010410-010410-0004460

Visa Platinum Card Travel Rewards Program - LAC Region

In the LAC Region, a Visa Platinum Credit Card Issuer must provide a travel rewards program that offers Cardholders, through purchases with Visa Platinum Cards, the ability to accumulate points that can be redeemed for, at a minimum, airline travel.

The travel rewards program may be sponsored by Visa (Visa Rewards), an Issuer, or an Issuer/ Airline co-branded program.

Cardholders must not be assessed an additional fee for membership in the travel rewards program.

In the LAC Region, Visa Platinum debit Cards are exempt from any obligation to offer any travel rewards programs.

ID#: 010410-010410-0008813

Visa Signature Cards

Visa Signature Card Requirements (Updated)

At the option of Visa, an Issuer may issue consumer Visa Signature Cards, subject to trademark availability. A Visa Signature Card Issuer must include features and services equivalent to the Visa Infinite Card and the following:

- No pre-set spending limit^[43]
- Access to Web services specific to Visa Signature Cardholders

- A Card design specific to a Visa Signature Card, as specified in the *Visa Product Brand Standards*

ID#: 160312-010410-0008228

Visa Signature Card Issuance - AP Region (Updated)

A Visa Signature Issuer in the AP Region must provide a Visa Signature Card:

- With charge, credit, debit, or prepaid capability
- To Cardholders who meet a pre-set minimum annual retail sales volume spend threshold. Qualifying level of annual retail sales volume spends will be specified for each individual market that launches Visa Signature. Card renewal will be based on whether the Cardholder achieved the minimum annual retail sales volume spend threshold.

Effective 1 May 2011, a Visa Signature Issuer in the AP Region must implement a spend campaign to drive Card spend when a Cardholder fails to meet the minimum annual retail sales volume spend threshold. If Cardholders of more than 5% of an Issuer's portfolio do not meet the spend threshold, the Cardholders who fail to meet the threshold must be offered a different Visa Card product. ^[44]

Effective 1 May 2011, in the AP Region, the Minimum Spending Limits for a Visa Signature account are as specified in the following table. For countries that will launch Visa Signature Card program for the first time, the default Minimum Spending Limit is US \$12,500 or local currency equivalent.

Visa Signature Card Minimum Spending Limits for AP Countries

Country	Mandated Visa Signature Minimum Spending Limits in Local Currency
Australia	Effective through 14 November 2011 , AUD 18,000 Effective 15 November 2011 , AUD 15,000
Bangladesh	BDT 420,000
Bhutan	BTN 270,000
Hong Kong	HKD 60,000
India	INR 270,000
Indonesia	IDR 80,000,000
Korea	KRW 15,500,000
Maldives	MVR 75,000
Malaysia	MYR 28,000
Nepal	NPR 450,000
Philippines	PHP 434,300

43 **Effective 8 March 2012**, a variance to this requirement applies in the U.S. Region for Visa Signature Cards not issued as Visa Charge Cards.

44 A variance applies to Hong Kong and Macau.

Country	Mandated Visa Signature Minimum Spending Limits in Local Currency
Sri Lanka	LKR 675,000
Singapore	SGD 16,250
Taiwan	TWD 157,500
Thailand	THB 437,500

Effective through 30 April 2011, the Issuer must provide its on-us data for retail spend on Visa Signature to Visa on the frequency and time periods and in formats as defined by Visa.

ID#: 160312-010511-0004317

Visa Signature Card BIN Reclassification - AP Region

An AP Issuer must **not** reclassify a BIN or account range to represent a product other than the Visa Signature Card without permission from Visa.

ID#: 010410-010410-0004319

Visa Signature Card Core Services - AP Region

A Visa Signature Issuer in the AP Region must provide the following services:

- A rewards program with a pre-set minimum perceived customer value (expressed in basis points per dollar of qualifying spend). Visa will set such pre-set values in consultation with Members for each individual market that launches the Visa Signature Card product.
- One or more insurance options that the Issuer may choose to apply
- Complimentary access to airport lounges in all key cities ^[45]
- **Effective through 30 April 2011**, emergency medical evacuation and repatriation service in case of critical Cardholder medical need
- **Effective through 30 April 2011**, emergency medical insurance when traveling

ID#: 111011-010511-0004323

Visa Signature Card Customer Service Telephone Number - AP Region

A Visa Signature Issuer in the AP Region must provide its Visa Signature Cardholders with an exclusive toll-free telephone number or a telephone number where collect calls will be accepted domestically or worldwide to obtain customer services and Account-Related Information services 24 hours a day, 7 days a week. The Issuer must communicate the telephone numbers to its Cardholders at least once a year.

ID#: 010410-010410-0004329

45 A variance applies to Hong Kong and Macau.

Visa Signature Card Concierge Services - AP Region

A Visa Signature Issuer in the AP Region must offer concierge services in key international travel markets and must make these services available through a customer service attendant by telephone 24 hours a day, 7 days a week. The minimum services required are travel information and assistance, including:

- Emergency travel arrangement provisions
- Passport, visa, and customs information
- Country and major city information
- Translation and message assistance
- Transportation information
- Restaurant, health club, entertainment events, shopping information, and assistance with gift arrangement
- ATM location guide
- Weather forecast
- Business services

ID#: 010410-010410-0004325

Visa Signature Privileges Program - AP Region

A Visa Signature Issuer in the AP Region must provide to its Visa Signature Cardholders information about the Visa Signature Privileges Program. The Visa Signature Issuer must communicate the following to its Visa Signature Cardholders:

- Visa Signature Privileges benefits at least once a year
- New benefits or changes to existing benefits at least 2 months before the effective date
- Visa Signature Merchant Privileges (quarterly Merchant offers exclusive to Visa Signature Cardholders)

ID#: 010410-010410-0004326

Visa Signature Card Year-End Account Summary - AP Region

A Visa Signature Issuer in the AP Region may provide its Visa Signature Cardholders with a year-end account summary that includes:

- Total annual amount spent by the Cardholder
- Summary of spending by Merchant category

ID#: 010410-010410-0004327

Visa Signature Card Emergency Payment Authorization Service - AP Region

A Visa Signature Issuer in the AP Region must:

- Be available to respond to a request from the Emergency Payment Authorization Service 24 hours a day, 7 days a week
- Provide all needed information and a decision to approve or deny the request during the initial telephone contact with Visa Global Customer Care Services
- Provide the Merchant or Visa Global Customer Care Services with a unique Authorization Code
- If providing the service directly to the Cardholder, contact the Merchant to verify the circumstances, explain the service, and complete the Transaction
- Send a fax to the Merchant that includes the Cardholder name, account name, expiration date, Authorization Code, and Transaction amount

ID#: 050411-010410-0004328

Visa Signature Card Customer Service Standards - AP Region

A Visa Signature Issuer in the AP Region must meet the customer service performance standards as specified below. The Visa Signature Issuer must:

- Be capable of transferring calls to, and establishing and maintaining a telephone bridge, with the Visa Signature Customer Center
- Answer 90% of customer service calls by a customer service attendant within 15 seconds
- Immediately answer customer service calls by a voice response unit
- Provide an option that allows a Visa Signature Cardholder to transfer from a voice response unit to customer services at any time during the call
- Ensure a maximum call abandonment of no more than 5%
- Ensure the Visa Signature Cardholder is not placed on hold after a customer service agent has answered the call

ID#: 010410-010410-0004330

Visa Signature Card Marketing - AP Region

A Visa Signature Issuer in the AP Region must:

- Commit a defined level of advertising support for Visa Signature. Visa will define the level of support in consultation with Members in that market
- Receive written approval from Visa before the distribution of Cardholder communication materials for Visa Signature

ID#: 010410-010410-0004331

Visa Signature Card Provisional Credit for Disputed Transactions - AP Region

A Visa Signature Issuer in the AP Region must provide a provisional credit to the Cardholder's account for the amount of the disputed Transaction within 24 hours of notification of a Cardholder dispute. The disputed Transaction amount must be placed in a suspense account until the dispute is resolved. The dispute notification may be either verbal or written.

ID#: 010410-010410-0004332

Visa Signature Card Requirements in Australia – AP Region

In addition to the requirements specified in the *Visa International Operating Regulations*, a Visa Signature Issuer must issue Visa Signature Cards with:

- A Minimum Spending Limit of AUD 18,000
- A qualifying minimum annual retail sales volume spend threshold of AUD 48,000
- A minimum rewards points earn rate of 1.15% for every AUD 1 spent

ID#: 111011-060111-0026150

Visa Signature Card Issuer Certification - LAC Region

Before issuing a Visa Signature Card, an LAC Issuer must receive written certification from Visa that the Issuer complies with all Visa Signature product requirements and standards.

ID#: 050411-010410-0004482

Visa Signature Card Travel Rewards Program - LAC Region

A Visa Signature Card Issuer in the LAC Region must provide a travel rewards program that offers Cardholders, through purchases with Visa Signature, the ability to accumulate points that can be redeemed for, at a minimum, Airline travel. The travel rewards program may be sponsored by Visa (Visa Rewards), an Issuer, or an Issuer/Airline co-branded program. Cardholders must **not** be assessed an additional fee for membership in the travel rewards program.

ID#: 010410-010410-0004500

Visa Signature Card Issuer Requirements - U.S. Region

A Visa Signature Issuer in the U.S. Region must comply with the requirements specified in:

- "Consumer Card Issuer Requirements - U.S. Region"
- *Visa Enhancements Resource Guide*
- *Visa Signature Product and Implementation Guide*

- *Visa Consumer Charge Card Product and Implementation Guide - U.S. Region*, if applicable

ID#: 160312-240211-0003417

Visa Signature Card BIN Requirements - U.S. Region

A Visa Signature Issuer in the U.S. Region that supports:

- Account range processing may designate an Account Number range within a credit BIN for its Visa Signature Cards
- BIN level processing must use a unique BIN assigned to it by Visa for its Visa Signature Account Numbers and either:
 - Choose a BIN from a BIN range previously assigned (If using a previously assigned BIN, notify Visa of the selected BIN before issuing any Visa Signature Cards)
 - Request a new BIN assignment

ID#: 010410-010410-0006226

Visa Signature Card Implementation Requirements - U.S. Region

A Visa Signature Issuer in the U.S. Region must:

- Complete the implementation forms included in the *Visa Signature Product and Implementation Guide*
- Comply with the requirements specified in the *Visa Enhancements Resource Guide*

ID#: 010410-010410-0003900

Visa Signature Card Spending Limits and Payment Options - U.S. Region (Updated)

Effective through 7 March 2012, a Visa Signature Issuer in the U.S. Region:

- Must issue its Visa Signature Cards with no pre-set spending limit for purchase Transactions
- May allow the Visa Signature Cardholder the option to either:
 - Pay in full each statement cycle. The minimum spending limit for a Visa Signature Card issued as a Visa Charge Card must not be less than \$2,000 per month.
 - Revolve. ^[46] If positioned as a revolving product, the Issuer must permit a minimum revolving balance of at least US \$5,000 during each statement cycle.

Effective through 7 March 2012, the Issuer may establish a pre-set spending limit for:

- Cash Disbursement Transactions
- Transactions resulting from an Emergency Card Replacement

⁴⁶ This option does not apply to Visa Charge Cards.

Effective 8 March 2012, a Visa Signature Issuer in the U.S. Region may allow the Visa Signature Cardholder the option to either:

- Pay in full each statement cycle. The minimum spending limit for a Visa Signature Card issued as a Visa Charge Card must not be less than \$2,000 per month.
- Revolve. This option does not apply to Visa Charge Cards. If positioned as a revolving product, the Issuer must permit a minimum revolving balance of at least US \$5,000 during each statement cycle.

ID#: 160312-240211-0008237

Visa Signature Cardholder Notification - U.S. Region

A Visa Signature Issuer in the U.S. Region must provide notification to the Cardholder:

- Before ongoing Transactions can be declined
- When an account needs to be suspended or closed for any reason

ID#: 010410-010410-0003218

Visa Signature Card Customer Service Requirements - U.S. Region (Updated)

Effective through 7 March 2012, a Visa Signature Issuer in the U.S. Region must provide a toll-free telephone number of its own customer service center where the Cardholder:

- May obtain customer service 24 hours a day, 7 days a week
- Is given an early and ongoing option to talk to a knowledgeable representative, if an automated response menu is used

Effective 8 March 2012, a Visa Signature Issuer in the U.S. Region must provide a toll-free telephone number of its own customer service center where the Cardholder may obtain customer service.

Effective 8 March 2012, a Visa Signature Issuer in the U.S. Region must provide its Cardholders access to customer service 24 hours a day, 7 days a week. Customer service may be provided through any or all of the following:

- Customer service agent
- A voice response unit
- Online account access

ID#: 160312-010410-0003906

Visa Signature Card Rewards Program - U.S. Region

A Visa Signature Issuer in the U.S. Region must offer a rewards program to its Visa Signature Cardholders in accordance with the requirements specified in the *Visa Signature Product and Implementation Guide*.

ID#: 111011-010100-0003905

Visa Signature Card Visa Incentive Network Participation - U.S. Region

A Visa Signature Issuer in the U.S. Region must participate in the Visa Incentive Network program, as specified in the *Visa Incentive Network Member Implementation Guide*, to qualify for the Visa Signature Interchange Reimbursement Fee.

ID#: 010410-010410-0003904

Visa Signature Card Enhanced Billing Support - U.S. Region

A Visa Signature Issuer in the U.S. Region must provide enhanced billing support resolution services, as specified in the *Visa Signature Product and Implementation Guide*.

ID#: 010410-010410-0003907

Visa Signature Cardholder Information - U.S. Region

A Visa Signature Issuer in the U.S. Region must offer its Cardholders, during the application process, the option to have their personal information kept confidential.

- If selected, the Issuer must **not** provide Cardholder or account details to external organizations for the purpose of marketing mailing lists, products, or services
- The Issuer may, for Affinity Card accounts, disclose that this option does **not** apply to the Affinity Partner

ID#: 010410-010410-0003909

Visa Signature Card Design - U.S. Region

A Visa Signature Issuer in the U.S. Region must comply with the *Visa Product Brand Standards*.

ID#: 050411-010410-0006196

Visa Signature Preferred Cards - U.S. Region

Visa Signature Preferred Card Issuer Requirements - U.S. Region

A Visa Signature Preferred Issuer in the U.S. Region must:

- Complete the implementation forms and comply with the requirements specified in the *Visa Signature Product and Implementation Guide*
- Comply with the following:
 - "Consumer Card Issuer Requirements - U.S. Region"
 - *Visa Enhancements Resource Guide*
 - *Visa Signature Product and Implementation Guide - U.S. Region*
 - *Visa Consumer Charge Card Product and Implementation Guide - U.S. Region*, if applicable

ID#: 160312-240211-0008319

Visa Signature Preferred Card Account Number/BIN - U.S. Region

A Visa Signature Preferred Issuer in the U.S. Region that supports:

- Account level processing may designate individual Account Numbers for its Visa Signature Preferred Cards
- Account range processing may designate an Account Number range within a credit BIN for its Visa Signature Preferred Cards
- BIN level processing must use a unique BIN assigned to it by Visa for its Visa Signature Preferred Account Numbers and either:
 - Choose a BIN from a BIN range previously assigned (if using a previously assigned BIN, notify Visa of the selected BIN before issuing any Visa Signature Preferred Cards)
 - Request a new BIN assignment

ID#: 010410-010410-0003910

Visa Signature Preferred Card Spending Limits and Payment Options - U.S. Region (Updated)

Effective through 7 March 2012, a Visa Signature Preferred Issuer in the U.S. Region:

- Must issue its Visa Signature Preferred Cards with no pre-set spending limit for purchase Transactions
- May allow the Visa Signature Preferred Cardholder the option to either:
 - Pay in full each statement cycle. The minimum spending limit for a Visa Signature Card issued as a Visa Charge Card must not be less than \$2,000 per month.

- Revolve.^[47] If the Visa Signature Preferred Cardholder is allowed the option to revolve, the Issuer must permit a minimum revolving balance of at least US \$5,000 during each statement cycle.

Effective through 7 March 2012, the Issuer may establish a pre-set spending limit for:

- Cash Disbursement Transactions
- Transactions resulting from an Emergency Card Replacement

Effective 8 March 2012, a Visa Signature Preferred Issuer in the U.S. Region may allow the Visa Signature Preferred Cardholder the option to either:

- Pay in full each statement cycle. The minimum spending limit for a Visa Signature Card issued as a Visa Charge Card must not be less than \$2,000 per month.
- Revolve. This option does not apply to Visa Charge Cards. If the Visa Signature Preferred Cardholder is allowed the option to revolve, the Issuer must permit a minimum revolving balance of at least US \$5,000 during each statement cycle.

ID#: 060412-240211-0008326

Visa Signature Preferred Cardholder Notification - U.S. Region

A Visa Signature Preferred Issuer in the U.S. Region must provide notification to the Cardholder:

- Before ongoing Transactions can be declined
- Before an account is suspended or closed for any reason

ID#: 010410-010410-0003919

Visa Signature Preferred Card Customer Service Requirements - U.S. Region (Updated)

Each U.S. Issuer must provide the toll-free telephone number of its own customer service center, which must be printed on the back of the Visa Signature Preferred Card.

Effective through 7 March 2012, if the Issuer's customer service center for Visa Signature Preferred Cardholders uses an automated response menu, the Cardholder must be given an early and ongoing option to talk to a knowledgeable representative.

Effective 8 March 2012, a Visa Signature Preferred Issuer in the U.S. Region must provide its Cardholders access to customer service 24 hours a day, 7 days a week. Customer service may be provided through any or all of the following:

- Customer service agent
- Voice response unit

47 This option does not apply to Visa Charge Cards.

- Online account access

ID#: 160312-010410-0008330

Visa Signature Preferred Card Rewards Program Participation - U.S. Region

A Visa Signature Preferred Issuer in the U.S. Region must:

- Offer a rewards program to its Visa Signature Preferred Cardholders in accordance with the requirements specified in the *Visa Signature Product and Implementation Guide*
- Notify Cardholders, at least quarterly, via billing statement or stand-alone statement, regarding reward points earned during the relevant period

ID#: 111011-010410-0003915

Visa Signature Preferred Card Visa Incentive Network Participation - U.S. Region

A Visa Signature Preferred Issuer in the U.S. Region must participate in the Visa Incentive Network program, as specified in the *Visa Incentive Network Member Implementation Guide*, to qualify for the Visa Signature Preferred Interchange Reimbursement Fees.

ID#: 010410-010410-0003916

Visa Signature Preferred Card Enhanced Billing Support - U.S. Region

A Visa Signature Preferred Issuer in the U.S. Region must provide enhanced billing support resolution services, as specified in the *Visa Signature Product and Implementation Guide*.

ID#: 010410-010410-0003922

Visa Signature Preferred Cardholder Information - U.S. Region

Each U.S. Issuer must offer its Cardholders, during the application process, the option to have their personal information kept confidential. If selected, the Issuer must **not** provide Cardholder or account details to non-affiliated organizations for the purpose of marketing mailing lists, products, or services. The Issuer may, for Affinity Card accounts, disclose that this option does **not** apply to the Affinity Partner.

ID#: 010410-010410-0003924

Visa Signature Preferred Branding - U.S. Region

A Visa Signature Preferred Issuer in the U.S. Region must comply with the *Visa Product Brand Standards*.

ID#: 010410-010410-0006198

Visa Signature Preferred Card Website - U.S. Region

A Visa Signature Preferred Issuer in the U.S. Region must provide its Cardholders access to a Website that offers special information and services specific to its Visa Signature Preferred Cardholders.

ID#: 010410-010410-0003923

Visa Check Cards - U.S. Region

Visa Check Card Account Restrictions - U.S. Region

In the U.S. Region, a Visa Check Card may be used to access a deposit, investment, or other consumer asset account, including a fiduciary account.

A Visa Check Card must **not** be used to obtain credit, as defined in *12 CFR Part 226 (Regulation Z)*, unless it involves only an incidental extension of credit under an agreement between the Cardholder and the Issuer either:

- When the Cardholder's account is overdrawn
- To maintain a specified minimum balance in the Cardholder's account

ID#: 010410-010410-0008332

Definition of Visa Check Card - U.S. Region

In the U.S. Region, Visa reserves the right to determine the application of the definition of the Visa Check Card.

ID#: 010410-010410-0004154

Consumer Visa Deferred Debit Card - U.S. Region

Effective through 30 September 2011, in the U.S. Region, a Consumer Visa Deferred Debit Card is treated as a Visa credit Card for Interchange and Limited Acceptance category purposes.

Effective 1 October 2011, in the U.S. Region, a Consumer Visa Deferred Debit Card is treated as a Visa credit Card for Limited Acceptance category purposes only.

ID#: 230312-010410-0004153

Visa Check Card Activation - U.S. Region

A U.S. Issuer must require Card activation for all Visa Check Cards initially issued to Cardholders who did not expressly request or apply for the Visa Check Card. Issuers are encouraged to require Card activation for all Visa Check Cards.

As part of the Card activation process, Cardholders must be required to validate their identity by reasonable means before being able to use the Card.

ID#: 010410-010410-0004158

Visa Check Card Funds Hold Release - U.S. Region (Updated)

A Visa Check Card Issuer in the U.S. Region must release any hold on available funds in its Cardholder's account as a result of an approved Authorization Request either:

- When a matching Clearing Record is received, but no later than 3 business days from the Authorization Request
- For a Real-Time Clearing Transaction:
 - Upon receipt of the Completion Message
 - Upon expiration of the time limit for completion specified in the preauthorization request if a Completion Message has not been received by that time.

This requirement does **not** apply if the Issuer determines that the Transaction or account involves suspicious or unusual activity.

Effective 14 April 2012, for a Visa Debit with PIN Transaction, the Issuer must release any hold on available funds in its Cardholder's account as a result of an approved preauthorization request:

- Upon receipt of the preauthorization completion message
- After X of the preauthorization request, if a preauthorization completion message has not been received by that time

ID#: 230312-010410-0004159

Visa Check Card Provisional Credit for Disputed Transactions - U.S. Region

A Visa Check Card Issuer in the U.S. Region that receives notification from its Cardholder of unauthorized Visa Transactions must provide provisional credit to the Cardholder's account within 5 business days of the notification.

The Issuer may require written confirmation from the Cardholder before providing provisional credit.

The Issuer may withhold providing provisional credit, to the extent allowed under applicable law, if the Issuer determines that the circumstances or account history warrants the delay.

This requirement does **not** apply to ATM Cash Disbursements.

ID#: 010410-010410-0004166

Visa Check Card Credit Transaction Receipt - U.S. Region

A Visa Check Card Issuer in the U.S. Region must post a Credit Transaction Receipt to a Cardholder's account within one business day of Settlement. The Issuer may place a hold on the posted Credit Transaction Receipt, to the extent allowed under applicable law, if the Issuer determines that the circumstances or account history warrant the delay.

ID#: 010410-010410-0004160

Visa Check Card POS Balance Inquiry Service - U.S. Region

A U.S. Visa Check Card Issuer must not provide account balance information in response to a POS Balance Inquiry Service request on any of its Visa Check Card products, except to Visa for Rightcliq.

ID#: 111011-010410-0004161

POS Balance Inquiry Service for Rightcliq Users - U.S. Region

For Cards other than Visa Prepaid Cards, a U.S. Issuer may participate in the POS Balance Inquiry Service to provide Card account balance information to Visa for Rightcliq.

ID#: 050411-181109-0025588

Campus Card Requirements - U.S. Region

A U.S. Issuer that chooses to participate in the Campus Card program must comply with the *Visa Campus Card Implementation Guide and Program Guidelines* and *Visa Product Brand Standards*.

ID#: 081010-180509-0007968

Visa Check Card II Requirements - U.S. Region

Effective through 30 June 2015, in addition to the requirements specified for Visa Check Cards, a Visa Check Card II Issuer in the U.S. Region must be capable of:

- Supporting PINs for all Transaction types
- Supporting the Visa Cash Back Service
- Processing Transactions containing a non-Visa Acquirer BIN

- Complying with all Visa Check Card II requirements, as specified in the appropriate VisaNet manuals and the *Visa Check Card II Implementation Guide*

ID#: 111011-010410-0004170

Visa Check Card II Issuance – U.S. Region

Effective through 30 June 2012, an Issuer may issue or reissue Visa Check Card II Cards. All Visa Check Card II Cards must expire no later than **30 June 2015**.

ID#: 111011-140412-0026504

Secured Cards

Secured Visa Card Solicitations - U.S. Region

A U.S. Member or its Agent that solicits a secured Visa Card account must:

- Specify in its solicitation material that to obtain the Visa Card, the potential Cardholder must open a deposit account that will serve as collateral for the Visa Card account
- Indicate the portion of the deposit that will be allocated as the line of credit accessed by the Visa Card
- Ensure that any secured Visa Card application processing fees accepted from the Cardholder are made payable to the Issuer, not the Agent

ID#: 010410-010410-0001217

Secured Visa Card Program Notification - U.S. Region

A U.S. Issuer that accepts a cash deposit as security for issuance of a Visa Card must notify Visa in writing within 30 calendar days of any secured Visa Card program with 500 or more Cards.

The Issuer must include all of the following in the notification:

- Program start date
- Projected number of secured Visa Cards at the end of the first year of the program
- The role of any non-Member Agent that supports the program

ID#: 010410-010410-0008333

Secured Card Security Deposit Requirement - U.S. Region

A U.S. Issuer must hold any cash security deposit for issuance of a Visa Card in a federally insured account in the name of the Cardholder.

The Issuer must **not** assign an interest in a security deposit to any Third Party.

ID#: 010410-010410-0008334

Secured Card Issuer Requirements - LAC Region

A Secured Card Issuer in the LAC Region must:

- Maintain a cash deposit as guarantee for issuance of a Visa Card in a bank account in the name of the Cardholder
- Upon Visa request, provide Visa available promotional materials. The promotional materials must clearly state that a security deposit is required as collateral for the issuance of a Secured Card

ID#: 010410-010410-0004526

Secured Card Promotion - LAC Region

A Secured Card Issuer in the LAC Region must receive prior written consent from Visa before using Third Party agents for the promotion of the Secured Card. The Issuer must **not** assign an interest in a deposit accepted as guarantee for issuance of a Visa Card to any Third Party agent.

ID#: 010410-010410-0004527

V PAY

V PAY Issuer Liability and Requirements - CEMEA Region

Effective through 31 December 2012, an Issuer of V PAY Cards in the CEMEA Region is liable for the Transaction amount of any fully authorized and correctly processed Transactions completed with a V PAY Card, whether online or offline and with or without a PIN. Wherever applicable, existing Visa Smart Debit Credit Chip acceptance and online processing rules apply to V PAY Transactions conducted outside the country of issuance.

Issuers of V PAY Cards must comply with the *CEMEA V PAY Product Guide*.

ID#: 111011-010311-0004448

V PAY Card Issuance – CEMEA Region

Effective 1 April 2011 through 31 December 2012, an Issuer of V PAY Cards in the CEMEA Region may issue V PAY Cards only to exhaust existing card stocks. Any V PAY Cards issued by an Issuer of V PAY Cards in the CEMEA Region after 1 April 2011 must have an expiration date of no later than 31 December 2012.

Effective 1 January 2013, an Issuer in the CEMEA Region must not issue V PAY Cards.

ID#: 151011-010411-0026122

Visa Prepaid Products

Visa Prepaid Products - General Requirements

Visa Prepaid Account - Issuer Requirements (Updated)

A Visa Prepaid Card Issuer:

- May issue Visa Prepaid Cards bearing any Visa-owned Brand Mark
- Must comply with the fees, processing rules, program rules, membership rules, reporting requirements, and physical Card design requirements for the Visa Brand Mark displayed on the Card as specified in the:
 - *Visa International Operating Regulations*
 - *Visa Product Brand Standards*
 - Applicable Visa International Prepaid Program Guidelines
 - *Visa Global Physical Security Validation Requirements for Data Preparation, Encryption Support and Fulfillment Card Vendors*
- Must **not** issue Visa Prepaid Cards as any type of consumer credit program that extends a line of credit, including Visa Signature or Visa Infinite Cards
- Must prevent unauthorized reselling of its Visa Prepaid Cards or accounts
- Must ensure that the Visa Prepaid Card programs are incorporated into the Member's anti-money laundering and anti-terrorist financing program to monitor suspicious activity
- Must ensure that its Visa Prepaid Card program is approved by Visa prior to program implementation or Visa Prepaid Card issuance
- Must ensure that the expiration date encoded on the Magnetic Stripe or Chip (when used) and embossed on a Visa Prepaid Card does not exceed 5 years from the date of issuance
- For Visa Gift Cards issued in the U.S. Region, the Issuer must ensure the expiration date encoded on the Magnetic Stripe or Chip (when used) and embossed or printed on a Visa Gift Card does not exceed 9 years from the date of issuance (*This only applies in the U.S. Region.*)

ID#: 160312-150210-0003633

Visa Prepaid Card BIN (Updated)

An Issuer must issue Visa Prepaid Cards using a consumer or commercial prepaid BIN designated for its Visa Prepaid Programs.^[48] Unique BINs are required for Reloadable Card and Non-Reloadable Card programs. Each program product type must be issued with a discrete account range within the prepaid BIN. The Issuer may:

- Choose a BIN from a BIN range previously assigned to it by Visa
- Request a new BIN range assignment for the service
- Establish multiple Visa Prepaid Card programs within the same BIN

ID#: 160312-010410-0008352

Visa Prepaid Card - Telephone Number (Updated)

A Visa Prepaid Card Issuer must print a customer service telephone number on the back of a Visa Prepaid Card.

For Visa Gift Cards issued in the U.S. Region, the Issuer must print a toll-free customer service telephone number on the back of the Card. *(This only applies in the U.S. Region.)*

ID#: 160312-010100-0025533

Visa Prepaid Account Balances (Updated)

The Issuer responsible for Prepaid Account balances must be identified either on the front or back of the Card.

An Issuer must disclose its obligation for Card balances to the Visa Prepaid Card purchaser, either in writing or other appropriate means as approved by Visa.

An Issuer must **not** describe Visa Prepaid Card programs in any way that could imply that Visa is liable for outstanding balances. This includes, but is not limited to, using the words "Travelers Cheque/Check" in the product name or claiming that Visa Prepaid Card products have all the features of Travelers Cheques.

ID#: 160312-010410-0008353

Non-Reloadable Card Printing Requirements - U.S. Region (Updated)

A U.S. Issuer offering Non-Reloadable Cards must print the legend "Non-Reloadable" on the back of the Card:

- In a minimum 6-point Helvetica font

48 A variance to this requirement applies in the LAC Region.

- Anywhere above the Magnetic Stripe

ID#: 160312-010410-0008372

Visa Prepaid Card Selective Authorization (Updated)

An Issuer of certain Visa Prepaid Cards, as specified in the applicable Visa International Prepaid Program Guidelines, may decline Authorization Requests based on the following factors:

- Merchant Category Code
- Merchant name(s) or terminal identification
- Location or Merchant Outlet

ID#: 160312-010100-0025537

Partial Authorization Service for Visa Prepaid Card Issuers (Updated)

A Visa Prepaid Card Issuer and its VisaNet Processor that offers Partial Authorization must support:

- Partial Authorization Transactions
- Authorization Reversals

An Issuer that participates in the Partial Authorization service must comply with the requirements as specified in the V.I.P. Technical Specifications.

An Issuer that participates in the Partial Authorization service that receives an Authorization Reversal must release any applicable hold on available funds in its Cardholder's account immediately.

ID#: 160312-010410-0002494

Visa Prepaid Card Authorization Holds (Updated)

A Visa Prepaid Card Issuer must release any hold on available funds in its Cardholder's account as a result of an approved Authorization Request when a matching Clearing Record is received.

This requirement does not apply if the Issuer determines that the Transaction or account involves suspicious or unusual activity.

ID#: 160312-010100-0025539

Visa Prepaid Partner Requirements (Updated)

A Member or Merchant may participate in the Visa Prepaid Load Service as a Prepaid Partner to:

- Activate or load initial value to Visa Prepaid Cards under a Prepaid Partner Issuer Agreement
- Add value to qualified reloadable Visa Prepaid Cards

A Prepaid Partner must:

- Have a Merchant Agreement with the participating Acquirer to process Visa Prepaid Load Service Transactions
- Comply with the requirements in the applicable Visa International Prepaid Program Guidelines
- Obtain Issuer approval of:
 - A load Authorization Request for Card activation on both reloadable and non-reloadable Cards
 - A load Authorization Request for value reload on qualified reloadable Cards
- Load value to a Visa Prepaid Card only when the Card is present
- Load Visa Prepaid Cards only when the Prepaid Partner and the Visa Prepaid Card Issuer are located within the same country
- Load the Visa Prepaid Card in the Cardholder's Billing Currency

ID#: 160312-010410-0008355

Visa Prepaid Card Agents - U.S. Region (Updated)

In the U.S. Region, a Visa Prepaid Card Issuer must implement underwriting, monitoring, and control policies for its Agents that support its Visa Prepaid Card program.

The Issuer must ensure that the policies are approved by its board of directors. Visa may grant an exception to this requirement.

The Issuer must provide the policies to Visa upon request.

The Issuer must implement policies and procedures for reviewing solicitation materials used by its Agents.

ID#: 160312-010410-0008356

Visa Prepaid Card Issuer Risk Program Compliance - U.S. Region (Updated)

In the U.S. Region, an Issuer must comply with the requirements of the *Prepaid Issuer Risk Program Standards* document, available from Visa upon request.

ID#: 160312-010410-0002173

Visa Prepaid Card Agent Monitoring - U.S. Region (Updated)

In the U.S. Region, an Issuer must, at a minimum, monitor its Agents in accordance with the Agent activity monitoring standards, as specified in the *Prepaid Issuer Risk Program Standards* document.

The Issuer must:

- Ensure it has all access rights to all of its Agent's systems and reports

- Submit to Visa quarterly reporting on Agent relationships, as specified in the *Prepaid Issuer Risk Program Standards* document

ID#: 160312-010410-0008357

Visa Prepaid Card Funds and Reserves - U.S. Region (Updated)

A U.S. Issuer must:

- Hold and control all Visa Prepaid Card funds and Agent reserves
- Ensure that all prepaid funds are only used for valid Presentments
- Ensure that reserves may only be used to cover direct program losses that are accumulated and derived from the Merchant settlement funds or used to guarantee a Merchant's payment system obligations to the Member
- Perform monitoring of Agent reserves and account funding
- Periodically review and monitor Cardholder funds, including exception reporting

ID#: 160312-010410-0002176

Visa Prepaid Issuer Risk Program Review - U.S. Region (Updated)

In the U.S. Region, an entity approved by Visa may conduct a periodic review of the Issuer's or its Agent's operations at any time to ensure compliance with the Prepaid Issuer Risk Program requirements.

The Issuer must provide Visa with a self-assessment questionnaire on a quarterly basis.

The Issuer must provide a copy of the review report to Visa upon request.

The Issuer is responsible for the cost of the periodic review.

ID#: 160312-010410-0008359

Visa Prepaid Card Partial Authorization Responses - U.S. Region (Updated)

In the U.S. Region, a Visa Prepaid Card Issuer and its VisaNet Processor must support Partial Authorization Responses, as specified in the VisaNet manuals.

ID#: 160312-010410-0008365

Visa Prepaid Card Product Options - U.S. Region (Updated)

A U.S. Issuer may issue various Card types for certain Visa Prepaid Card programs with prior Visa approval.

ID#: 160312-010410-0003420

Prepaid Issuer Participation in Point-of-Sale Balance Inquiry Service - U.S. Region (Updated)

In the U.S. Region, a Visa Gift Card Issuer or Visa Incentive Card Issuer or an Issuer of other Non-Reloadable Visa Prepaid Cards must:

- Participate in the Point-of-Sale Balance Inquiry Service
- Complete systems testing with Visa to support balance inquiries at the Point-of-Transaction in a Face-to-Face Environment, as specified in the VisaNet manuals

ID#: 160312-150210-0002594

Visa Consumer Prepaid Cards

Distribution of Visa Prepaid Cards Outside the Country of Issuance Requirements (New)

Effective 8 December 2011, Distribution of Visa Prepaid Cards Outside the Country of Issuance is permitted under limited circumstances and supported by a revision to Section 2.10 of the *Visa International Certificate of Incorporation and Bylaws*.

An Issuer may participate in Distribution of Visa Prepaid Cards Outside the Country of Issuance under limited circumstances. Distribution of Visa Prepaid Cards Outside the Country of Issuance is subject to all of the Visa Prepaid Card requirements specified in the *Visa International Operating Regulations* and the *Visa International Prepaid Program Guidelines*.

To participate in Distribution of Visa Prepaid Cards Outside the Country of Issuance, a Visa Prepaid Card Issuer must:

- Submit all required documentation and obtain prior written approval from Visa for each of its Visa Prepaid Card programs that it enables for Distribution of Visa Prepaid Cards Outside the Country of Issuance
- Not engage in any activity that amounts to active solicitation and issuance outside its principal country of business
- Comply with the:
 - *Visa International Operating Regulations* and Regional Operating Regulations and the applicable Certificate of Incorporation and By-laws
 - *Visa International Prepaid Program Guidelines*
 - Regional and local laws and regulatory requirements applicable to the Visa Prepaid Card Issuer, Visa Prepaid Cardholder or the Visa Prepaid Card program, including those governing foreign exchange Transactions, permissible business or banking activities, anti-money laundering/know your customer, and funds transfer

ID#: 160312-081211-0026801

Distribution of Visa Prepaid Cards Outside the Country of Issuance - Limitations (Updated)

Effective 8 December 2011, a participating Issuer must:

- Limit Distribution of Visa Prepaid Cards Outside the Country of Issuance to Visa Prepaid Card products that are solely funded by a multinational corporation or a government entity
- If Distribution of Visa Prepaid Cards Outside the Country of Issuance is offered to a multinational corporation, ensure that:^[49]
 - No more than 25% of the multinational corporation's revenues are derived from activities located in a country(ies) other than the country in which the participating Issuer is located
 - The number of the multinational corporation's employees resident in a country(ies) other than the country in which the participating Issuer is located does not exceed 25% of the multinational corporation's overall employee count
- For a Visa Prepaid Card funded by a multinational corporation, be a Visa Member in the country where the multinational corporation has its principal place of business
- For a Visa Prepaid Card funded by a corporate entity for the purpose of insurance-to-consumer programs ensure that the insurance company is located within the country of the issuer and cards are provided only to policy holders who may be living abroad. Centralized global card distribution worldwide for global or multinational insurance companies is prohibited.
- If Distribution of Visa Prepaid Cards Outside the Country of Issuance is offered to a government entity:
 - Ensure that no more than 25% of the total beneficiaries of the government disbursements under the specified government program reside outside the country of the issuer
 - Ensure that the government entity is located within the same country as the issuer

ID#: 230312-081211-0026802

Visa Prepaid Card Requirements - U.S. Region (Updated)

In the U.S. Region, a Visa Prepaid Card Issuer must comply with the requirements specified in the:

- *Visa International Prepaid Program Guidelines With Additional United States Guidelines*
- *Visa ReadyLink Service Description and Implementation Guidelines*
- *Visa Product Brand Standards*
- *Visa U.S.A. Prepaid Retail Channel Guidelines*

ID#: 160312-010410-0008363

⁴⁹ This restriction does not apply to Airlines, Cruise Lines, and sea-based shipping companies.

Visa Prepaid Card BIN - U.S. Region (Updated)

In the U.S. Region, an Issuer must use a unique consumer debit BIN for each of the following Visa Prepaid Card program types:

- Visa Buxx
- Visa Employee Benefit Cards (Visa Prepaid Card products for Visa Flexible Savings Account, Visa Health Savings Account, Visa Health Reimbursement Account and Visa Transit may be combined within a single BIN as specified in the *Visa International Prepaid Program Guidelines With Additional United States Guidelines*)
- Visa Gift Card
- Visa Incentive Card
- Visa Payroll
- Visa Prepaid Card bearing both the Visa Mark and the Visa TravelMoney Mark
- Other Visa Prepaid Cards

ID#: 160312-010100-0025544

Visa Buxx Card Issuer Implementation Requirements - U.S. Region (Updated)

In the U.S. Region, a Visa Buxx Issuer must:

- Complete the implementation procedures, as specified in the *Visa Buxx Card Member Implementation Guide*
- At least 30 days before issuing Cards, submit to Visa written certification that its programs, systems, procedures, and services comply with the *Visa International Operating Regulations*, *Visa Buxx Card Service Description*, and *Visa Buxx Card Member Implementation Guide*

ID#: 160312-010410-0004361

Visa Buxx Card Issuer Requirements - U.S. Region (Updated)

In the U.S. Region, a Visa Buxx Issuer must implement Card activation procedures.

Card activation procedures must require Cardholders to validate their identity by some reasonable means before being able to use the Card.

A Visa Buxx Issuer must provide the account owner (e.g., parent or guardian) with a financial literacy test to be completed by the teenager and verified by the account owner at the time of enrollment.

A Visa Buxx Issuer must, either itself, through Visa, or through a third-party provider, offer:

- Website access that includes:
 - Account management data and functions

- Account funding capability
- Parental notification of payment activity
- The option to receive periodic statements either electronically or on paper
- Customer service activities including, but not limited to:
 - Processing lost/stolen Card reports
 - Card suspension

ID#: 160312-010410-0008378

Visa Employee Benefit Card Issuer Requirements - U.S. Region (Updated)

In the U.S. Region, a Visa Employee Benefit Card Issuer must:

- Comply with the *Visa Employee Benefit Card Service Description and Implementation Guide*
- Support selective Authorization, as specified in "Visa Prepaid Card Declined Authorizations - U.S. Region"
- Support Auto-Substantiation, as specified in "Healthcare Auto-Substantiation Requirements - U.S. Region"
- Comply with the *Visa Healthcare Auto-Substantiation Transactions Service Description and Implementation Guide*
- Comply with the *Visa Healthcare Auto-Substantiation Transaction Consolidated Technical Requirements*
- Support Authorization Reversals
- Obtain a license from, and be certified by, SIGIS in order to process Healthcare Auto-Substantiation Transactions
- Support Retrieval Request reason code 27, "Healthcare Auto-Sub Data Retrieval Request," for the process of obtaining detailed Transaction Receipt data from Acquirers, via fax, as specified in the *Visa Healthcare Auto-Substantiation Transactions Retrieval of SIGIS Receipt Detail Implementation Guide*^[50]

ID#: 160312-010410-0008386

Healthcare Auto-Substantiation Requirements - U.S. Region (Updated)

A U.S. Issuer or its Agent must support Healthcare Auto-Substantiation if it offers any of the following Visa Employee Benefit Card programs:

- Visa Flexible Spending Account (FSA)
- Visa Health Reimbursement Account (HRA)

ID#: 160312-010410-0003421

50 Unlike other Transaction Receipt Retrieval Request Reason Codes, Reason Code 27 does not support a Chargeback right for the Issuer.

Visa Payroll Card Requirements (Updated)

A Visa payroll Issuer must comply with the:

- *Visa Payroll Card Service Description*
- *Visa Payroll Card Member Implementation Guide*

A Visa payroll Issuer must implement Card activation procedures that require Cardholders to validate their identity by some reasonable means before being able to use the Card.

ID#: 160312-010100-0025571

Visa Payroll Card Requirements - U.S. Region

In the U.S. Region, a Visa Payroll Issuer must comply with the:

- *Visa Payroll Card Service Description*
- *Visa Payroll Card Member Implementation Guide*

A Visa Payroll Issuer must implement Card activation procedures that require Cardholders to validate their identity by some reasonable means before being able to use the Card.

A Visa Payroll Card design must comply with the *Visa Product Brand Standards*.

ID#: 010410-010410-0008383

Visa Prepaid Load Service

Visa Prepaid Load Service Participation (Updated)

Members that participate in the Visa Prepaid Load Service^[51] must comply with the requirements specified in the *Visa International Operating Regulations* and the *Visa International Prepaid Program Guidelines*.

ID#: 160312-010410-0003634

Visa Prepaid Load Service Acquirer Requirements (Updated)

Members that participate in the optional Visa Prepaid Load Service must comply with requirements in the applicable Visa International Prepaid Program Guidelines. A participating Acquirer must:

- Add Visa Prepaid Load Service provisions to its Merchant Agreement

51 Visa Prepaid Load Service is referred to as Visa ReadyLink in the U.S. Region.

- Ensure that participating Merchants comply with the requirements specified in the *Visa International Operating Regulations* and applicable Visa International Prepaid Program Guidelines
- Have an Endorsement Date within 2 calendar days from the Visa Prepaid Load Service Transaction Date

An Acquirer may only process a Reversal when there is a processing problem or error that prevents the Issuer's Authorization Response from being returned to the Prepaid Partner. An Acquirer must only send system-generated reversals to VisaNet and the Prepaid Partner when there is an inability of the Acquirer to return an Issuer response to the Prepaid Partner's system.

An exemption to the Visa Prepaid Load Service requirements applies in the U.S. Region.

ID#: 160312-010410-0002517

Visa Prepaid Products - Visa ReadyLink

Visa ReadyLink Participation - U.S. Region (Updated)

A U.S. Issuer may participate in Visa ReadyLink.

A participating Issuer must:

- Comply with the requirements of the:
 - *Visa International Prepaid Program Guidelines With Additional United States Guidelines*
 - *Visa ReadyLink Service Description and Implementation Guidelines*
 - *Visa Product Brand Standards*
- Designate unique BINs within its Visa Prepaid Card program that may participate in Visa ReadyLink
- Have a Prepaid Partner Agreement with a participating Prepaid Partner to sell Visa Prepaid Cards

The Prepaid Partner Agreement must define the terms and conditions of the relationship between the Issuer and the Prepaid Partner, including, but not limited to, any applicable service fee charged to a consumer by the Prepaid Partner for the purchase of Visa Prepaid Cards. The Prepaid Partner Agreement does not govern the loading of value to a Visa Prepaid Card.

ID#: 160312-010410-0008374

Visa ReadyLink Acquirer Requirements - U.S. Region (Updated)

In the U.S. Region, an Acquirer participating in the Visa ReadyLink Service must:

- Comply with the service requirements specified in the:
 - *Visa International Prepaid Program Guidelines With Additional United States Guidelines*
 - *Visa ReadyLink Service Description and Implementation Guidelines*

- Comply with Merchant Agreement requirements, as specified in "Visa ReadyLink Acquirer Requirements for Prepaid Partners - U.S. Region"
- Ensure that it maintains adequate funds available for settlement of approved Transactions that have been processed through VisaNet from its Prepaid Partners
- Process a Visa ReadyLink Transaction through the Single Message System

ID#: 160312-010410-0003216

Visa ReadyLink Acquirer Requirements for Prepaid Partners - U.S. Region (Updated)

In the U.S. Region, an Acquirer that participates in the Visa ReadyLink Service must ensure that:

- A Prepaid Partner that participates in the Visa ReadyLink Service complies with all the provisions of the:
 - *Visa International Prepaid Program Guidelines With Additional United States Guidelines*
 - *Visa ReadyLink Service Description and Implementation Guidelines*
- The substance of those provisions is included in its Merchant Agreement or as a separate addendum

ID#: 160312-010410-0003468

Visa ReadyLink Prepaid Partner Requirements - U.S. Region (Updated)

In the U.S. Region, a Prepaid Partner that participates in the Visa ReadyLink service must:

- Have a Merchant Agreement for Visa Card acceptance
- Comply with the requirements in the:
 - *Visa International Prepaid Program Guidelines With Additional United States Guidelines*
 - *Visa ReadyLink Service Description and Implementation Guidelines*
- Load value to a Visa Prepaid Card that has been designated for participation in Visa ReadyLink by the Issuer or to another Non-Visa Branded Account, as defined in the *Visa ReadyLink Service Description and Implementation Guidelines*

A Visa ReadyLink Prepaid Partner may sell Visa Prepaid Cards under a Prepaid Partner Issuer Agreement with a participating Issuer.

ID#: 160312-010410-0008388

Visa ReadyLink Transaction Processing - U.S. Region (Updated)

In the U.S. Region, funds associated with a load to a Visa Prepaid Card or to another Non-Visa Branded Account, as defined in the *Visa ReadyLink Service Description and Implementation Guidelines* processed through the VisaNet Single Message System, as specified in the *Visa International Prepaid Program Guidelines With Additional United States Guidelines* and *Visa ReadyLink Service Description and Implementation Guidelines*, are settled between the Acquirer and Issuer during the same processing cycle as the approval of the Transaction Authorization request by the Issuer.

ID#: 160312-010410-0005731

Visa TravelMoney Program

Visa TravelMoney

Visa TravelMoney Participation

Issuer participation in the Visa TravelMoney Program is optional. To become an Issuer of Visa TravelMoney Cards, an Issuer must:

- Comply with the requirements specified in the *Visa International Prepaid Program Guidelines*
- Be an active participant in the Card Verification Service
- Provide the Visa Global Customer Assistance Services Program, as specified in "Visa Global Customer Assistance Services Program Requirements"
- Issue pre-assigned or customer-selected PINs to all Visa TravelMoney Cards
- Accept a PIN for Cardholder verification at an ATM.
- Ensure that the Service Code encoded on the Magnetic Stripe complies with the *Payment Technology Standards Manual*
- At least 30 calendar days before issuing a Visa TravelMoney Card, submit to Visa written certification that its programs, systems, procedures, and services comply with the:
 - *Visa International Operating Regulations*
 - *Visa International Prepaid Program Guidelines*

ID#: 050411-010410-0002503

Visa TravelMoney Cards

This regulation applies to an Issuer of a Visa Prepaid Card bearing the Visa TravelMoney Wordmark and either:

- Visa Brand Mark

- Visa Electron Mark

ID#: 111011-010100-0025547

Visa TravelMoney - ATM-Only Cards

A Visa TravelMoney Issuer licensee, as defined in the *Visa International Certificate of Incorporation and Bylaws*, may only issue a Visa TravelMoney Card with ATM-only functionality.

ID#: 010410-010100-0025548

Visa TravelMoney Currencies

An Issuer may issue Visa TravelMoney Cards for values in one or more currencies.

ID#: 010410-010410-0002504

Visa TravelMoney Cardholder Notification

An Issuer of Visa TravelMoney Cards must inform its Cardholders that a Visa TravelMoney Card may be used at a Visa/Plus ATM location.

ID#: 010410-010410-0002511

Visa TravelMoney Card Issuer Requirements

An Issuer of Visa TravelMoney Cards:

- Must provide Customer assistance services
- May provide forgotten PIN assistance

ID#: 010410-010410-0002615

Visa TravelMoney Access to Funds - U.S. Region

In the U.S. Region, if multiple Visa TravelMoney Cards are issued to the Cardholder, each Visa TravelMoney Card must have full access to the Visa TravelMoney funds.

If one or more Visa TravelMoney Cards are lost, the remaining cards must still have access to funds.

If one or more Visa TravelMoney Cards are lost, stolen, or damaged, the Issuer must replace one or more cards up to the total number of cards originally purchased.

ID#: 021209-150210-0008403

Visa TravelMoney Charges - U.S. Region

In the U.S. Region, Visa assesses Visa TravelMoney charges to the Issuer, as specified in the *Visa U.S.A. Fee Guide*.

ID#: 081010-010410-0007320

Original Credit Transaction

Original Credit Transaction - General Requirements

Original Credit - Originating Member Requirements

An Originating Member must:

- Register each program that uses an Original Credit with Visa
- Comply with all Visa requirements, as specified in the *Visa International Operating Regulations*, *Original Credits Member Requirements*, and the *Visa Money Transfer (VMT) Global Implementation Guide*

ID#: 050411-010410-0006985

Original Credit - Permission to Initiate

A Member of a Visa Region that participates in Original Credit processing may initiate an Original Credit Transaction unless prohibited by local law. For a list of participating Regions and permitted Original Credits applications, see *Original Credits Member Requirements* and the *Visa Money Transfer (VMT) Global Implementation Guide*.

ID#: 050411-010410-0006984

Visa Money Transfer

Money Transfer Original Credit – General Requirements

Money Transfer Original Credit Transaction Acceptance

A Member must accept an incoming Money Transfer Original Credit Transaction unless prohibited by local law. If prohibited by local law, a Member must submit a written request to Visa to block incoming Money Transfer Original Credit Transactions. An exception applies to Members in the U.S. Region as specified in "Money Transfer Original Credit Participation Requirements - U.S. Region."

ID#: 160312-010100-0026073

Money Transfer Original Credit Participation Requirements - U.S. Region

A Visa Card Issuer in the U.S. region:

- May initiate a Money Transfer Original Credit Transaction as an Originating Member
- Must accept an incoming Money Transfer Original Credit Transaction unless prohibited by local law
- Must comply with the requirements specified in these Operating Regulations and the *Visa Money Transfer (VMT) Global Implementation Guide*
- If accepting a Money Transfer is prohibited by local law, must submit a written request to Visa to block incoming Money Transfer Original Credit Transactions

ID#: 160312-150411-0025763

Money Transfer Originating Member Requirements - U.S. Region

A U.S. Originating Member must:

- Register with Visa prior to participating in the Money Transfer Original Credit Program
- Validate sender data
- Comply with "Anti-Money Laundering Requirements - U.S. Region"
- Provide proper disclosure to the sender regarding the collection of sender data

ID#: 111011-150210-0025764

Money Transfer Original Credit Transaction Limitations - U.S. Region

A U.S. Recipient Member must block incoming Money Transfer Original Credit Transactions for any Cards or accounts where regional or local laws prohibit such Transactions. The Member must also block incoming Money Transfer Original Credit Transactions for Visa Prepaid Cards if any of the following:

- The identifying Cardholder data is not on file
- The Visa Prepaid Card only supports load from a single entity (e.g., a Payroll Card or an employee benefits Card loaded by an employer)
- The Prepaid Card is Non-Reloadable

Each Money Transfer Original Credit Transaction:

- Must involve only a single sender and a single recipient
- Must not exceed US \$2,500

ID#: 111011-150210-0025765

Visa Commercial Products

Visa Commercial Products - General Requirements

Commercial Card Issuance (Updated)

An Issuer:

- May issue Visa Commercial Cards only to provide a means of payment for business-related goods and services ^[52]
- Must **not** issue a Visa Commercial Card to an individual, except as follows:
 - Employees of public- or private-sector companies, including sole proprietors and self-employed individuals
 - Employees or contractors of an organization as part of an employer-sponsored program
 - At the discretion of Visa, members of an affinity group or association that requires a means to pay for business-related goods and services and is represented by a public- or private-sector company

ID#: 160312-010410-0003173

52 **Effective 15 June 2012**, a variance to this requirement applies in the U.S. Region for Visa Business Check Cards participating in the U.S. Debt Repayment Program.

Commercial Card Certification

At least 30 calendar days before issuing a Visa Commercial Card, an Issuer must submit to Visa written certification that its programs, systems, procedures, and services comply with the *Visa International Operating Regulations*.

ID#: 010410-010410-0003175

BIN Requirements for Commercial Card Programs

An Issuer may establish multiple Visa Commercial Card programs within the same BIN.

An Issuer may use the same BIN for each of the following Visa Card program combinations:

- Silver and gold Visa Business Cards
- Silver and gold Visa Corporate Cards

ID#: 010410-010410-0008230

BIN Requirements for Program Conversion to Visa Business, Visa Corporate, or Visa Purchasing Programs

If an Issuer is converting an existing Visa Program to a Visa Business Card, Visa Corporate Card, or Visa Purchasing Card program, the Issuer may retain its existing BIN range, provided that it is used exclusively for Visa Business Cards, Visa Corporate Cards, or Visa Purchasing Cards.

ID#: 010410-010410-0003177

Commercial Products BIN Requirements

For Commercial Products, an Issuer must **not** use an unused BIN from a previously assigned BIN range without submitting a "BIN License Agreement" (available through the Visa Publication Center on Visa Online) to Visa.

ID#: 050411-010410-0003178

Visa Central Travel Account - Issuance Requirements

Effective 14 July 2011, all Visa Central Travel Accounts must be:

- Issued using a Visa Corporate Card BIN or a Visa Purchasing Card BIN.
- Linked to Virtual Account when available or to a physical Visa Card Number. Multiple Visa Central Travel Accounts may be issued (with either a physical Card or a Virtual Account).

- Issued to a commercial entity or a designated unit of the entity.

ID#: 111011-140711-0026396

Visa Central Travel Account - Issuer Liability

Effective 14 July 2011, all Visa Central Travel Accounts may be issued with or without a physical Card. The Issuer assumes full liability for any misuse on physical Cards issued on a Visa Central Travel Account.

ID#: 171011-140711-0026397

Visa Central Travel Account - Core Feature Requirements

Effective 14 July 2011, all Visa Central Travel Account Issuers must:

- Comply with the core feature requirements for the applicable product
- Provide travel accident insurance coverage when travel-related tickets are purchased using the Visa Central Travel Account. If standard policies do not include Visa Central Travel Accounts, Members must purchase coverage through Visa or another provider.
- Comply with *Visa Commercial Format Specifications* and offer electronic management information reports at a company level detailing all spend relating to the company account on at least a monthly basis. The management information reports must include at a minimum:
 - Ticket number
 - Passenger name
 - Date of travel

ID#: 151011-140711-0026398

Visa Central Travel Account - Issuer Fees

Effective 14 July 2011, Visa assesses fees for all Visa Central Travel Accounts as specified in the applicable pricing guide.

ID#: 151011-140711-0026399

Visa Commercial Card Enhanced Data - Canada Region

In the Canada Region, a Member or a Member's client participating in the Enhanced Data Service must comply with the *Visa Enhanced Data Member Terms and Conditions*, subject to the following amendments to such *Terms and Conditions*:

- The first sentence of the preamble will be revised to read: "These Member Terms and Conditions apply to Visa International Service Association and Visa Canada's (together "Visa") suite of..."

- Section 6.1 will be revised to read: "Except with respect to the Purchasing Card portion of the Enhanced Data Service provided by Visa Canada, Visa will provide..."

ID#: 010410-010410-0004187

Gold Visa Business Card and Gold Visa Corporate Card Issuance Requirements - Canada Region

In the Canada Region, participation in the Gold Visa Business Card and/or Gold Visa Corporate Card programs is optional. However, if a Canada Member participates, it must provide at a minimum the core services and features required for Visa Gold Cards and Visa Business Cards or Visa Gold Cards and Visa Corporate Cards (as applicable) as specified in the *Visa International Operating Regulations*. A Member may offer enhanced services and features that are greater than the required core services and features.

ID#: 010410-010410-0008231

Platinum Visa Business Card and Platinum Visa Corporate Card Operating Regulations - Canada Region

In the Canada Region, all provisions of the *Visa International Operating Regulations* governing issuance of Gold Visa Business Cards and Gold Visa Corporate Cards apply to the issuance of Platinum Visa Business Cards and Platinum Visa Corporate Cards.

ID#: 010410-010410-0006924

Commercial Visa Product Types - U.S. Region

In the U.S. Region, a Commercial Visa Product Issuer must refer to the Commercial Visa Product as one of the following types of Cards for business expense use:

- Visa Business Card
- Visa Corporate Card
- Visa Purchasing Card

ID#: 010410-010410-0004214

Commercial Visa Product BIN Requirements - U.S. Region

A U.S. Issuer must use a unique BIN for each of the following Commercial Visa Product Account Numbers:

- Visa Corporate Card
- Visa Purchasing Card
- Visa Business Check Card
- Visa Business Platinum Check Card

- Visa Prepaid Business Card
- Visa Prepaid Corporate Card
- Visa Prepaid Purchasing Card
- **Effective through 14 October 2011**, Visa Business Credit Card
- **Effective through 14 October 2011**, Visa Business Platinum Credit Card
- **Effective through 14 October 2011**, Visa Signature Business Card

Effective 15 October 2011, a U.S. Issuer that supports account level processing may use the same BIN for:

- Visa Business Credit Card
- Visa Business Enhanced Card
- Visa Business Platinum Credit Card
- Visa Signature Business Card

Effective 15 October 2011, a U.S. Issuer must not designate a BIN exclusively for Visa Business Enhanced or Visa Signature Business account ranges.

ID#: 111011-010410-0004215

BIN Requirements for Conversion to Visa Commercial Program - U.S. Region

If a U.S. Issuer is converting an existing business Visa Program to a Commercial Visa Product, the Issuer may retain its existing BIN if it is used exclusively for a Commercial Visa Product after notifying Visa of the conversion.

ID#: 010410-010410-0004218

Commercial Visa Products - Issuer Certification - U.S. Region

Before issuing Commercial Visa Products, a U.S. Issuer must:

- Submit to Visa:
 - Written certification that its programs, systems, procedures, and services comply with the *Visa International Operating Regulations*
 - A completed implementation checklist signed by an authorized officer of the Member, as specified in the implementation materials available from Visa upon request
- Demonstrate that it meets the minimum processing standards, including requirements specified in the implementation materials available from Visa upon request
- Receive Visa acknowledgment that Visa received the completed checklist
- Pay the one-time certification fee, as specified in the *Visa U.S.A. Fee Guide*

ID#: 050411-010410-0004223

Commercial Visa Product Enhancements - U.S. Region

In the U.S. Region, a Commercial Visa Product Issuer must comply with the benefit requirements in the *Visa Enhancements Resource Guide*.

ID#: 010410-010410-0004224

Commercial Visa Products for Client Organizations - U.S. Region

A U.S. Issuer that currently services Client Organizations with other Visa Programs is **not** required to convert its existing Cards to a Commercial Visa Product. However, the Issuer must convert the Cards to a Commercial Visa Product in order to receive the associated benefits.

ID#: 010410-010410-0004227

Commercial Visa Products Issuance Standards and Fines - U.S. Region

In the U.S. Region, a Commercial Visa Product Issuer must comply with the issuance standards specified in the:

- *Visa International Operating Regulations*
- Commercial Visa Product implementation materials available from Visa

A U.S. Issuer that knowingly violates these standards in order to obtain Commercial Visa Product benefits is subject to fines equal to 3 times the amount of the benefits attributable to the violation, as calculated by Visa.

ID#: 010410-010410-0008820

Commercial Card Core Feature Descriptions - U.S. Region

For U.S. Issuers, a description of the core features specified in "Visa Business Card Requirements - U.S. Region," "Visa Corporate Card Core Features - U.S. Region," "Visa Purchasing Card Core Features - U.S. Region," and "Visa Meetings Card Core Features - U.S. Region" is provided below:

- ATM access - An Issuer must have the ability to offer a PIN to allow ATM Cash Disbursements, if requested, and comply with the requirements for participation in the Visa ATM Network
- Central or individual billing - An Issuer must offer individual Cardholder billing or centralized company billing
- Charge Card option - An Issuer must offer a non-revolving, pay-in-full option
- Individual memo statements - An Issuer must send Transaction verification statements to each Cardholder when the Client Organization participates in the centralized company billing option

- Limited corporate liability - An Issuer must provide insurance coverage to the Client Organization (where available) in the event of Commercial Visa Product misuse by employees. Additional detailed information regarding insurance availability, options, and features is available from Visa upon request.
- **Effective through 14 October 2011**, Visa business management information reports - A Visa Business Card Issuer may offer management information reporting. If an Issuer offers management information reporting, it must offer the reports as specified in the *Visa Business Implementation Guide*.
- Visa corporate management information reports - An Issuer must provide management information reports on Visa Corporate Card usage to the Client Organization as follows:
 - Detailed Visa corporate spending by vendor, employee, and company organization units
 - In formats and distribution agreed upon by the Issuer and the Client Organization

ID#: 111011-010410-0004237

Commercial Products Core Feature Requirements (Updated)

A Visa Commercial Card Issuer must provide the core features specified in the table below:

Visa Commercial Card Core Feature Requirements

Core Feature	Visa Business Card	Visa Business Electron Card	Visa Corporate Card	Visa Purchasing Card
ATM Access	X	X	X	
Central or Individual Billing			X	
Centralized Billing				X
Local Currency Billing	X	X	X	X
Service Level Standards	X	X	X	X
Charge Card ¹			X	X
Limited Corporate Liability ¹			X	X
Management Information Reporting			X	X
Flexible Transaction Authorization				X
Individual Memo Statements ²				X

 Visa International Operating Regulations

Core Feature	Visa Business Card	Visa Business Electron Card	Visa Corporate Card	Visa Purchasing Card
1. Does not apply to Visa Corporate Prepaid Card.				
2. Does apply to Visa Corporate Prepaid Card.				

A description of the core features specified in the table above is provided below.

- ATM access - An Issuer must have the ability to offer a PIN to allow ATM Cash Disbursements, if requested. This ability is **not** required for Visa Purchasing Cards and **not** applicable to Vehicle-Specific Fleet Cards.
- Central or individual billing - An Issuer must offer the following billing options:
 - Individual Cardholder billing with individual payment
 - Individual Cardholder billing with centralized company payment
 - Centralized company billing and payment
- Local currency billing - An Issuer must have the ability to bill the subscribing company's Cardholders in the local currency of the country where the company and Cardholder physically reside
- Service level standards - An Issuer must comply with the mandated referral and approval rates specified in the "Maximum Monthly Referral Rates" table and the "Minimum Monthly Approval Rates" table
- Charge Card - An Issuer must have the ability to offer a non-revolving, pay-in-full option
- Limited corporate liability - An Issuer must be capable of providing insurance coverage to the subscribing company (where available) in the event of Visa Corporate or Visa Purchasing Card misuse by employees
- Management information reporting - An Issuer must provide management information reports on Card usage to the subscribing company as follows:
 - Detailed Visa Corporate Card spending by vendor, employee, and company organization units
 - Detailed Visa Purchasing Card spending activity necessary to administer a Visa Purchasing Card program. Spending activity processing requirements may be defined by Visa.
- Flexible Transaction Authorization - An Issuer must have the ability to restrict a purchase based upon a Transaction amount or Merchant Category Code specified by a client
- Individual memo statements - An Issuer must have the ability to send a Transaction verification statement to each Cardholder

Additional detailed information regarding insurance availability, options, and features is available from Visa upon request.

ID#: 160312-010410-0009018

Commercial Products Mandatory Core Services (Updated)

A Visa Commercial Card Issuer must provide to its Cardholders all of the core services specified in the table below:

Visa Commercial Card Mandatory Core Services

Mandatory Core Services	Visa Business Card¹	Visa Corporate Card	Visa Purchasing Card
Customer support services, as specified in the "Visa Global Customer Assistance Services Program Eligibility Requirements by Product" table	X	X	X
Medical referral, medical assistance, and emergency services ^{2, 3}	X	X	Not applicable
Legal referral, legal assistance, and cash advance services ^{2, 3}	X	X	Not applicable
Free 24-hour telephone number to obtain emergency services (Issuer must communicate the telephone number to the Cardholder at least once each year)	X	X	X
<ol style="list-style-type: none"> 1. Visa Business Electron Cards must comply with the Visa Global Customer Assistance Services Program requirements for Visa Electron Cards specified in "Visa Global Customer Assistance Services Program Eligibility Requirements by Product" table. 2. A variance to this requirement applies in the jurisdiction of Visa Europe. 3. This is an optional service for Visa Corporate Prepaid Cards. 			

ID#: 160312-141111-0003185

Visa Meetings Card**Visa Meetings Card Requirements**

A Visa Meetings Card Issuer must comply with the requirements specified in the *Visa Product Brand Standards* and *Visa Meetings Card Implementation Guide*.

ID#: 010410-010410-0004229

Visa Meetings Card Core Features

A Visa Meetings Card Issuer must offer all of the core features described in "Commercial Products Core Feature Requirements" except for billing, where only centralized company billing and payment may be offered.

ID#: 010410-010410-0004230

Visa Meetings Card Core Services

A Visa Meetings Card Issuer must offer the core services described for a Visa Corporate Card in the "Visa Commercial Card Mandatory Core Services" table.

ID#: 010410-010410-0004231

Visa Meetings Card Customer Support Services

A Visa Meetings Card Issuer must offer the customer support services described for a Visa Corporate Card in the "Visa Global Customer Assistance Services Program Eligibility Requirements by Product" table.

ID#: 081010-010410-0004232

Visa Meetings Card BIN

A Visa Meetings Card Issuer must assign either:

- A specific Visa Corporate Card or Visa Purchasing Card BIN
- An account range within an existing Visa Corporate Card or Visa Purchasing Card BIN

ID#: 010410-010410-0004233

Visa Meetings Card BIN - U.S. Region

A U.S. Issuer offering Visa Meetings Cards must either:

- Use a BIN from the BIN range reserved for Purchasing Cards
- Use an Account Number range within an existing Visa Purchasing Card BIN

ID#: 010410-010410-0004334

Visa Meetings Card Core Features - U.S. Region

In the U.S. Region, a Visa Meetings Card Issuer must provide all of the core features specified below, as described in "Commercial Card Core Feature Descriptions - U.S. Region" except for billing, where only centralized company billing and payment may be offered:

- ATM access
- Central billing
- Charge Card option
- Individual memo statements
- Limited corporate liability

ID#: 010410-010410-0004335

Visa Meetings Card Authorization Processing - U.S. Region

In the U.S. Region, a Visa Meetings Card Issuer must have the ability to decline an Authorization Request based on the following factors, if the Client Organization has specified these or other factors:

- Merchant Category Code
- Transaction amount
- Location of Merchant Outlet

ID#: 010410-010410-0004354

Prepaid Commercial

Commercial Visa Prepaid Product Requirements

A Commercial Visa Prepaid Product Issuer must comply with the:

- Visa Prepaid Card requirements
- General Visa Commercial Card requirements specified in the *Visa International Operating Regulations*

ID#: 081010-010100-0025575

Visa Agro Card - LAC Region

Visa Agro Issuer Requirements – LAC Region

Effective 8 September 2011, in the LAC Region, an Issuer of Visa Commercial Cards may issue a Visa Agro Card as any of the following:

- Credit
- Debit
- Prepaid commercial, excluding Cards issued in Brazil
- Visa Electron

The Issuer may combine Visa Agro Cards with the commercial applications or commercial products described above.

Visa Agro Card Issuers must comply with the regulations of each product and application associated with the Visa Agro Card.

ID#: 111011-010100-0026520

Visa Agro BIN - LAC Region

Effective 8 September 2011, all Issuers of Visa Agro Cards in the LAC Region, except for Issuers in Brazil, must assign either:

- A specific Visa Purchasing Card or Commercial Visa Prepaid Product BIN
- An account range within an existing Visa Purchasing Card or Commercial Visa Prepaid Product BIN

Effective 1 May 2012, an Issuer of Visa Agro Cards in Brazil, must use a specific BIN or a separate and unique account range for its Visa Agro Card.

ID#: 111011-010100-0026521

Visa Agro Card Core Features – LAC Region

Effective 8 September 2011, a Visa Agro Card Issuer must offer the following core features:

- Centralized billing
- Local currency billing
- Service level standards
- Management information reporting
- Flexible Transaction Authorization

Visa Agro Card Issuers have the option to offer the following features:

- ATM Access, excluding Cards issued in Brazil
- Charge Card
- Limited corporate liability

ID#: 111011-010100-0026522

Visa Agro Card Core Services – LAC Region

Effective 8 September 2011, a Visa Agro Card Issuer must offer the following core services:

- Cardholder inquiry service
- Emergency Card replacement
- Lost/Stolen Card reporting
- Exception File updates
- Free 24-hour telephone number to obtain emergency services (Issuer must communicate the telephone number to the Cardholder at least once each year)

For Visa Agro Prepaid commercial Cards, Issuers must offer the customer support services for Visa Prepaid Cards, as specified in the “Visa Global Customer Assistance Services Program Eligibility Requirements by Product” table.

ID#: 111011-010100-0026523

Visa Agro Card Selective Authorization – LAC Region

Effective 8 September 2011, a Visa Agro Card Issuer may decline an Authorization Request based on the following factors, if the Client Organization has specified these or other factors:

- Merchant Category Code
- Transaction amount
- Location of Merchant Outlet

ID#: 111011-010100-0026524

Visa Agro Issuer Reporting Requirements - LAC Region

Effective 8 September 2011, an Issuer of Visa Agro Cards, including Cards with multi-application functionality, combining a Visa Agro Card with a credit, debit, Visa Electron, prepaid application or a V Distribution Program, must report all statistics for each product or application separately through the Quarterly Operating Certificate.

ID#: 111011-010100-0026525

Visa Commercial Business Products

Commercial Business Products General Requirements

Visa Business Card Issuers - AP Region

In the AP Region, a new Visa Business Card Issuer must provide, in addition to the core features specified in "Commercial Products Core Feature Requirements," all the core features specified in this section.

An existing Visa Business Card Issuer must comply with all of the following core feature requirements for all Cards in circulation:

- Central or individual billing
- Limited corporate liability
- Travel accident insurance

The core features specified above and in "Visa Business Debit Card Core Features - AP Region" are described as follows:

- Limited corporate liability - An Issuer must provide insurance coverage to the subscribing company (where available) in the event of Visa Business Card misuse by employees. However, this is applicable only to accounts with 2 or more Cards.
- Travel Accident Insurance - An Issuer must provide insurance coverage for loss of life or permanent injury to Cardholders from an accident occurring on transport, if the transport was paid for using the Visa Business Card
- Monthly reporting on individual Cardholder activity - An Issuer must provide a statement or information reports that show detailed Visa Business Debit Card spending by employee

ID#: 010410-010410-0008246

Visa Commercial Card Program Requirements - CEMEA Region

In the CEMEA Region, a Visa Business Card Issuer must comply with the *Visa Business Implementation Guide*.

A Visa Business Card or Visa Corporate Card Issuer must comply with the *Global Customer Assistance Services Member Guide - CEMEA Region*.

ID#: 010410-010410-0008232

Visa Business Card Spending Limit - CEMEA Region

In the CEMEA Region, a Visa Business Card Issuer must offer its Cardholder a minimum spending limit of US \$5,000.

A variance to this requirement applies to Members in Afghanistan and Pakistan.

ID#: 050411-010410-0004190

Visa Business/Visa Corporate Card Emergency Services - CEMEA Region

In the CEMEA Region, a Visa Business Card or Visa Corporate Card Issuer must provide the following emergency services to its Cardholders at no extra cost. Information about these core services is available from Visa upon request.

Emergency medical referral services must include:

- 24-hour medical assistance worldwide
- Referral service to medical specialists abroad
- Cash advance for hospital admission deposit
- Referral to agency for dispatch of medicines or medical equipment

Emergency legal referral services must include:

- 24-hour referral service to a legal advisor worldwide
- Bail bond assistance (payment of bail or emergency legal fees by an appointed agent)

ID#: 010410-010410-0008247

Visa Business/Visa Corporate Card Travel Assistance Services - CEMEA Region

In the CEMEA Region, a Visa Business Card or Visa Corporate Card Issuer must provide the following travel assistance services to its Cardholders:

- Travel delay
- Baggage delay
- Document replacement
- Emergency message service
- Lost/Stolen Card Reporting Service
- Hotel Reservation Service

ID#: 010410-010410-0006958

Visa Business Card Issuer Requirements - U.S. Region

In the U.S. Region, a Visa Business Card Issuer must:

- Provide ATM access, as described in "Commercial Card Core Feature Descriptions - U.S. Region"
- **Effective through 14 October 2011**, adhere to service level standards specified in the implementation materials available from Visa upon request
- **Effective 15 October 2011**, comply with the requirements specified in the *Visa Business Credit Cards Product and Implementation Guide - U.S. Region*

ID#: 111011-010410-0004247

Visa Business Card Management Information Reporting - U.S. Region

Effective through 14 October 2011, in the U.S. Region, a Visa Business Card Issuer may offer management information reporting. If an Issuer offers management information reporting, it must offer the reports as specified in the *Visa Business Implementation Guide*.

ID#: 111011-010410-0004248

Visa Business Card Account Billing Options - U.S. Region

A U.S. Issuer may offer its Visa Business Card Cardholders any of the following account billing options:

- Line of credit
- Depository account
- Other company assets available through the Issuer
- Charge Card (non-revolving, pay-in-full)

ID#: 010410-010410-0004293

Visa Business Enhanced Cards

Visa Business Enhanced Card Issuer Requirements - U.S. Region

Effective 15 October 2011, in the U.S. Region, a Visa Business Enhanced Card Issuer must:

- Complete the certification form in the *Visa Business Credit Cards Product and Implementation Guide – U.S. Region*
- Support account-level processing
- Participate in Visa SavingsEdge
- Comply with:

- *Visa Business Credit Cards Product and Implementation Guide – U.S. Region*
- *Visa Enhancements Resource Guide*
- *Visa Product Brand Standards*

ID#: 160312-151011-0026349

Visa Business Enhanced Card Rewards Program - U.S. Region

Effective 15 October 2011, in the U.S. Region, a Visa Business Enhanced Card Issuer must:

- Offer a rewards program to its Visa Business Enhanced Cardholders, as specified in the *Visa Business Credit Cards Product and Implementation Guide – U.S. Region*
- Notify Cardholders, at least annually, via billing statement or standalone statement, of rewards points earned during the relevant period

ID#: 160312-151011-0026350

Visa Business Platinum Cards

Visa Business Platinum Credit and Visa Business Platinum Check Card Customer Service Telephone Number - U.S. Region

A U.S. Issuer that issues a Visa business platinum credit or Visa Business Platinum Check Card must provide all of its Cardholders with a telephone number for obtaining customer service, 24 hours a day, 7 days a week.

ID#: 010410-010410-0004249

Visa Signature Business Cards

Visa Signature Business Card Issuance – AP Region

At the option of Visa, an AP Issuer may offer a Visa Signature Business Card, subject to trademark availability. The Visa Signature Business Card may be issued:

- With charge or credit capability
- To Cardholders who meet a preset minimum annual retail sales volume spend threshold. The qualifying level of annual retail sales volume spend will be specified for each individual country in which Visa Signature Business Cards are issued. If more than 15% of the accounts in an Issuer's portfolio does not meet the spend threshold, the Issuer will be required to implement spend stimulation programs in consultation with Visa.

ID#: 160312-010111-0026093

Visa Signature Business Card BIN Requirements – AP Region

In the AP Region, a Visa Signature Business Issuer must use a unique BIN for its Visa Signature Business Card Account Numbers and not share an account range of a non-Visa Signature Business BIN.

A Visa Signature Business Issuer must not reclassify a BIN to represent a product other than a Visa Signature Business Card without permission from Visa.

ID#: 160312-010111-0026094

Visa Signature Business Card Spending Limit – AP Region

In the AP Region, a Visa Signature Business Issuer may choose either of the following spending limit options:

- No pre-set spending limit for purchase Transactions, subject to local law requirements
- A Minimum Spending Limit of US \$15,000, or local currency equivalent, for Transactions during each statement cycle

The Visa Signature Business Issuer may establish a pre-set spending limit for:

- Cash Disbursement Transactions
- Transactions resulting from an Emergency Card Replacement

The Visa Signature Business Issuer may allow a Visa Signature Business Cardholder the option to either:

- Pay in full each statement cycle
- Revolve

If positioned as a revolving product, the Issuer must permit a minimum revolving balance of at least US \$10,000 during each statement cycle.

ID#: 160312-010111-0026095

Visa Signature Business Card Rewards Program Requirements – AP Region

In the AP Region, a Visa Signature Business Issuer must offer a rewards program to its Visa Signature Business Cardholders.

The Visa Signature Business rewards program must offer a minimum rewards earn rate equal to the rate offered by the same Issuer for a consumer Visa Signature Card in the same country or region, or the applicable country consumer Visa Signature minimum rewards rate, whichever is higher.

The Issuer must, at a minimum, notify Cardholders about reward points earned quarterly, via a regular billing statement or a stand-alone statement.

ID#: 160312-010111-0026096

Visa Signature Business Card Reporting Services – AP Region

An AP Issuer must provide Visa Signature Business Cardholders with at least annual reporting that includes:

- Total annual amount spent by Cardholder or company
- Summary of spending by Merchant category

The Issuer may either provide the reporting in-house or through Visa IntelliLink Spend Management.

ID#: 160312-010111-0026097

Visa Signature Business Card Authorization Requirements – AP Region

Except as specified in "Visa Signature Business Card Spending Limit - AP Region" a Visa Signature Business Issuer in the AP Region must not decline a Transaction for exceeding a pre-set spending limit of any kind.

The Visa Signature Business Card Issuer must decline or refer Transactions, only as specified in the following table:

Visa Signature Business Card Allowable Decline and Referral Reasons

Circumstances	Allowable Reason for Decline	Allowable Reason for Referral
Card used fraudulently	X	
Following a referral, Issuer determines fraudulent situation	X	
Following a completed referral, Issuer determines likelihood of default	X	
Transaction is out of compliance with Cardholder agreement	X	
Cardholder notified to stop using Card, and account suspended or closed	X	
Issuer elected to decline all Transactions routed to International Automated Referral Service (IARS) Stand-In Processing; decline is the result of Issuer unavailability	X	
Over-limit on Cash Disbursements (unless Issuer is providing no pre-set cash limits)	X	
Over-limit on Emergency Replacement Card (unless Issuer is providing no pre-set spending on Emergency Replacement Card)	X	

Circumstances	Allowable Reason for Decline	Allowable Reason for Referral
Over-limit on Emergency Cash (unless Issuer is providing no pre-set cash limits on Emergency Cash)	X	
Issuer credit policy determines the likelihood of default		X
Card used before activation		X
Delinquent account, but otherwise in good standing		X
Delinquent account, account meets Issuer criteria to close/suspend prior to Cardholder notification		X

ID#: 230312-010111-0026098

Visa Signature Business Card Delinquent Accounts – AP Region

For Cards with no pre-set spending limit, a Visa Signature Business Card Issuer in the AP Region must provide notification to the Cardholder before ongoing Transactions can be declined.

ID#: 160312-010111-0026099

Visa Signature Business Card - Other Requirements – AP Region

At a minimum, a Visa Signature Business Issuer in the AP Region must provide access to a customer service agent 24 hours a day, 7 days a week.

A Visa Signature Business Issuer must:

- Provide advance notification to the Cardholder when an account needs to be suspended or closed for any reason
- Monitor customer complaints related to Transaction Authorizations
- Identify action plans to improve customer service
- Make customer complaint information available to Visa

ID#: 160312-010111-0026100

Visa Signature Business Card Core Services – AP Region

In the AP Region, a Visa Signature Business Issuer must offer to its Cardholders all Visa Business Card core features specified in the AP Regional Operating Regulations.

ID#: 160312-010111-0026101

Visa Signature Business Card Marketing Support – AP Region

In the AP Region, a Visa Signature Business Issuer intending to distribute Merchant partnership or emergency services material to its Cardholders must receive written approval from Visa prior to such distribution.

ID#: 160312-010111-0026102

Visa Signature Business Card Additional Core Services – AP Region

In the AP Region, a Visa Signature Business Issuer must also provide the following services:

- One or more insurance options that the Issuer may choose to apply, with a unit cost per premium that matches or exceeds the current unit cost of providing US \$500,000, or local currency equivalent travel accident insurance, except where prohibited by local law. The Issuer must submit to Visa in writing, an official quote from an insurance company, for both the travel accident insurance and the proposed new features, at least 30 calendar days prior to its implementation.
- Emergency medical evacuation and repatriation services
- Emergency medical insurance when traveling, with medical expense benefit up to US \$25,000, or local currency equivalent
- Concierge Services assistance available through a customer service attendant by telephone 24 hours a day, 7 days a week, and offered in key international travel markets. The minimum services required are travel information and assistance, including:
 - Emergency travel arrangement provisions
 - Passport, visa and customs information
 - Country and major city information
 - Translation and message assistance
 - Transportation information
 - Restaurant, health club, entertainment events, shopping information and assistance with gift arrangement
 - ATM location guide
 - Weather forecast
 - Business Services

The Issuer must communicate the following Visa Signature Business Privileges Program information to Cardholders:

- Visa Signature Business Privileges benefits at least once a year
- New benefits or changes to existing benefits, or exclusive quarterly Merchant offers at least 2 months prior to the effective date of Visa Signature Business Merchant Privileges

ID#: 160312-010111-0026103

Visa Signature Business Card Emergency Assistance Services – AP Region

In the AP Region, a Visa Signature Business Issuer must:

- Provide a free 24-hour telephone number where emergency service can be accessed
- Communicate the telephone number to the Cardholder annually

ID#: 160312-010111-0026104

Visa Signature Business Card Global Customer Care Services – AP Region

In the AP Region, a Visa Signature Business Issuer must participate in the following Visa Global Customer Care Services:

- Lost/Stolen Card Reporting Service
- Cardholder Inquiry Service
- Emergency Cash Service
- Emergency Card Replacement Service
- Emergency Payment Authorization Service

ID#: 160312-010111-0026105

Visa Signature Business Card Issuance - U.S. Region

Effective through 14 October 2011, in the U.S. Region, a Visa Signature Business Issuer must:

- Complete the certification form included in the *Visa Signature Business Product and Implementation Guide*
- Comply with the requirements specified in the *Visa Enhancements Resource Guide*
- Comply with the Visa Business Signature requirements specified in the U.S. Regional Operating Regulations

ID#: 111011-010410-0008274

Visa Signature Business Card Issuer Requirements - U.S. Region

Effective 15 October 2011, in the U.S. Region, a Visa Signature Business Card Issuer must:

- Complete the certification form included in the *Visa Business Credit Cards Product and Implementation Guide – U.S. Region*
- Support account-level processing
- Participate in Visa SavingsEdge
- Comply with:

- *Visa Business Credit Cards Product and Implementation Guide – U.S. Region*
- *Visa Enhancements Resource Guide*
- *Visa Product Brand Standards*

ID#: 160312-151011-0026352

Visa Signature Business Card BIN Requirements - U.S. Region

Effective through 14 October 2011, in the U.S. Region, a Visa Signature Business Issuer must:

- Use a unique BIN assigned to it by Visa for its Visa Signature Business Account Numbers and either:
 - Choose a BIN from a BIN range previously assigned
 - Request a new BIN assignment
- If using a previously assigned BIN, notify Visa of the selected BIN before issuing any Visa Signature Business Cards

ID#: 111011-010410-0004258

Visa Signature Business Card Payment Options - U.S. Region

In the U.S. Region, a Visa Signature Business Issuer:

- May allow the Visa Signature Business Cardholder the option to either:
 - Pay in full each statement cycle
 - Revolve
- **Effective through 14 October 2011**, must issue its Visa Signature Business Cards with no pre-set spending limit for purchase Transactions

Effective through 14 October 2011, the Issuer may establish a pre-set spending limit for:

- Cash Disbursement Transactions
- Transactions resulting from an Emergency Card Replacement

ID#: 111011-010410-0008276

Visa Signature Business Card Minimum Revolving Balance - U.S. Region

If a U.S. Issuer positions a Visa Signature Business Card as a revolving product, it must permit a minimum revolving balance during each statement cycle.

ID#: 111011-010410-0004261

Visa Information Source Select - U.S. Region

Effective through 14 October 2011, in the U.S. Region, a Visa Signature Business Issuer must offer Visa Information Source (VIS) Select as a core service of a Visa Signature Business Card. With prior written approval from Visa, a Visa Signature Business Issuer may offer an equivalent daily transaction reporting service that allows a Cardholder to obtain the minimum level data and reporting features, as specified in the *Visa Signature Business Product and Implementation Guide*.

ID#: 111011-010410-0004273

Visa Signature Business Card Rewards Program - U.S. Region

In the U.S. Region, a Visa Signature Business Issuer must:

- **Effective through 14 October 2011**, offer a rewards program to its Visa Signature Business Cardholders, in accordance with the requirements specified in the *Visa Signature Business Product and Implementation Guide*
- **Effective 15 October 2011**, offer a rewards program to its Visa Signature Business Cardholders, as specified in the *Visa Business Credit Cards Product and Implementation Guide – U.S. Region*,
- Notify Cardholders, at least quarterly, via billing statement or standalone statement, regarding reward points earned during the relevant period

ID#: 111011-010410-0004274

Visa Signature Business Card Interchange Reimbursement Fee - U.S. Region

Effective through 14 October 2011, in the U.S. Region, the Visa Business Card Interchange Reimbursement Fees apply to a Visa Signature Business Transaction.

ID#: 111011-010410-0004277

Visa Signature Business Cardholder Notification - U.S. Region

In the U.S. Region, a Visa Signature Business Issuer must provide notification to the Cardholder:

- Before ongoing Transactions may be declined
- When an account needs to be suspended or closed for any reason

ID#: 010410-010410-0004278

Visa Signature Business Card Customer Service Telephone Number - U.S. Region

Each U.S. Issuer of a Visa Signature Business Card must provide a toll-free telephone number of its own customer service center where the Cardholder:

- May obtain customer service 24 hours a day, 7 days a week
- Is given an early and ongoing option to talk to a knowledgeable representative, if an automated response menu is used

ID#: 010410-010410-0004279

Visa Signature Business Card Enhanced Billing Support Resolution Services - U.S. Region

Effective through 14 October 2011, in the U.S. Region, a Visa Signature Business Issuer must provide enhanced billing support resolution services, as specified in the *Visa Signature Business Product and Implementation Guide*.

ID#: 111011-010410-0004280

Visa Signature Business Card Authorization Requirements - U.S. Region

Effective through 14 October 2011, except as specified in "Visa Signature Business Card Spending Limits and Payment Options - U.S. Region," a U.S. Visa Signature Business Issuer must **not** decline a Transaction for exceeding a pre-set spending limit of any kind. Transactions must be approved or declined based on:

- The absence of suspected fraud
- The Cardholder's spending patterns
- Issuer determination of the likelihood of default
- Issuer safety and soundness considerations

ID#: 111011-010410-0004275

Visa Signature Business Cardholder Information - U.S. Region

Each U.S. Issuer must offer its Cardholders, during the application process for a Visa Signature Business Card, the option to have their personal information kept confidential.

- **Effective through 14 October 2011**, if this option is selected, the Issuer must **not** provide Cardholder or account details to external organizations for the purpose of marketing mailing lists, products, or services, except to provide Visa Signature Business Card services specified in applicable sections of the *Visa International Operating Regulations*, *Visa Signature Business Product and Implementation Guide*, and the *Visa Enhancements Resource Guide*, as permitted by law
- **Effective 15 October 2011**, if this option is selected, the Issuer must not provide Cardholder or account details to external organizations for the purpose of marketing mailing lists, products, or services, except to provide Visa Signature Business Card services specified in applicable sections of the *Visa International Operating Regulations*, *Visa Business Credit Cards Product and Implementation Guide - U.S. Region*, and the *Visa Enhancements Resource Guide*, as permitted by law

- The Issuer may, for Affinity Card accounts, disclose that this option does not apply to the Affinity Partner

ID#: 111011-010410-0004281

Liability for Visa Signature Business Card Transactions - U.S. Region

In the U.S. Region, upon receipt of notification from its Cardholder of unauthorized Visa Signature Business Transactions, an Issuer must limit the Cardholder's liability for those Transactions to zero.

The Issuer may require the notification to be received within 60 calendar days of the mailing date of the first statement showing unauthorized Visa Transactions.

The Issuer may increase the limit of the Cardholder's liability for unauthorized Transactions if it reasonably determines, based on substantial evidence, that the Cardholder was grossly negligent in the handling of the account or Card.

The Issuer may define an unauthorized Visa Transaction to exclude any Transaction allegedly conducted by:

- A business co-owner
- The Cardholder or person authorized by the Cardholder
- Any other person with an interest in or authority to transact business on the account

ID#: 010410-010410-0008290

Visa Business Check Cards

Definition of Visa Business Check Card - U.S. Region

In the U.S. Region, Visa reserves the right to determine the application of the definition of the Visa Business Check Card.

ID#: 010410-010410-0004255

Visa Business Check Card Account Access - U.S. Region

In the U.S. Region, a Visa Business Check Card may be used to access a deposit, investment, or other business asset account, including a fiduciary account.

ID#: 010410-010410-0004252

Visa Business Check Card Limitations - U.S. Region

In the U.S. Region, a Visa Business Check Card must **not** be used to obtain credit, as defined in *12 CFR Part 226 (Regulation Z)*, unless it involves only an incidental extension of credit under an agreement between the Cardholder and the Issuer either:

- When the Cardholder's account is overdrawn
- To maintain a specified minimum balance in the Cardholder's account

For Interchange category purposes, a Visa Business Check Card used to obtain credit, as specified above, is **not** considered a Visa Business Check Card if:

- Actual debiting of funds from the business asset account occurs periodically rather than daily
- These periods are at least X days apart

ID#: 161111-010410-0008304

Visa Business Check Card Provisional Credit for Disputed Transactions - U.S. Region

Upon receipt of notification from its Cardholder of unauthorized Visa Transactions, a U.S. Issuer must provide provisional credit to the Cardholder's account within 5 business days of the notification. The Issuer may:

- Require written confirmation from the Cardholder before providing provisional credit
- Withhold provisional credit, to the extent allowed under applicable law, if the Issuer determines that the circumstances or account history warrant the delay

ID#: 010410-010410-0004256

Visa Business Electron Cards

Visa Business Electron Card Issuer Requirements

A Visa Business Electron Card Issuer must:

- Offer Visa Electron Program features specified in "Visa Electron Program Features." The Issuer must not offer Visa Card program features.
- Comply with the physical Card design requirements for Visa Electron Cards specified in the *Visa Product Brand Standards*
- Comply with the Visa Global Customer Assistance Services Program requirements for Visa Electron Cards specified in the "Visa Global Customer Assistance Services Program Eligibility Requirements by Product" table
- Ensure that the Card contains the Service Code for Visa Electron Cards, requiring Online Authorization

In the LAC Region, Issuers may issue Visa Corporate Electron Cards and Visa Purchasing Electron Cards.

ID#: 081010-010410-0004162

Visa Business Electron Card Requirements - CEMEA Region

In the CEMEA Region, an Issuer of Visa Business Electron Cards that are restricted to domestic use only is exempt from the requirements in "Visa Business/Visa Corporate Card Travel Assistance Services - CEMEA Region," but may implement these requirements at its discretion.

ID#: 010410-010410-0004760

Visa Business Debit Cards - AP Region

Visa Business Debit Card Core Features - AP Region

In the AP Region, a Visa Business Debit Card Issuer must provide the following core features:

- ATM Access
- Service level standards
- Monthly reporting on individual Cardholder activity
- Limited corporate liability

These core features are described in "Visa Business Card Issuers - AP Region."

ID#: 010410-010410-0004176

Visa Infinite Business Cards - Canada Region

Visa Infinite Business Cards Issuer Requirements - Canada Region

A Canada Issuer must offer a Visa Infinite Business Card with the highest purchasing power available within a Member's Visa Card portfolio.

A Canada Issuer may offer its Visa Infinite Business Cardholders with charge or credit capability.

At a minimum, a Canada Issuer must provide to its Visa Infinite Business Cardholders access to a customer service agent 24 hours a day, 7 days a week.

In the Canada Region, a Visa Infinite Business Issuer must:

- Provide advance notification to the Cardholder when an account needs to be suspended or closed for any reason

- Monitor customer complaints related to Transaction Authorizations
- Identify action plans to improve customer service
- Make customer complaint information available to Visa

In the Canada Region, a Visa Infinite Business Issuer must offer some form of Transaction reporting service that allows its Visa Infinite Business Cardholders to obtain minimum Transaction level data as approved by Visa.

ID#: 050411-011109-0025615

Visa Infinite Business BIN Requirements - Canada Region

In the Canada Region, an Issuer must use a unique BIN for its Visa Infinite Business Card Account Numbers and not share a BIN range.

The Issuer must not reclassify a BIN to represent a product other than the Visa Infinite Business Card without prior permission from Visa.

ID#: 050411-010100-0025616

Visa Infinite Business Spending Limits - Canada Region

A Visa Infinite Business Card Issuer may use either of the following spending limit options:

- No pre-set spending limit
- A minimum credit limit

The Visa Infinite Business Card Issuer may establish a pre-set spending limit for:

- Cash Disbursement Transactions
- Transactions resulting from an Emergency Card Replacement

ID#: 111011-011109-0025617

Visa Infinite Business Authorization Requirements - Canada Region

In the Canada Region, a Visa Infinite Business Card Issuer must only decline or refer Visa Infinite Business Transactions, as specified in "Visa Infinite Card Allowable Decline and Referral Reasons."

In the Canada Region, an Issuer must not decline a Visa Infinite Business Transaction for exceeding a pre-set limit of any kind. Transactions must be approved or declined based on:

- The absence of suspected fraud
- The Cardholder's spending pattern
- Issuer determination of the likelihood of default

- Issuer safety and soundness considerations

ID#: 050411-011109-0025618

Visa Infinite Business Delinquent Account - Canada Region

In the Canada Region, a Visa Infinite Business Issuer must provide notification to a Visa Infinite Business Cardholders with no pre-set spending limit before ongoing Transactions can be declined.

ID#: 050411-011109-0025619

Visa Infinite Business Cardholder Qualifications - Canada Region

In the Canada Region, to qualify as a Visa Infinite Business Cardholder, the Cardholder must demonstrate a minimum annual spend of CAD \$36,000 per year or greater.

ID#: 050411-011109-0025620

Visa Infinite Business Rewards Program Requirements - Canada Region

In the Canada Region, a Visa Infinite Business Card Issuer must offer a rewards program to its Visa Infinite Business Cardholders.

The Visa Infinite Business rewards program must offer a minimum rewards earn rate equal to either:

- The rate offered by the same Issuer for a Consumer Visa Infinite Card Program
- The rate offered by a peer Issuer for a consumer Infinite or Business Infinite card upon approval by Visa

The Issuer must, at a minimum, notify Cardholders monthly via a billing statement or a standalone statement regarding reward points earned during the relevant period.

ID#: 050411-011109-0025621

Visa Infinite Business Web Services - Canada Region

In the Canada Region, a Visa Infinite Business Issuer must provide Web services through Visa or other provider of choice with the following minimum standards:

- Provide a description of Visa Infinite Business Card services, benefits, and features
- Provide a detailed listing of the Visa Infinite Business Exclusive Privileges Merchant partner offers
- Include the following minimum value-added content and services for travel and entertainment:
 - Travel content that supports the Visa Infinite Business product positioning that is not readily available from other sources

- Online concierge service, offered by Visa or Issuer's Visa Infinite product

ID#: 050411-011109-0025622

Visa Infinite Business Core Features - Canada Region

In the Canada Region, a Visa Infinite Business Card Issuer must offer all of the following core features:

- ATM access
- Local currency billing
- Service level standards
- Information reporting
- Flexible Transaction Authorization
- Individual statements
- In addition a Visa Infinite Business Card Issuer must provide a minimum of 2 offers from the categories below:
 - Office supplies
 - Office equipment
 - Office leasing/rentals
 - Computers/electronics
 - Telecommunications
 - Business services
 - Business education
- And provide a minimum of 3 offers from the list below:
 - ID theft restoration
 - ID theft insurance
 - VIP hotel program
 - VIP dining program
 - VIP retail and entertainment
 - Companion Airline ticket
 - Payment protection insurance
 - Price protection insurance
 - Preferred Rate on health/dental insurance
 - Access to VIP airline lounges
 - 15 Days Emergency Travel Medical Insurance
 - Travel Accident Insurance

ID#: 111011-011109-0025623

Visa Infinite Business Core Services - Canada Region

In the Canada Region, a Visa Infinite Business Card Issuer must offer to its Cardholders all of the core services specified in "Commercial Products Core Services."

ID#: 050411-011109-0025624

Visa Infinite Business Global Support Services - Canada Region

In the Canada Region, a Visa Infinite Business Card Issuer must:

- Be available to respond to a request from the Emergency Payment Authorization Service 24 hours a day, 7 days a week
- Provide all needed information, and a decision to approve or deny the request during the initial telephone or fax contact with the Visa Global Customer Care Services (GCCS)
- If providing the service directly to the Cardholder, contact the Merchant to verify the circumstances, explain the service, and complete the Transaction
- Send a fax or e-mail to the Merchant that includes the Cardholder name, Account Number, expiration date, Authorization Code, and Transaction amount

ID#: 050411-011109-0025625

Visa Infinite Business Emergency Services - Canada Region

In the Canada Region, a Visa Infinite Business Card Issuer must offer the following services through the Visa Global Customer Assistance Service or directly through the Issuer customer service center:

- Lost/Stolen Card Reporting Service
- Cardholder Inquiry Service
- Emergency Cash Service
- Emergency Card Replacement Service
- Emergency Payment Authorization Service

ID#: 050411-011109-0025626

Visa Infinite Business Customer Service Telephone Number - Canada Region

In the Canada Region, a Visa Infinite Business Issuer must:

- Provide a free 24-hour telephone number where emergency service can be accessed
- Communicate the telephone number to the Cardholder annually

ID#: 050411-011109-0025627

Visa Infinite Business Card Replacement and Emergency Cash Disbursement - Canada Region

In the Canada Region, an Issuer must provide to an Eligible Cardholder an Emergency Cash Disbursement or an Emergency Card Replacement, directly or through an agent, within the following time frames:

- Within the U.S. and Canada, within 24 hours
- Outside the U.S. and Canada, within 1 business day

ID#: 081010-011109-0025628

Visa Infinite Business Stand-In Processing Limits - Canada Region

In the Canada Region, a Visa Infinite Business Card Issuer must enforce a spending limit of CAD \$10,000 on Stand-In Processing Accounts for Visa Infinite Business.

ID#: 050411-011109-0025629

Visa Cargo - LAC Region

Visa Cargo Issuer Requirements - LAC Region

In the LAC Region, an LAC Issuer may issue a Visa Cargo Card as one of the following:

- Commercial Visa Prepaid Product
- Visa Business Electron Card

The Issuer may issue Visa Cargo Cards in the LAC Region, with the optional applications:

- Visa credit Card
- Visa Vale Pedagio

Visa Cargo Card Issuers must comply with the regulations of each product and application associated with the Visa Cargo Card.

ID#: 160312-121109-0025631

Visa Cargo Issuer Reporting Requirements - LAC Region

An LAC Issuer offering Visa Cargo Cards, including Cards with multi-application functionality, combining a Visa Cargo Card with a credit Card or a Visa Vale Pedagio Card, must report through the Quarterly Operating Certificate the following information:

- Total number of Visa Cargo Cards

- Total number of Visa credit Cards
- Total number of Visa Vale Pedagio Cards
- Total number of Transactions processed by each BIN for each application
- Total payment, ATM and Cash Disbursement volume, in its local currency, processed by each BIN for each application

ID#: 050411-121109-0025632

Visa Cargo Core Services - LAC Region

In the LAC Region, an option for Insurance Coverage to be used with the Visa Cargo Card product is specified in the table below:

Visa Cargo Options for Insurance Coverage - LAC Region

Package	Coverage
Everyday Visa Cargo Spend Package	<ul style="list-style-type: none"> • Hotel Motel Burglary • Extended Warranty Insurance • Purchase Protection • Price Protection

The fees related to Visa Cargo Cards and the optional insurance coverage are specified in the *Visa LAC Fee Guide*.

ID#: 111011-121109-0025633

Visa Cargo BIN - LAC Region

An LAC Issuer must use a specific BIN or a separate and unique account range for its Visa Cargo Card.

ID#: 050411-121109-0025634

Visa Commercial Purchasing Products

Purchasing Cards - General

Enhanced Data BIN Requirements

A Visa Purchasing Card Issuer choosing to receive enhanced (level 2 and level 3) data from a Merchant must either:

- Use an enhanced data BIN assigned by Visa from a specified Visa Purchasing Card BIN range
- Designate an account range within an enhanced data Visa Purchasing Card BIN

ID#: 010410-010410-0004156

Visa Purchasing Card BIN Range - U.S. Region

A U.S. Issuer offering Visa Purchasing Cards must use a BIN from the BIN range reserved for Visa Purchasing Cards.

ID#: 010410-010410-0004216

Visa Purchasing Card Core Features - U.S. Region

A Visa Purchasing Card Issuer in the U.S. Region must provide all of the core features specified below and as described in "Commercial Card Core Feature Descriptions - U.S. Region":

- Central or individual billing options
- Charge Card option
- Individual memo statements

ID#: 010410-010410-0004307

Visa Purchasing Card Transaction Data Reporting - U.S. Region

A Visa Purchasing Card Issuer in the U.S. Region must accumulate and report Transaction data, as specified in the *Visa U.S.A. Inc. Merchant Profile Service Reference Manual*. At a minimum, the Issuer must:

- Accumulate Transaction data
- Match Transaction data to Merchant profiles
- Report to the Client Organization all Transactions and all Merchant profile information, both matched and unmatched

ID#: 010410-010410-0004309

Visa Purchasing Card Authorization Contact - U.S. Region

A Visa Purchasing Card Issuer in the U.S. Region must have an Authorization referral contact that is available to provide an immediate Authorization Response 24 hours a day, 7 days a week.

ID#: 010410-010410-0004311

Visa Purchasing Card Selective Authorization - U.S. Region

A Visa Purchasing Card Issuer in the U.S. Region may decline an Authorization Request based on the following factors, if the entity to which the Card has been issued has specified these or other factors:

- Merchant Category Code
- Transaction size
- Location of Merchant Outlet

ID#: 010410-010410-0004314

Visa Purchasing Card Transaction Data Requirements

An Acquirer accepting a Visa Purchasing Card Transaction must provide an Issuer with any Cardholder reference data or other relevant Transaction information supplied by a Merchant.

ID#: 010410-010410-0008893

Visa Fleet Cards

Visa Fleet Card Issuance and Usage

A Vehicle-Specific Fleet Card must:

- Be limited to purchases of fuel and vehicle maintenance
- Be assigned to a vehicle rather than an individual

Issuers of Fleet Service-enhanced Visa Commercial Cards should use a unique BIN range assigned by Visa.

ID#: 010410-010410-0004163

Visa Fleet Card - Enhanced Data

An Acquirer that contracts with a Merchant to accept a Fleet Service-enhanced Visa Commercial Card must provide an Issuer with the enhanced data if provided by its Merchants in the Authorization and Clearing Record.

Enhanced data may include:

- Driver identification (Authorization Request)
- Fuel type (Clearing Record)
- Fuel quantity (Clearing Record)

- Fuel price-per-unit (Clearing Record)

ID#: 010410-010410-0008894

Fleet Service Data Requirements - U.S. Region

An Acquirer that processes Visa Fleet Service Transactions must provide both Cardholder-supplied data and supplemental Transaction data for such Transactions, as specified in the appropriate VisaNet manuals.

Additional Commercial Card Data for a Visa Fleet Service fuel purchase Transaction in the U.S. Region consists of:

- Sales tax
 - Local tax
 - Local tax included indicator
- Accounting code (i.e., customer code)
- Fuel type
- Unit of measure
- Quantity
- Gross fuel price

ID#: 010410-010410-0008912

Visa Fleet Card Enhanced Data Requirements

An Issuer of Fleet Service-enhanced Visa Commercial Cards must be capable of generating reports containing enhanced data when provided by the Acquirer.

ID#: 010410-010410-0004164

Liability for Visa Fleet Card Transactions

An Issuer of Fleet Service-enhanced Visa Commercial Cards must assume any incremental risk arising from issuing Cards in accordance with the *Visa Product Brand Standards* for Cards bearing the Visa Brand Mark, including, but not limited to, the Compliance right for "unauthorized signature."

ID#: 010410-010410-0004165

Visa Fleet Card BIN - U.S. Region

A U.S. Issuer must request a new BIN assignment for its Fleet Card program from the BIN range reserved for Fleet-enhanced Visa Purchasing Cards.

ID#: 010410-010410-0004217

Visa Fleet Card Issuance - U.S. Region

In the U.S. Region, Visa Fleet Card issuance is permitted for Visa Purchasing Card Issuers, as specified in the:

- *Visa International Operating Regulations*
- *Visa Fleet Card Implementation Guide*
- *Visa Product Brand Standards* (for Cards bearing the Visa Brand Mark)

ID#: 010410-010410-0004167

Visa Fleet Card Requirements - U.S. Region

In the U.S. Region, a Visa Fleet Card must contain the appropriate instructions on the Magnetic Stripe for customized prompts and may be issued as either:

- An enhanced Visa Purchasing Card
- A Vehicle-Specific Fleet Card

ID#: 010410-010410-0004168

Plus Program Marks on Visa Fleet Cards - U.S. Region

The Plus Program Marks must **not** appear on the back of a U.S. Vehicle-Specific Fleet Card.

ID#: 010410-010410-0004169

Visa Commercial Corporate Products

Commercial Corporate Products - U.S. Region

Visa Corporate Card Core Features - U.S. Region

A Visa Corporate Issuer in the U.S. Region must provide all of the core features specified below and as described in "Commercial Card Core Feature Descriptions - U.S. Region":

- ATM access
- Central or individual billing options
- Service level standards
- Charge Card option

- Management information reports

ID#: 010410-010410-0004294

Visa Corporate Card Account Billing Options - U.S. Region

A U.S. Visa Corporate Issuer may offer U.S. Cardholders any of the following account billing options:

- Line of credit
- Other company assets available through the Issuer
- Charge Card (non-revolving, pay-in-full)

ID#: 010410-010410-0004295

Visa Corporate Authorization Contact - U.S. Region

A Visa Corporate Issuer in the U.S. Region must have an Authorization referral contact that is available to provide an immediate Authorization Response 24 hours a day, 7 days a week.

ID#: 010410-010410-0004296

Visa Corporate Prepaid Cards

Visa Corporate Prepaid Card - General Requirements (Updated)

Effective 14 November 2011, a Visa Corporate Prepaid Card Issuer must:

- Comply with the "Visa Prepaid Products General Requirements"
- Comply with the "Commercial Visa Prepaid Product Requirements"
- Comply with the "Visa Commercial Products - General Requirements"

ID#: 230312-141111-0026737

Visa Corporate Prepaid Card - Commercial Products Core Feature Requirements (Updated)

Effective 14 November 2011, in addition to the Visa Commercial Card core features specified in "Visa Commercial Card Core Feature Requirements" for Visa Corporate Cards, a Visa Corporate Prepaid Card Issuer must support:

- Individual memo statements
- Personalized and non-personalized Cards
- Domestic use only Transaction Authorization
- Load and Transaction limits

- Instant Card issuance
- Multiple currencies
- Client reporting
- Online Cardholder statements
- Program administration services

ID#: 230312-141111-0026738

Visa Corporate Prepaid Card - Commercial Card Mandatory Core Services (New)

Effective 14 November 2011, a Visa Corporate Prepaid Card Issuer must offer customer support services required for Visa Corporate Cards as specified in "Commercial Products Mandatory Core Services."

ID#: 160312-141111-0026739

Visa Corporate Prepaid Card - Customer Support Services (Updated)

Effective 14 November 2011, a Visa Corporate Prepaid Card Issuer must offer select customer support services described for Visa Corporate Cards in the "Visa Global Customer Assistance Services Eligibility Requirements by Product" table.

ID#: 230312-141111-0026740

Visa Commercial Products Programs and Services

V Distribution Program

V Distribution Requirements

An Issuer participating in the V Distribution Program must provide payment services to a V Distribution Program Cardholder purchasing goods and services from a V Distribution Program Distributor.

ID#: 010410-010410-0003163

V Distribution Issuer Requirements

A V Distribution Program Issuer must:

- Be certified to issue either:
 - Visa Purchasing Cards

- Visa Business Cards
- Be registered with Visa
- Be capable of processing Authorization Requests, billing, and reporting, as specified by Visa

ID#: 010410-010410-0003164

V Distribution Program BIN

An Issuer participating in the V Distribution Program must do one of the following:

- Designate a separate BIN
- Use an existing BIN within a Visa Business Card or Visa Purchasing Card BIN range
- Use an account range within an existing Visa Business Card or Visa Purchasing Card BIN
- **Effective 8 September 2011**, for Visa Agro Cards, use a designated Visa Purchasing Card BIN or account range (*This only applies in the Latin America & Caribbean Region.*)

ID#: 111011-010410-0003165

Centralized Card Issuance

Centralized Card Issuance - Dual-Issuer Branded Visa Commercial Card Requirements (Updated)

Only an Issuer that is a registered Visa Multinational Program participant may issue Dual-Issuer Branded Visa Commercial Cards as specified in the:

- *Visa Multinational Program Guide*
- *Visa Product Brand Standards*

The Lead Bank and the Partner Bank must be registered Visa Multinational Program participants and have contractual agreements with each other that clearly defines the Dual-Issuer Branded Visa Commercial Card program.

A Dual-Issuer Branded Visa Commercial Card must be issued using a BIN that is licensed to the Partner Bank.

Before issuing Dual-Issuer Branded Visa Commercial Cards, the Lead Bank and the Partner Bank must ensure that the Dual-Issuer Branded Visa Commercial Card program complies with the:

- *Visa International Operating Regulations*
- **Effective 1 February 2012**, *Visa Europe Operating Regulations*, if applicable
- Visa Regional Operating Regulations
- *Visa Product Brand Standards*

The Lead Bank must ensure that the Dual-Issuer Branded Visa Commercial Card program complies with all applicable local laws/regulatory requirements in the country in which the Cards are issued and the country in which the Lead Bank is domiciled, as specified in the *Visa Multinational Program Guide*.

Effective through 31 January 2012, issuance of Dual-Issuer Branded Visa Commercial Cards is not applicable to Issuers in the jurisdiction of Visa Europe.

ID#: 160312-141010-0026023

Centralized Card Issuance - Dual-Issuer Branded Visa Commercial Card Issuer Identification (Updated)

The Issuer of a Dual-Issuer Branded Visa Commercial Card must be clearly identified on the back of the Card and in all Cardholder agreements.

ID#: 160312-141010-0026024

Centralized Card Issuance - Dual-Issuer Branded Visa Commercial Card Partnership Agreement (Updated)

Before issuing Dual-Issuer Branded Visa Commercial Cards, the Lead Bank and the Partner Bank must provide contractual evidence of the partnership agreement to Visa for review and approval, as specified in the *Visa Multinational Program Guide*.

ID#: 160312-141010-0026025

Authorization Request and Settlement Amount Match – U.S. Region

Authorization and Settlement Match Participation Requirements – U.S. Region (New)

Effective 14 April 2012, Authorization and Settlement Match is a proprietary and optional service available to Visa Purchasing Card Issuers in the U.S. Region. An Issuer choosing to participate must:

- Obtain prior approval from Visa
- Enroll its Visa Purchasing Card BIN (including Visa Fleet Card BIN) or account range for the Authorization and Settlement Match service
- Comply with the requirements specified in the *Visa International Operating Regulations*

Effective 14 April 2012, participation in Authorization and Settlement Match is at the discretion of Visa which may limit participation in the service, impose conditions or other requirements on its use, and/or discontinue the service at any time for certain or all Issuers.

ID#: 160312-010100-0026826

Global Support Services

Visa Global Customer Assistance Services

Visa Global Customer Assistance Services Program Requirements (Updated)

The Visa Global Customer Assistance Services Program includes the following services for Cardholders and Issuers, as specified in the following table.

See the applicable regional Visa Global Customer Assistance Services Program User's Guide or *Visa Enhancements Resource Guide*

Visa Global Customer Assistance Services Program Eligibility Requirements by Product¹

	Cardholder Inquiry Service	Emergency Cash Disbursement	Emergency Card Replacement	Lost/Stolen Card Reporting	Exception File Updates
Visa Classic	Required	Optional	Optional	Required	Required
Visa Gold/ Premier/ Platinum	Required	Required ¹	Required ¹	Required	Required
Visa Signature	Required	Regional option	Regional option	Regional option	Required
Visa Infinite	Required	Regional option	Regional option	Regional option	Required
Visa Business and Visa Corporate	Required	Required	Required	Required	Required
Visa Purchasing	Required	Optional	Required	Required	Required
Visa Electron and Visa Business Electron	Required	Regional option	Regional option	Required	Required
Virtual Account	Required	Prohibited	Prohibited	Required	Required
Visa Prepaid Card	Required	Optional ²	Optional ²	Required	Not applicable

 Visa International Operating Regulations

	Cardholder Inquiry Service	Emergency Cash Disbursement	Emergency Card Replacement	Lost/ Stolen Card Reporting	Exception File Updates
Visa TravelMoney	Required	Optional	Required	Required	Required

1. For U.S. Region product platform names and requirements, see the *Visa Enhancements Resource Guide*.
2. Issuers of Visa Corporate Prepaid Cards must have the ability to offer these services if requested.

ID#: 160312-010410-0004081

Emergency Services Telephone Numbers

An Issuer must communicate, at least once each year, the global emergency services and corresponding telephone numbers through which Eligible Cardholders may obtain these services. The telephone numbers must be:

- Available at no cost to the Cardholder
- Printed on either:
 - The back of the Card
 - Other material furnished to the Cardholder

ID#: 081010-010100-0025791

Visa Global Customer Assistance Services Program Fees

Visa assesses fees to Members for the various services provided under the Visa Global Customer Assistance Services Program. Information about the fees is specified in the applicable regional fee guide.

ID#: 151011-010100-0025792

Visa Global Customer Assistance Services Core Benefit Services - AP Region

An Issuer or designated provider must provide the following core benefit services to all Visa Gold and Business/Corporate Cardholders in the AP Region:

- Emergency medical/legal assistance
- Emergency ticket replacement
- Travel assistance
- Lost luggage assistance
- Prescription assistance and valuable document delivery
- Emergency message service

ID#: 111011-010410-0004603

Visa Global Customer Assistance Services Program - Canada Region (Updated)

A Canada Issuer must:

- Advise its Eligible Cardholders of the availability of the applicable Visa Global Customer Assistance Services Program
- Provide its Eligible Cardholders with a telephone number that is available 24 hours a day, 7 days a week, for the applicable Visa Global Customer Assistance Services Program
- Provide the Visa Global Customer Assistance Services Program by product as outlined in the following table

The Cardholder Inquiry Service and Lost/Stolen Card Reporting Service are required for all Card types. The requirements for the remaining services are listed in the following table.

Visa Global Customer Assistance Services Program by Product - Canada Region

Product	Collision/ Loss Damage Insurance	Emer- gency Card Replace- ment Service	Emer- gency Cash Service	Legal Referral Assistance and Cash Disburse- ment Service	Medical Referral Assistance and Cash Disburse- ment Service
Visa Classic	Optional	Effective through 29 April 2012, Optional Effective 30 April 2012, Required	Optional	Optional	Optional
Visa Gold	Required	Required	Required	Required	Required
Visa Infinite	Required	Required	Required	Required	Required
Visa Platinum	Required	Required	Required	Required	Required
Visa Corporate	Optional	Required	Required	Required	Required
Visa Business	Optional	Required	Required	Required	Required
Visa Purchasing	Optional	Required	Optional	Not Applicable	Not Applicable

ID#: 160312-010410-0004645

Visa Global Customer Assistance Services Program Contacts - Canada Region

Members must **not** designate to Visa Global Customer Care Services more than 4 contacts per Visa Global Customer Assistance Service Program request.

ID#: 010410-010410-0004646

Cardholder Charges for Visa Global Customer Assistance Services - Canada Region

A Canada Issuer must **not** assess supplemental charges to an Eligible Cardholder for the required Visa Global Customer Assistance Services Program.

ID#: 010410-010410-0004647

Provision of Visa Global Customer Assistance Services - CEMEA Region

A CEMEA Issuer may provide the Visa Global Customer Assistance Services Program itself, through an agent, or through Visa. For each Card product, the Issuer must make available to its Cardholder an agreed sub-set of global support services as outlined in the *Visa International Operating Regulations*.

ID#: 010410-010410-0004662

Visa Global Customer Assistance Program - Issuer Participation - CEMEA Region

In order to participate in the Visa Global Customer Assistance Services Program, an Issuer must complete a "CEMEA GSS Commitment Form" for each BIN. The participating CEMEA Issuer must:

- Advise its Eligible Cardholders of the availability of the Visa Global Customer Assistance Services Program
- Provide the telephone number of Visa Global Customer Care Services for the Cardholder to call to report a lost or stolen Card and to request emergency assistance

ID#: 111011-010410-0004663

Issuer Participation in Visa FeatureSelect - U.S. Region

A U.S. Issuer may choose to access Visa FeatureSelect for the purpose of segmenting and servicing Visa and non-Visa Cardholders.

Effective through 31 March 2012, an Issuer that chooses to access Visa FeatureSelect must comply with the requirements specified in "Non-Visa Assigned BIN Management – U.S. Region," if servicing non-Visa Cardholders.

Effective 1 April 2012, an Issuer that chooses to access Visa FeatureSelect must comply with the requirements specified in "Non-Visa-Assigned BIN Management" if servicing non-Visa Cardholders, and the *Visa FeatureSelect Service Description*.

ID#: 160312-141209-0025585

Emergency Cash Disbursement and Emergency Card Replacement

Emergency Cash Disbursement Limit

A Cardholder, or an Issuer on the Cardholder's behalf, may request an Emergency Cash Disbursement, subject to Issuer Authorization. The Cardholder, or the Issuer on the Cardholder's behalf, may request the service through Visa Global Customer Care Services. Visa recommends an Emergency Cash Disbursement

For Emergency Cash Disbursement limits, refer to the applicable regional Visa Global Customer Assistance Services Program User's Guide or *Visa Enhancements Resource Guide*.

ID#: 111011-010100-0025793

Provision of Emergency Cash Disbursement or Emergency Card Replacement

A Issuer must, upon Cardholder request, provide an Emergency Cash Disbursement or an Emergency Card Replacement, as specified in "Visa Global Customer Assistance Services Program Requirements," itself or through either:

- An agent
- Visa Global Customer Care Services

For detailed requirements and procedures, see the applicable regional Visa Global Customer Assistance Services Program User's Guide or *Visa Enhancements Resource Guide*.

ID#: 081010-010410-0008544

Delivery of Emergency Cash or Emergency Card

Visa Global Customer Care Services fulfills Emergency Card Replacement or Emergency Cash Disbursement requests. Once Visa Global Customer Care Services receives a request for an Emergency Cash Disbursement or Emergency Card Replacement, Visa Global Customer Care Services contacts the Issuer to seek approval for the delivery or disbursement. After Visa Global Customer Care Services receives the Issuer's approval and has made direct contact with the Cardholder, Visa will deliver the Emergency Cash Disbursement or Emergency Card Replacement within the timeframes specified in the following tables.

If an Issuer chooses to provide an Emergency Cash Disbursement or Emergency Card Replacement, directly or through an agent, it must disburse the cash or deliver the Card to the Eligible Cardholder within the time frames specified in the following tables. U.S. Issuers must refer to the *Visa Enhancements Resource Guide*.

Time Frames for Delivery of Emergency Cash Disbursement to Eligible Cardholders

Card Type	Within the U.S. Region and the Canada Region	Outside the U.S. Region and the Canada Region
Visa Classic, Visa Electron, Visa Debit, Visa Prepaid	1 business day	1 business day
Visa Gold/Premier, Visa Platinum, Visa Business, Visa Business Electron, Visa Corporate, Visa Purchasing	24 hours	1 business day
Visa Infinite, Visa Signature	24 hours	24 hours

Time Frames for Delivery of Emergency Card Replacements to Eligible Cardholders

Card Type	Within the U.S. Region and the Canada Region	Outside the U.S. Region and the Canada Region
Visa Classic, Visa Electron, Visa Debit, Visa Prepaid	1 business day	3 business days
Visa Gold/Premier, Visa Platinum, Visa Business, Visa Business Electron, Visa Corporate, Visa Purchasing	24 hours	1 business day
Visa Infinite, Visa Signature	24 hours	24 hours

ID#: 081010-010210-0002626

Issuer Requirements for Using the Visa Global Customer Assistance Services Program for Emergency Cash Disbursement and Emergency Card Replacement

If an Issuer participates in the Visa Global Customer Assistance Services Program for Emergency Cash Disbursement or Emergency Card Replacement, it must:

- At least 30 calendar days before participation in Emergency Cash Disbursement or Emergency Card Replacement, submit the Visa Global Customer Assistance Services Program enrollment forms, located in the applicable regional Visa Global Customer Assistance Services Program User's Guide or *Visa Enhancements Resource Guide*
- Advise its Eligible Cardholders of the availability of an Emergency Cash Disbursement or Emergency Card Replacement, as applicable
- Provide Eligible Cardholders with a telephone number that is available worldwide 24 hours a day, 7 days a week for Emergency Cash Disbursement and Emergency Card Replacement. The telephone number can be either the:
 - Visa Global Customer Care Services telephone numbers

- Issuer's own worldwide emergency services telephone number
- Designate one or more Emergency Service Locations, as specified in the Emergency Service Location enrollment form in the applicable regional Visa Global Customer Assistance Services Program User's Guide or *Visa Enhancements Resource Guide*
- Notify Visa Global Customer Care Services within 30 calendar days of any changes to an Emergency Service Location, as specified in the applicable regional Visa Global Customer Assistance Services Program User's Guide or *Visa Enhancements Resource Guide*

ID#: 050411-010410-0002627

Handling Fee for Emergency Cash Disbursement and Emergency Card Replacement

A Disbursing Member or Emergency Service Location that provides an Emergency Cash Disbursement or Emergency Card Replacement to an Eligible Cardholder as part of a Visa Global Customer Assistance Services Program request may collect a handling fee from the Cardholder's Issuer, as specified in the applicable regional Visa Global Customer Assistance Services Program User's Guide or *Visa Enhancements Resource Guide*.

ID#: 111011-010410-0008508

Emergency Cash Disbursement or Emergency Card Replacement Contact Requirements

A live Issuer contact person must:

- Be available to respond to a request for an Emergency Cash Disbursement or an Emergency Card Replacement 24 hours a day, 7 days a week
- Approve or deny a request from Visa Global Customer Care Services or an Eligible Cardholder within 2 hours of notification (not applicable to Visa Infinite Cards) and provide:
 - For an Emergency Cash Disbursement, a unique Issuer Authorization Code
 - For an Emergency Card Replacement, a new Account Number and expiration date that has been activated in the Issuer's Authorization system
- Provide Visa Global Customer Care Services with:
 - Any changes that would affect the issuance of an Emergency Card Replacement (e.g., Issuer contacts, telephone numbers)
 - Correct spelling of the Cardholder's name
 - Cardholder's verification data if required

Refer to the applicable regional Visa Global Customer Assistance Services Program User's Guide or *Visa Enhancements Resource Guide* for the specific data elements required by Visa Global Customer Care Services.

ID#: 050411-010410-0002629

Emergency Services Contact

An Issuer must notify Visa at least 2 weeks before any change in its Emergency Cash Disbursement contact or Emergency Card Replacement contact.

ID#: 081010-010100-0025794

Requirements for Emergency Service Locations

An Emergency Service Location must:

- Be available during normal business hours to respond to a request for an Emergency Cash Disbursement or an Emergency Card Replacement, as instructed by Visa Global Customer Care Services and as specified in the applicable regional Visa Global Customer Assistance Services Program User's Guide or *Visa Enhancements Resource Guide*
- Notify Visa Global Customer Care Services (within 3 calendar days) after the Cardholder has picked up the Emergency Cash Disbursement or Emergency Card Replacement

ID#: 050411-010410-0002631

Issuer Requirements for Emergency Card Replacement

If an Issuer participates in Emergency Card Replacement, it must:

- Meet all Card security standards specified in the *Visa Product Brand Standards*
- Replace a Stand-In Processing Account within 1 business day when notified by Visa Global Customer Care Services that it has been used for an Emergency Card Replacement
- Maintain its Emergency Card Replacements in a secure manner, as specified in *Global Physical Security Validation Requirements for Card Vendors*
- Immediately notify Visa Global Customer Care Services if it discovers that a Card is missing
-

ID#: 111011-010410-0008545

Stand-In Processing

Spending Limits on Stand-In Processing Accounts for Emergency Card Replacements

If an Issuer participates in Emergency Card Replacement, it must enforce the spending limits on Stand-In Processing Accounts

ID#: 111011-010410-0002632

Lost or Stolen Card Reporting

Lost or Stolen Card Reporting

An Issuer participating in Lost/Stolen Card Reporting must, on behalf of another Issuer:

- Accept reports of lost or stolen products from Cardholders or their designated representative
- Notify the Card Issuer

ID#: 111011-010410-0008549

Issuer Notification of Lost or Stolen Card

A Member must:

- Provide the Issuer with the information required on the "Lost or Stolen Card Report" (Exhibit 1A)
- If an incomplete Account Number is provided, supply the Issuer with the address and telephone number where the Cardholder may be contacted
- Notify Visa Global Customer Care Services if unable to establish contact with the Issuer

ID#: 161111-010410-0002183

Lost or Stolen Card Report Requirements for an Emergency Cash Disbursement or Emergency Card Replacement

If a Cardholder requests an Emergency Cash Disbursement or Emergency Card Replacement, the report must include the:

- Address and telephone number where an Issuer may contact the Cardholder
- Emergency Cash Disbursement amount requested, if applicable

ID#: 111011-010410-0002184

Acquirer Collection of Lost or Stolen Card Report Handling Fee - U.S. Region

A U.S. Member accepting a lost or stolen Card report on behalf of another Member may collect a US \$20 handling fee from the Issuer.

ID#: 010910-010410-0025931

Emergency Request Fines and Penalties

Fines for Failure to Respond to an Emergency Request

An Issuer that fails to respond to an Emergency Cash Disbursement or Emergency Card Replacement request within the time limits specified in the applicable regional Visa Global Customer Assistance Services Program User's Guide or *Visa Enhancements Resource Guide* is subject to fines, as specified in "General Fines Schedule."

ID#: 050411-010100-0025797

Global Refund Service

Travelers Cheque Global Refund Service Authorization

An Issuer must provide an Emergency Cash Refund to a Cheque purchaser upon Authorization from the Global Refund Service.

ID#: 010410-010410-0003639

Global Refund Service Member Responsibilities

When the Global Refund Service authorizes a Member to make an Emergency Cash Disbursement refund to a Cheque purchaser, the Member location must:

- Verify the identity of the purchaser
- Provide a refund in the form of a Manual Cash Disbursement

ID#: 111011-010410-0002635

Information Provided to Emergency Refund Location

The Global Refund Service will provide the Emergency Refund Location with:

- Account Number
- Purchaser name
- Refund Claim Number
- Cash Disbursement amount in local currency
- Authorization Code

ID#: 010410-010410-0002637

Global Refund Service Required Procedures

When making an Emergency Cash Disbursement, an Emergency Refund Location must verify the identity of the Cheque purchaser by comparing the Refund Claim Number provided by the Global Refund Service to the one given by the Cheque purchaser.

If the Refund Claim Numbers match, the Emergency Refund Location must:

- Complete the "80-Column Cash Disbursement Transaction Receipt" (Exhibit 7A) with the:
 - Account Number
 - Purchaser name
 - Words "Emergency TC Refund" in the space designated for the Cardholder's street address
 - Refund Claim Number in the space designated for the Cardholder's identification
 - Amount of the Emergency Cash Disbursement, plus US \$25 or local currency equivalent, for the refund handling fee
 - Date
 - Authorization Code provided by the Global Refund Service
 - Imprint of the Member's identification
 - Cheque purchaser's signature in the space designated for the Cardholder's signature
- Process the Emergency Cash Disbursement in the same manner as a Manual Cash Disbursement:
 - At face value
 - With no fees or charges to the Cheque purchaser, unless required by applicable law

If the Refund Claim Numbers do not match, the Emergency Refund Location must contact the Global Refund Service for instructions.

ID#: 090411-010410-0007985

Guarantee of Reimbursement

Visa guarantees reimbursement of the Manual Cash Disbursement amount to the Emergency Refund Center if the requirements in "Global Refund Service" are met.

ID#: 010410-010410-0002641

Cardholder Loyalty Program

Visa Extras - U.S. Region

Visa Extras Requirements - U.S. Region

U.S. Issuers are subject to program participation and operating requirements, as outlined in the *Visa Extras Service Description*.

Visa assesses fees to U.S. Issuers that participate in the Visa Extras Program. Fee information is available from Visa upon request.

ID#: 010410-010410-0007342

Visa Extras Participation Conditions - U.S. Region

Participation in the Visa Extras Program in the U.S. Region is at the discretion of Visa, which may impose conditions upon participation at any time.

ID#: 010410-010410-0001362

Visa Extras - Program Description and Requirements - U.S. Region

The Visa Extras Program is a U.S. Region Points-based loyalty program that enables participating Cardholders to earn Points toward rewards consisting of goods or services based on their eligible Visa purchase Transactions. Issuers must comply with program participation and operating requirements as specified in the *Visa Extras Service Description*.

ID#: 010410-010410-0002524

Visa Extras Operating Requirements - U.S. Region

A U.S. Issuer that chooses to make the Visa Extras Program available to its Cardholders must follow applicable operating requirements, as specified in the U.S. Regional Operating Regulations.

ID#: 081010-190209-0007100

Visa Extras Deductions - U.S. Region

Points will be deducted from a U.S. Cardholder's Visa Extras Points account for Credit Transactions, Transaction reversals, and Chargebacks.

ID#: 010410-010410-0002536

Visa Extras Points Aggregation - U.S. Region

In the U.S. Region, Points may be aggregated across Cards within a single Card product type or across multiple Card product types within a single Issuer. Program rules for Points aggregation are detailed in the *Visa Extras Service Description*.

Points are **not** transferable between Issuers.

ID#: 010410-010410-0008379

Visa Extras - Issuer Reporting Requirements - U.S. Region

A U.S. Issuer that participates in the Visa Extras Program must report to Visa all Points-eligible Cardholder Transactions, Chargebacks, and Transaction reversals not sent through VisaNet.

ID#: 010410-010410-0008900

Visa Loyalty Platform Services

Visa Loyalty Platform Services Participation Requirements

A Member that participates in the Visa Loyalty Platform Services must comply with the *Visa Loyalty Platform Services - Service Description*.

Participation in the Visa Loyalty Platform Services, where available, is at the discretion of Visa, which may impose conditions on participation at any time. Visa may assess fees to Members related to the Visa Loyalty Platform Services.

ID#: 160312-151010-0025865

Visa Incentive Network - U.S. Region

Visa Incentive Network Program Description - U.S. Region

In the U.S. Region, the Visa Incentive Network is a program that forms a core eligibility component for Members issuing Visa Traditional Rewards, Visa Signature, and Visa Signature Preferred products. The program allows Visa to act as an agent of the Issuer for supporting the Visa Incentive Network program requirements.

ID#: 010410-010410-0001368

Visa Incentive Network Qualification - U.S. Region

U.S. Members must participate in the Visa Incentive Network to qualify their Visa Traditional Rewards, Visa Signature, or Visa Signature Preferred products and receive the respective Interchange Reimbursement Fee.

ID#: 010410-010410-0001369

Visa Incentive Network Program Requirements - U.S. Region

Participating U.S. Members are subject to program requirements specified in the *Visa Incentive Network Member Implementation Guide*, available from Visa.

ID#: 010410-010410-0001370

Visa Incentive Network Participation Requirements - U.S. Region

To participate in the Visa Incentive Network, a U.S. Issuer must:

- Register with Visa by completing the *Visa Incentive Network Participation Agreement*
- Complete the registration within the time limits specified in the respective toolkits
- Provide the Cardholder Maintenance File to Visa on an ongoing basis, as specified in the *Visa Incentive Network Member Implementation Guide*, for all Visa Traditional Rewards, Visa Signature, and Visa Signature Preferred accounts
- Review the Visa Incentive Network promotional calendar posted on Visa Online regularly to identify and resolve any promotional conflicts as they arise for each announced promotion
- Ensure compliance with applicable federal and state privacy laws, co-branding obligations, and Cardholder privacy agreements to prevent conflict or violation of any existing contracts
- Comply with all the requirements specified in the *Visa Incentive Network Member Implementation Guide*

ID#: 111011-010410-0003884

Visa SavingsEdge - U.S. Region

Visa SavingsEdge Participation Requirements - U.S. Region

Effective 15 July 2011, an Issuer in the U.S. Region must offer the Visa SavingsEdge program to its Visa Business Cardholders unless the Issuer opts out of the program as described in the *Visa SavingsEdge Service Description – U.S. Region*.

Visa Business Cardholders of Issuers who do not opt out will be automatically eligible to enroll in Visa SavingsEdge in accordance with, and subject to, the program terms and conditions as revised by Visa from time to time and posted on the program Cardholder registration website.

Visa reserves the right to determine in its sole discretion whether any Cardholder may enroll in the program, impose conditions on participation in the program or modify or terminate the program at any time.

Effective 15 July 2011, a Visa Business Issuer in the U.S. Region that participates in Visa SavingsEdge must comply with the requirements specified in:

- *Visa SavingsEdge Service Description – U.S. Region*
- *Visa Loyalty Platform Services – Service Description*

ID#: 151011-150711-0026267

Visa SavingsEdge Program Limitations – U.S. Region

Effective 15 July 2011, only qualifying purchases specified in the *Visa SavingsEdge Service Description – U.S. Region* are eligible for discounts under the Visa SavingsEdge program.

ID#: 151011-150711-0026268

Visa SavingsEdge Discount Posting Requirements - U.S. Region

Effective 15 July 2011, a U.S. Visa Business Issuer:

- Must credit to a participating Cardholder's Account within 10 calendar days of receiving the Funds Disbursement from Visa, the amount of the discount received for qualifying purchases specified in the *Visa SavingsEdge Service Description – U.S. Region* at a participating Merchant
- Must not change the originating Merchant name and city information prior to posting this information to a Cardholder's statement

ID#: 151011-150711-0026269

Visa SavingsEdge - Use of Program Name - U.S. Region

Effective 15 July 2011, a Visa Business Issuer in the U.S. Region may only use the Visa SavingsEdge program name in connection with the Visa SavingsEdge program as described in the *Visa SavingsEdge Service Description - U.S. Region*.

ID#: 151011-150711-0026270

Visa SavingsEdge Marketing Materials - U.S. Region

Effective 15 July 2011, a U.S. Issuer's marketing and promotional materials pertaining to the Visa SavingsEdge program must adhere to the requirements set forth in the *Visa SavingsEdge Service Description – U.S. Region*. Approval of marketing and promotional materials by Visa does not relieve the Issuer of its responsibility for accurate disclosure and compliance with legal and regulatory requirements.

ID#: 151011-150711-0026271

Credit Bureau Reporting - U.S. Region

Credit Bureau Reporting Requirements - U.S. Region

Credit Bureau Reporting Requirement - U.S. Region

A U.S. Issuer must report all Visa Consumer Credit Card accounts to at least one credit reporting bureau and comply with the reporting requirements.

ID#: 010410-010410-0003223

Credit Bureau Reporting Required Data - U.S. Region

A U.S. Issuer must report data for its primary Cardholders in the following fields of the Associated Credit Bureaus Metro format:

- Full first name, last name, and middle initial
- Generation code (abbreviations such as "Jr.," "Sr.," "II," "III," used to differentiate male members of the same family with identical names)
- Social Security Number
- Valid and complete address
- Valid and complete city, state, and ZIP code
- Date of birth

ID#: 010410-010410-0001899

Designated Agent for Credit Bureau Interface - U.S. Region

A U.S. Issuer designates Visa, Integrated Solutions Concepts, Inc., or their designee to act on the Issuer's behalf as an agent of the Issuer to:

- Establish credit bureau reporting standards

- Monitor credit bureau data
- Contract with credit bureaus to receive data and reports for the purpose of:
 - Monitoring their handling of Issuer data
 - Comparing that data to Visa-specified credit bureau reporting standards

ID#: 010410-010410-0001900

Credit Bureau Reporting Data Submission - U.S. Region

A U.S. Issuer must report primary Cardholder data through electronic transmission to a credit bureau by billing cycle, within 2 business days of the billing cycle end date.

ID#: 010410-010410-0001901

Cardholder Payment Information - U.S. Region

A U.S. Issuer must report primary Cardholder payment information to a credit bureau using the B2 Segment data (12 months' payment history), unless they are already reporting B3 Segment data (24 months' payment history).

ID#: 010410-010410-0001902

Delinquent Account Reporting - U.S. Region

A U.S. Issuer must report an account that is 2 payments past due (30 days delinquent) to a credit bureau as delinquent rather than current.

ID#: 010410-010410-0003224

Delinquency Reporting Standards - U.S. Region

A U.S. Issuer must use the Metro ratings in the standard format specified . If the delinquency progresses, the U.S. Issuer must use the standard Metro status code format until the account is charged off, at which time the Issuer must reflect the appropriate charge-off code.

ID#: 111011-010410-0008633

Commercial Data Management and Reporting

Commercial Solutions

Visa Commercial Solutions Data and Reporting Tools Participation

An Issuer or an Issuer's Client Organization wishing to participate in any of the Visa Commercial Solutions Data and Reporting Tools must comply with the *Visa Commercial Solutions Data and Reporting Tools Service Guide*, the *Visa Information Management Services Terms and Conditions*, and all applicable terms of use for the products, services, and tools referenced therein, including without limitation, the *Visa Commercial Services Terms of Use* and the *Visa Information Management Services Terms of Use*. Use of these data management and reporting services is at the discretion of Visa, which may limit or impose conditions on its use, and may discontinue the service at any time.

ID#: 160312-010410-0004236

Visa IntelliLink Spend Management Services

An Issuer participating in Visa IntelliLink Spend Management must comply, and ensure that its participating clients comply, with the *Visa IntelliLink Spend Management Terms of Use* and the *Visa Commercial Solutions Data and Reporting Tools Service Guide*.

ID#: 050411-300909-0025613

Access to Commercial Solutions Data and Reporting Tools

Where available, an Issuer is authorized to grant Visa Commercial Solutions Data and Reporting Tools access and use to a Client Organization. Users must comply with the *Visa Commercial Solutions Data and Reporting Tools Service Guide*, the *Terms of Use* document referenced in it, the Visa Operating Regulations, and applicable law.

ID#: 160312-141010-0026017

Access to Visa IntelliLink Compliance Management

Visa IntelliLink Compliance Management is available to all Issuers and their Client Organizations. Users must comply with the *Visa Commercial Solutions Data and Reporting Tools Service Guide*, the *Terms of Use* document referenced in it, the Visa Operating Regulations, and applicable law.

ID#: 160312-141010-0026018

Visa Commercial Solutions Data and Reporting Tools Fees

Fees associated with Member use of any of the Visa Commercial Solutions Data and Reporting Tools are available from Visa upon request and are specified in the appropriate Visa regional fee guide.

ID#: 160312-141010-0026019

Visa Payables Automation Description - Canada Region

Effective through 7 September 2011, Visa Payables Automation, one of the Visa Commercial Solutions Data and Reporting Tools, is provided to Canada Issuers and their Client Organizations for use in connection with their Commercial Visa Product programs. A Canada Issuer participating in this service must comply with the requirements specified in the *Visa Commercial Solutions Data and Reporting Tools Service Guide*.

Use of Visa Payables Automation is at the discretion of Visa, which may limit or impose conditions on its use and may discontinue the service at any time.

Visa Payables Automation, and all of the commercial reporting and data services provided by Visa, are the property of Visa and are for the use of the Canada Issuer and its Client Organization solely in support of its Commercial Visa Products.

ID#: 111011-110210-0025608

Visa Payables Automation

Effective 8 September 2011, an Issuer participating in the Visa Payables Automation service must ensure that it, and its participating clients or Client Organizations, comply with the *Visa Commercial Solutions Data and Reporting Tools Service Guide*.

Use of Visa Payables Automation is at the discretion of Visa, which may limit or impose conditions on its use and may discontinue the service at any time.

Visa Payables Automation, and all of the commercial reporting and data services provided by Visa, are the property of Visa and are for the use of the Issuer and its client or Client Organization solely in the support of its Commercial Visa Products.

ID#: 171011-010100-0026534

Optional Data Management and Reporting Services - U.S. Region

Visa provides U.S. Issuers and their Client Organizations with various optional data management and reporting services for use in connection with their Commercial Visa Product programs. These services include, but are not limited to:

- Card Management
- Enhanced Data Services

- Procure to Pay
- Socioeconomic Reporting Service
- Supplier Matching Service
- Visa Information Source
- Visa Information Source Select
- Visa IntelliLink Compliance Management
- Visa IntelliLink Spend Management
- Visa Payables Automation
- Visa Travel Account Manager
- 1099 Reporting Service

Use of these data management and reporting services is at the discretion of Visa, which may limit or impose conditions on its use, and may discontinue the service at any time.

ID#: 111011-010410-0008346

Client Organization Access to Visa Commercial Solutions Data and Reporting Tools - U.S. Region

Before granting a Client Organization access to and use of any of the Visa Commercial Solutions Data and Reporting Tools, a U.S. Issuer must have a signed agreement with the Client Organization governing that entity's use of the service.

ID#: 010410-010410-0001396

Visa Commercial Reporting and Data Services Limitations - U.S. Region

All of the Commercial reporting and data services provided by Visa are the property of Visa and are for the use of the Issuer and its Client Organization solely in support of its Commercial Visa Products.

ID#: 010410-010410-0001397

Enhanced Data

Applicability of Enhanced Data Restrictions

Effective 30 June 2011, the restrictions specified in "Enhanced Data" do **not** apply to:

- Non-Confidential Enhanced Merchant-Level Data
- The Client Organization or Cardholders

ID#: 111011-300611-0026458

Enhanced Data Types - U.S. Region

Effective through 29 June 2011, in the U.S. Region, Enhanced Data may consist of:

- Enhanced Transaction-Level Data
- Enhanced Merchant-Level Data

ID#: 111011-010410-0004241

Use and Disclosure of Card-Specific Enhanced Data - U.S. Region

A Commercial Visa Product Issuer in the U.S. Region may use or disclose Card-specific Enhanced Data only in connection with the management and administration of a Commercial Visa Product program for the Client Organization, and necessary supporting functions. Supporting functions may include, but are not limited to, accounting, tax management, policy compliance, and other business management functions, such as account setup and management reporting.

ID#: 160312-010410-0004242

Disclosure of Enhanced Data to Third Parties - U.S. Region

Enhanced Transaction-Level Data and Confidential Enhanced Merchant-Level Data in the U.S. Region may be disclosed to third parties only either:

- In connection with the management and administration of Commercial Visa Product programs for the Client Organization, and necessary supporting functions, which may include, but are not limited to, accounting, tax management, policy compliance, and other business management functions, such as account setup and management reporting
- In aggregate, in such a way that Card-specific Enhanced Data cannot be related to a specific Merchant or Cardholder

"Third party" means only persons, real or corporate, other than the Issuer, Client Organization, or Cardholder, providing services that directly support an Issuer's Commercial Visa Product Program.

ID#: 010410-010410-0004243

Third Party Agreement for Enhanced Data Usage - U.S. Region

If a U.S. Issuer discloses Card-specific Enhanced Transaction-Level Data or Confidential Enhanced Merchant-Level Data to a third party, it must have a written agreement with the third party that requires the third party to:

- Treat the information as confidential
- Make no further disclosure of the information without permission
- Limit the third party's use of the data to uses permitted by the Issuer

Permission granted for further disclosure by a third party must impose the same restrictions on use and disclosure that apply to the Issuer's disclosure.

Each Issuer bears the sole responsibility for compliance with all applicable laws and regulations.

ID#: 010410-010410-0004244

Applicability of Enhanced Data Restrictions - U.S. Region

Effective through 29 June 2011, in the U.S. Region, the restrictions regarding use of Enhanced Data do **not** apply to:

- Non-Confidential Enhanced Merchant-Level Data
- The Client Organization or Cardholders

ID#: 111011-010410-0004246

POS Balance Inquiry Service

POS Balance Inquiry Service Requirements

Acquirer Participation in Point-of-Sale Balance Inquiry Service - U.S. Region

A U.S. Acquirer must:

- Participate in the Point-of-Sale Balance Inquiry Service
- Complete required systems testing with Visa to receive and transmit Visa Prepaid Card balance inquiry information, as specified in the appropriate VisaNet manual

Merchant participation in the Point-of-Sale Balance Inquiry Service is optional.

ID#: 010410-010410-0003214

Point-of-Sale Balance Inquiry Service - Acquirer Participation

An Acquirer that participates in the Point-of-Sale Balance Inquiry Service and/or the Point-of-Sale Balance Return Service must complete required systems testing with Visa to support a Point-of-Sale Balance Inquiry and/or a Point-of-Sale Balance Return, as specified in the appropriate VisaNet manuals.

Merchant participation in the Point-of-Sale Balance Inquiry Service and/or the Point-of-Sale Balance Return Service is optional.

ID#: 010410-010100-0025546

Point-of-Sale Balance Inquiry Service - Issuer Participation Conditions

An Issuer that participates in the Point-of-Sale Balance Inquiry Service and/or the Point-of-Sale Balance Return Service must complete required testing with Visa to support a Point-of-Sale Balance Inquiry and/or a Point-of-Sale Balance Return as specified in the VisaNet manuals.

ID#: 050411-010100-0025545

Visa PIN Debit Gateway Service - U.S. Region

Visa PIN Debit Gateway Service Requirements - U.S. Region

Visa PIN Debit Gateway Service Charges - U.S. Region

Visa assesses a debit gateway charge, and applicable transaction access charges, to U.S. Members or VisaNet Processors for all non-Visa PIN-based or non-PIN-based bill payment debit transactions (e.g., STAR, NYCE) that are switched to other networks for authorization. This charge does **not** apply to Interlink transactions.

For all non-Visa PIN-based or non-PIN-based bill payment debit transactions, Visa will pass through to Members or VisaNet Processors any charges billed to Visa by the debit networks that may result from a Member's participation in the service, including, but not limited to, non-compliance with other network rules.

See the *Visa U.S.A. Fee Guide* for further information.

ID#: 081010-010410-0007875

Plus Program

Plus Program Requirements

Plus Program Participation (Updated)

Issuer participation in the Plus Program is optional. To become an Issuer of Cards bearing the Plus Symbol, an Issuer must:

- Obtain a license to use the Plus Program Marks and comply with rules for using the Plus Symbol, as specified in the *Visa Product Brand Standards*
- Comply with:
 - Issuer requirements specified in the *Visa International Operating Regulations*

- *Visa Global ATM Member Guide*
- Magnetic Stripe encoding specifications in the *Payment Technology Standards Manual*
- Provide Authorization service 24 hours a day, 7 days a week

ID#: 160312-010410-0004060

Plus Proprietary Card Account Number Specifications

The Account Number format for a Proprietary Card bearing the Plus Symbol must comply with the Account Number standards specified either:

- In "BIN and Account Number Specifications," if using a BIN assigned by Visa
- By the International Standards Organization

ID#: 010410-010410-0004061

Application of Affinity Rules to Plus Proprietary Card - Canada Region

In the Canada Region, where a non-Member Identification appears on a Proprietary Card bearing the Plus Symbol and no other Visa marks, the Affinity Card rules outlined in the *Visa Product Brand Standards* do **not** apply to such Cards.

ID#: 010410-010410-0004751

Plus Proprietary Card Manual Cash Disbursement Prohibition - CEMEA Region

In the CEMEA Region, a Proprietary Card bearing the Plus Symbol must **not** be used for Manual Cash Disbursements.

ID#: 010410-010410-0004748

Plus Program Participation Requirements - U.S. Region

A U.S. Issuer may participate in the Plus Program by becoming a member of the Plus System, Inc. and issuing Plus Cards, as specified in the *Plus System, Inc. Bylaws and Operating Regulations*.

ID#: 010410-010410-0004111

Visa Global ATM Network

Visa Global ATM Network Requirements

Visa Global ATM Network Issuer Participation

Issuer participation in the Visa Global ATM Program is optional. Before participating in the program, an Issuer must successfully complete the certification and comply with the requirements specified in the *Visa Global ATM Member Guide*.

ID#: 010410-010410-0004070

Custom Payment Service/ATM Program

Custom Payment Services/ATM is available as an Issuer option. An Issuer that chooses to participate must:

- Complete Issuer certification, as specified in the *Visa Global ATM Member Guide*
- Receive and return the ATM Transaction Identifier in each Transaction
- Receive the terminal ID code, ATM owner, and ATM location data in each Transaction Record
- Include the ATM Transaction Identifier in all Chargebacks

ID#: 010410-010410-0004078

Visa Global ATM Network Requirements - Canada Region

A Member in the Canada Region participating in the Visa Global ATM Program must comply with the Anti-Money Laundering requirements as specified in the *Visa Global ATM Member Guide*.

ID#: 081010-010100-0025719

Visa Global ATM Network Issuer Requirements - U.S. Region

A U.S. Issuer that is required to participate in the Visa ATM Network must comply with the *Visa International Operating Regulations*, *Payment Technology Standards Manual*, and the applicable VisaNet manual.

ID#: 060412-010210-0006423

Visa Global ATM Network Acquirer Requirements - U.S. Region

A U.S. Acquirer participating in the Visa ATM Network must:

- Ensure that all of its ATMs that participate in other regional or national ATM networks also participate in the Visa ATM Network
- Ensure that its Authorizing Processor performs Authorization, Clearing, and Settlement for all Visa ATM Network Transactions through the Single Message System
- Comply with the Single Message System access fee format specifications, if applicable
- Display ATM Acceptance Marks, as specified in the *Visa International Operating Regulations*
- Notify Visa of all ATM locations participating in the Visa ATM Network
- Accept all Visa Cards for all Transaction functions provided by the Acquirer's participating ATM, as specified in the *Visa Global ATM Member Guide*
- Become a member of the Plus System, Inc.
- Within 30 calendar days from the date that the Acquirer begins accepting Visa ATM Network Transactions, display the Plus Symbol on, and accept Cards bearing the Plus Symbol at, all ATMs participating in the Visa ATM Network

ID#: 010410-010410-0004752

Non-Visa Account Numbers at an ATM - U.S. Region

An ATM in the U.S. Region may transmit non-Visa account numbers to the Single Message System if no other processing path is available.

ID#: 010410-010410-0004779

ATM Operators

Requirements for ATMs of Non-Member Institutions - LAC Region

An ATM Acquirer in the LAC Region must comply with all the security requirements for ATMs specified by Visa, and must prominently display on every non-Member ATM the name of the Member that operates or sponsors it.

ID#: 111011-010410-0004746

ATM Operator Agreement - U.S. Region

An ATM Acquirer in the U.S. Region must have a written ATM Operator agreement with each of its ATM Operators and may **only** process Visa ATM Network Transactions from an ATM Operator with which it has a valid agreement.

The form, content, and appearance of an ATM Operator agreement is at the discretion of the ATM Acquirer, except as specified in the U.S. Regional Operating Regulations.

An ATM Acquirer may include other provisions in its agreement if they are consistent with the Operating Regulations.

The *Visa International Operating Regulations* may be amended from time to time and each ATM Acquirer is responsible for making corresponding amendments to its agreements.

ID#: 010410-010410-0009021

ATM Operator Operating Regulation Compliance - U.S. Region

An ATM Acquirer in the U.S. Region must ensure that its ATM Operator complies with the substance of the applicable sections of the *Visa International Operating Regulations*.

ID#: 010410-010410-0003507

ATM Operator Agreement Content Requirements - U.S. Region

In the U.S. Region, an ATM Operator agreement must:

- State clearly the ATM Acquirer's name, location, and contact information in letters consistent in size with the rest of the ATM Operator agreement printing, and in a manner that makes the ATM Acquirer's name readily visible to the ATM Operator. Tri-party agreements (ATM Acquirer, Agent, ATM Operator) are permitted.
- State that the ATM Operator may be terminated for failure to comply with the ATM Operator agreement, which includes the requirements of the *Visa International Operating Regulations*
- Be made available to Visa upon request

ATM Operator agreements provided to Visa must **not** contain contractual details regarding pricing arrangements.

ID#: 010410-010410-0003508

ATM Operator Qualification Standards - U.S. Region

Before entering into an ATM Operator agreement, an ATM Acquirer in the U.S. Region must determine that a prospective ATM Operator does not have any significant derogatory background information about any of its principals. The ATM Acquirer may obtain this information through:

- Credit reports
- Background investigations (e.g., criminal, civil)
- Personal and business financial statements
- Other information lawfully available to the ATM Acquirer

ID#: 010410-010410-0003510

ATM Agent Requirements - U.S. Region

An ATM Acquirer in the U.S. Region may allow its Agents to execute ATM Operator agreements on its behalf and/or conduct due diligence reviews. The ATM Acquirer must:

- Maintain documented policies and procedures to manage its Agent programs
- Validate its Agent's compliance with the ATM Acquirer's solicitation and qualification standards on a quarterly basis

ID#: 010410-010410-0003511

ATM Acquirer Audits - U.S. Region

In the U.S. Region, Visa or its designees may conduct financial and procedural audits and/or reviews of ATM Acquirers at any time.

ID#: 010410-010410-0003504

ATM Operator and Agent Information - U.S. Region

An ATM Acquirer in the U.S. Region must collect the following information for all ATM Operators and Agents:

- "Doing Business As" (DBA) name
- ATM Operator legal name
- ATM Operator outlet location, including street address, city, state, and ZIP code
- Federal Taxpayer Identification Number (TIN), Federal Employer Identification Number (FEIN), or the Social Security Number (SSN) of all principals
- Full first and last name, including middle initial of principals (e.g., corporations, partnerships, sole proprietors)
- Incorporation status (e.g., corporation, partnership, sole proprietor, non-profit, other)

ID#: 010410-010410-0008398

ATM and PIN Pad Requirements for ATM Operators - U.S. Region

An ATM Operator in the U.S. Region must take all reasonable actions to ensure that its ATMs and PIN pads at the ATM Operator's outlet(s):

- Are available for use by all Cardholders for Visa ATM Network Transactions
- Function reliably
- Comply with the PIN Management Requirements Documents

ID#: 010410-010410-0003512

PIN Security Requirements for ATM Operators and Agents - U.S. Region

An ATM Acquirer in the U.S. Region must ensure that its Agents and ATM Operators maintain the integrity and safety of PIN data, as specified in the PIN Management Requirements Documents.

ID#: 010410-010410-0003513

ATM Operator Prohibitions - U.S. Region

Visa may permanently prohibit an ATM Operator in the U.S. Region from providing services with respect to Visa Products for good cause, such as:

- Fraudulent activity
- Activity that causes the ATM Acquirer to repeatedly violate the *Visa International Operating Regulations*
- Activity that violates applicable law
- Operating in an unsound, unsafe manner
- Any other activity that may result in undue economic hardship or damage to the goodwill of the Visa system

ID#: 010410-010410-0003514

ATM Operator Agreement Violation Fines - U.S. Region

A U.S. Member that fails to comply with the ATM requirements in the U.S. Regional Operating Regulations is assessed a fine, as specified

ID#: 111011-010410-0008399

ATM Balance Inquiry Service

ATM Balance Inquiry Service Issuer Participation

An Issuer may participate in the Balance Inquiry Service. To participate an Issuer must:

- Obtain certification from Visa
- Support Balance Inquiries as separate, non-financial transactions

An Issuer may additionally provide balance information as part of an ATM Cash Disbursement.

ID#: 010410-010410-0004074

ATM Balance Inquiry Service Fees

An Issuer must pay the ATM Acquirer a fee for each Balance Inquiry. If the Issuer does **not** participate in the Balance Inquiry Service, the inquiry will be declined and a decline fee will be assessed to the Issuer.

ID#: 111011-010410-0004075

ATM Balance Inquiry Service Provision

An Issuer must provide the Balance Inquiry Service to Cardholders if it offers balance inquiry services through a network other than its proprietary network.

ID#: 010410-010410-0004076

ATM Balance Inquiry Service Acquirer Participation

An ATM Acquirer may participate in the Balance Inquiry Service. To participate, an ATM Acquirer must:

- Obtain certification from Visa
- Display the balance in the currency of the ATM, either on the screen or on a receipt
- Support Balance Inquiries as separate, non-financial transactions

An ATM Acquirer must support the Balance Inquiry Service if it supports balance inquiry for any network other than its proprietary network. A participating ATM Acquirer receives a Balance Inquiry fee for each Balance Inquiry, as specified in "ATM Balance Inquiry Service Fees."

An ATM Acquirer may supply the Cardholder with any balance information provided by the Issuer as part of an ATM Cash Disbursement. The Issuer does **not** pay a fee for this service.

ID#: 010410-010410-0004804

ATM Fees

International ATM Cash Disbursement Fee

An ATM Acquirer will receive the international ATM Cash Disbursement Fee only if the:

- Acquirer is certified to participate in either:
 - The Single Message System
 - Custom Payment Services/ATM

- ATM Transaction meets the tier II requirements specified in the *Visa Global ATM Member Guide*

ID#: 010410-010410-0002644

ATM Cheque Fee Disclosure

If an ATM dispenses cheques and charges a fee, the Member must disclose the fee to the Cardholder.

ID#: 010410-010410-0004800

Visa Rights Pertaining to ATM Access Fees

Visa reserves the right to request any of the following from an ATM Acquirer:

- Notice of intent to impose an Access Fee on international ATM Cash Disbursements
- A report with the physical location of each ATM and the total number of ATMs at which an Access Fee is imposed on international ATM Cash Disbursements
- Message display and language disclosure related to Access Fees on international ATM Cash Disbursements

An ATM Acquirer may impose an Access Fee on an international ATM Cash Disbursement. The provisions for imposing an Access Fee do **not** apply to Cards issued by Visa Europe Members, unless local law expressly requires that an ATM Acquirer be permitted to impose an Access Fee.

ID#: 111011-180409-0009039

Acquirer Imposition of ATM Access Fees

An ATM Acquirer may impose an Access Fee on an international ATM Cash Disbursement if:

- It imposes an Access Fee on all other international ATM Cash Disbursements through any other network at the same ATM
- The Access Fee is not greater than the Access Fee amount on all other international Transactions through any other network at the same ATM
- The Access Fee is a fixed and flat fee

ID#: 111011-180409-0007224

ATM Access Fee Disclosure

An ATM Acquirer must disclose the Access Fee to the Cardholder, at a minimum, in English and local language equivalent, via message display, as specified in "ATM Message Display for Access Fees."

ID#: 081010-180409-0007226

ATM Message Display for Access Fees

If an ATM Acquirer imposes an Access Fee on international ATM Cash Disbursements, the ATM Acquirer must do all of the following at the ATM:

- Inform the Cardholder that an Access Fee is assessed, in addition to the charges assessed by the Issuer. The disclosure must:
 - Be as high a contrast or resolution as any other graphics on the terminal
 - Contain the notice: Fee Notice "(Member Name) will assess a fee to cardholders for international ATM Cash Disbursements. This fee is added to the amount of your transaction and is in addition to any fees that may be charged by your financial institution."
- Identify the recipient of the Access Fee
- Inform the Cardholder of the Access Fee amount
- Request Cardholder approval of the Access Fee
- Provide the ability for the Cardholder to cancel the ATM Transaction

ID#: 111011-180409-0007164

ATM Access Fee Disclosure on Transaction Receipt

A receipt dispensed at an ATM must comply with the receipt requirements, as specified in "ATM Transaction Receipt Requirements Table 71-2." In addition, the receipt must disclose the amount of the Access Fee, labeled as an "ATM Fee," "Terminal Fee," or "Access Fee," and the total debit amount.

ID#: 080411-180409-0007227

ATM Clearing Record Requirements

An ATM Acquirer must submit an ATM Transaction for Clearing that includes the value of the cash dispensed to the Cardholder as well as any Access Fee imposed, as specified in "ATM Access Fee Fines for Non-Compliance."

ID#: 081010-180409-0007229

Domestic ATM Cash Disbursement Access Fees

An ATM Acquirer must **not** impose an Access Fee on domestic ATM Cash Disbursements, unless local law expressly requires that an ATM Acquirer be permitted to impose an Access Fee.

An ATM Acquirer in a country where an Access Fee for domestic ATM Cash Disbursements is permitted by Visa must comply with the requirements specified for International ATM Cash Disbursement Access Fees.

Variations to this requirement apply:

- In the AP Region, only to ATM Acquirers in Australia and **effective 10 February 2012**, in Thailand
- In the Canada Region
- In the LAC Region, only to ATM Acquirers in Puerto Rico
- In the U.S. Region

ID#: 160312-180409-0007996

Access Fees at ATM

An ATM Acquirer in a country where an Access Fee for domestic ATM Cash Disbursements is permitted by Visa must comply with the requirements specified in "Visa Rights Pertaining to ATM Access Fees."

ID#: 081010-050609-0009042

ATM Access Fee - Canada Region

An ATM Acquirer in the Canada Region may impose an Access Fee on an ATM Cash Disbursement.

An ATM Acquirer may impose an Access Fee if:

- It imposes an Access Fee on all other interchange transactions through other shared networks at the same ATM
- The Access Fee is not greater than the access fee amount on all other interchange transactions through other shared networks at the same ATM
- The ATM Cash Disbursement is a Domestic Transaction
- The Domestic Transaction is initiated by a Card issued by a Member other than the ATM Acquirer
- The Access Fee is a fixed and flat fee

ID#: 050411-180409-0004715

ATM Access Fee Disclosure - Canada Region

If a Canada ATM Acquirer imposes an Access Fee on ATM Cash Disbursements, the ATM Acquirer must do all of the following at the ATM:

- Inform the Cardholder that an Access Fee is assessed in addition to the charges assessed by the Issuer
- Inform the Cardholder of the Access Fee amount
- Identify the ATM Acquirer as the recipient of the Access Fee
- Request Cardholder approval of the Access Fee

- Provide the ability for the Cardholder to cancel the Transaction

ID#: 010410-010410-0004718

ATM Access Fee Disclosure on Transaction Receipt - Canada Region

A Canada ATM Acquirer that adds an Access Fee to an ATM Cash Disbursement Transaction must:

- Label the Access Fee on the Transaction Receipt as one of the following:
 - "ATM Fee"
 - "Terminal Fee"
 - "Access Fee"
- Identify the ATM Acquirer as the recipient of the Access Fee
- Include the Access Fee amount in the "Transaction Amount" field of the Transaction Record

If an Access Fee is imposed, the ATM Acquirer must include the Access Fee amount in the SMS record in accordance with the appropriate VisaNet manual.

ID#: 010410-010410-0004719

Visa Rights Pertaining to ATM Access Fees - U.S. Region

Visa reserves the right to request any of the following from an ATM Acquirer in the U.S. Region:

- Notice of intent to impose an Access Fee on ATM Cash Disbursements
- A report with the physical location of each ATM and the total number of ATMs at which an Access Fee is imposed on ATM Cash Disbursements
- Message display and language disclosure related to Access Fees on an ATM Cash Disbursements

ID#: 081010-010410-0008829

ATM Access Fee Disclosure on Terminals - U.S. Region

An ATM Acquirer in the U.S. Region must disclose the Access Fee to the Cardholder via message display.

ID#: 081010-180409-0007115

ATM Access Fee Disclosure - U.S. Region

In the U.S. Region, the disclosure specified in "ATM Access Fee Disclosure on Terminals - U.S. Region," must:

- Be readily visible to the Cardholder in the Cardholder's line of sight

- Be as high a contrast or resolution as any other graphics on the terminal
- Be a minimum of 4" x 4" with:
 - A heading of at least an 18-point type font
 - Text of at least 14-point type font
- Inform the Cardholder that an Access Fee is assessed, in addition to the charges assessed by the U.S. Issuer
- Identify the recipient of the Access Fee
- Request Cardholder approval of the Access Fee
- Provide the ability for the Cardholder to cancel the ATM Transaction
- Contain one of the following notices:
 - **Fee Notice** "(Member Name) charges a (\$ amount) fee to U.S. Cardholders for withdrawing cash. This fee is added to the amount of your withdrawal and is in addition to any fees that may be charged by your financial institution."
 - **Fee Notice** "(Member Name) charges a (\$ amount) fee for withdrawing cash. This fee is added to the amount of your withdrawal and is in addition to any fees that may be charged by your financial institution."
 - **Fee Notice** "(Member Name) may assess a fee to Cardholders for transactions. This fee is added to the amount of your transaction and is in addition to any fees that may be charged by your financial institution."
 - **Fee Notice** "(Member Name) may assess a fee for transactions. This fee is added to the amount of your transaction and is in addition to any fees that may be charged by your financial institution."

ID#: 050411-010410-0004766

ATM Access Fee Disclosure on Transaction Receipt - U.S. Region 5.5.A

A U.S. ATM Acquirer that adds an access fee to an ATM Cash Disbursement Transaction must:

- Label the access fee on the Transaction Receipt as one of the following, as applicable:
 - "ATM Fee"
 - "Terminal Fee"
 - "Access Fee"
- State that the Member assessed the fee
- Include the access fee amount in the "Transaction Amount" field of the Transaction Record

ID#: 010410-010410-0004973

Domestic ATM Access Fees - CEMEA Region

In the CEMEA Region, with the prior written approval from Visa, an ATM Acquirer in Russia may dispense Foreign Currency to Cardholders. Domestic Transactions completed in a non-domestic currency may be subject to an Access Fee, added to the Transaction Amount, if all of the following conditions are met:

- The Access Fee is applied to Domestic Transactions only
- The ATM must dispense both Rubles and Foreign Currency
- The Cardholder must be given the opportunity to cancel the Transaction and/or change the requested amount to be disbursed in Rubles without incurring additional charges

ID#: 010410-010410-0024130

Global ATM Network PIN Requirements

Chip-Reading ATM Acquirer Requirements

An ATM Acquirer must ensure that all Chip-reading ATMs:

- Support "Online PIN"
- Do **not** support "Signature" or "No CVM (Cardholder Verification Method) required"

ID#: 010410-010410-0004793

Chip-Reading ATM Acquirer Requirements - Canada Region

A Canada ATM Acquirer must ensure that all ATMs with a Compliant Chip Card Reading Device do **not** support the following:

- "Signature"
- "Offline PIN at ATM"
- "No CVM required"

ID#: 010410-010410-0004712

Chip-Reading ATM Online PIN Support - Canada Region

All ATM Acquirers in the Canada Region must ensure that all ATMs with a Compliant Chip Card Reading Device support enciphered PINs that are verified online.

ID#: 010410-010410-0004711

ATM and PIN-Based POS Acceptance Requirements - CEMEA Region

In the CEMEA Region, an ATM Acquirer and an Acquirer operating PIN-based POS devices must comply with all of the following requirements:

- All newly deployed ATMs and PIN at POS acceptance devices, including replacement devices, must support Triple Data Encryption Standard (Triple DES)
- All Transactions verified by PIN must be Triple DES-encrypted from the point-of-acceptance to Visa and between Visa and the Issuer's host systems

ID#: 050411-010410-0004728

ATM Issuer Requirements - U.S. Region

Visa Consumer Card Issuer ATM Requirements - U.S. Region

A Visa Consumer Card Issuer in the U.S. Region must:

- Participate in the Visa ATM Network
- Send an original, signed copy of the Issuer Option Selection Form (available from Visa) indicating the Issuer's decision to participate, its processing options, and its working keys to Visa so that it is received no later than 45 calendar days before implementation
- Correctly encode the Magnetic Stripe on the Card, as specified in the *Payment Technology Standards Manual*
- For Cards containing a Chip, also correctly program the Chip on the Card, as specified in the appropriate VisaNet manual

ID#: 021209-010210-0008431

Commercial Visa Product Issuer ATM Requirements - U.S. Region

A Commercial Visa Product Issuer in the U.S. Region must comply with the participation requirements in the *Visa International Operating Regulations* if it participates in the Visa ATM Network, as specified in "Visa Business or Visa Corporate Issuer ATM Requirements - U.S. Region."

ID#: 010410-010410-0004565

Visa Business or Visa Corporate Issuer ATM Requirements - U.S. Region

If requested by the subscribing company, a Visa Business Card or Visa Corporate Card Issuer in the U.S. Region must participate in the Visa ATM Network by complying with the Visa Consumer Card Issuer ATM requirements and Classic Visa Check Card ATM requirements specified in the *Visa International Operating Regulations*. A Visa Purchasing Card Issuer may participate in the Visa ATM Network by complying with the Classic Visa Check Card Issuer ATM requirements.

ID#: 010410-010410-0004561

ATM Access Fee Fines

ATM Access Fee Fines for Non-Compliance

An ATM Acquirer may be subject to a fine if it does **not**:

- Comply with the requirements specified in "Visa Rights Pertaining to ATM Access Fees"
- Populate the Access Fee amount in the appropriate field of the Authorization and Clearing Record

ID#: 081010-180409-0007228

ATM Access Fee Fines

An ATM Acquirer may be subject to a fine of 3 times the amount of the Access Fee imposed during the period of non-compliance, or as specified in the "General Schedule of Fines" table, whichever is greater, if the Member does **not**:

- Notify Visa of its intent to impose an Access Fee, as specified in "Visa Rights Pertaining to ATM Access Fees"
- Populate the Access Fee amount, if any, in the appropriate field of the Authorization and Clearing Record

ID#: 081010-180409-0007161

ATM Access Fee Fines - Canada Region

An ATM Acquirer may be subject to a fine of 3 times the amount of the Access Fees imposed during the period of non-compliance, or as specified in "General Fines Schedule," whichever is greater, if the Member does **not** comply with the Canada Regional Operating Regulations or *Visa International Operating Regulations*.

If an ATM Acquirer fails to include the Access Fee amount in the Single Message System record, the fine will be per Transaction.

ID#: 111011-010410-0004720

Preauthorized Payment Cancellation Service

Preauthorized Payment Cancellation Service Requirements

Preauthorized Payment Cancellation Service Participation

Issuer participation in the Preauthorized Payment Cancellation Service is optional and at the sole discretion of Visa. Visa may:

- Limit participation in the service
- Impose conditions on its use
- Discontinue the service at any time

ID#: 160312-100211-0026227

Preauthorized Payment Cancellation Service Issuer Participation Requirements

An Issuer that participates in the Preauthorized Payment Cancellation Service must:

- Correctly specify the type of stop payment order
- Provide complete and accurate information pertaining to the stop payment order
- Keep stop payment order information current in the Cardholder database
- Comply with:
 - *Preauthorized Payment Cancellation Service - Issuer Quick Reference Guide*
 - *Preauthorized Payment Cancellation Service - Issuer Host System Implementation Guide*

ID#: 160312-100211-0026228

Preauthorized Payment Cancellation Service Limitations

The Preauthorized Payment Cancellation Service and the information obtained through participation in the service is the property of Visa and is for the sole use of Visa Members in support of their Visa Card Programs.

A Member must not disclose Preauthorized Payment Cancellation Service information, other than data relating to the Member's own Cardholder and/or Merchant, or any other information associated with the service, to any other parties unless it is permitted in the *Visa International Operating Regulations* or otherwise authorized by Visa.

ID#: 160312-100211-0026229

Visa Account Updater Service

Visa Account Updater Service Requirements

Visa Account Updater Service - Issuer Participation Requirements

An Issuer that participates in the Visa Account Updater Service must:

- Comply with :
 - *Visa Account Updater - Terms of Use*
 - *Visa Account Updater - Implementation Guide*
 - *Visa Account Updater - User's Guide*
- Provide updated Cardholder account information to the Visa Account Updater Service, including, but not limited to:
 - Account Number
 - Card expiration date

ID#: 160312-100211-0026124

Visa Account Updater Service - Acquirer Participation Requirements

An Acquirer that participates in the Visa Account Updater Service must:

- Comply with:
 - *Visa Account Updater - Implementation Guide*
 - *Visa Account Updater - Terms of Use*
 - *Visa Account Updater - User's Guide*
- Ensure that a Merchant that is designated as high-risk, does not have access to information on the Visa Account Updater Service

ID#: 160312-010100-0026125

Visa Account Updater Service - Information Requirements

A Member participating in the Visa Account Updater Service must:

- Comply with all applicable laws and regulations in collecting and providing information to, and using information supplied by, the Visa Account Updater Service
- Inform Visa immediately upon becoming aware that any of the information sent to or received from the Visa Account Updater Service does not meet the requirements specified in the:

- *Visa International Operating Regulations*
- *Visa Account Updater - Terms of Use*
- Ensure that all information sent to the Visa Account Updater Service is accurate
- Protect the security of the information sent to or received from the Visa Account Updater Service
- Investigate claims of inaccuracies in the information sent to or received from the Visa Account Updater Service and correct any inaccurate information
- Inform Visa, immediately upon discovery, of any inaccuracies in information in the Visa Account Updater Service

ID#: 160312-100211-0026126

Disclosure of Visa Account Updater Service Information

Cardholder information obtained from the Visa Account Updater Service must be disclosed by a participating Member only to a Merchant that:

- Has an existing relationship with the Cardholder and has the Cardholder's account information on file
- Is registered in the Visa Account Updater Service
- Is identified in the Acquirer inquiry file, as specified in the *Visa Account Updater - Terms of Use*

ID#: 160312-100211-0026127

Visa Account Updater Service Participation – AP Region

Effective 15 October 2011, in the AP Region, a Member in Australia must participate in the Visa Account Updater Service, as specified in the *Visa Account Updater – Terms of Use for Australia and New Zealand*.

Effective 14 April 2012, in the AP Region, a Member in New Zealand must participate in the Visa Account Updater Service, as specified in the *Visa Account Updater – Terms of Use for Australia and New Zealand*.

ID#: 111011-151011-0026128

Health Care Eligibility Service - U.S. Region

Health Care Eligibility Service Requirements - U.S. Region

Health Care Eligibility Service Acquirer Requirements - U.S. Region

A U.S. Acquirer participating in the Health Care Eligibility Service must comply with the:

- Health Care Eligibility Service requirements specified in the *Health Care Eligibility Service Implementation Guide*
- Merchant Agreement requirements specified below

The Acquirer must ensure that:

- A Health Care Merchant that participates in the Health Care Eligibility Service complies with all the provisions of the *Health Care Eligibility Service Implementation Guide* pertaining to health care eligibility transactions
- The substance of provisions are included in its Merchant Agreement or as a separate addendum

ID#: 010410-010410-0008424

Health Care Eligibility Service Merchant Requirements - U.S. Region

A U.S. Health Care Merchant that participates in the Health Care Eligibility Service must comply with the requirements of the *Health Care Eligibility Service Implementation Guide*.

ID#: 010410-010410-0004670

Visa Risk Products and Services

Visa Advanced Authorization

Visa Advanced Authorization Participation

Where available, Visa Advanced Authorization is an optional, subscription-based, real-time risk management product that delivers risk data to Issuers in the Authorization Request to alert them to possible fraudulent activity on their Cardholder accounts.

An Issuer and its Processor that wish to implement Visa Advanced Authorization must:

- Comply with the certification requirements for Visa Advanced Authorization as specified in the appropriate VisaNet manual
- Complete an end-to-end validation test in accordance with the requirements specified in the *Visa Advanced Authorization Integration Guide*
- Comply with the terms and conditions specified in the *Visa Advanced Authorization Integration Guide*

ID#: 010410-010410-0008446

Visa Advanced Authorization Confidentiality Requirements

An Issuer participating in Visa Advanced Authorization and its Processor must:

- Comply with confidentiality and security requirements related to the use of the VisaNet system and Visa confidential information
- Store all Visa Advanced Authorization operational materials, such as manuals and password protected CD-ROMs, in a secure area limited to selected personnel, and render all data unreadable prior to discarding such materials

ID#: 010410-010410-0002400

Visa Risk Manager

Visa Risk Manager Description (Updated)

Effective through 28 November 2011, where available, Visa Risk Manager is an optional, subscription-based suite of risk management products that allows Issuers to react to high-risk Transactions at the Point-of-Transaction as well as to conduct offline case management.

ID#: 160312-010410-0008937

Visa Risk Manager - U.S. Region (Updated)

Effective through 28 November 2011, where available in the U.S. Region, Visa Risk Manager is an optional suite of subscription-based risk management products designed to help Issuers optimize loss prevention and maximize profitability through intelligent risk-management decisioning. An Issuer may subscribe to one or all of the following:

- Visa Real-Time Decisioning, which allows Visa to act on behalf of an Issuer to decline or forward high-fraud-risk Transactions using predefined rules created by the Issuer. It also supports both "Issuer available" and "Issuer unavailable" processing options.
- Visa Case Manager, which enables an Issuer to view and prioritize suspicious purchase activity that requires further investigation to confirm that the Cardholder participated in the Transaction
- Visa Rules Manager, a web-based solution, which allows an Issuer to create, test, and publish customized "decisioning" rules that incorporate key elements of the Authorization message as well as risk intelligence from Visa Advanced Authorization. Visa Rules Manager publishes rules throughout the day at scheduled intervals so that Issuers can dynamically respond to emerging fraud schemes.

ID#: 160312-010410-0008465

Visa Advanced ID Solutions - U.S. Region

ID Security Alerts Service Participation Requirements – U.S. Region

Participation in the ID Security Alerts Service is optional and at the discretion of Visa. A participating Issuer or Issuer's agent must:

- Register with Visa by submitting a completed ID Security Alerts Service Participation Agreement
- Provide Visa with Account Numbers and Social Security Numbers that are eligible to be enrolled in the service
- Comply with:
 - *Visa Alerts Platform: ID Security Alerts – High Level Service Description*
 - *Visa Alerts Platform: ID Security Alerts – Technical Implementation Guide - Issuer*
 - *Visa Alerts Platform: Web Services Specifications*
 - *Visa Alerts Platform: White Label Website Issuer Specifications*

ID#: 111011-010100-0025924

BankruptcyPredict Service - U.S. Region

BankruptcyPredict Service Description - U.S. Region

The BankruptcyPredict Service is designed to reduce a U.S. Member's losses related to the bankruptcy of Cardholders, cardholders of non-Visa cards, and customers of other Visa and non-Visa products by using consumer account performance data, Transaction data, consumer credit data, and a proprietary model to:

- Score the participating Member's Cardholders, cardholders of non-Visa cards, and customers of other Visa and non-Visa products to predict the likelihood of bankruptcy
- Provide daily account-consumer level risk alerts
- Provide monthly risk scores for a participating Member's portfolio

ID#: 010410-010410-0001934

BankruptcyPredict Service Agreement - U.S. Region

To participate in the BankruptcyPredict Service, a U.S. Member must sign a service agreement with Experian Information Solutions, Inc., which can be obtained at one of the following addresses:

BankruptcyPredict Service Integrated Solutions Concepts, Inc.

P.O. Box 8999

San Francisco, CA 94128

Experian Information Solutions, Inc.

Attn: Contracts Division

475 Anton Boulevard

Costa Mesa, CA 92626

Visa assesses fees to Issuers that participate in the BankruptcyPredict Service. Fee information is available upon request.

ID#: 010410-010410-0007346

BankruptcyPredict Service Rights and Obligations - U.S. Region

All rights and obligations between a U.S. Member and Experian Information Solutions, Inc., its subsidiaries and affiliates are set forth in and are governed solely by the service agreement between the Member and Experian Information Solutions, Inc. The Member agrees to comply with all restrictions on use of the BankruptcyPredict Service set forth in such agreement, including with respect to permissible purpose requirements under the U.S. Federal *Fair Credit Reporting Act*. Without impairing any legal or equitable rights of Experian Information Solutions, Inc. under such agreement, Integrated Solutions Concepts, Inc. will, with respect to any non-compliance by the Member of such use restrictions, be entitled to enforce as a third party beneficiary the terms of such agreement against the Member and seek all available remedies.

ID#: 081010-010410-0001936

BankruptcyPredict Service Information Requirements - U.S. Region

A U.S. Member must furnish Transaction, account, and certain other information to Integrated Solutions Concepts, Inc., as specified in the *BankruptcyPredict Service User's Guide*. The Member designates Visa and its subsidiaries and affiliates to act as agents of the Member for accessing and/or transmitting the Member's information in connection with the BankruptcyPredict Service to Integrated Solutions Concepts, Inc., and from Integrated Solutions Concepts, Inc. to Experian Information Solutions, Inc. In the event that the Member requests that the BankruptcyPredict Service be delivered via Integrated Solutions Concepts, Inc., the Member designates Integrated Solutions Concepts, Inc. as its agent to and on behalf of the Member request and receive from Experian Information Solutions, Inc. the BankruptcyPredict Service, and to transmit the same to the Member.

ID#: 010410-010410-0001937

BankruptcyPredict Service Member Requirements - U.S. Region

A U.S. Member must comply with the following requirements for the reporting and use of Transaction, account, and the other information provided to Integrated Solutions Concepts, Inc.:

- Provide monthly reports for all new and previously reported accounts
- Comply with the information delivery requirements (media, format, and other requirements) specified in the *BankruptcyPredict Service User's Guide*
- Protect the security of the information sent to Integrated Solutions Concepts, Inc.

- Comply with all applicable laws and regulations in collecting and providing the information to Integrated Solutions Concepts, Inc. including, without limitation, the requirements under the U.S. *Federal Fair Credit Reporting Act*
- Ensure that all information sent to Integrated Solutions Concepts, Inc. is accurate
- Inform Integrated Solutions Concepts, Inc. as soon as possible upon becoming aware of any information sent to Integrated Solutions Concepts, Inc. that is inaccurate or otherwise does not comply with the requirements in this section
- Promptly investigate claims of inaccuracies in the information supplied to Integrated Solutions Concepts, Inc. and correct any information that cannot be verified as accurate
- Refer to the Integrated Solutions Concepts, Inc. Consumer Office any request to disclose the contents of a report supplied by the BankruptcyPredict Service

ID#: 010410-010410-0001938

Permitted Use of BankruptcyPredict Service - U.S. Region

A U.S. Member must use the BankruptcyPredict Service only:

- For a permissible purpose under the U.S. *Federal Fair Credit Reporting Act*
- As permitted in the service agreement between Member and Experian Information Solutions, Inc. specified in "BankruptcyPredict Service Agreement - U.S. Region"

ID#: 010410-010410-0001940

BankruptcyPredict Service Member Certification - U.S. Region

Upon request by Integrated Solutions Concepts, Inc., a U.S. Member must certify the purpose(s) for which it uses the BankruptcyPredict Service.

ID#: 010410-010410-0001941

BankruptcyPredict Service - Additional Information - U.S. Region

In the U.S. Region, refer to the *BankruptcyPredict Service User's Guide* for additional information, procedures, and requirements of the BankruptcyPredict Service.

ID#: 010410-010410-0001946

BankruptcyPredict Service Information Provision - U.S. Region

A U.S. Member authorizes Visa and Integrated Solutions Concepts, Inc. to use or transfer, including to correct or update, the information reported by the Member to Integrated Solutions Concepts, Inc. for any purpose permitted under applicable law, including but not limited to:

- Providing the information to Experian Information Solutions, Inc. for purpose of providing the BankruptcyPredict Service

- Providing to Members or other customers any Visa service or product
- Providing the information to Experian Information Solutions, Inc. or any other Credit Bureau for any use permitted to Experian Information Solutions, Inc. or such other Credit Bureau under their agreement with Visa or Integrated Solutions Concepts, Inc. and under applicable law

The Member must **not**:

- Provide information to Integrated Solutions Concepts, Inc. that is the result of an investigative consumer report within the meaning of Section 1681a(h) of the Federal *Fair Credit Reporting Act*
- Continue to transmit to Integrated Solutions Concepts, Inc. any information that cannot be verified as accurate

ID#: 010410-010410-0008452

MoneyChoices - U.S. Region

MoneyChoices Participation - U.S. Region

In the U.S. Region, participation in the MoneyChoices program is optional and at the discretion of Visa, which may limit participation, impose conditions on its use, and discontinue the program at any time.

ID#: 010410-010410-0008459

MoneyChoices Participation Requirements - U.S. Region

A U.S. Member that wants to participate in the MoneyChoices program must submit a subscription request and adhere to program requirements outlined in the *MoneyChoices User's Guide*.

ID#: 010410-010410-0008460

MoneyChoices Information - U.S. Region

The MoneyChoices Website is intended as an educational resource for Cardholders in need of financial planning or money-management skills. The information and materials provided through the MoneyChoices Web site are the property of Visa and are for the sole use of the U.S. Member in providing the MoneyChoices program to its Cardholders.

A U.S. Member must not disclose any MoneyChoices information to any third party without permission from Visa.

ID#: 010410-010410-0008461

Address Verification Service (AVS)

Address Verification Service (AVS) Results Code - Canada Region

A Canada Acquirer participating in the Address Verification Service (AVS) must populate the AVS results code received in the BASE I Authorization Response message in a Transaction's corresponding BASE II Clearing Record.

ID#: 010410-010410-0005383

Address Verification Service (AVS) Participation - U.S. Region

A U.S. Issuer must:

- Participate in the Address Verification Service, as specified in the appropriate VisaNet manual
- Perform address verification for each Address Verification Service inquiry

ID#: 010410-010410-0004679

Address Verification Service (AVS) Requirements - U.S. Region

A U.S. Issuer may perform address verification itself, or use an applicable option specified in the appropriate VisaNet manual

The Issuer that performs its own address verification must use the Address Verification Service algorithm.

ID#: 010410-010410-0008463

Address Verification Service (AVS) Standards - U.S. Region

A U.S. Issuer must **not** exceed the Address Verification Service partial-match response rate of 13%. The Address Verification Service partial-match response rate is the number of partial-match responses (i.e., responses other than "Y," "N," or "U") as a percentage of all responses.

ID#: 111011-010410-0004682

Address Verification Service (AVS) at Automated Fuel Dispensers - U.S. Region

An Automated Fuel Dispenser Merchant in the U.S. Region may request a Cardholder's ZIP code and perform an Address Verification Service inquiry for its Automated Fuel Dispenser Transactions.

ID#: 010410-010410-0004702

Card Recovery Bulletin (CRB)

Card Recovery Bulletin and Regional Card Recovery File

Visa publishes both the Card Recovery Bulletin (CRB) and an electronic Regional Card Recovery File that list the Account Numbers and BINs of Visa Cards for pick-up outside of the U.S. Region.

ID#: 010410-010410-0003963

Card Recovery Bulletin Service Participation Requirements

A Member that participates in the Card Recovery Bulletin Service must comply with the *Card Recovery Bulletin Service (CRB) User's Guide*. These requirements include, but are not limited to:

- Instructing Merchants on the correct use of the Card Recovery Bulletin
- Handling Merchant calls when a Cardholder presents a Listed Card
- Handling a compromised Deposit-Only Account Number
- Advising an Issuer when a Listed Card is picked up
- Ensuring that the appropriate reward is paid to a Merchant for recovering a Listed Card

ID#: 050411-010410-0003980

Card Recovery Bulletin Listing Procedures

Members must comply with the procedures specified in the *Card Recovery Bulletin Service (CRB) User's Guide* when listing Account Numbers or using the bulletin to identify Account Numbers with a "Pick Up Card" status.

ID#: 050411-010410-0001831

Card Recovery Bulletin Service Availability

The Card Recovery Bulletin (CRB) Service is available in each of the Card Recovery Bulletin Regions, as specified in the table below, the *Card Recovery Bulletin Service (CRB) User's Guide*, and the *Visa Interchange Directory*. For possible chargeback protection, see Chargeback reason code 70, "Card Recovery Bulletin or Exception File."

Card Recovery Bulletin Regions

Visa Regions	Areas Included
A	Asia Pacific
B	Central and Eastern Europe, Middle East, and Africa

Visa Regions	Areas Included
C	Canada
E	Visa Europe
F	Latin America and Caribbean
0	Not included in Card Recovery Bulletin

ID#: 050411-010210-0001832

Card Recovery Bulletin Distribution

The following rules apply to requests for distribution of the Card Recovery Bulletin:

- An Acquirer must submit Merchant names and addresses to Visa at least 30 calendar days before the intended receipt of the Card Recovery Bulletin
- The request must comply with the *Card Recovery Bulletin Service (CRB) User's Guide* and the VisaNet manuals
- The request is valid only if Visa distributes a printed bulletin in the country where the Merchant Outlet is located
- Distribution fees for each Card Recovery Bulletin sent to Merchants are specified in the appropriate Regional Operating Regulations

ID#: 050411-010410-0003983

Card Recovery Bulletin Effective Dates

The Card Recovery Bulletin becomes effective on Saturday of the publication week and remains valid until the next edition's effective date. Visa may adjust the effective dates.

ID#: 010410-010410-0003966

Card Recovery Bulletin Conversion to Tape or Paper

A Member that converts the Regional Card Recovery File to magnetic tape or paper must receive prior written consent from Visa. Visa waives this requirement if the Member reproduces all "proprietary and confidential" and Copyright notices in the magnetic tape or paper copy.

ID#: 010410-010410-0003964

Merchant Use of Paper Version of Regional Card Recovery File

If a Merchant or an Acquirer converts the Regional Card Recovery File to paper, it may use an Account Number only to verify Visa Cards for Transactions that do not require Authorization.

ID#: 010410-010410-0003965

Pickup, Decline, or Referral Response Fees

A non-US Issuer pays a fee to the U.S. Region for each Pickup, Decline, or Referral Response issued at a Merchant Outlet located in the U.S. Region, as specified in the applicable regional fee guide.

ID#: 111011-010410-0003967

Card Recovery Bulletin Chargeback Rights

An Acquirer may be subject to a Chargeback for below-Floor Limit Transactions if the Account Number appears on the Card Recovery Bulletin (CRB). Chargeback rights begin on the effective date of the CRB in which the Account Number is listed.

ID#: 010410-010410-0003981

Exception File

Exception File Updates

An Issuer must add an Account Number to the Exception File if:

- A Visa Card or Visa Electron Card was reported lost, stolen, or counterfeit and must be recovered
- A Deposit-Only Account Number is reported compromised
- Authorization must always be denied to the Account Number
- Authorization must always be granted to the Account Number
- Issuer-defined Authorization limits apply to the Account Number
- The Acquirer must contact the Issuer to obtain Authorization for the Account Number

ID#: 010410-010410-0003235

Exception File Update Information

An Issuer must update the Exception File with the following information to ensure the accuracy of the Exception File records:

- Account Number
- Authorization Response
- Purge date of the record
- Card Recovery Bulletin Region where the Visa Account Number should be published, if applicable

SEE ALSO:

- *Card Recovery Bulletin Service (CRB) User's Guide*
- VisaNet manuals
- *Original Credits Member Requirements*

ID#: 050411-010210-0001848

Exception File - Processor Participation

An Authorizing Processor that wants to participate in the Exception File service must notify Visa in writing at least 90 calendar days before implementation.

ID#: 010410-010410-0003968

National Card Recovery File - U.S. Region

National Card Recovery File Card Verification Requirements - U.S. Region

U.S. Members, non-Member Authorizing Processors, and their Merchants must use the National Card Recovery File only for verifying Cards in connection with Transactions that do not require Authorization.

ID#: 010410-010410-0003851

National Card Recovery File Requirements - U.S. Region

A U.S. Merchant using the National Card Recovery File must check it for each Transaction that does not require Authorization.

ID#: 010410-010410-0003850

National Card Recovery File Agreement - U.S. Region

In the U.S. Region, before distribution of the National Card Recovery File to non-Member Authorizing Processors and their Merchants, a Member must obtain a written agreement to ensure that the entity:

- Is advised of the confidential and proprietary nature of the National Card Recovery File
- Uses the file as specified in "National Card Recovery File Card Verification Requirements - U.S. Region"

ID#: 010410-010410-0003852

Account Number Verification Service

Account Number Verification - Issuer Responsibilities

If Account Number Verification is requested, the Issuer must respond by validating the information requested, as specified in the VisaNet manuals.

If Account Number Verification is requested in conjunction with a request for address verification, the Issuer may verify the Account Number using its internal exception file.

A positive Account Number Verification response "85" indicates that the Account Number is open and in good standing, and there is no negative information on the Account Number in either the:

- BASE I Exception File
- Issuer's exception file

A Decline Response "05" is issued when the expiration date field either:

- Contains an expired date
- Is blank

The Transaction amount is not checked or approved and the Activity File is not updated.

An Account Number Verification request generates an Advice File record.

ID#: 111011-010410-0025600

Account Number Verification and Authorization Response

Account Number Verification is not a substitute for Authorization. An Authorization Response supersedes an Account Number Verification response for the same Transaction.

ID#: 111011-010410-0025599

Account Number Verification Service Description - U.S. Region

The Account Number Verification Service is an optional service that allows a U.S. Member or its Authorizing Processor to determine if there is negative information on an Account Number before submitting an Authorization Request and completing a Visa Transaction. This service is **not** a substitute for Authorization. An Authorization Response supersedes an Account Number Verification response for the same Transaction.

ID#: 111011-010410-0007210

Merchant Use of Account Number Verification Service - U.S. Region

A U.S. Merchant may use Account Number Verification to request verification of a Card Account Number, an address, or Card Verification Value 2, as specified in the appropriate VisaNet manual.

ID#: 010410-010410-0007199

Account Number Verification Service - Acquirer Requirements - U.S. Region

In the U.S. Region, the format of an Account Number Verification request must comply with "Required Data for Authorization Requests and Responses" (Exhibit OO) and the appropriate VisaNet manual, except for the unique POS Condition Code 51 that identifies the request.

ID#: 010410-010410-0007211

Account Number Verification Service - Issuer Requirements - U.S. Region

If Account Number Verification is requested, a U.S. Issuer must respond by validating the information requested, as specified in the appropriate VisaNet manual.

ID#: 010410-010410-0007212

Account Number Verification Service and Address Verification Service Request - U.S. Region

If Account Number Verification is requested in conjunction with a request for address verification, the U.S. Issuer may verify the Account Number using its internal exception file.

ID#: 010410-010410-0007213

Verified by Visa

Verified by Visa Participation Requirements

Verified by Visa Participation Requirements (New)

Effective 15 March 2012, a Member that participates in Verified by Visa must:

- Complete the Verified by Visa enrollment process
- Obtain permission from its Principal-Type Member (if the Member is a Sponsored Member)
- As applicable, implement product security measures in accordance with Certification Authority, Verified by Visa, and 3-D Secure Specification requirements

- Ensure that its Verified by Visa components have successfully met the requirements of the Visa 3-D Secure Vendor Compliance Testing Program
- If using the Verified by Visa Mark, comply with the *Visa Product Brand Standards*
- Comply with the applicable regional:
 - *Verified by Visa Issuer Implementation Guide*
 - *Verified by Visa Acquirer and Merchant Implementation Guide*

An Issuer, Acquirer, or Merchant that conducts Verified by Visa Transactions must comply with the 3-D Secure Specification.

ID#: 160312-150312-0026275

Verified by Visa Issuer Participation Requirements (Updated)

Effective through 14 March 2012, an Issuer that participates in Visa Secure Electronic Commerce and supports an Authentication Method for Electronic Commerce Transactions must:

- Use an Authentication Mechanism
- Comply with Visa-established policies, procedures, operating guidelines, and standards specified in the *Verified by Visa Issuer Implementation Guide*

ID#: 160312-010410-0004042

Issuer Use of the Verified by Visa Mark (Updated)

Effective through 14 March 2012, an Issuer that uses the Verified by Visa Mark must ensure that:

- Its 3-D Secure components have successfully met the requirements of the Visa 3-D Secure Vendor Compliance Testing Program
- Its purchase authentication page complies with the layout requirements for data elements and the Verified by Visa Mark outlined in the *Visa Product Brand Standards*

ID#: 160312-010410-0004047

Verified by Visa Cardholder Enrollment (Updated)

Effective through 14 March 2012, during Cardholder enrollment in the Verified by Visa program, an Issuer that participates in 3-D Secure must use a combination of on-Card and off-Card data and comply with the *Verified by Visa Issuer Implementation Guide*.

Effective 15 March 2012, during Cardholder enrollment in the Verified by Visa program, an Issuer that participates in Verified by Visa must use a combination of on-Card and off-Card data and comply with the applicable regional Verified by Visa Issuer Implementation Guide.

ID#: 160312-010410-0004045

Verified by Visa Issuer Authentication Standards (Updated)

Effective through 14 March 2012, an Issuer must comply with the Issuer Authentication standards, as specified in the *Verified by Visa Issuer Implementation Guide*.

ID#: 160312-010410-0004046

Verified by Visa Digital Certificate Prohibitions

A Member must **not** use a Digital Certificate issued by or associated with Visa as an Authentication Mechanism for a non-Visa product or service unless previously approved by Visa.

ID#: 010410-010410-0008468

Verified by Visa Chip Card Security Requirements

Chip Card programs using Private Keys stored on Internet-connected servers must meet Visa risk management and security standards.

ID#: 010410-010410-0004620

Verified by Visa in Australia - AP Region

Effective 1 April 2011, in Australia, all newly issued Visa credit and debit Cards must be enrolled in Verified by Visa.

Effective 1 April 2012, in Australia, all Visa credit and debit Cards must be enrolled in Verified by Visa.

Effective 1 January 2013, in Australia, all newly issued Reloadable Cards must be enrolled in Verified by Visa.

Effective 1 January 2015, in Australia, all Reloadable Cards must be enrolled in Verified by Visa.

Non-Reloadable Cards and Visa Commercial Card Virtual Accounts are excluded from this requirement.

ID#: 160312-060111-0026148

Verified by Visa Issuer Requirements in India – AP Region

Effective 31 December 2011, an Issuer in India that processes Electronic Commerce Transactions must ensure that its Visa credit, debit, and Reloadable Cards are enrolled in Verified by Visa.

An Issuer must only authorize a domestic Electronic Commerce Transaction with an ECI value 5, "Secure Electronic Commerce Transaction."

Issuers must ensure that appropriate communication to Cardholders takes place in advance of the above mandate coming into effect.

ID#: 151011-311211-0026539

Verified by Visa in New Zealand - AP Region

Effective 1 April 2010, in New Zealand, all newly-issued Visa credit and debit Cards must be enrolled in Verified by Visa.

Effective 1 April 2012, in New Zealand, all Visa credit and debit Cards must be enrolled in Verified by Visa.

Effective 1 January 2013, in New Zealand, all newly issued Reloadable Cards must be enrolled in Verified by Visa.

Effective 1 January 2015, in New Zealand, all Reloadable Cards must be enrolled in Verified by Visa.

Non-Reloadable Cards and Visa Commercial Card Virtual Accounts are excluded from this requirement.

ID#: 160312-060211-0026182

Verified by Visa Activate Later Feature Participation Requirements - Canada Region (Updated)

A Canada Issuer participating in Verified by Visa must offer the Activate Later Feature to its Cardholders, provided the Cardholder:

- **Effective through 14 March 2012**, is not already enrolled in 3-D Secure
- **Effective 15 March 2012**, is not already enrolled in Verified by Visa
- Is not a Visa Commercial Cardholder
- Is involved in an Electronic Commerce Transaction at an Activate Later Merchant
- Has not been offered the Activate Later Feature more than a total of 3 times

A Canada Cardholder that has used the Activate Later Feature for a total of 3 times may be required by the Issuer to enroll in Verified by Visa during the Cardholder's next Electronic Commerce Transaction.

ID#: 230312-010410-0004648

Verified by Visa Activate Later Feature Enrollment - Canada Region (Updated)

Effective through 14 March 2012, a Canada Cardholder that has used the Activate Later Feature for a total of 3 times may be required by the Issuer to enroll in 3-D Secure during the Cardholder's next Electronic Commerce Transaction.

ID#: 160312-010410-0004649

Verified by Visa Nigerian Issuer Participation - CEMEA Region

In the CEMEA Region, a Nigerian Issuer must participate in Verified by Visa if it offers Electronic Commerce functionality to its Cardholders.

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ID#: 111011-140110-0004447

Visa Secure Electronic Commerce Participation Requirements - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Member participating in Visa Secure Electronic Commerce must:

- Complete the Visa Secure Electronic Commerce enrollment process
- Obtain permission from its Principal-Type Member (if the Member is a Sponsored Member)
- As applicable, implement product security measures in accordance with Certification Authority and Payment Gateway, or 3-D Secure Specification standard requirements

ID#: 160312-010410-0008453

3-D Secure Issuer Participation Requirements - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Issuer that participates in 3-D Secure must comply with the *Visa International Operating Regulations* and the *Verified by Visa Issuer Implementation Guide - U.S. Region*.

ID#: 160312-010410-0003930

Visa Secure Electronic Commerce Participation Options - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Member participating in Visa Secure Electronic Commerce may:

- Use the Visa 3-D Secure Services
- Obtain software from a Visa-approved vendor

- Contract with a Visa-approved third party
- Develop its own service

ID#: 160312-010410-0008464

Verified by Visa Non-Compliance Penalties

Verified by Visa Global Performance Enhancement Program (Updated)

An Issuer or an Acquirer or its Merchant that conducts Verified by Visa Transactions must comply with the requirements of the Verified by Visa Global Performance Enhancement Program, as specified in the applicable regional:

- *Verified by Visa Acquirer and Merchant Implementation Guide*
- *Verified by Visa Issuer Implementation Guide*

If Visa determines that an Issuer or an Acquirer or its Merchant has failed to meet the requirements of the Verified by Visa Global Performance Enhancement Program, the Member is subject to the fines and penalties in the "General Schedule of Fines" table.

ID#: 160312-010410-0001219

Cardholder Authentication

Verified by Visa CAVV Requirements (Updated)

An Issuer must include a Cardholder Authentication Verification Value (CAVV) in the following responses to an Authentication Request:

- Authentication Confirmation
- Attempt Response

The Issuer must:

- Retain a log of all Authentication Requests and Authentication Records
- Provide the log to Visa at Arbitration or Compliance
- **Effective 15 March 2012**, submit a copy of all Verified by Visa Authentication Records to the Authentication History Server maintained by Visa. Authentication Records include:
 - Attempt Responses
 - Authentication Confirmations
 - Authentication Denials
 - Unable to Authenticate Responses

Effective 15 March 2012, a U.S. Issuer must provide Visa with its CAVV keys for Stand-In-Processing.

Effective through 14 March 2012, the CAVV must be validated during Authorization, or the CAVV is assumed to be valid.

Effective 15 March 2012, the Issuer is responsible for verifying the CAVV. If the CAVV is not verified during Authorization by the Issuer or by Visa, the CAVV is assumed to be valid.

ID#: 160312-010410-0008807

Verified by Visa in China – AP Region (Updated)

Effective 1 June 2011 through 14 March 2012, all Verified by Visa programs in China must provide Dynamic Authentication to Cardholders.

Effective 15 March 2012, an Issuer must ensure that its Verified by Visa program in China provides Dynamic Authentication to Cardholders.

An Issuer that fails to comply with the Dynamic Authentication requirements in China will be subject to a fine of US \$5,000 for each month of non-compliance.

ID#: 230312-010610-0025711

Visa-Provided Attempt Response - U.S. Region (Updated)

Effective through 14 March 2012, if a U.S. Issuer does not implement the 3-D Secure Specification, Visa will provide an Attempt Response that contains a Cardholder Authentication Verification Value (CAVV) on behalf of the Issuer in response to an Authentication Request from a 3-D Secure Merchant.

Effective through 14 March 2012, Visa assesses a fee to an Issuer for providing a CAVV on its behalf. Fee information is available from Visa upon request.

Effective 15 March 2012, if a U.S. Issuer does not support Verified by Visa, Visa will respond to an Authentication Request, on behalf of the Issuer, with an Attempt Response that contains a Cardholder Authentication Verification Value (CAVV).

Effective 15 March 2012, Visa assesses a fee to a U.S. Issuer for providing a CAVV on its behalf, as specified in the *Visa U.S.A. Fee Guide*.

ID#: 160312-010410-0003929

Visa Secure Electronic Commerce Cardholder Authentication - U.S. Region (Updated)

Effective through 14 March 2012, a participating U.S. Issuer must provide Cardholder authentication that functions across multiple Cardholder Access Devices.

ID#: 160312-010410-0003932

3-D Secure Cardholder Authentication Verification Requirements - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Issuer must:

- Provide a unique authentication response to each Authentication Request received from a participating 3-D Secure Merchant
- Include a Cardholder Authentication Verification Value (CAVV) in the following responses to an Authentication Request:
 - Authentication Confirmation
 - Attempt Response

Effective through 14 March 2012, for an Attempt Response, Visa may provide a CAVV on behalf of an Issuer, and subsequently validate the CAVV at Authorization. See the *Verified by Visa Issuer Implementation Guide - U.S. Region* for more information.

- Provide Visa with its CAVV keys for Stand-In-Processing
- Validate the CAVV during Authorization

ID#: 160312-010410-0003933

Authorization Response for Electronic Commerce Transactions - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Acquirer must **not** submit an Authorization Request for an Electronic Commerce Transaction that failed a 3-D Secure Authentication Request.

ID#: 160312-010410-0005569

Visa Secure Electronic Commerce Authentication Records - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Issuer participating in Visa Secure Electronic Commerce must:

- Retain a log of all Authentication Requests and Authentication Records
- Upon request, provide the log to Visa for Arbitration or Compliance case processing
- Submit a copy of all 3-D Secure Authentication Records to the Authentication History Server maintained by Visa. Authentication Records include:

- Attempt Responses
- Authentication Confirmations
- Authentication Denials
- Unable to Authenticate Responses

ID#: 160312-010410-0003934

Verified by Visa Authentication Approval Rate - U.S. Region (Updated)

Effective through 14 March 2012, a participating U.S. Issuer participating in Visa Secure Electronic Commerce must maintain a monthly 3-D Secure authentication approval rate of 95%, as specified in the *3-D Secure Issuer Implementation Guide*.

Effective through 14 March 2012, this performance requirement does not apply to Transactions involving an attempted 3-D Secure authentication, where either the Cardholder or Issuer was not a 3-D Secure participant.

Effective 15 March 2012, a U.S. Issuer participating in Verified by Visa must maintain a monthly Verified by Visa authentication approval rate of 95%, as specified in the *Verified by Visa Issuer Implementation Guide - U.S. Region*. This performance requirement does not apply to Transactions involving an attempted authentication in which either the Cardholder or Issuer was not a Verified by Visa participant.

ID#: 160312-010410-0008455

Verified by Visa Unable-to-Authenticate Response Conditions (Updated)

An Issuer may respond to an Authentication Request with an Unable-to-Authenticate Response only under one or more of the following conditions:

- The Issuer experiences technical problems that prevent a timely response
- Authentication data received from the Merchant does not comply with the 3-D Secure Specification
- **Effective through 14 March 2012**, the Transaction is received from a New Channel not supported by the Issuer
- The Transaction is attempted with a Visa Commercial Card^[54]
- The Transaction is attempted with a Card where the Cardholder is anonymous, such as a Visa Gift Card
- **Effective 15 March 2012**, the Cardholder of a Canada Issuer elects to use the Activate Later Feature to postpone enrollment in Verified by Visa when presented with the opportunity during an Electronic Commerce Transaction (*This only applies in the Canada Region.*)

ID#: 160312-010410-0006914

54 **Effective 15 March 2012**, this provision does not apply to an Intraregional or Domestic Transaction in the Asia-Pacific Region.

Unable-to-Authenticate Response for Visa Commercial Cards - AP Region (Updated)

Effective through 14 March 2012, for Intraregional and Domestic Transactions in the AP Region, if a Transaction is attempted with a Visa Commercial Card, an AP Issuer must **not** respond to an Authentication Request with an Unable-to-Authenticate Response.

ID#: 160312-010410-0004655

Verified by Visa Unable-to-Authenticate Response - Canada Region (Updated)

Effective through 14 March 2012, in addition to the conditions listed in the "Verified by Visa Unable-to-Authenticate Response Conditions," a Canada Issuer may provide an Unable-to-Authenticate Response when the Cardholder elects to use the Activate Later Feature to postpone enrollment in 3-D Secure when presented with the opportunity during an Electronic Commerce Transaction.

ID#: 160312-010410-0004650

VisaVue Online

VisaVue Online Requirements

VisaVue Online Member Requirements

Effective 8 September 2011, the use of VisaVue Online, where available, is optional and at the sole discretion of Visa. Visa may limit or impose conditions on its use and may discontinue the service at any time.

To use VisaVue Online, a Member must sign a VisaVue Member Participation Agreement.

Visa assesses fees for access to VisaVue Online, as specified in the applicable regional fee guide.

ID#: 111011-010100-0026471

VisaVue Service Issuer Participation Agreement - U.S. Region

Effective through 7 September 2011, to participate in the VisaVue Service, a U.S. Member must sign a VisaVue Service Participation Agreement. Further information is available from Visa upon request.

ID#: 111011-010410-0009022

VisaVue Service Information Disclosure - U.S. Region

Effective through 7 September 2011, the account information provided to a U.S. Issuer through the VisaVue Service is proprietary to Visa and may be disclosed only as specified in the VisaVue Service Participation Agreement.

Effective through 7 September 2011, VisaVue Service information must **not** be disclosed to third parties, directly or indirectly, except as provided in the VisaVue Service Participation Agreement. "Third party," as used here, means any person, real or corporate, other than the Issuer or a Cardholder.

ID#: 111011-010410-0008427

Limitations of VisaVue Service Information Disclosure - U.S. Region

Effective through 7 September 2011, a U.S. Issuer must **not** disclose Account Numbers or any other Cardholder or Card-specific VisaVue Service information associated with Transactions to third parties unless either the:

- Disclosure is required by law
- Issuer has notified the Cardholder in advance about the fact and nature of the proposed disclosure and given the Cardholder the opportunity to refuse to permit the disclosure

ID#: 111011-010410-0003836

Issuer Use of VisaVue Service Information - U.S. Region

Effective through 7 September 2011, a U.S. Issuer that intends to use the VisaVue Service information to target Cardholders for distribution of marketing material from third parties must:

- Notify the Cardholder that the Issuer uses and analyzes information obtained through the Cardholder's use of the Visa Card and from other sources and that the information may be used to market products and services from third parties
- Give the Cardholder the opportunity to be excluded from marketing mailing lists, both in advance of the mailings and thereafter

ID#: 111011-010410-0003837

Acquirer Disclosure of VisaVue Service Information - U.S. Region

Effective through 7 September 2011, the information provided to a U.S. Acquirer through the VisaVue Service is proprietary to Visa and may be disclosed only as specified in the VisaVue Service Participation Agreement.

ID#: 111011-010410-0003442

VisaVue Service Information Sharing Prohibitions - U.S. Region

Effective through 7 September 2011, VisaVue Service information must **not** be shared with third parties, directly or indirectly, except as provided in the VisaVue Service Participation Agreement. "Third party," as used here, means any person, real or corporate, other than the Acquirer.

ID#: 111011-010410-0003443

VisaVue Service Acquirer Responsibility - U.S. Region

Effective through 7 September 2011, each U.S. Acquirer participating in the VisaVue Service bears the sole responsibility for compliance with all applicable laws and regulations.

ID#: 111011-010410-0003444

Visa Online

Use of Visa Online

Use of Visa Online (New)

Effective 5 May 2012, the use of Visa Online is at the discretion of Visa, which may limit use, impose conditions on its use, and discontinue the service at any time.

A Member, a VisaNet Processor, and any other authorized user that use Visa Online are subject to the Visa Online participation requirements, as outlined in the *Visa Online Terms and Conditions*. These requirements include user responsibility for compliance with procedures for limiting access within Member and VisaNet Processor or other authorized user environments.

A Member is responsible for a designated VisaNet Processor or other authorized user's use of the Visa Online materials, software, and information in accordance with the *Visa International Operating Regulations* and the *Visa Online Terms and Conditions*.

Visa Online and the information obtained through the Website are the property of Visa and are for the sole use of Visa Members, VisaNet Processors, and other authorized users in support of Visa programs. A Member, VisaNet Processor or any other authorized user must not disclose any information from Visa Online unless it is permitted to in the *Visa International Operating Regulations* or otherwise authorized in writing by Visa.

ID#: 160312-050512-0026950

Visa Membership Management

Client Portfolio Management Self-Service Tools Requirements

Client Portfolio Management Self-Service Tools Information

Effective 8 September 2011, a Member, VisaNet Processor, or designated Agent must not disclose any information from the Client Portfolio Management Self-Service Tools, or any other information associated with the tools, to any other parties unless it is permitted in the *Visa International Operating Regulations* or otherwise authorized in writing by Visa. Information from and associated with the Client Portfolio Management Self-Service Tools is the property of Visa and is for the sole use of Visa Members and their registered third-party service providers in support of the Members' Visa programs.

ID#: 111011-010100-0026518

Use of Client Portfolio Management Self-Service Tools

Effective 8 September 2011, the Client Portfolio Management Self-Service Tools may be used by Members, VisaNet Processors, and designated Agents that have been granted permission to access the service on the Member's behalf. A Member is responsible for:

- Its use and its VisaNet Processor's or designated Agent's use in accordance with the *Visa International Operating Regulations*
- Monitoring its users' access to ensure that only authorized users are granted access to the service
- Ensuring that only authorized officers of the institution approve membership requests
- The accuracy of all information and any changes made to such information by the Member and its authorized users
- Ensuring that changes to the Member's information are accompanied by an Electronic Signature, as specified in "Use of Electronic Signature"

ID#: 111011-010100-0026519

Visa Membership Management Description - U.S. Region

Effective through 7 September 2011, Visa Membership Management is a web-based service, accessed through Visa Online, that allows U.S. Members and their designated Agents to view and manage their Visa membership information in the Visa information system. This information includes, but is not limited to:

- Membership licensing
- BIN licensing/management
- Sponsorships

- Contacts and subscriptions
- CIB management
- Third-Party agents
- High-Risk Merchants
- Bulk transfers

Participation in Visa Membership Management is at the discretion of Visa, which may limit participation, impose conditions on its use, and discontinue the service at any time.

ID#: 111011-010410-0008435

Visa Membership Management Information - U.S. Region

Effective through 7 September 2011, in the U.S. Region, Visa Membership Management may be used by Visa Members and their designated Agents that have been granted permission to access the service on the Member's behalf.

ID#: 111011-010410-0008436

Visa Membership Management Use - U.S. Region

Effective through 7 September 2011, in the U.S. Region, Visa Membership Management may be used by Visa Members and their designated Agents that have been granted permission to access the service on the Member's behalf.

ID#: 111011-010410-0003736

Visa Membership Management Non-Member Use - U.S. Region

Effective through 7 September 2011, a U.S. Member is responsible for its use and its designated Agent's use of the Visa Membership Management service in accordance with the *Visa International Operating Regulations*.

In addition, the Member is responsible for monitoring its users' access to Visa Membership Management to ensure that only authorized users are granted access to the service.

ID#: 111011-010410-0008437

Visa Membership Management Requests - U.S. Region

Effective through 7 September 2011, a U.S. Member must ensure that only an authorized officer of the institution approves membership requests for Visa Membership Management.

ID#: 111011-010410-0003739

Visa Membership Management Information Accuracy - U.S. Region

Effective through 7 September 2011, a U.S. Member is responsible for the accuracy of all information shown in Visa Membership Management and any changes made to such information by the Member's authorized users. Changes to a Member's information in Visa Membership Management must be accompanied by an Electronic Signature, as specified in "Use of Electronic Signature."

ID#: 111011-010410-0003740

VisaNet Gateway Services - AP Region

VisaNet Gateway Services Requirements - AP Region

Use of VisaNet Gateway Services - AP Region

In the AP Region, Visa may:

- Audit the records and procedures relating to a Member's use of VisaNet for non-Visa Transactions through VisaNet Gateway Services
- Discontinue VisaNet services to a Member because either:
 - Its VisaNet system is adversely affected by non-compliance with VisaNet requirements
 - Other activities are deemed not in the best interests of the Visa system

ID#: 090411-010410-0004876

VisaNet Gateway Services Notification Requirements - AP Region

Before an AP Member may enter non-Visa Transactions into VisaNet through VisaNet Gateway Services, it must:

- Provide 90 calendar days written notice to Visa of its intention to perform Gateway Services
- Provide details of the types of non-Visa Transactions to be supported and the services it requires from Visa
- Submit to Visa written certification that the systems and procedures for processing non-Visa transactions comply with the AP Regional Operating Regulations and VisaNet system requirements

The Member may begin using VisaNet Gateway Services following receipt of written approval by Visa.

ID#: 010410-010410-0004877

Visa Transaction Alerts Service

Visa Transaction Alerts Service Requirements

Visa Transaction Alerts Service Participation Requirements

Participation in the Visa Transaction Alerts Service, where available, is optional and at the discretion of Visa. A participating Issuer or Issuer's agent must:

- Register with Visa by submitting a completed "Visa Transaction Alerts Service Participation Agreement"
- Provide Visa with Account Numbers that are eligible to enroll in the service
- Disclose to participating Cardholders which transactions will and will not trigger Cardholder notification
- Comply with:
 - *Visa Alerts Platform: Transaction Alerts Service - Service Description for Issuers*
 - *Visa Alerts Platform: Transaction Alerts – Technical Implementation Guide - Issuer*
 - *Visa Alerts Platform: Web Services Specifications*
 - *Visa Alerts Platform: White Label Website Issuer Specifications*
 - *Visa Mobile Handbook for Issuers*
 - *Visa Mobile Participation Guide for Issuers*

ID#: 111011-130510-0025735

Visa Chip Services

Visa Chip Services Requirements

Visa Chip Services Issuer Participation - U.S. Region (New)

Effective 12 January 2012, in the U.S. Region, the use of Visa Chip Services is optional and at the sole discretion of Visa. Visa may limit or impose conditions on its use and may discontinue the services at any time.

To participate in Visa Chip Services, a Member must submit to Visa a completed enrollment form and pay all applicable fees.

ID#: 160312-120112-0026806

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Chapter 6: Payment Acceptance

Core Principle 6.1

Display of Marks

Accepting Visa Products for Payment

Visa merchants displaying Visa acceptance marks at payment locations agree to accept corresponding Visa-branded products for payment. If the customer indicates that he or she wants to pay with a Visa product, a merchant must complete and process the Visa transaction as defined in the Visa Operating Regulations.

ID#: 160210-150210-0007777

Core Principle 6.2

Honor All Cards Properly Presented

Honoring All Visa Cards

Visa merchants may not refuse to accept a Visa product that is properly presented for payment, for example, on the basis that the card is foreign-issued^[55], or co-branded with the Merchant's competitor's mark. Merchants may attempt to steer customers who initially present a Visa card to an alternative method of payment, such as by providing discounts for cash, but may not do so in a confusing manner that denies consumer choice. Merchants may also consider whether present circumstances create undue risk, for example if the sale involves high-value electronics, but the card signature panel is not signed, and the cardholder does not have any other identification.

ID#: 111011-150210-0007778

55 In the US, Canada, and Australia, merchants may decline to accept certain categories of Visa products for domestically issued cards.

Core Principle 6.3

No Surcharging Unless Required by Law

Charging for the Advertised Price

Visa merchants agree to accept Visa cards for payment of goods or services without charging any amount over the advertised or normal price as a condition of Visa card acceptance, unless local law requires that merchants be permitted to engage in such practice.

ID#: 111011-150210-0007781

Core Principle 6.4

Merchant Qualification Standards

Participating in the Visa System

Participants in the Visa system agree to follow the standards established by Visa for technologies that are used at the point of transaction to ensure systems work together to provide seamless transaction and data processing. For example, magnetic-stripe and chip reading terminals must follow compatible standards and specifications to guarantee global interoperability and payment acceptance.

ID#: 160210-150210-0007782

Merchant Agreement

General Merchant Requirements

Merchant Qualification Standards

Before entering into a Merchant Agreement, an Acquirer must determine that the prospective Merchant is financially responsible and ensure that the Merchant will comply with the substance of the *Visa International Operating Regulations* as well as applicable law.

The Acquirer must also determine that there is no significant derogatory background information about any of the Merchant's principals. The Acquirer may obtain this information through:

- Credit reports

- Personal and business financial statements
- Income tax returns
- Other information lawfully available to the Acquirer

ID#: 010410-010410-0008478

Inspection

An Acquirer must conduct a physical inspection of the business premises of a prospective Merchant. For Mail/Phone Order and Electronic Commerce Merchants, the Acquirer must also obtain a detailed business description.

ID#: 010410-010410-0005251

Merchant Agreement Requirements

An Acquirer must:

- Have a Merchant Agreement with each of its Merchants
- Include language in the Merchant Agreement that obligates its Merchant to:
 - Perform its obligations under the Merchant Agreement in compliance with applicable laws
 - Comply with the *Visa International Operating Regulations* regarding use of the Visa-Owned Marks
- Ensure that its Merchant complies with the *Visa International Operating Regulations* regarding payment acceptance
- Ensure that required acceptance provisions are included in its Merchant Agreement or as a separate addendum
- Only accept Transaction Receipts from a Merchant with which it has a valid Merchant Agreement

Refer to the *Visa International Operating Regulations* for further information regarding Member compliance with applicable laws, requirements for certain Merchant segments, and Visa rights to monitor, audit, inspect, and investigate Members.

ID#: 081010-010410-0003356

Visa Card and Visa Electron Card Merchant Agreement

A Merchant must have a Merchant Agreement with its Acquirer to accept Visa Cards or Visa Electron Cards. The same contract may cover Visa Cards and Visa Electron Cards.

ID#: 111011-010410-0005107

Right to Terminate

The right of Visa to limit or terminate a Member's agreement with a Merchant must be specified in each Merchant, Sponsored Merchant, and agent agreement.

ID#: 010410-010410-0008473

Merchant Classification

Effective through 30 June 2011, a business may act as a Merchant, Sponsored Merchant, or Internet Payment Service Provider (IPSP). The business is considered to be a Merchant, rather than a Sponsored Merchant or IPSP, if:

- The business has a Merchant Agreement with an Acquirer
- Transactions entered into Interchange do not represent the purchase of goods or services from a Sponsored Merchant

ID#: 111011-010410-0005261

Merchant Records

An Acquirer must keep a complete, well-documented file containing Merchant records, including any information connected to an investigation, for a minimum of 2 years following Merchant Agreement termination.

In the U.S. Region, an Acquirer of a Merchant undergoing a forensic investigation must also notify Visa when it receives notice, or otherwise becomes aware, that the Merchant has terminated its Merchant Agreement. *(This only applies in the U.S. Region.)*

ID#: 010410-010410-0008474

Acquirer Requirements – Discount at the Point of Sale – AP Region and LAC Region

Effective 20 July 2011, in the AP Region and the LAC Region, the provisions in “Acquirer Requirements - Discount at the Point of Sale - U.S. Region” apply to Merchants located in a U.S. Territory.

ID#: 151011-200711-0026495

Rights in Merchant Information

An Acquirer is responsible for ensuring that it has all necessary and appropriate rights under applicable law, privacy policies, or agreements to provide Merchant information to Visa.

ID#: 151011-300611-0026459

Merchant Deposits - Canada Region

A Canada Member that accepts a Deposit from a Merchant with which it does **not** have a signed Merchant Agreement is liable for the Deposit in the same manner as if it had a valid Merchant Agreement with that Merchant.

ID#: 010410-010410-0005349

Visa Debit Acceptor Agreement Requirements - Canada Region

In the Canada Region, for each new Merchant, the Merchant Agreement must clearly:

- Specify if the Merchant has elected to be a Visa Debit Acceptor
- Distinguish all Card acceptance-related fees, such as discount rates or other pricing terms, associated with Visa Debit

An existing Merchant Agreement must be revised to include the Merchant's option to be a Visa Debit Acceptor and distinguish all Card acceptance-related fees, as specified above, when:

- The existing Merchant Agreement is renewed
- The Merchant indicates to its Acquirer that it wants to accept Visa Debit Cards

ID#: 050411-200209-0008375

Reporting of Non-Visa Debit Acceptor Merchants - Canada Region

A Canada Acquirer must report to Visa in writing the name and location of each Merchant that has elected to **not** be a Visa Debit Acceptor.

ID#: 050411-200209-0008377

Illegal Transactions

A Merchant Agreement must specify that a Merchant must **not** knowingly submit, and an Acquirer must **not** knowingly accept from a Merchant for submission into the Visa payment system, any Transaction that is illegal or that the Merchant should have known was illegal.

ID#: 010410-010410-0001303

Merchant Agreement Provisions - U.S. Region 5.2.O.1.a, 5.2.O.1.d

A U.S. Acquirer must incorporate the following requirements into all Merchant Agreements:

- A Merchant must **not** deposit a Transaction Receipt that it knows or should have known to be either fraudulent or not authorized by the Cardholder
- The Merchant is responsible for its employees' actions

A Merchant Agreement must also include:

- Transaction Deposit restrictions
- Transaction processing prohibitions
- Prohibition against a Merchant depositing a Transaction Receipt that does not result from an act between the Cardholder and the Merchant or the Cardholder and its Sponsored Merchant (laundering)
- Requirements specified in "Merchant Agreement Requirements - U.S. Region"
- Disclosure of account or Visa Transaction Information prohibitions
- A requirement that the Merchant and its Agents comply with the provisions of the Cardholder Information Security Program
- Merchant responsibility for demonstrating compliance by its Agents with the requirements of the Cardholder Information Security Program
- A requirement that the Merchant, if undergoing a forensic investigation at the time the Merchant Agreement is signed, fully cooperate with the investigation until completed

ID#: 160312-010410-0008507

Acquirer Requirements - Discount at the Point of Sale - U.S. Region

Effective 20 July 2011, a U.S. Acquirer must not adopt, maintain or enforce any rule (including any bylaw, policy, standard, guideline, or practice), or enter into or enforce any agreement that directly or indirectly prohibits, prevents, or restrains its U.S. Merchants from requesting or encouraging a Cardholder to use a means of payment other than a Visa Card or a Visa Card of a different product type (e.g., Visa Classic Card, Visa Traditional Rewards Card, Visa Signature Card) than the Visa Card the consumer initially presents. The methods by which a Merchant may request or encourage a Cardholder to use a means of payment other than a Visa Card or a Visa Card of a different product type include but are not limited to the methods specified in "Discount Offer - U.S. Region 5.2.D.2."

A U.S. Acquirer may enforce agreements or enter into agreements with its U.S. Merchants where the Merchant selects Visa Cards as the only general purpose payment cards the Merchant will accept.

ID#: 111011-200711-0026490

Acquirer Requirement to Query the Terminated Merchant File and Inspect Merchant Premises - U.S. Region

A U.S. Acquirer must:

- Query the Terminated Merchant File to determine if the prospective Merchant has been terminated for cause
- Whenever feasible, conduct a physical inspection of the business premises of a prospective Merchant

- For Mail/Phone Order Merchants, obtain a detailed business description

ID#: 010410-010410-0003474

Merchant Agreement Specifications and Options - U.S. Region

In the U.S. Region, for each new Merchant, a Merchant Agreement must clearly:

- Specify the Limited Acceptance options and the Merchant's election, if any, of one of those options
- Distinguish all Card acceptance-related fees, such as discount rates or other pricing methodology, associated with each Limited Acceptance category

An existing Merchant Agreement must be revised to include the Limited Acceptance options and distinguish all Card acceptance-related fees when either:

- The existing Merchant Agreement is renewed
- The Merchant indicates to its Acquirer that it wants Limited Acceptance

ID#: 031209-150210-0008510

Specification of Merchant Fees - U.S. Region

In the Merchant Agreement, a U.S. Acquirer must clearly distinguish fees associated with Visa Transactions from fees associated with other card transactions.

ID#: 010410-010410-0003361

Terminal Processing by Competitors - U.S. Region

A U.S. Acquirer must **not** prohibit a Merchant from using terminal processing services offered by competitors for the direct delivery of Visa Transactions captured at the Point-of-Transaction to VisaNet for Clearing and Settlement.

ID#: 010410-010410-0003362

Merchant Agreement Form - U.S. Region

In the U.S. Region, most of the form, content, and appearance of a Merchant Agreement is at the discretion of the Acquirer. However, each Merchant Agreement must contain at least the requirements for Merchant Card acceptance specified in the *Visa International Operating Regulations* to the extent permitted under applicable law. An Acquirer may include other provisions in its Merchant Agreement if they are consistent with the *Visa International Operating Regulations*.

Each Merchant Agreement must:

- State the terms required to satisfy payment directly to the Merchant, including, but not limited to, the name of the financial institution to which the Acquirer, its Agent, or Sponsored Member must deposit funds for payment of Visa Transactions
- Clearly state the Acquirer's name and location in letter size consistent with the rest of the Merchant Agreement printing, and in a manner that makes the Acquirer's name readily discernible to the Merchant
- Be signed by the Acquirer
- Remain on file at the Acquirer's place of business

ID#: 010410-010410-0008512

Provisions for VisaNet Copy Request and Fulfillment Service Installation - U.S. Region

If VisaNet Copy Request and Fulfillment Service equipment is installed at a U.S. Merchant Outlet, the Merchant Agreement must include provisions equivalent to those specified in the *Visa International Operating Regulations* for the use, support, and modification of the equipment.

ID#: 010410-010410-0005078

Third Party Designation - U.S. Region

In the U.S. Region, a Merchant Agreement must permit a Merchant to designate a third party that does not have a direct agreement with its Acquirer as its agent for the direct delivery of data-captured Visa Transactions to VisaNet for Clearing and Settlement. The Merchant must:

- Advise the Acquirer that it will use a third-party processor
- Agree that the Acquirer must reimburse the Merchant only for the amount of Visa Transactions delivered by that agent to VisaNet, less the appropriate discount fee
- Assume responsibility for any failure by its agent to comply with the *Visa International Operating Regulations*, including, but not limited to, any violation resulting in a Chargeback

ID#: 010410-010410-0003367

Connecting Directly to Issuer - U.S. Region

In the U.S. Region, a national Merchant may authorize and transmit Interchange directly to an Issuer through VisaNet if the Merchant has:

- Completed a national account agreement
- Received the prior approval of the Board of Directors

Visa determines the Interchange Reimbursement Fee.

ID#: 010410-010410-0008475

Specification of Preauthorized Health Care Transaction Requirements - U.S. Region

In the U.S. Region, the requirements for Preauthorized Health Care Transactions must be included in each Merchant Agreement with a Health Care Merchant.

ID#: 010410-010410-0006144

Additional Merchant Agreement Provisions for Healthcare Auto-Substantiation Merchants - U.S. Region

A U.S. Acquirer participating in Healthcare Auto-Substantiation must ensure that:

- A Merchant that participates in Healthcare Auto-Substantiation Transactions complies with the provisions of the following:
 - *Visa Healthcare Auto-Substantiation Transaction Consolidated Technical Requirements*
 - *Visa Healthcare Auto-Substantiation Transactions Service Description and Implementation Guide*
- The Merchant has obtained a license from and is certified by SIGIS the Special Interest Group for IAS Standards to process Healthcare Auto-Substantiation Transactions
- The substance of the provisions are included in the Merchant Agreement or as a separate addendum

ID#: 080411-010100-0025562

Required Merchant Information

Required Merchant Information

Effective 30 June 2011, an Acquirer, its Agent, or processor, in a region where collection of Merchant Data is required, must provide Visa, at minimum, the following information for each Merchant and/or Sponsored Merchant and/or Payment Service Provider, as applicable. The information must be accurate, current, and in the format specified by Visa.

- Merchant T/A (trading as) or DBA (doing business as) name
- Merchant full legal name (if different from DBA name). For a sole proprietor, the information must include the sole proprietor's full first and last name, including the middle initial.
- Complete Merchant Outlet address (including street address, city, state/province and the postal code) ^[56]
- Merchant telephone number, where applicable
- Merchant business registration number or tax identification number
- Merchant principal/owner name
- National ID number (where available)

- Names and national ID numbers of key employees (where applicable)

ID#: 160312-300611-0026460

File Retention - Existing and New Merchant Agreements - AP Region

Effective through 29 June 2011, in the AP Region, a Merchant file must contain at least the following, where applicable and available:

- Merchant trading name/DBA (doing business as) name
- Merchant legal name (if different from DBA name)
- Complete Merchant Outlet address
- Merchant telephone number
- Merchant business registration number or tax identification number
- Merchant principal/owner name
- National ID number (where available)
- Names and national ID numbers of key employees

ID#: 151011-010410-0005345

File Retention - Terminated Merchant Agreements - AP Region

In the AP Region, the file of terminated Merchants must include, at a minimum:

- Merchant Agreement and addenda
- Deposit history and monitoring reports
- Details on the number, total amount, and reasons for any Chargebacks received
- All Acquirer/Merchant correspondence
- All Merchant Fraud Performance Program reports relating to the Merchant
- Names and ID numbers of suspect employees
- Written notification of termination or intent to terminate
- Any other supporting documentation that itemizes the details leading to the decision to terminate the Merchant

ID#: 010410-010410-0007371

Required Merchant Information - U.S. Region

Effective through 29 June 2011, a U.S. Acquirer must collect all of the following for all Merchants and Sponsored Merchants:

56 This includes the 9-digit zip code in the U.S. Region.

- "Doing Business As" (DBA) name
- Merchant legal name
- Merchant Outlet location, including street address, city, state, and 9-digit ZIP code
- U.S. Federal Taxpayer Identification Number, and identification of the number as either a U.S. Federal Employer Identification Number (FEIN) or Social Security Number (SSN)
- Incorporation status (for example, corporation, partnership, sole proprietor, non-profit, or other)
- Full first and last name, including middle initial, if Merchant is a sole proprietor
- Merchant Category Code and, if applicable, any secondary Merchant Category Code(s)
- Indication if a Merchant is a small and/or disadvantaged business
- Termination date and reason for termination if the Acquirer/Merchant relationship is terminated

The Acquirer must:

- Retain the Merchant or Sponsored Merchant information in an electronic format to be specified by Visa
- Make it available to Visa upon request

Effective 30 June 2011, in addition to the requirements specified in "Required Merchant Information," in the U.S. Region an Acquirer, its Agent, or processor is required to provide Visa, at minimum, the following for each Merchant, Sponsored Merchant and Payment Service Provider:

- U.S. Federal Taxpayer Identification Number, and identification of the number as either a U.S. Federal Employer Identification Number (FEIN) or Social Security Number (SSN)
- Incorporation status (e.g., corporation, partnership, sole proprietor, non-profit, or other)
- Indication if a Merchant is a small and/or disadvantaged business
- Merchant's MCC (Merchant Category Code) and, if applicable, any secondary MCCs
- Termination date and reason for termination if the Acquirer/Merchant relationship is terminated

ID#: 151011-300410-0008513

Required Merchant Information Reporting Fees - U.S. Region

In the U.S. Region, Visa assesses an Acquirer a monthly fine, as specified in the table below, when required Merchant information is not provided or is incomplete. The fine is not applicable for new Merchant Outlets during the first 90 days from the date the Merchant begins accepting Cards under the Merchant Agreement.

Missing or Incomplete Merchant Information Reporting Fines - U.S. Region

Description	Fee
Each Merchant Outlet with missing or incomplete information	US \$10

Description	Fee
Maximum monthly fee per Acquirer	US \$50,000

ID#: 100412-010410-0003501

Acquirer's Jurisdiction

Country of Domicile and Jurisdiction Requirements

Effective through 30 June 2011, an Acquirer must only contract with a Merchant Outlet within its Country of Domicile, as specified in the *Visa International Certificate of Incorporation and Bylaws* or the applicable Certification of Incorporation and Bylaws. The country of the Sponsored Merchant, not the country of the Internet Payment Service Provider (IPSP), determines the Acquirer's jurisdiction.

Effective 1 July 2011, an Acquirer must only contract with a Merchant Outlet within the Acquirer's Country of Domicile, as specified in the *Visa International Certificate of Incorporation and Bylaws* or the applicable Certificate of Incorporation and Bylaws.

Effective 1 July 2011, a Sponsored Merchant and its Payment Service Provider (PSP) must be located within the Acquirer's jurisdiction. The country of the Sponsored Merchant, not the country of the PSP, determines the Acquirer's jurisdiction.

An Acquirer must **not** contract with a Merchant Outlet that is outside its Country of Domicile unless the:

- Visa Region with jurisdiction over the Merchant Outlet has approved this arrangement, and the country or territory is either:
 - **Not** any other Principal's Country of Domicile
 - One where the Acquirer has a Branch
- Merchant is an International Airline and the Acquirer maintains the relationship as specified in the *Visa International Operating Regulations* regarding provisions of the International Airline Program
- Merchant Outlet is a military base, embassy, or consulate on foreign territory. Visa considers these Merchant Outlets to be within the Member's Country and Region of Domicile. The currency used to complete the Transaction must be disclosed on the Transaction Receipt.

A bilateral agreement exists between the Canada Region and the U.S. Region for Mail/Phone Order Merchants and Electronic Commerce Merchants.

Effective 1 July 2011, a PSP must not contract with a Sponsored Merchant that is outside its jurisdiction unless the:

- Sponsored Merchant is an International Airline and the Acquirer and PSP maintain the relationship as specified in the *Visa International Operating Regulations* regarding provisions of the International Airline Program

- Sponsored Merchant is a military base, embassy, or consulate on foreign territory. Visa considers these Sponsored Merchants to be within the Acquirer's Country and Region of Domicile

ID#: 111011-010410-0008552

Cross-Border Merchant Contracting - Canada Region

A Canada Acquirer may acquire the following Canadian dollar Transactions of Canada Cardholders from Merchant Outlets in the U.S. Region:

- Mail/Phone Order Transactions
- Electronic Commerce Transactions

A U.S. Acquirer may acquire the following U.S. dollar Transactions of U.S. Cardholders from Merchant Outlets in the Canada Region:

- Mail/Phone Order Transactions
- Electronic Commerce Transactions

ID#: 010410-010410-0008477

Chargeback Rights for Transactions before Merchant Termination - Canada Region

If a Canada Merchant is terminated by an Acquirer, that Acquirer is liable for Chargebacks for items that were transacted before the termination of the Merchant.

ID#: 010410-010410-0008528

Permitted Merchant Outlets - U.S. Region

A U.S. Acquirer may sign a Merchant Outlet if the Merchant Outlet is located in the Canada Region and the resulting Transactions are:

- Mail/Phone Order Transactions or Electronic Commerce Transactions initiated by U.S. Cardholders
- Advertised and processed in U.S. dollars

ID#: 010410-010410-0001298

Merchants Signed Outside of the United States - U.S. Region

A U.S. Acquirer that signs a Merchant Outlet outside the 50 United States and District of Columbia must, within 60 calendar days of signing that outlet, notify Visa of at least the following:

- Merchant name
- Merchant location

- Estimated annual sales volume

ID#: 010410-010410-0001299

Payment Service Providers and Sponsored Merchants

Payment Service Provider Agreement Requirements

Effective through 30 June 2011, an Acquirer must ensure that its Internet Payment Service Provider Agreement includes:

- A requirement that the contract between an Internet Payment Service Provider (IPSP) and a Sponsored Merchant contains the Merchant Agreement requirements specified in the *Visa International Operating Regulations*
- The Acquirer's right to immediately terminate the Sponsored Merchant for good cause
- A statement that the IPSP is liable for all acts, omissions, Cardholder disputes, and other Cardholder customer service-related issues caused by the IPSP's Sponsored Merchants
- A statement that the IPSP is financially liable for each Transaction
- A statement that the IPSP must **not** transfer or attempt to transfer its financial liability by asking or requiring Cardholders to waive their dispute rights

Effective 1 July 2011, an Acquirer must include the following in its Payment Service Provider Agreement:

- A requirement that the Payment Service Provider (PSP) and its Sponsored Merchants comply with the *Visa International Operating Regulations*
- A requirement that the contract between a PSP and a Sponsored Merchant contains the Merchant Agreement, Card and payment acceptance, and all applicable Website requirements specified in the *Visa International Operating Regulations*
- The Acquirer's right to immediately terminate a Sponsored Merchant or the PSP for good cause or fraudulent or other activity, or upon Visa request
- Statements specifying that:
 - The PSP is liable for all acts, omissions, Cardholder disputes, and other Cardholder customer service-related issues caused by the PSP's Sponsored Merchants
 - The PSP is responsible and financially liable for each Transaction entered into Interchange on behalf of the Sponsored Merchant, or for any disputed Transaction, or credit
 - The PSP must not transfer or attempt to transfer its financial liability by asking or requiring Cardholders to waive their dispute rights
 - The PSP must not permit a Sponsored Merchant to transfer or attempt to transfer its financial liability by asking or requiring Cardholders to waive their dispute rights
 - The PSP must not deposit Transactions on behalf of another PSP
 - The PSP must not contract with a Sponsored Merchant whose contract was terminated at the direction of Visa or a government agency

- The PSP must not deposit Transactions from Sponsored Merchants outside the Acquirer's jurisdiction
- The PSP must provide the names of principals and their country of domicile for each of its Sponsored Merchants and Transaction reports to its Acquirer and to Visa upon request
- The PSP must ensure that its Sponsored Merchants comply with the Payment Card Industry Data Security Standard (PCI DSS) and the Payment Application Data Security Standard (PA-DSS)

ID#: 111011-010410-0005270

Acquirer Eligibility - Payment Service Provider

Effective 1 July 2011, before entering into a Merchant Agreement with any Payment Service Provider (PSP), an Acquirer must:

- Be in good standing in all Visa risk management programs
- Be rated above-standard (a Visa Member risk rating of "A" or "B") and meet a minimum equity requirement^[57]

Effective 1 July 2011, before entering into or renewing a Merchant Agreement with any PSP whose annual Visa Transaction volume exceeds US \$50 million in an Acquirer's jurisdiction, the Acquirer must:

- Be in good standing in all Visa risk management programs
- As specified by Visa, either:
 - Be rated above-standard (a Visa Member risk rating of "A" or "B") and meet a minimum equity requirement^[58]
 - Enter into a direct Merchant Agreement with, and fund in a manner acceptable to Visa, each of the PSP's Sponsored Merchants, regardless of the Sponsored Merchant's annual Visa Transaction volume

ID#: 161111-010711-0026431

Direct Merchant Agreement Requirement for Sponsored Merchants

Effective 1 July 2011, an Acquirer must enter into a direct Merchant Agreement with a Sponsored Merchant that exceeds US \$100,000 in annual Visa Transaction volume. The Acquirer must, with respect to such Sponsored Merchant, comply with all obligations specified in the *Visa International Operating Regulations*.

ID#: 111011-010711-0026432

57 **Effective 1 July 2011**, Visa may waive these requirements in exchange for assurance and evidence of the imposition of risk controls satisfactory to Visa. This may include, but is not limited to, the pledging of additional collateral.

58 **Effective 1 July 2011**, Visa may waive these requirements in exchange for assurance and evidence of the imposition of risk controls satisfactory to Visa. This may include, but is not limited to, the pledging of additional collateral.

Internet Payment Service Providers - Merchant Agreement - Canada Region

Effective through 31 December 2011, a Canada Acquirer providing acquiring services to an Internet Payment Service Provider (IPSP) and its Sponsored Merchants must have a Merchant Agreement with the IPSP that identifies the IPSP and its Sponsored Merchants as Merchant parties to that agreement.

ID#: 111011-010410-0005385

Acquirer Eligibility - Internet Payment Service Provider - U.S. Region

Effective through 30 June 2011, before entering into a Merchant Agreement with an Internet Payment Service Provider (IPSP), a U.S. Acquirer must:

- Be in good standing in all Visa risk management programs
- Meet the Acquirer Tier 1 capital requirement

ID#: 111011-150210-0005090

Acquirer Eligibility - Internet Payment Service Provider Maximum Annual Sales - U.S. Region

Effective through 30 June 2011, a U.S. Acquirer must enter into a direct Merchant Agreement with any Sponsored Merchant that exceeds US \$100,000 in annual sales.

ID#: 111011-010410-0005096

Internet Payment Service Provider Agreement Provisions - U.S. Region

Effective through 30 June 2011, a U.S. Acquirer must ensure that an Internet Payment Service Provider Agreement:

- Contains Internet Payment Service Provider (IPSP) operating requirements and risk management provisions, as specified in the *Visa International Operating Regulations* for Internet Payment Service Providers
- Includes a provision to establish IPSP financial liability for Transactions entered into Interchange on behalf of Sponsored Merchants, as well as responsibility for any disputed Transactions, credits, or customer service-related expenses
- Includes a statement that the IPSP must **not**:
 - Transfer or attempt to transfer its financial liability by asking or requiring Cardholders to waive their dispute rights
 - Permit a Sponsored Merchant to transfer or attempt to transfer its financial liability by asking or requiring Cardholders to waive their dispute rights

- Deposit Transactions on behalf of another IPSP, as specified in "Internet Payment Service Provider Restrictions - U.S. Region"
- Requires that each Sponsored Merchant contract with an IPSP contain Merchant Agreement requirements and Card acceptance and Website requirements specified in the *Visa International Operating Regulations*
- Requires an IPSP to provide comprehensive lists, including names of principals and country of domicile, for all of its Sponsored Merchants and Transaction reports to its Acquirer, and to Visa upon request
- Requires its IPSP to deposit only Transactions from Sponsored Merchants within the Acquirer's jurisdiction
- Establishes an Acquirer's right to:
 - Immediately terminate an IPSP for fraudulent activity or other activities specified in "Visa Right to Terminate Merchant/IPSP or Sponsored Merchant"
 - Require an IPSP to immediately terminate a Sponsored Merchant for fraudulent activity or other activities specified in "Visa Right to Terminate Merchant/IPSP or Sponsored Merchant"

ID#: 111011-010410-0005097

International Airline Program

International Airline Merchant Agreement Specifications

An International Airline Merchant Agreement must contain, at a minimum, the elements specified in this section, in addition to the contract requirements specified for all Merchants in the *Visa International Operating Regulations*.

The agreement must specify the Acquirer's responsibilities to the Merchant for Chargeback resolution support. This support must include:

- Written information on Chargeback rights and procedures
- Chargeback processing, including a list of Chargeback reason codes, Merchant recourse options, and an Acquirer contact

The agreement must list the countries from which the Acquirer will accept Transactions, including the Authorization support procedures and processes for each country. It must also require that the Acquirer and the Merchant notify Visa if Authorization problems arise for any countries covered by the Merchant Agreement.

ID#: 010410-010410-0008575

Acquirer Due Diligence

Terminated Merchant Query - Payment Service Provider

Effective 1 July 2011, an Acquirer must:

- Ensure that a terminated Sponsored Merchant or terminated Payment Service Provider (PSP) is added to the Visa Merchant Trace System (as specified in "Required Use of Merchant Trace System - AP Region"), Terminated Merchant File, or, where available and permitted by local law, equivalent terminated Merchant database
- In the U.S. Region, ensure that a PSP with one or more Sponsored Merchants classified, or that should be classified, with Merchant Category Code 5967, "Direct Marketing - Inbound Teleservices Merchant," complies with the High-Risk Internet Payment Service Provider registration program and operating requirements (*This only applies in the U.S. Region.*)

ID#: 111011-010711-0026433

Terminated Merchant File Query Responses - U.S. Region

A U.S. Acquirer must query the Terminated Merchant File, as specified , before entering into a Merchant Agreement with a prospective Merchant.

If the Acquirer receives a response indicating a "possible match" against a Merchant listed on the Terminated Merchant File, the Acquirer must:

- Verify that the Merchant identified in the response is the same Merchant for which the inquiry was generated
- Contact the listing Member directly to determine why the Merchant was added to the file

The Acquirer should make its acceptance decision based on further investigation, and must use Terminated Merchant File data **only** as an informational tool in the decision-making process.

ID#: 111011-010410-0008577

Terminated Merchant File Query - Internet Payment Service Provider - U.S. Region

Effective through 30 June 2011, a U.S. Acquirer must:

- Query the Terminated Merchant File (TMF) before:
 - Entering into an agreement with a prospective Internet Payment Service Provider (IPSP)
 - An IPSP enters into an agreement with a prospective Sponsored Merchant
- Ensure that a Merchant listed on the TMF is **not** permitted to be a Sponsored Merchant

- Ensure that an IPSP with one or more Sponsored Merchants classified, or which should be classified, with Merchant Category Code 5967, "Direct Marketing - Inbound Teleservices Merchant," complies with the High-Risk Internet Payment Service Provider registration program and operating requirements
- Ensure that a terminated Sponsored Merchant or terminated IPSP is added to the TMF

ID#: 111011-150210-0003938

Electronic Commerce Acquirer Agreement

Internet Merchant Registration - AP Region

An AP Member entering the Internet Merchant acquiring business must register with Visa.

ID#: 010410-010410-0005323

Point-of-Transaction - Display of Marks

Display of Marks at the Point of Sale

Merchant Standards for Card Acceptance

An Acquirer contracting with a Merchant to accept Cards must ensure that the Merchant meets the standards specified in the table below.²

Merchant Acceptance Standards

Symbols Displayed at Merchant	Cards Accepted by Merchant	Electronic Capability	Cash-Back
Visa Brand Mark	Visa Cards ¹	Optional	For Domestic Transactions only, at the option of Visa
Visa Brand Mark with the Electron Identifier	Visa Electron Cards	Required	For Domestic Transactions only, at the option of Visa
1. A variance to this requirement applies in the U.S. Region. 2. A variance to this requirement applies in the Canada Region.			

ID#: 160312-010410-0003658

Display of Appropriate Marks

A Member or Merchant must display the appropriate Marks to indicate which Cards it accepts for payment, as specified in the *Visa Product Brand Standards*.

ID#: 010410-010410-0008496

Display of Marks Exclusion VIOR 5.1.A.1.d, USOR 5.2.A.1.a

A Merchant is **not** required to display the Visa-Owned Marks if it does not deal with the general public (e.g., a private club, or if prohibited by trade association rules).

ID#: 010410-010410-0002643

Display of Electron Mark Prohibition

A Point-of-Transaction Terminal that does not have Online capability, regardless of whether the terminal is Chip-enabled, must **not** display the Visa Brand Mark with the Electron Identifier.

ID#: 010410-010410-0002828

Visa Marks Display Requirements – AP Region and LAC Region

Effective 20 July 2011, in the AP Region and the LAC Region, a Merchant in a U.S. Territory is not required to display the Visa Marks in a size at least as large as every other payment brand mark that is displayed.

ID#: 111011-200711-0026496

Visa Right to Request Display Modification - U.S. Region

In the U.S. Region, Visa may require modification of any display of an Affinity Partner's Trade Name or Mark at a Merchant Outlet if the display adversely affects the Visa brand.

ID#: 010410-010410-0002347

Visa Marks Display Requirements - U.S. Region

Effective 20 July 2011, a U.S. Merchant is not required to display the Visa Marks in a size at least as large as every other payment brand mark that is displayed.

ID#: 111011-200711-0026491

Display of Marks Acquirer Requirements - U.S. Region

A U.S. Acquirer must ensure that:

- Each of its Limited Acceptance Merchants displays the Visa-approved signage representing the Limited Acceptance category it has selected
- A Merchant does **not** display the Visa-Owned Marks indicating acceptance of all Visa Cards if it has selected Limited Acceptance

ID#: 010410-010410-0002318

Visa Marks Display Size Requirements - U.S. Region

Effective through 19 July 2011, the Visa Mark used must **not** be smaller than any other acceptance mark displayed by a U.S. Merchant.

ID#: 111011-010410-0002339

Affinity Partner Marks Size Requirements - U.S. Region

Effective through 19 July 2011, in the U.S. Region, Visa-Owned Marks must be at least equal in size and prominence to any Affinity Partner identification and any other payment system Marks.

Effective 20 July 2011, in the U.S. Region, Visa-Owned Marks must be at least equal in size and prominence to any Affinity Partner identification.

ID#: 111011-010410-0002345

Mail/Phone Order Merchant Acceptance Requirements - U.S. Region

A U.S. Mail/Phone Order Merchant must:

- Advise the Cardholder, during the payment process, that it accepts all Visa Cards for payment or that it accepts Cards that are in the Limited Acceptance category it has selected
- Display, in its catalog or other selling material, either the:
 - Visa Flag Symbol or Visa Brand Mark in full color, if it accepts all Visa Cards for payment
 - Visa-approved signage representing the Limited Acceptance category it has selected

ID#: 010410-010410-0002340

Use of Verified by Visa Mark - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Electronic Commerce Merchant must display the appropriate Verified by Visa Mark to indicate its participation in the 3-D Secure Authenticated Payment Program.

Effective through 14 March 2012, the U.S. Merchant must **not** use the Verified by Visa Mark unless it is a 3-D Secure participant.

ID#: 160312-010410-0008499

Automated Fuel Dispenser Merchant Marks Display - U.S. Region

An Automated Fuel Dispenser Merchant in the U.S. Region must display the appropriate Visa-Owned Marks on or near the Automated Fuel Dispenser to indicate which Cards it accepts for payment.

ID#: 010410-010410-0002341

Display of Affinity Card Reproduction - U.S. Region

A U.S. Merchant must **not** display a reproduction of an Affinity Card as part of a decal at the Point-of-Transaction.

ID#: 010410-010410-0002346

Display of Affiliated-Merchant Mark - U.S. Region

An Affiliated-merchant in the U.S. Region must display the Visa-Owned Marks independently from any identification of the Affinity Partner.

ID#: 010410-010410-0002348

Full-Color Display Requirements - U.S. Region

When displayed at a U.S. Member location or Merchant Outlet, the Visa Brand Mark must appear in full color, except when displayed on an ATM, as specified in the *Visa Product Brand Standards*.

ID#: 010410-010410-0005764

Display of Marks on Scrip Terminal - U.S. Region

A U.S. Member must **not** display the Visa Brand Mark or the Visa Brand Name on a Scrip Terminal.

ID#: 010410-010410-0005765

Trade Names and Marks on Decals and Signs - U.S. Region

In the U.S. Region, no Trade Name or Mark, other than the Visa Brand Name, may appear on decals and signs bearing the Visa Brand Mark at Member locations or Merchant Outlets, except for decals on ATMs.

ID#: 010410-010410-0005766

Display of Marks at an ATM

ATM Display of Visa Marks - U.S. Region

In the U.S. Region, only ATMs and Acquirers that participate in the Visa ATM Network may display the Visa Flag Symbol or Visa Brand Mark.

ID#: 010410-010410-0004754

ATM Display of Visa Marks Prohibition - U.S. Region

A U.S. Acquirer must **not** display the Visa Flag Symbol or Visa Brand Mark on or surrounding an ATM unless that ATM accepts all Visa Cards.

ID#: 010410-010410-0004755

ATM Marks Color and Size Requirements - U.S. Region

In the U.S. Region, when used as the only Mark at an ATM, the Visa Flag Symbol, Visa Brand Mark, Visa Electron Symbol, or Visa Brand Mark with the Electron Identifier must:

- Be in full color
- Be at least 54mm high by 86mm wide

ID#: 010410-010410-0004775

ATM Marks Size Requirements with Other Marks - U.S. Region

In the U.S. Region, the Visa Brand Mark must **not** be smaller than any other acceptance Mark indicating participation in any ATM network, other than a Member's own proprietary network or a single primary regional network Mark that is also displayed on the ATM. No other Mark of the Visa Program may be displayed on participating ATMs, except as specified in "Plus Symbol Display Requirement at ATM - U.S. Region."

ID#: 010410-010410-0006169

Display of Marks Online

Acquirer Use of the Verified by Visa Mark (Updated)

Effective through 14 March 2012, an Acquirer that uses the Verified by Visa Mark in its 3-D Secure program must:

- Comply with the *Visa Product Brand Standards*
- Ensure that its 3-D Secure components have successfully met the requirements of the Visa 3-D Secure Vendor Compliance Testing Program
- Ensure that its Merchant using the Verified by Visa Mark:
 - Uses certified and operational 3-D Secure software on their Websites
 - Complies with the *Visa Product Brand Standards*
 - Does **not** use the Mark unless it is a 3-D Secure participant
 - Does **not** use the Mark in a way that implies endorsement of any other product or service
 - Does **not** use the Mark to indicate payment acceptance in any application

Effective 15 March 2012, an Acquirer that uses the Verified by Visa Mark must:

- Comply with the *Visa Product Brand Standards*
- Ensure that its Verified by Visa components have successfully met the requirements of the Visa 3-D Secure Vendor Compliance Testing Program
- Ensure that its Merchant using the Verified by Visa Mark:
 - Uses certified and operational Verified by Visa software on its Website
 - Complies with the *Visa Product Brand Standards*
 - Does not use the Mark unless it is a Verified by Visa participant
 - Does not use the Mark in a way that implies endorsement of any other product or service
 - Does not use the Mark to indicate payment acceptance

ID#: 160312-010410-0008630

Verified by Visa Mark Prohibitions (Updated)

Effective through 14 March 2012, a 3-D Secure-capable Electronic Commerce Merchant that displays the Verified by Visa Mark must **not** use the Mark:

- In a way that implies endorsement of any other product or service
- To indicate payment acceptance in any application

ID#: 160312-010410-0007010

Use of Brand Name vs. Brand Mark

A Merchant Website must display the Visa Brand Mark as specified in the *Visa Product Brand Standards*.

The Visa Brand Name must only be used to indicate acceptance when a visual representation of the Visa Brand Mark is not possible on the Merchant Website.

A Merchant displaying the Verified by Visa Mark on its Website must comply with the *Visa Product Brand Standards*.

ID#: 031209-150210-0008671

Verified by Visa Display Requirements - CEMEA Region (Updated)

Effective through 14 March 2012, a CEMEA Issuer providing 3-D Secure to its Cardholders must display the Verified by Visa Mark in the pop-up authentication window presented to the Cardholder for authentication.

Effective 15 March 2012, a CEMEA Issuer providing Verified by Visa to its Cardholders must display the Verified by Visa Mark in the authentication window presented to the Cardholder for authentication.

ID#: 160312-010410-0005517

Display of Marks at Point of Payment Choice - U.S. Region

A U.S. Merchant Website must display at the point of payment choice either the:

- Visa Flag Symbol or Visa Brand Mark in full color, if it accepts all Visa Cards for payment
- Visa-approved signage representing the Limited Acceptance category it has selected

ID#: 010410-010410-0002337

Manual Cash Disbursement

Manual Cash Disbursement Display of Marks

An Acquirer must display the appropriate Visa-Owned Marks to indicate which Cards are accepted for Manual Cash Disbursements.

ID#: 010410-010410-0005297

Point-of-Transaction Terminals

Point-of-Transaction Terminal General Requirements

Point-of-Transaction Terminal Requirements - AP Region

The following requirements apply to newly purchased or replaced electronic Point-of-Transaction terminals in the AP Region:

- The terminals must be fully EMV- and VIS-compliant
- The terminals must appear on the EMV Co-approved terminal list

ID#: 010410-010410-0004858

Primary Account Number Truncation of Electronic Point-of-Sale Receipts - CEMEA Region

Effective through 30 September 2014, at least 4 positions of the primary Account Number must be disguised or suppressed on the Cardholder Transaction Receipt for all POS terminals.

ID#: 050411-010410-0004887

Nigerian Point-of-Transaction Terminal Requirements - CEMEA Region

Prior to deploying a Point-of-Transaction Terminal, a CEMEA Acquirer located in Nigeria must ensure that the terminal:

- Is fully EMV and VIS-compliant
- Reads and acts upon all Service Codes, as specified on the *Payment Technology Standards Manual*
- Has been approved by Visa, or by an entity authorized by Visa
- Meets the requirements of the *EMV Integrated Circuit Card Specifications for Payment Systems*
- Has its Visa Public Keys replaced by any date specified by Visa

ID#: 111011-140110-0025505

Card Acceptance Device Installation Requirements - CEMEA Region

In the CEMEA Region, all newly installed devices that accept Visa Cards and Cards bearing the Visa Electron Symbol must:

- Be fully EMV and VIS-Compliant

- Operate in line with the Smart Payment Product Principles
- Support Static and Dynamic Data Authentication, with the optional exception of Online-only devices

ID#: 050411-211010-0026056

Terminals at Tip-Accepting Merchants - U.S. Region

A U.S. Acquirer must ensure that new Point-of-Transaction Terminals installed at a Merchant Outlet that receives or accepts tips are **not** programmed to include an estimated tip amount in the Authorization Request.

ID#: 010410-010410-0004966

Terminal Transaction Receipt Requirements - U.S. Region

In the U.S. Region, if a Point-of-Transaction Terminal has the capability, it must generate an Electronic Transaction Receipt as specified in "Electronic and Manual Transaction Receipts - General - U.S. Region Exhibit S."

ID#: 080411-010410-0004964

Fleet Service Merchants Terminal Requirements - U.S. Region

A Visa Fleet Service Merchant in the U.S. Region must:

- Use a Point-of-Transaction Terminal capable of:
 - Reading the data on track 1 or track 2 of the Magnetic Stripe or Chip that identifies the Card as a Visa Fleet Card
 - Displaying the appropriate prompts
 - Capturing the appropriate responses
- Establish procedures for its employees or the Cardholder to enter required data on the terminal keypad

ID#: 010410-010410-0005086

Point-of-Transaction Terminal PIN Requirements – U.S. Region

Effective 14 April 2012, in the U.S. Region, a Merchant that accepts PINs for Cardholder Verification must take all reasonable actions to ensure that its Point-of-Transaction Terminals and PIN pads operated at the Merchant Outlet(s):

- Are available for use by all Cardholders for Transactions
- Function reliably

- Comply with the PIN Management Requirements Documents

ID#: 111011-140412-0026505

Magnetic-Stripe Terminals

Service Codes at Point-of-Transaction Terminals

The table below specifies requirements for Service Code acceptance at Point-of-Transaction Terminals.

Requirements for Service Code Acceptance at Point-of-Transaction Terminals

Terminal Type	Terminal Requirements
All Point-of-Transaction Terminals with Online capability	Must either: <ul style="list-style-type: none"> • Read and act upon all Service Codes, as specified in the <i>Payment Technology Standards Manual</i> • Seek Issuer Authorization on all Transactions (Zero Floor Limit)
All Point-of-Transaction Terminals with Data Capture-Only Capability	Must both: <ul style="list-style-type: none"> • Examine Service Codes • Act upon Service Codes as specified in the <i>Payment Technology Standards Manual</i>

ID#: 031209-010210-0004825

Account Number Acceptance at Terminals

An Acquirer that processes Visa or Visa Electron Transactions from a Point-of-Transaction Terminal (excluding an ATM) must ensure that the terminal accepts all 16-digit Account Numbers that contain a valid Visa-assigned BIN for Visa and Visa Electron Transactions.

ID#: 010410-010410-0004769

Account Number Processing at Terminals

All Member Point-of-Transaction processing systems (excluding ATMs) must be able to accept all 16-digit Account Numbers that contain a valid Visa-assigned BIN.

ID#: 010410-010410-0004770

Magnetic-Stripe Terminal Requirements

An Acquirer must ensure that a Magnetic-Stripe Terminal:

- Is used to obtain Authorization through the V.I.P. System and is able to read all Magnetic Stripes that conform to the specifications in the:
 - *Visa International Operating Regulations*
 - *Visa Product Brand Standards*
 - *Payment Technology Standards Manual*
 - *Transaction Acceptance Device Requirements*
- Transmits the entire unaltered contents of all data encoded on either track 1 or track 2 of the Magnetic Stripe
- Does **not** erase or alter any magnetic encoding on a Card
- Does **not** display or print more information than is embossed or printed on the front or back of the Card. This prohibition does **not** apply to displaying or printing the full Account Number on a Visa Electron Card with a partial Account Number.

ID#: 151011-010210-0003619

Dual-Reader Terminals

All new Magnetic-Stripe Terminals produced with dual-reader heads must be capable of processing and distinguishing the Magnetic Stripe containing Visa payment data from other proprietary Magnetic Stripes that may be present on the Card.

ID#: 010410-010410-0003620

Magnetic-Stripe Terminal Capability - AP Region

An AP Acquirer must ensure that all Magnetic-Stripe Terminals are capable of reading a Card with a high-coercivity Magnetic Stripe.

ID#: 010410-010410-0004857

Chip-Reading Terminals

Chip-Reading Device International Interoperability

Chip-Reading Devices that accept Visa Cards and Visa Electron Cards and placed in service **on or after 1 January 2001** must meet Visa specifications for international interoperability and functionality, including:

- *EMV Integrated Circuit Card Specifications for Payment Systems*

- *Transaction Acceptance Device Requirements*

ID#: 081010-010410-0004826

Chip-Reading Device Requirements

When installing an EMV-Compliant Chip-Reading Device to accept a Visa or Visa Electron Payment Application, an Acquirer must ensure that the terminal:

- Has been approved by Visa, or an entity authorized by Visa
- Meets the *EMV Integrated Circuit Card Specifications for Payment Systems*
- Has the capability to have its Visa Public Keys replaced in an acceptable method by any date specified by Visa

ID#: 010410-010410-0004827

Chip Interoperability Problems

If Visa determines that an Acquirer or Acquirer's agent has a high-severity Chip interoperability problem and that progress toward an agreed-upon resolution plan is no longer acceptable, the Acquirer or Acquirer's agent is subject to the requirements of "Chip Interoperability Compliance Program."

ID#: 010410-010410-0004828

Acquirer Device Validation Toolkit

An Acquirer must successfully complete the Acquirer Device Validation Toolkit (ADVT) process, as specified in the *Acquirer Device Validation Toolkit User Guide*, before deploying or upgrading a Chip-Reading Device. An Acquirer that fails to successfully complete the ADVT process may be subject to the requirements of "Chip Interoperability Compliance Program."

An Acquirer may perform ADVT testing only on a device containing a kernel or interface module (IFM) with an expiration date after 1 July 2010.

An Acquirer that tests with the ADVT must submit test results using the Chip Compliance Reporting Tool (CCRT).

An Acquirer must not submit ADVT test results for a device containing a kernel or interface module (IFM) that has expired.

ID#: 160312-010410-0008887

Variable Length Account Numbers at a Chip-Reading Device

An Acquirer must ensure that all Chip-Reading Devices that accept Visa and Visa Electron Cards support variable-length Account Numbers up to and including 19 digits.

ID#: 010410-010410-0004830

Dynamic Data Authentication on a Chip-Reading Device

An Acquirer must ensure that Dynamic Data Authentication is active in all Chip-Reading Devices that accept Visa and Visa Electron Cards, unless the device obtains an Online Authorization for all Transactions.

ID#: 010410-010410-0004831

Chip-Reading Device and Transmission Requirements

An Acquirer must ensure that an EMV-Compliant Chip-Reading Device:

- Reads the Magnetic Stripe
- Reads the Chip if an EMV- and VIS-Compliant Chip is present, and does **not** allow the Chip-Reading Device to override the Chip Authorization controls by manually prompting the device to use the Magnetic Stripe. The Magnetic Stripe may be read only if the Chip is **not** EMV- and VIS-Compliant, or the Chip or Chip reader is inoperable.
- **Effective through 14 October 2011**, supports "No CVM (Cardholder Verification Method) required" for all EMV-Compliant Chip-Reading Unattended Acceptance Terminals that perform Cardholder-Activated Transactions Type A and Cardholder-Activated Transactions Type B
- **Effective 15 October 2011**, supports "No CVM (Cardholder Verification Method) required" for all EMV-Compliant Chip-Reading Unattended Cardholder-Activated Terminals that do not require PINs for all Transactions
- If capable of performing Online Transactions, performs Terminal Risk Management, as specified in the *EMV Integrated Circuit Card Specifications for Payment Systems*
- Supports Post-Issuance Application Change commands if the Acquirer is capable of processing Full-Chip Data
- Captures and transmits Full-Chip Data for all Chip-initiated Transactions
- Supports the terminal action codes and facilitates access to multiple accounts on a Chip Card, as specified in the *Transaction Acceptance Device Requirements*
- Presents mutually supported Payment Applications contained in the Chip to the Card, or to the Cardholder where the Cardholder has the ability to select the Payment Application, and does **not** discriminate between Payment Applications, except as stipulated by the Chip parameters

ID#: 160312-010410-0004832

Chip-Reading Device Online Authorization Requirements

Chip-Reading Devices must be capable of requiring an Online Authorization for the next consecutive Magnetic Stripe-read Transaction originating from a Chip Card when:

- An EMV-Compliant Chip Card read was unsuccessful
- The Service Code indicates the presence of a Chip

When referring to Magnetic-Stripe Data, an EMV-Compliant Chip-Reading Device may only expect Magnetic-Stripe track 2 information, and the Cardholder name from track 1 (track 1 discretionary data is optional).

ID#: 010410-010410-0004833

Chip-Reading Device Plaintext Offline PIN Requirements

Effective through 14 October 2011, Chip-Reading Devices (including Unattended Acceptance Terminals) placed in service on or after 1 April 2001 that support "Enciphered Offline PIN" must also support "Plaintext Offline PIN."

Effective 15 October 2011, Chip-Reading Devices (including Unattended Cardholder-Activated Terminals) placed in service on or after 1 April 2001 that support "Enciphered Offline PIN" must also support "Plaintext Offline PIN."

ID#: 111011-010410-0004834

Acquirer Chip Card Acceptance Requirements

A Full-Chip Data Acquirer must accept and process VIS and Common Core Definitions Chip Cards, as specified in the:

- *VisaNet Member Implementation Guide*
- *VSDC Member Implementation Guide*
- *VSDC System Technical Manual*

ID#: 010410-010410-0004835

Chip-Reading Device PIN Requirements

An Acquirer must ensure that an EMV-Compliant Chip-Reading Device:

- Is equipped with ports that support devices capable of prompting for, and accepting a PIN based upon, Cardholder Verification Method parameters encoded on the Chip
- **Effective through 14 October 2011**, does not display the Visa Brand Mark or Visa Brand Mark with the Electron Identifier on PIN-only Chip-Reading Devices, excluding ATMs and Unattended Acceptance Terminals that perform Cardholder-Activated Transactions Type C

- **Effective 15 October 2011**, does not display the Visa Brand Mark or Visa Brand Mark with the Electron Identifier on PIN-only Chip-Reading Devices, excluding ATMs and Unattended Cardholder-Activated Terminals that only accept PINs for Cardholder Verification
- **Effective through 14 October, 2011**, does not prompt international Cardholders for a PIN unless required by the Chip, excluding ATMs and Unattended Acceptance Terminals that perform Cardholder-Activated Transactions Type C
- **Effective 15 October 2011**, does not prompt international Cardholders for a PIN unless required by the Chip, excluding ATMs and Unattended Cardholder-Activated Terminals that only accept PINs for Cardholder Verification

ID#: 160312-010410-0004836

Chip-Reading Device PIN Capability Requirements

New Chip-Reading Devices that accept Visa or Visa Electron Cards must be PIN-capable and comply with the Chip-Reading Device requirements in the *Visa International Operating Regulations*.

ID#: 010410-010410-0004837

Chip-Reading Device PIN Pad Requirements

A Chip-Reading Device must have either a PIN pad or a port capable of supporting a PIN pad.

If a PIN pad is present and active, the Chip-Reading Device must:

- Comply with Visa encryption standards
- Act on the Cardholder Verification Method List

ID#: 010410-010410-0008502

Chip-Reading Device Software Support Requirements

A Chip-Reading Device must be capable of supporting software to enable the functions specified in "Chip-Reading Device PIN Pad Requirements" if either the:

- Chip-Reading Device is equipped with a PIN pad port only
- PIN pad is inactive for Visa Chip-initiated Transactions

ID#: 010410-010410-0004840

Chip-Reading Device PIN Pad Activation Requirements

If a PIN pad is active for other Chip-enabled payments, it must be active for Visa Chip-initiated Transactions.

Exceptions to "Chip Reading Device PIN Pad Requirements" and "Chip-Reading Device Software Support Requirements" are permitted when compliance is inherently impractical (e.g., road tolls, transit applications, situations where a Cardholder would not expect interaction with a Chip-Reading device).

ID#: 010410-010410-0004841

Chip Transaction Acquirer Data Requirements

An Acquirer that processes a Chip-initiated Transaction must:

- Properly identify the Authorization Response code in the Clearing Record initiated by an EMV-Compliant Chip-Reading Device, as specified in the VisaNet manuals
- Use the appropriate POS Entry Mode code value ("05," "07," "91," or "95")
- Provide the Authorization Response code in the Clearing Record for a Chip-initiated Transaction that is approved offline
- Support Full-Chip Data processing via its host system. An Acquirer that is unable to support Full-Chip Data processing via its host system is prohibited from deploying or supporting Chip-Reading Devices with the Chip functionality enabled and must either:
 - Update its host system and network functionality to support Full-Chip Data
 - Disable Chip functionality in all Chip-Reading Devices connected to its host system

ID#: 111011-150210-0004842

Chip-Reading Device Acquirer Public Keys Requirements

An Acquirer must ensure that the Visa Public Keys are replaced by any date specified by Visa.

ID#: 010410-010410-0004843

Acquirer Chip-Reading Device Information Responsibilities

An Acquirer is responsible for the actions of a Chip-Reading Device that provides improper information and processing decisions to the Chip.

ID#: 010410-010410-0006018

PIN Capability at Chip-Reading Devices - AP Region

All new Chip-Reading Devices in the AP Region, certified by EMV Co, must be capable of accepting a PIN, with plaintext and enciphered Offline PIN Verification as the minimum requirement.

ID#: 010410-010410-0004860

ATM EMV Capability in Australia and New Zealand – AP Region

All new ATMs in Australia must be EMV Level 1 compliant. ^[59]

All new ATMs in New Zealand must be EMV Level 1 compliant.

ID#: 160312-060111-0026183

Chip Reading Terminal Requirements in Australia – AP Region

In addition to the requirements specified in the *Visa International Operating Regulations* – “Chip-Reading Terminals,” an Acquirer in Australia must ensure that an EMV- and VIS-Compliant Chip-Reading Device complies with the following requirements:

An EMV- and VIS-Compliant Chip-Reading Terminal:

- Must support and accept an Online and Offline PIN based upon the Cardholder Verification Methods encoded in the Chip
- Must support PIN bypass. If PIN is not used, the Merchant must obtain signature as Cardholder Verification Method

An EMV- and VIS-Compliant Chip-reading Unattended Acceptance Terminal:

- Must support “No CVM (Cardholder Verification Method) required” for all EMV- and VIS-Compliant Chip-reading Unattended Acceptance Terminals that perform Cardholder-Activated Transaction Type A and Cardholder-Activated Transaction Type B
- Must support Online PIN
- Must support Offline PIN. All Unattended Acceptance Terminals that support “Enciphered Offline PIN” must also support “Plaintext Offline PIN.”

These terminal requirements apply to all EMV- and VIS-Compliant Chip-Reading Terminals (including EMV- and VIS-Compliant Chip-Reading Unattended Acceptance Terminals).

ID#: 050411-060111-0026184

Chip Reading Terminal Risk Management in Australia – AP Region

An Acquirer in Australia must ensure the random transaction selection of a Terminal Risk Management process does not exceed 10% of the total Below-Floor Limit Transactions for all EMV- and VIS-Compliant Chip-Reading Terminals.

ID#: 050411-060111-0026185

59 EMV hardware capable and EMV Level 1 certified but not fully certified or active.

PIN-Entry Bypass Prohibition - Canada Region

A Canada Acquirer must ensure that PIN entry on a Compliant Chip-Reading Device with a PIN Entry Device cannot be bypassed by the Acquirer, the Merchant, or an agent of the Acquirer or the Merchant.

ID#: 010410-010410-0004863

Offline PIN at Compliant Chip-Reading Devices - Canada Region

Compliant Chip-Reading Devices in the Canada Region must support both plaintext PINs that are verified offline and enciphered PINs that are verified offline.

ID#: 010410-010410-0004866

Chip-Reading Device Manual Cash Disbursements - Canada Region

All Canada Acquirers must ensure that all Compliant Chip Card Reading Devices offering Manual Cash Disbursements meet all of the following requirements:

- Support signature as a Cardholder Verification Method (CVM)
- Do not support "No CVM required" as a CVM
- Support either:
 - Enciphered PINs that are verified online
 - Plaintext PINs and enciphered PINs that are verified offline

ID#: 010410-010410-0004871

Manual Cash Disbursement - Magnetic-Stripe-Read - Canada Region

A Compliant Chip Card Reading Device offering Manual Cash Disbursements in the Canada Region may complete a Transaction using Magnetic-Stripe Data when a Compliant Chip Card cannot be read.

ID#: 010410-010410-0004872

Manual Cash Disbursement Fallback Transactions - Canada Region

A Canada Acquirer must ensure the Issuer is aware when a Manual Cash Disbursement Authorization Request is for a Fallback Transaction.

ID#: 010410-010410-0004873

Chip-Related Acquirer Fraud Liability - Canada Region

A Canada Acquirer is liable for any fraudulent Transactions that result from improper information and/or processing decisions provided to a Compliant Chip Card by either a Compliant Chip Card Reading Device or a Chip-Reading Device.

ID#: 010410-010410-0004875

Chip-Reading Device Authorizations - CEMEA Region

A CEMEA Acquirer must identify all Authorization messages originating from EMV-Compliant Chip-Reading Devices using the appropriate Values within Field 60, "Additional POS Information," as specified in the VisaNet manuals.

ID#: 050411-010410-0004886

Chip-Reading Device General Requirements - CEMEA Region

When installing an EMV-Compliant Chip-Reading Device to accept a Visa or Visa Electron Payment Application, or upgrading an existing non-EMV or EMV compatible-only chip terminal to comply with full EMV specifications, a CEMEA Acquirer must ensure that the terminal:

- Has been approved by Visa, or by an entity authorized by Visa
- Meets the *EMV Integrated Circuit Card Specifications for Payment Systems*
- Meets the *Transaction Acceptance Device Requirements*
- Has its Visa Public Keys replaced by any date specified by Visa

ID#: 081010-010410-0007252

Non-EMV and EMV Compatible Terminal Requirements - CEMEA Region

All Chip-Reading Devices in the CEMEA Region that use chip technology to accept Visa Cards and Cards bearing the Visa Brand Mark with the Electron Symbol, including both non-EMV and EMV compatible-only Chip terminals, must:

- Be fully EMV-Compliant
- Operate in line with the Smart Payment Product Principles
- Support Static and Dynamic Data Authentication, with the optional exception of Online-only devices

ID#: 010410-010410-0008503

Chip-Reading Device Requirement to Support Signature - CEMEA Region

A CEMEA Acquirer must ensure that all EMV-Compliant Chip-Reading Devices at Merchant Outlets support "signature."

ID#: 010410-010410-0004894

Online-Capable Chip-Reading Device Plaintext Offline PIN Requirements - CEMEA Region

A CEMEA Acquirer must ensure that all Online-Capable Chip-Reading Devices at Merchant Outlets support both "Plaintext PIN verified offline" and "Enciphered PIN verified offline," with the optional exception of Online-only devices.

ID#: 010410-010410-0004896

Unattended Acceptance Terminal Magnetic-Stripe Option - CEMEA Region

Effective through 14 October 2011, in the CEMEA Region, if an EMV-Compliant Chip Card cannot be read:

- An Online-only Chip-Reading Unattended Acceptance Terminal may complete a Transaction using Magnetic-Stripe Data
- An Offline-only Chip-Reading Unattended Acceptance Terminal must **not** complete a Transaction using Magnetic-Stripe Data

ID#: 111011-010410-0008504

Online-Only Chip-Reading Device Plaintext Offline PIN Requirements - CEMEA Region

A CEMEA Acquirer must ensure that all Online-Only Chip-Reading Devices at Merchant Outlets support "Enciphered PIN verified Online" if these Devices do **not** support both "Plaintext PIN verified offline" and "Enciphered PIN verified offline," with the optional exception of Online-only devices.

ID#: 010410-010410-0004897

Chip-Related Data Acquirer Responsibilities - CEMEA Region

In the CEMEA Region, an Acquirer is responsible for the actions of a Chip-Reading Device that provides information and processing decisions to the Chip that are **not** in accordance with the *Visa International Operating Regulations*, the CEMEA Regional Operating Regulations, *EMV Integrated Circuit Card Specifications for Payment Systems*, and *Transaction Acceptance Device Requirements*.

An Acquirer must identify all Authorization messages originating from EMV-Compliant Chip-Reading Devices using the appropriate values within Field 60, "Additional POS Information," as specified in the VisaNet manuals.

An Acquirer must provide the Authorization response codes in the Clearing Record for Chip-Initiated Transactions that are offline-approved.

A Chip Acquirer must provide all full Chip data within Field 55 of the VisaNet message.

ID#: 050411-010410-0004898

Chip-Reading Device Service Code Requirements - U.S. Region

To recognize EMV-Compliant Chip Cards when Visa Smart Payment is supported, a U.S. Acquirer must ensure that all EMV-Compliant Chip-Reading Devices act upon the Service Code read from the Magnetic Stripe.

ID#: 010410-010410-0006844

Proximity/Contactless Payment Terminals

Proximity Payment Terminal Combination Testing Requirements

An Acquirer or Acquirer's agent must perform successful combination testing using the ADVT-qVSDC device module or other Visa-approved combination testing tool before deployment of a quick Visa Smart Debit/Credit (qVSDC) Proximity Payment reader at a Point-of-Transaction Terminal.

ID#: 160312-130809-0008835

Proximity Payment POS Entry Mode Code

An Acquirer must ensure that a Proximity Payment terminal uses the proper POS Entry Mode code, as indicated in "Required Message Content for VisaNet Financial Transactions" (Exhibit 3A) and "Required Message Content for VisaNet Authorization Requests" (Exhibit 3B) to identify that the Transaction is processed as one of the following:

- Chip Card Transaction
- Magnetic-Stripe Card Transaction
- Proximity Payment Transaction

All new Proximity Payment terminals deployed in countries without existing Visa Proximity Payment terminal implementations must **not** limit a contactless Face-to-Face Environment Transaction by Transaction amount.

This provision does **not** apply to Acquirers in Visa Europe.

ID#: 081010-010410-0002058

Proximity Payment Terminal Compliance (Updated)

All new Proximity Payment terminals in countries without existing contactless implementations must comply with the Visa Contactless Payment Specifications.

Effective 1 January 2012:

- A Proximity Payment terminal placed in the AP, Canada, CEMEA, or LAC Regions must comply with the *Visa Contactless Payment Specification 2.0* or later ^[60] and must be capable of processing a Transaction using the qVSDC transaction path and transmitting the resultant Chip data to VisaNet
- A newly placed Proximity Payment terminal in the U.S. Region must comply with the *Visa Contactless Payment Specification version 1.4.2* or version *2.0* or later. Proximity Payment terminals supporting *version 2.0* or later must actively support both the MSD and qVSDC transaction paths. Additionally, the Merchant's Acquirer must be certified to process Full-Chip Data (*This only applies in the U.S. Region.*) .

Where qVSDC is supported, the Proximity Payment terminal may require an Online Authorization for all Transactions.

Effective 1 April 2013, in the U.S. Region, a newly placed Proximity Payment terminal must comply with the *Visa Contactless Payment Specification 2.1.1* or later and must actively support both the MSD and qVSDC transaction paths. (*This only applies in the U.S. Region.*)

Effective 1 January 2015, in the U.S. Region, MSD transaction path support is not required for Proximity Payment terminals. (*This only applies in the U.S. Region.*)

ID#: 160312-010408-0002059

Contactless Program Compliance

All new contactless programs in countries without existing contactless implementations must comply with the Visa Contactless Payment Specifications.

Effective 1 January 2012, all contactless programs must comply with the Visa Contactless Payment Specifications.

ID#: 160312-010408-0002054

60 **Effective 1 January 2013**, for Proximity Payment terminals placed in Korea, Malaysia and Taiwan. Visa Touch readers placed in Japan are exempt from this requirement.

Deployment of Proximity Payment-Only Terminals

Effective 13 October 2011, a Merchant that deploys a Proximity Payment-Only Terminal:

- Must display at such a terminal the appropriate acceptance Mark, as specified in the *Visa Product Brand Standards*
- Must accept at such a terminal all Proximity Payment Devices properly presented
- Must accept all Cards at all other sales distribution channels at the Merchant Outlet. This requirement does not apply to Merchant Outlets that are transit passenger vehicles (e.g., buses, ferries, trains)
- Must obtain Authorization for the full Transaction amount prior to Clearing for a Transaction that takes place at such a terminal
- Is not required to provide a Transaction Receipt to the Cardholder at the time of the Transaction. However, the Merchant must communicate to the Cardholder how to obtain Transaction details, and provide them at the Cardholder's request.

Effective 13 October 2011, a Proximity Payment-Only Terminal may be deployed only at a turnstile, fare gate, or point of boarding at a Merchant properly assigned Merchant Category 4111, "Local and Suburban Commuter Passenger Transportation, Including Ferries," 4112, "Passenger Railways," or 4131, "Bus Lines."

Effective 13 October 2011, a Transaction completed at a Proximity Payment-Only Terminal must contain the following values in the Authorization Request and Clearing Record:

- One of the following Merchant Category Codes:
 - 4111, "Local and Suburban Commuter Passenger Transportation, Including Ferries"
 - 4112, "Passenger Railways"
 - 4131, "Bus Lines"
- POS Entry Mode value "07"
- Terminal Type value "3" / UAT indicator value "1" or "3"
- POS Terminal Entry Capability value "8"

ID#: 160312-131011-0026670

Proximity Payment Transaction Compliance

A Proximity Payment Transaction must comply with either the:

- Visa Contactless Payment Specifications
- *Visa Contactless Payment Specification ISO 14443 Type A and Type B*

ID#: 220411-010410-0002053

Proximity Payment Transactions - AP Region

In the AP Region, a Proximity Payment Terminal and a Proximity Payment Transaction must comply with all of the following:

- Visa Contactless Payment Specifications
- *Visa Contactless Payment Service - Visa Asia Pacific Reader Interface Specification*
- *Visa Contactless Payment Service - Visa Asia Pacific Reader Specification*
- *Visa Contactless Payment Service - Visa Asia Pacific Terminal Specification*
- *Visa payWave Asia Pacific Member Implementation Guide*

An AP Member participating in Proximity Payment Transactions must report the summary of all Proximity Payment Transactions to Visa quarterly as specified in the *Visa payWave Asia Pacific Member Implementation Guide*.

ID#: 111011-010510-0025706

Proximity Payment Authorization Requirements - AP Region

In the AP Region, a domestic Proximity Payment Transaction must be authorized offline if all of the following:

- The Transaction amount is less than or equal to the Floor Limits specified in the following table:
- The cumulative value authorized offline in consecutive Proximity Payment Transactions does not exceed cumulative offline limits specified in the *Visa payWave Asia Pacific Member Implementation Guide*

Domestic Proximity Payment Transaction Authorization Floor Limits – AP Region

Country	Proximity Payment Floor Limit in Local Currency
Australia	AUD 100
Hong Kong ¹	HKD 500
Indonesia ¹	IDR 200,00
Malaysia ¹	MYR 150
People's Republic of China ¹	RMB 500
S. Korea	KRW 50,000
Singapore ¹	SGD 100
Taiwan ¹	NTD 3,000

Country	Proximity Payment Floor Limit in Local Currency
Thailand ¹	THB 1,500
New Zealand	NZ 80
Japan	JPY 10,000
Philippines	PHP 2,000
1. These countries may limit the maximum value of a single Proximity Payment Transaction up to the Transaction limits specified in the table above.	

ID#: 050411-010100-0025707

Proximity Payment Issuer Requirements - AP Region

The cumulative value authorized offline in consecutive Proximity Payment Transactions must not exceed the cumulative offline limits specified in the *Visa payWave Asia Pacific Member Implementation Guide*.

An Issuer must not send a Referral Response to an Authorization Request for a Proximity Payment Transaction.

ID#: 050411-010100-0025708

Proximity Payment Program Acquirer Obligations - Canada Region

A Canada Acquirer that deploys Proximity Payment Devices that are capable of processing offline-authorized Transactions must permit Proximity Payment Transactions to be conducted offline for the maximum amount programmed by the Issuer on the Proximity Payment Card.

The Canada Acquirer must process Proximity Payment Transactions in accordance with the Visa Contactless Payment Specifications and ensure that Proximity Payment Transactions can be processed as programmed by the Issuer on the Proximity Payment Card.

ID#: 220411-010410-0002077

Proximity Payment Transaction Requirements - Canada Region

In the Canada Region, a Proximity Payment Transaction must be a Transaction that is made with a Visa Card issued by a Member and that uses either:

- The version of the qVSDC protocol that uses Cryptogram 17 as defined in the Visa Contactless Payment Specifications and the Proximity Payment Transaction is either Online or offline-authorized

- The MSD protocol as defined in the Visa Contactless Payment Specifications and the Proximity Payment Transaction is fully authorized by having a Zero Floor Limit

ID#: 220411-010410-0002078

Proximity Payment Transaction Receipts - Canada Region

Transaction Receipts are **not** required to be issued for a Proximity Payment Transaction in the Canada Region, but must be provided if requested by a Cardholder. The Transaction Receipt is only required to contain the total Transaction amount and Transaction Date. A Cardholder Verification Method (CVM), such as PIN or signature, is **not** required.

ID#: 010410-010410-0002079

Proximity Payment Device Requirements - Canada Region

A Proximity Payment Device in the Canada Region must support the version of the qVSDC protocol that uses Cryptogram 17, and may also support the MSD protocol, as defined in the Visa Contactless Payment Specifications.

ID#: 220411-010410-0002080

Acquirer Contactless Program Requirements - U.S. Region

A U.S. Acquirer must:

- Ensure that a Point-of-Transaction Terminal with Contactless Payment capability has been approved by Visa, or an entity authorized by Visa
- Comply with operating requirements specified in the *Visa U.S.A. Contactless Payment Program Member Implementation Guide*
- Ensure that its Merchant displays the Contactless Payment signage specified in the *Contactless Indicator and Contactless Symbol Reproduction and Applications Guide*

ID#: 010410-010410-0002042

Merchant Registration for Contactless - U.S. Region

A U.S. Acquirer must register its Merchant in order for the Merchant to participate in the Visa Contactless Payment Program. Registration information is available upon request from Visa.

ID#: 010410-010410-0002043

Contactless Payment Processing - U.S. Region

A U.S. Acquirer that processes Contactless Payment Transactions must:

- Identify a Contactless Payment Transaction in the VisaNet Authorization Request by using the appropriate POS Entry Mode code value, as specified in "Required Data for Authorization Requests and Responses" (Exhibit OO - U.S. Region)
- Transmit full contents of the Magnetic Stripe or Contactless Payment Chip, including any Device Indicator values, if present, in its Authorization Request
- Assign the appropriate Terminal Entry Capability code in the Clearing Record, as specified in "VisaNet Clearing Message Content Standards" (Exhibit NN - U.S. Region)
- Comply with processing requirements as specified in:
 - *Visa U.S.A. Contactless Payment Program Technical Implementation Guide*
 - *Visa U.S.A. Contactless Payment Program Member Testing and Certification Guide*
 - Appropriate VisaNet manual, including Proximity Payment processing requirements, which are also applicable to Contactless Payment Transactions
- Ensure that its Merchant complies with requirements specified in the *Visa U.S.A. Contactless Payment Merchant Testing Guide*

ID#: 010410-010410-0002044

Cardholder-Activated Terminals - Self-Service Terminals, Automated Dispensing Machines, Limited Amount Terminals - U.S. Region

Cardholder Activated Terminal - Participation Requirements - U.S. Region

Effective through 14 October 2011, before activating a Cardholder-Activated Terminal, a U.S. Acquirer must submit to Visa:

- Detailed written operational plan for each proposed Merchant Agreement with a Cardholder-Activated Terminal Merchant. The plan must include at least:
 - Type of goods and services to be provided
 - Type of Cardholder-Activated Terminal to be used
 - Transaction flow explanation
 - Proposed Authorization procedure, if applicable
 - Risk management plan
- Written certification that each participating Cardholder-Activated Terminal meets the required standards specified in the U.S. Regional Operating Regulations

Visa may impose additional operating requirements as it deems necessary.

ID#: 111011-010410-0006020

Cardholder-Activated Terminal - Cancellation Message Requirements - U.S. Region

Effective through 14 October 2011, a U.S. Acquirer must send a cancellation message to the V.I.P. System:

- At any time before the terminal begins operation, if the Cardholder cancels the Transaction request
- Whenever the terminal cannot complete the Transaction due to a failure or timeout resulting from a delayed Authorization Response

ID#: 111011-010410-0004936

Cardholder-Activated Terminal - Declines - U.S. Region

Effective through 14 October 2011, if an Automated Dispensing Machine or Self-Service Terminal allows a U.S. Acquirer to cancel a Transaction before the machine or terminal begins operation, the Acquirer may decline the request without Issuer permission:

-

ID#: 111011-010410-0004937

Cardholder-Activated Terminal - Card Retention - U.S. Region

Effective through 14 October 2011, in the U.S. Region, an Automated Dispensing Machine, Self-Service Terminal, or Limited-Amount Terminal is **not** required to have the ability to retain Visa Cards or Visa Electron Cards. If it does have the ability, it may retain the Card only upon Issuer request.

ID#: 111011-010410-0004938

Cardholder Activated Terminal - Card Retention Requirements - U.S. Region

Effective through 14 October 2011, if a Visa Card or Visa Electron Card is retained, a U.S. Acquirer or U.S. Merchant must:

- Log it under dual custody immediately after removal from the Cardholder-Activated Terminal
- Render it unusable and return it to the Issuer

An Issuer is **not** required to pay a reward to the Acquirer. The Acquirer may collect a handling fee.

ID#: 111011-010410-0008516

Automated Dispensing Machine - PIN and Security Requirements - U.S. Region

Effective through 14 October 2011, a U.S. Acquirer of an Automated Dispensing Machine must obtain approval from Visa for PIN handling and security before the Automated Dispensing Machine may accept Cards.

ID#: 111011-010410-0004941

Automated Dispensing Machine Requirements - U.S. Region

Effective through 14 October 2011, an Automated Dispensing Machine in the U.S. Region must:

- Accept PINs that are 4, 5, or 6 digits or alphabetic characters, or a combination, as a substitute for a signature
- Read and transmit the entire unaltered contents of either track 1 or track 2 of the Magnetic Stripe or Chip
- Produce a Transaction Receipt (not required for Visa Easy Payment Service Transactions unless requested by the Cardholder)
- Have a standard PIN pad
- Display the Visa Flag Symbol or the Visa Brand Mark
- Comply with the:
 - *Payment Technology Standards Manual*
 - *PIN Management Requirements Documents*
 - *Transaction Acceptance Device Requirements*
 - Appropriate VisaNet manual

An Automated Dispensing Machine must **not** dispense Scrip.

ID#: 160312-010100-0008517

Automated Dispensing Machine Cardholder Messages - U.S. Region

Effective through 14 October 2011, an Automated Dispensing Machine in the U.S. Region must be capable of conveying at least the following information to the Cardholder:

- Card invalid for this service
- Service unavailable now
- Invalid PIN - Re-enter
- Card retained

ID#: 111011-010410-0004946

Limited-Amount Terminal Requirements - U.S. Region

Effective through 14 October 2011, a Limited-Amount Terminal in the U.S. Region must:

- Perform data capture of the Account Number, Transaction Date, and Transaction amount
- Read track 1 or track 2 of the Magnetic Stripe or the Chip data and validate the Service Code, Account Number, and expiration date
- Check the Account Number against an exception file for Authorization, if the Limited-Amount Terminal can retain this information
- Produce a Transaction Receipt, except for Magnetic-Stripe Telephones
- Limit the Transaction amount to US \$25

A Limited-Amount Terminal must **not** dispense Scrip.

ID#: 111011-010410-0008518

Limited-Amount Terminals - Merchant Category Code Restrictions - U.S. Region

Effective through 14 October 2011, all Limited-Amount Terminals in the U.S. Region must be restricted to the following Merchant Category Codes:

- 4111, "Local and Suburban Commuter Passenger Transportation, Including Ferries"
- 4112, "Passenger Railways"
- 4131, "Bus Lines"
- 4784, "Tolls and Bridge Fees"
- 7523, "Parking Lots and Garages"

An exception may be made only with prior written approval from Visa.

ID#: 111011-010410-0006024

Self-Service Terminal Requirements - U.S. Region

Effective through 14 October 2011, a Self-Service Terminal in the U.S. Region must:

- Read and transmit the entire unaltered contents of either track 1 or track 2 of the Magnetic Stripe or the Chip data, as specified in the appropriate VisaNet manual
- Produce a Transaction Receipt (not required for Visa Easy Payment Service Transactions unless requested by the Cardholder)
- Limit the Transaction amount to US \$50 for all Transactions, with the exception of Transactions conducted at an Automated Fuel Dispenser

A Self-Service Terminal must **not** dispense Scrip.

ID#: 160312-010410-0004953

Automated Fuel Dispensers

Automated Fuel Dispenser Authorization Options

An Automated Fuel Dispenser Merchant may:

- Obtain an Authorization for the full amount of a Transaction exceeding one of the following:
 - For a Chip or PIN-initiated Transaction, US \$100, or local currency equivalent
 - For all other Transactions, US \$75,^[61] or local currency equivalent
- Obtain a Status Check Authorization for Transactions less than or equal to either:
 - For a Chip- or PIN-initiated Transaction, US \$100, or local currency equivalent
 - For all other Transactions, US \$75, or local currency equivalent
- Participate in Real-Time Clearing, as follows:
 - Send a preauthorization request for an estimated amount (not to exceed US \$500, or local currency equivalent), based on the Merchant's good faith estimate of the final Transaction amount, taking into account, among other factors, typical spending patterns at the Merchant location
 - Send the actual Transaction amount (Completion Message) to the Issuer within X of the preauthorization request
 - Participate in Partial Authorization

In the U.S. Region, the Completion Message for a Real-Time Clearing Transaction must be for an amount equal to or less than the authorized amount, including partial approvals, and must be properly identified as specified in "Automated Fuel Dispenser Real-Time Clearing Transaction Processing Requirements – U.S. Region." (*This only applies in the U.S. Region.*)

The Automated Fuel Dispenser Merchant is protected from Chargeback Reason Code 72, "No Authorization," for the amount approved by the Issuer.

Provisions related to Real-Time Clearing are not applicable to Transactions involving Issuers or Acquirers in Visa Europe.

ID#: 111011-150210-0008542

Automated Fuel Dispenser Requirements

Effective 15 October 2011, an Automated Fuel Dispenser must:

61 A variance to this requirement applies in the U.S. Region.

- Authorize all Transactions as specified in "Automated Fuel Dispenser Authorization Options"
- Limit the Transaction amount to US \$100, or local currency equivalent, except for PIN-verified Transactions. ^[62] ^[63]
- For a Real-Time Clearing Transaction, limit the Transaction amount to US \$500 or local currency equivalent, except for PIN-verified Transactions

ID#: 111011-151011-0025723

Status Check Authorization Restriction

Only an Automated Fuel Dispenser Merchant may perform a Status Check Authorization, as specified in "Automated Fuel Dispenser Authorization Options."

ID#: 111011-151209-0025602

Automated Fuel Dispenser Requirements - CEMEA Region

Effective through 14 October 2011, an Automated Fuel Dispenser in the CEMEA Region must:

- Be an Unattended Acceptance Terminal
- Process Transactions using Merchant Category Code 5542
- Authorize all Transactions
- Read and transmit the entire contents of the Magnetic Stripe (including the Card Verification Value if applicable)

An Automated Fuel Dispenser must **not** dispense cash.

ID#: 111011-010410-0008541

Automated Fuel Dispenser Requirements – U.S. Region (Updated)

Effective 20 October 2012, an Acquirer that has a Merchant Agreement with an Automated Fuel Dispenser Merchant in the U.S. Region that uses the Status Check Procedure must:

- Send an Acquirer Confirmation Advice properly identifying the final Transaction amount as specified in the *April 2012 VisaNet Business Enhancements Global Technical Letter and Implementation Guide*, within X of the Status Check Authorization
- Ensure the amount transmitted in the Acquirer Confirmation Advice equals the amount transmitted in the Clearing Record

ID#: 060412-201012-0026793

62 A variance to this requirement applies in the U.S. Region.

63 Not applicable to Real-Time Clearing.

Automated Fuel Dispenser Transaction Amount Limits - U.S. Region

Effective through 14 October 2011, an Automated Fuel Dispenser in the U.S. Region must limit the Transaction amount to:

- For a Visa Fleet Card, US \$150
- For all other Cards, US \$75
- For a Real-Time Clearing Transaction, US \$500

ID#: 111011-010410-0008540

Automated Fuel Dispenser Authorization Options - U.S. Region 5.2.K

An Automated Fuel Dispenser Merchant in the U.S. Region must do one of the following:

- Obtain an Authorization for the exact amount of the Transaction
- Use the Status Check Procedure, if the Transaction amount is:
 - For a Visa Fleet Card Transaction, not more than US \$150
 - For all other Cards, not more than US \$75
- Process the Transaction using Real-Time Clearing
- **Effective through 30 June 2015**, for an Online Check Card Transaction, obtain an Authorization for an amount based on the estimated Transaction amount, not to exceed US \$50

ID#: 111011-010410-0003616

Status Check Requirements - U.S. Region 5.2.K

An Automated Fuel Dispenser Merchant in the U.S. Region may use the Status Check Procedure if the Transaction amount is:

- For a Visa Fleet Card Transaction, not more than US \$150
- For all other Cards, not more than US \$75

ID#: 010410-010410-0008462

Automated Fuel Dispenser Partial Authorization Requirements - U.S. Region 5.2.K

In the U.S. Region, an Automated Fuel Dispenser Merchant that participates in the Partial Authorization service must:

- Include the Partial Authorization indicator in the Status Check message, as specified in the VisaNet manuals
- Be able to set the Automated Fuel Dispenser terminal to only dispense fuel up to whichever is lower:

- The amount approved in the Partial Authorization Response by the Issuer
- The Status Check approval amount allowed by the appropriate Card type, as specified in "Automated Fuel Dispenser Authorization Options - U.S. Region"
- Submit an Authorization Reversal for either:
 - The difference between the amount approved in the Partial Authorization Response and the final Transaction amount of the Cardholder's purchase
 - The full amount of the Partial Authorization Response if the Cardholder does not continue with the Transaction
- Submit a Clearing Transaction only for the amount of fuel dispensed and approved

ID#: 111011-010410-0005401

Unattended Acceptance Terminals

Unattended Cardholder-Activated Terminal Acquirer General Requirements (Updated)

Effective through 14 October 2011, an Acquirer that installs Unattended Acceptance Terminals must:

- Comply with the Authorization requirements specified in the *Visa International Operating Regulations*, as applicable. The Authorization is valid if the Authorization amount is greater than or equal to the Transaction amount.
- Identify each Cardholder-Activated Transaction, as specified in "BASE II Record Requirements" (Exhibit 2L) and the *Visa International Operating Regulations*
- Ensure that the terminal:
 - Reads track 1 ^[64] or 2 of the Magnetic Stripe or processes a Visa Smart Payment
 - Does **not** dispense cash, unless it is an ATM
 - Displays the Merchant name and customer service telephone number
 - Provides a Transaction Receipt ^{[65] [66]}
 - Informs the Cardholder that a Transaction Receipt is available upon request if a receipt is not provided automatically
 - Notifies the Cardholder that the Card has been retained, when the terminal is capable of retaining an invalid or expired Card

Effective 15 October 2011, an Acquirer that installs Unattended Cardholder-Activated Terminals must ensure that the terminal:

- Reads track 1 or track 2 of the Magnetic Stripe or processes a Visa Smart Payment

64 This requirement does not apply to ATMs.

65 This requirement does not apply to Magnetic-Stripe Telephones.

66 **Effective 20 January 2011**, a variance to this requirement applies in the AP Region for Members in Australia and New Zealand for certain vending machine Transactions.

- Does not dispense cash
- Does not dispense Scrip
- Displays the Merchant name and customer service telephone number
- Provides a Transaction Receipt (not required for Visa Easy Payment Service Transactions unless requested by the Cardholder)^[67] ^[68]
- Informs the Cardholder that a Transaction Receipt is available upon request if a receipt is not provided automatically
- Notifies the Cardholder that the Card has been retained, when applicable
- For Transactions under the Floor Limit, validates the Service Code, Account Number, and expiration date
- For Transactions under the Floor Limit, performs data capture of the Account Number, Transaction Date, and Transaction Amount
- For Transactions under the Floor Limit, does not complete the Transaction if the Account Number is invalid or if the Card has expired

ID#: 060412-010410-0004816

Unattended Cardholder-Activated Terminal Documentation Requirements

Effective through 14 October 2011, an Acquirer must submit a detailed written operational plan to Visa for approval before activating any Unattended Acceptance Terminal that performs Cardholder-Activated Transactions Type A.

Effective 15 October 2011, upon request, an Acquirer must submit to Visa a detailed written description or other information, as determined by Visa, relating to its Unattended Cardholder-Activated Terminals.

ID#: 111011-010410-0004815

Prepaid Purchase at Unattended Terminals

Effective through 14 October 2011, a Visa Prepaid Card Transaction at an Unattended Acceptance Terminal must meet the following requirements:

- Floor Limit is zero
- Merchant identification and its customer service telephone number are displayed

ID#: 111011-010410-0002513

67 This requirement does not apply to Telephone Service Transactions conducted at an Unattended Cardholder-Activated Terminal.

68 A variance to this requirement applies in the AP Region for Members in Australia and New Zealand for certain vending machine Transactions.

Unattended Acceptance Terminal Requirements - Type A Transactions

Effective through 14 October 2011, when an Unattended Acceptance Terminal performs a Cardholder-Activated Transaction Type A, it must:

- Perform data capture of the Account Number, Transaction Date, and Transaction amount
- Validate the Service Code, Account Number, and expiration date
- Limit the Transaction amount to a maximum of US \$40, or local currency equivalent
- **Not** complete the Transaction if the Account Number is invalid or if the Card has expired

Effective 1 May 2008 through 14 October 2011, unless granted written permission from Visa, existing Unattended Acceptance Terminals must cease performing Cardholder-Activated Transactions Type A for all Merchant Category Codes except:

- 4111, "Local and Suburban Commuter Passenger Transportation, including Ferries"
- 4112, "Passenger Railways"
- 4131, "Bus Lines"
- 4784, "Tolls and Bridge Fees"
- 7523, "Parking Lots and Garages"

Effective through 14 October 2011, a new Merchant may deploy Unattended Acceptance Terminals that perform Cardholder-Activated Transactions Type A only for the types of Merchant and Merchant Category Codes listed above, unless granted written permission from Visa.

ID#: 111011-010410-0004818

Visa Electron Prohibition for Unattended Acceptance Terminal Type A Transactions

Effective through 14 October 2011, an Unattended Acceptance Terminal must **not** accept Visa Electron Cards for Cardholder-Activated Transactions Type A.

ID#: 160312-010410-0004819

Unattended Acceptance Terminal Requirements - Type B Transactions

Effective through 14 October 2011, when an Unattended Acceptance Terminal performs a Cardholder-Activated Transaction Type B, it must:

- Limit the Transaction amount to US \$100, ^[69] ^[70] ^[71] or local currency equivalent
- For a Real-Time Clearing Transaction, limit the Transaction amount to US \$500, or local currency equivalent

- Authorize all Transactions

ID#: 160312-010410-0004820

Unattended Cardholder-Activated Terminal Requirements - PIN Acceptance

Effective through 14 October 2011, at a minimum, when an Unattended Acceptance Terminal performs a Cardholder-Activated Transaction Type C, it must:

- Accept PINs, according to Visa PIN Security and PIN Entry Device (PED) requirements, as specified in the PIN Management Requirements Documents
- Be capable of conveying at least the following information to the Cardholder:
 - Card invalid for this service
 - Service unavailable now
 - Invalid PIN - re-enter

Effective 15 October 2011, an Unattended Cardholder-Activated Terminal that accepts PINs must be capable of conveying at least the following information to the Cardholder:

- Card invalid for this service
- Service unavailable now
- Invalid PIN - re-enter

A Chip-enabled Unattended Cardholder-Activated Terminal may perform PIN Verification in both an Online and offline environment for a Visa Card or Visa Electron Card that contains a Visa Smart Payment application.

ID#: 160312-010410-0004821

Unattended Acceptance Terminal Transaction Type C PIN Verification

Effective through 14 October 2011, a Chip-enabled Unattended Acceptance Terminal that performs a Cardholder-Activated Transaction Type C may perform PIN Verification in both an Online and offline environment for a Visa Card or Visa Electron Card that contains a Visa Smart Payment application.

ID#: 111011-010410-0004822

69 Not applicable to an In-Transit Terminal or Real-Time Clearing.

70 A variance to this requirement applies in the U.S. Region for Automated Fuel Dispenser Transactions.

71 A variance to this requirement applies in the AP Region for domestic Australia Bill Payment Transactions

Unattended Cardholder-Activated Terminal Card Retention

Effective through 14 October 2011, an Unattended Acceptance Terminal that performs a Cardholder-Activated Transaction Type C is **not** required to have the ability to retain Cards. If it does have this ability, it may retain a Card only upon Issuer request, and the Acquirer or Merchant must:

- Log it under dual custody immediately after removal from the terminal
- Render it unusable and return it to the Issuer. If the Card bears a Chip, the Chip must not be damaged.

The Issuer is not required to pay a reward to the Acquirer. The Acquirer may collect a handling fee.

Effective 15 October 2011, an Unattended Cardholder-Activated Terminal is not required to have the ability to retain Cards. If it does have this ability, it may retain a Card only upon Issuer request, and the Acquirer or Merchant must:

- Log it under dual custody immediately after removal from the terminal
- Render it unusable and return it to the Issuer. If the Card bears a Chip, the Chip must not be damaged.

The Issuer is not required to pay a reward to the Acquirer. The Acquirer may collect a handling fee.

ID#: 160312-010410-0004823

Unattended Cardholder-Activated Terminal Declines

Effective 15 October 2011, if an Unattended Cardholder-Activated Terminal allows an Acquirer to cancel a Transaction before the machine or terminal begins operation, the Acquirer may decline the request without Issuer permission if one of the following:

ID#: 160312-151011-0025727

Unattended Acceptance Terminal Transaction Amounts - Canada Region

Effective through 14 October 2011, in the Canada Region, an Unattended Acceptance Terminal that performs Cardholder-Activated Transactions Type A must limit the Transaction amount to a maximum of CAD \$75.

ID#: 111011-150210-0004861

Unattended Acceptance Terminal Plaintext PINs - Canada Region

Effective through 14 October 2011, Unattended Acceptance Terminals in the Canada Region that are Compliant Chip-Reading Devices that perform Cardholder-Activated Transactions Type C must support both plaintext PINs that are verified offline and enciphered PINs that are verified offline.

ID#: 111011-010410-0004862

Cardholder-Activated Terminals - LAC Region

Effective through 14 October 2011, Cardholder-Activated Terminals in the LAC Region must truncate or disguise at least 4 digits of the Account Number on all Transaction Receipts.

ID#: 111011-010410-0004916

Electronic Signature Capture Terminals

Electronic Signature Capture Devices

A Merchant using an electronic signature capture device must:

- Only store and reproduce a signature on a Transaction-specific basis in relation to the Transaction for which the signature was obtained
- Only reproduce a signature upon specific written request from the Acquirer or in response to a Retrieval Request
- Have proper controls in place to ensure the security of the stored signatures and other Cardholder data in accordance with the Payment Card Industry Data Security Standard (PCI DSS)

An Acquirer may reproduce the Cardholder signature obtained using an electronic signature capture device in response to a Retrieval Request.

Visa may withdraw an Acquirer, Agent, or Merchant's right to use electronic signature capture devices if they fail to comply with this regulation, in addition to existing penalties that may be imposed under the *Visa International Operating Regulations*.

This provision is **not** applicable to Transactions involving Issuers or Acquirers in the jurisdiction of Visa Europe.

ID#: 081010-150509-0008678

Terminals without a Printer

Terminal Without a Printer Interchange Reimbursement Fee - LAC Region

In the LAC Region, a Transaction completed at a Terminal Without a Printer that fulfills the requirements specified in "Electronic Rate Qualification" is an Electronic Transaction and qualifies for the Electronic Interchange Reimbursement Fee.

ID#: 010410-010410-0004918

Terminal Without a Printer Qualifying Merchants - LAC Region

In the LAC Region, a Terminal Without a Printer may be used in market segments and at Merchants where:

- They still do not have terminals or the cost of terminals with printers represents an obstacle to the acceptance of Visa products
- The number of Transactions does not generate a service problem for a Cardholder

ID#: 010410-010410-0004919

Additional Requirements for Terminals Without a Printer - LAC Region

In the LAC Region, a Terminal Without a Printer must transmit the complete and unaltered contents of a Card's Magnetic Stripe.

A Terminal Without a Printer must meet all requirements for Point-of-Transaction Terminals, except those related to the Transaction Receipt imprint.

A Terminal Without a Printer may accept Domestic Transactions and International Transactions.

ID#: 010410-010410-0004920

Account Number-Verifying Terminals

Account-Number-Verifying Terminal - Acquirer Responsibilities - U.S. Region

A U.S. Acquirer that is required to install and authorize Transactions at a specified Merchant Outlet via an Account-Number-Verifying Terminal must:

- Notify the Issuers indicated by both the embossed or printed and encoded Account Numbers when the embossed or printed Account Number does not match the encoded Account Number

- Handle any recovered Card as specified in the *Visa International Operating Regulations*

ID#: 010410-010410-0004931

Account-Number-Verifying Terminal - Merchant Responsibilities - U.S. Region

A U.S. Merchant that is required to install and authorize Transactions via an Account-Number-Verifying-Terminal must:

- When the embossed or printed Account Number does not match the encoded Account Number:
 - Decline the Transaction and attempt to retain the Card by reasonable and peaceful means
 - Note the physical description of the Cardholder
 - Handle any recovered Card as specified in the *Visa International Operating Regulations*
- When the encoded Account Number cannot be read from the Magnetic Stripe or Chip, follow normal Authorization procedures and complete the approved Transaction using a manual imprinter
- When the embossed or printed Account Number is the same as the encoded Account Number, follow normal Authorization procedures
- Notify the Acquirer if a Card is retained

ID#: 010410-010410-0004932

Honoring Cards

General Acceptance Requirements

Valid Acceptance (Updated)

A Merchant must accept all Cards properly presented for payment as specified in the "Merchant Acceptance Standards" table.

Effective through 14 June 2012, a variance to this requirement applies in the U.S. and Canada Regions.

Effective 15 June 2012, a variance to this requirement applies in the Canada Region.

Effective 15 June 2012, variances to this requirement apply in the U.S. Region.

If a Merchant does not deal with the public (e.g., a private club), it complies with this requirement if it accepts Cards from its Members.

Effective 13 October 2011, this requirement does not apply to Proximity Payment-Only Terminals, as specified in "Deployment of Proximity Payment-Only Terminals."

ID#: 160312-150210-0008591

Transaction Processing Requirement - CEMEA Region

Subject to local law, a CEMEA Acquirer must process all valid Transactions originating from its Merchants.

ID#: 010410-010410-0005242

Acceptance of Visa Electron Cards - CEMEA Region

In the CEMEA Region, the following requirements apply to all Visa Electron Card Transactions at Merchant Outlets or Point-of-Transaction Terminals, including ATMs, whether or not a Merchant Outlet has specifically contracted with the Acquirer to accept Visa Electron Cards:

- An Authorization Request must **not** be systematically rejected or declined by an Acquirer if a Point-of-Transaction Terminal, including an ATM, has sent the Transaction Online for Authorization
- An Authorization Request involving a Visa Electron Card Transaction must be forwarded to the Issuer or to the Issuer's Processor for an Authorization Response
- A Visa Electron Card Transaction is subject to the conditions specified in the *Visa International Operating Regulations* and "Dispute Resolution"

ID#: 010410-010410-0005243

Visa Electron Card Transactions - CEMEA Region

In the CEMEA Region, a Visa Electron Merchant must accept valid Visa Electron Cards when presented for payment. A Visa ATM must accept all Visa Electron Cards, subject to the same local restrictions allowed for Proprietary Cards bearing the Plus Symbol.

ID#: 010410-010410-0004747

Country-Specific Requirements - South Africa - CEMEA Region

CEMEA Acquirers of Visa Electron Cards in South Africa:

- May accept Visa Electron Transactions from any Merchant that submits Transactions electronically
- Must ensure that only Merchants with PIN-enabled terminals display the Visa Electron decal

ID#: 010410-010410-0005248

Affinity Cards - U.S. Region

A U.S. Merchant that wants to accept Affinity Cards, including an Affiliated-merchant that is affiliated with an Affinity Partner, must also accept all Visa Cards in the Merchant's category of acceptance, in compliance with the rules for honoring Cards specified in the U.S. Regional Operating Regulations. The Merchant must **not** use an Affinity Card to debit any credit, charge, or asset account other than the Visa account maintained by the Issuer in connection with the Affinity Card.

ID#: 010410-010410-0002873

Visa Electron Acceptance - U.S. Region

A U.S. Merchant may accept Visa Electron Cards. If the Merchant accepts Visa Electron Cards, it must:

- Accept all Visa Electron Cards properly presented for payment
- Process all Transactions resulting from Visa Electron Cards as Visa Electron Program Transactions, as specified in the *Visa International Operating Regulations*

ID#: 010410-010410-0002871

Mini Card Acceptance - U.S. Region

A U.S. Merchant that accepts a Visa Card and has a Magnetic-Stripe Terminal must attempt to accept a Visa Mini Card if the Visa Mini Card is within the Merchant's category of Card acceptance.

The Merchant must request the corresponding full-sized Visa Card if the Merchant's Terminal is unable to read the Magnetic Stripe on the back of the Visa Mini Card and, **effective 15 October 2011**, if the full Account Number is not placed on the Visa Mini Card.

ID#: 111011-010410-0005809

Visa Electron Card Magnetic-Stripe Read Requirement - U.S. Region

If the encoded Account Number on a Visa Electron Card cannot be read from the Magnetic Stripe, a U.S. Merchant must request another means of payment.

ID#: 010410-010410-0005125

Uniform Services

Uniform Services - Acquirer Requirements

An Acquirer must:

- Accept all Cards properly presented for payment
- Offer and render services uniformly to all Cardholders

Effective 13 October 2011, this requirement does not apply to Proximity Payment-Only Terminals, as specified in "Deployment of Proximity Payment-Only Terminals."

ID#: 160312-010410-0005302

Uniform Services Merchant Requirement

A Merchant must process Transactions with its Acquirer's Cardholders and other Members' Cardholders in exactly the same manner.

ID#: 010410-010410-0003018

Uniform Services Merchant Requirement - U.S. Region

A U.S. Merchant must process Transactions with its Acquirer's Cardholders and other Members' Cardholders in exactly the same manner. The Merchant's normal discount rates, controls, regulations, and procedures apply.

ID#: 111011-010410-0006140

Affiliated-Merchants - U.S. Region

In the U.S. Region, an Affiliated-merchant is considered a Merchant for the purposes of the *Visa International Operating Regulations*.

An Acquirer must ensure that it and its Affiliated-merchant comply with the federal bank anti-tying laws, Section 106 of the *Bank Holding Company Act Amendments of 1970, 12 USC 1972*, including without limitation, the prohibition on the varying of consideration on the condition that the customer obtain a product or service from an affiliate of the Member.

ID#: 010410-010410-0008770

Discount at the Point of Sale

Discounts at the Point-of-Sale – AP Region and LAC Region

Effective 20 July 2011, in the AP Region and the LAC Region, the provisions of "Discount Offer - U.S. Region 5.2.D.2" apply to Merchants located in a U.S. Territory.

ID#: 111011-200711-0026494

Discount Offer - U.S. Region 5.2.D.2

Effective through 19 July 2011, in the U.S. Region, any purchase price advertised or otherwise disclosed by the Merchant must be the price associated with the use of a Visa Card or Visa Electron Card.

A U.S. Merchant may offer a discount as an inducement for a Cardholder to use a means of payment that the Merchant prefers, provided that the discount is:

- Clearly disclosed as a discount from the standard price
- Non-discriminatory, as between a Cardholder who pays with a Visa Card and a cardholder who pays with a "comparable card"

A "comparable card" for purposes of this rule is any other branded, general purpose payment card that uses the cardholder's signature as the primary means of cardholder authorization (e.g., MasterCard, Discover, American Express). Any discount made available to cardholders who pay with "comparable cards" must also be made available to Cardholders who wish to pay with Visa Cards. Any discount made available to a Cardholder who pays with a Visa Card is **not** required to be offered to cardholders who pay with "comparable cards."

Effective 20 July 2011, a U.S. Merchant may request or encourage a Cardholder to use a means of payment other than a Visa Card or a Visa Card of a different product type (e.g., Visa Classic Card, Visa Traditional Rewards Card, Visa Signature Card) than the Visa Card the consumer initially presents. Except where prohibited by law, the Merchant may do so by methods that include, but are not limited to:

- Offering the consumer an immediate discount from the Merchant's list, stated, or standard price, a rebate, a free or discounted product or service, or any other incentive or benefit if the consumer uses a particular general purpose payment card with an acceptance brand other than a Visa Card or other particular means of payment
- Offering the consumer an immediate discount from the Merchant's list, stated, or standard price, a rebate, a free or discounted product or service, or any other incentive or benefit if the consumer, who initially presents a Visa Card, uses instead another general purpose payment card or another means of payment
- Expressing a preference for the use of a particular general purpose payment card or means of payment
- Promoting the use of a particular general purpose payment card with an acceptance brand other than Visa or means of payment through posted information, through the size, prominence, or sequencing of payment choices, or through other communications to consumers
- Communicating to consumers the reasonably estimated or actual costs incurred by the Merchant when a consumer uses a particular general purpose payment card or means of payment or the relative costs of using different general purpose payment cards or means of payment

ID#: 111011-010410-0008590

Discounts on Purchases Made with Affinity Cards - U.S. Region

Effective through 19 July 2011, when presented with an Affinity Card, a U.S. Merchant or Affiliated-merchant must **not** provide a discount to the Cardholder, unless either the:

- Discount, such as a credit on the Cardholder statement, rebate, etc., is provided subsequent to the time of the Transaction
- Cardholder presents a coupon or voucher in addition to the Affinity Card

A Merchant or Affiliated-merchant must **not** promote at the Point-of-Transaction the availability of discounts on purchases made with an Affinity Card.

Effective 20 July 2011, when presented with an Affinity Card, a U.S. Merchant or Affiliated-merchant must not provide a discount to the Cardholder that is not available for other Visa Cards of the same product type, unless either the:

- Discount, such as a credit on the Cardholder statement, rebate, etc., is provided subsequent to the time of the Transaction
- Cardholder presents a coupon or voucher in addition to the Affinity Card

A Merchant or Affiliated-merchant must not promote at the Point-of-Transaction the availability of discounts on purchases made with an Affinity Card if such discounts are not available for other Visa Cards of the same product type.

ID#: 111011-010410-0003034

Cardholder Choice

Honor All Cards - Canada Region

In the Canada Region, unless a Merchant has elected to not be a Visa Debit Acceptor, a Merchant that accepts Visa Cards must accept any valid Visa Card that a Cardholder properly presents for payment. This means that the Merchant must permit the Cardholder to choose whether to pay for a transaction with that Visa Card or with some other means of payment accepted by the Merchant.

In the Canada Region, Merchants who have elected to be a Visa Debit Acceptor may choose whether or not to accept domestic Visa Credit Cards. Similarly, Merchants who have elected to be a Visa Credit Acceptor may choose whether or not to accept domestic Visa Debit Cards.

ID#: 111011-200209-0008392

Selection of Payment System - Canada Region

In the Canada Region, if a Cardholder presents a Visa Card that bears a Mark representing another payment service, the Merchant may not intentionally mislead the Cardholder concerning what payment service or system will be used. If the Merchant provides any information regarding the customer's rights related to various transaction choices, that information must be accurate.

ID#: 111011-200209-0008393

Honor All Cards - U.S. Region 5.2.B

A U.S. Merchant that wishes to accept Visa Cards must accept any valid Visa Card in its category of acceptance that a Cardholder properly presents for payment. This means that the Merchant must permit the Cardholder to choose whether to pay for a transaction with that Visa Card or with some other means of payment accepted by the Merchant. The Merchant may request or encourage a Cardholder to use a means of payment other than a Visa Card.

ID#: 010410-010410-0002867

Selection of Payment System - U.S. Region

In the U.S. Region, if a Cardholder presents a Visa Card that is in the Merchant's category of acceptance and that bears a Mark representing another payment service:

- The Merchant must honor the Cardholder's request if the Cardholder indicates that the transaction is to be processed as a Visa Transaction
- The Merchant may process the transaction as something other than a Visa Transaction despite an initial indication by the Cardholder that the transaction is to be processed as a Visa Transaction, but only if the Cardholder agrees that the transaction may be processed as something other than a Visa Transaction. The Merchant may **not** mislead the Cardholder concerning what payment service or system will be used. If the Merchant provides any information regarding the customer's rights related to various transaction choices, that information must be accurate.

ID#: 010410-010410-0002868

Incentive to Use Other Payment Method - U.S. Region

A U.S. Merchant may offer a non-monetary benefit to a Cardholder as an inducement for the Cardholder to use a means of payment other than a Visa Card. A Merchant may offer a monetary benefit in the form of a discount, as provided in "Discount Offer - U.S. Region," as an inducement for the Cardholder to use a means of payment other than a Visa Card.

ID#: 010410-010410-0002870

Limited Acceptance

Limited Acceptance Merchant Requirements - U.S. Region

A U.S. Merchant that accepts Visa Cards may choose Limited Acceptance.

A U.S. Merchant that accepts all Visa Cards, or a Limited Acceptance category of Visa Cards, must accept any valid Visa Card issued by a non-U.S. Issuer, as specified in the *Visa International Operating Regulations*.

ID#: 111011-010410-0008680

Limited Acceptance Notification Requirements - U.S. Region

A U.S. Acquirer must register with Visa and provide reporting on each of its Merchants that has selected Limited Acceptance.

ID#: 010410-010410-0005609

Limited Acceptance Merchant Signage - U.S. Region

A U.S. Acquirer must ensure that each of its Limited Acceptance Merchants is provided with Visa-approved signage representing the Limited Acceptance Category it has selected, in accordance with its Merchant Agreement. Specifications for appropriate signage are available from Visa.

ID#: 010410-010410-0005110

Card Acceptance Canada Region

Merchant Display of Marks and Acceptance Signage - Canada Region

A Canada Acquirer must ensure that:

- Each of its Merchants that accepts all Visa Cards displays the appropriate Visa-Owned Marks to indicate which Cards it accepts for payment
- Where required by Visa, Visa Debit Acceptors display Visa-approved signage
- Electronic Commerce merchants must display Visa approved signage at the Point-of-Transaction to indicate their election not to be a Visa Debit Acceptor or Visa Credit Acceptor

ID#: 111011-200209-0008380

Visa Debit Cards Issued by Canada Issuers - Canada Region

A Canada Merchant that accepts Visa Cards may choose whether or not to also accept Visa Debit Cards issued by Canada Issuers.

ID#: 050411-200209-0008382

Visa Credit Cards Issued by Canada Issuers - Canada Region

A Canada Merchant that accepts Visa Debit Cards may choose whether or not to also accept Visa Credit Cards issued by Canada Issuers.

ID#: 111011-160810-0025969

Visa Cards Issued by Non-Canada Issuers - Canada Region

A Canada Merchant that accepts Visa Cards must accept any valid Visa Card issued by a non-Canada Issuer, as specified in the *Visa International Operating Regulations*.

ID#: 050411-200209-0008384

Card Acceptance Prohibitions

General Prohibitions

Refinance Existing Debt 5.1.C

A Merchant must not accept a Card to collect or refinance an existing debt unless either:

- The Transaction results from conversion of a Merchant's existing card program to the Visa or Visa Electron Program
- The Merchant is a government agency and the Transaction represents a loan payment. In this case, the Transaction amount must **not** equal the loan balance unless it is the final payment.

At the option of a Visa Region, a Merchant may accept a Visa Card or Visa Electron Card as payment for an existing debt, provided the debt is not considered uncollectible (e.g., payments to a collection agency or an attempt to recover funds for a dishonored check).

The Transaction must not represent collection of a dishonored check.

A Merchant must not accept Cardholder payments for previous Card charges.

ID#: 111011-010410-0006945

Use of Account Number

A Merchant must **not** request or use an Account Number for any purpose other than as payment for goods and services.

An exception to this requirement applies in the U.S. Region for the Health Care Eligibility Service and Visa ReadyLink. *(This only applies in the U.S. Region.)*

ID#: 010410-010410-0008585

Minimum/Maximum Transaction Amount

A Merchant must not establish a minimum or maximum Transaction amount as a condition for honoring a Visa Card or Visa Electron Card.^[72]

ID#: 111011-210710-0026405

Minimum Transaction Amount - AP Region

A Merchant in the AP Region must not establish a minimum Transaction amount as a condition for honoring a Visa Card or Visa Electron Card, except when the Merchant is located in a U.S. Territory and the Transaction is conducted with a Visa credit Card issued in the U.S. or a U.S. Territory.

The minimum Transaction amount must not be greater than US \$10 and must not be discriminatory between Issuers or between Visa and another payment network.

ID#: 160312-210710-0026406

Maximum Transaction Amount - AP Region

A Merchant in the AP Region must not establish a maximum Transaction amount as a condition for honoring a Visa Card or Visa Electron Card, except when the Merchant is located in a U.S. Territory and the Transaction is conducted with a Visa credit Card issued in the U.S. or a U.S. Territory.

Only the following Merchants may establish a maximum Transaction amount for the Card type specified above:

- An agency of the U.S. federal government
- A Merchant properly assigned one of the following Merchant Category Codes:
 - 8220, “Colleges, Universities, Professional Schools, and Junior Colleges”
 - 8244, “Business and Secretarial Schools”
 - 8249, “Trade and Vocational Schools”

72 A variance to this requirement applies in the U.S. Region and U.S. Territories.

Any maximum Transaction amount imposed must not be discriminatory between Issuers or between Visa and another payment network.

ID#: 160312-210710-0026407

Minimum Transaction Amount - LAC Region

A Merchant in the LAC Region must not establish a minimum Transaction amount as a condition for honoring a Visa Card or Visa Electron Card, except when the Merchant is located in a U.S. Territory and the Transaction is conducted with a Visa credit Card issued in the U.S. or a U.S. Territory.

The minimum Transaction amount must not be greater than US \$10 and must not be discriminatory between Issuers or between Visa and another payment network.

ID#: 160312-210710-0026408

Maximum Transaction Amount - LAC Region

A Merchant in the LAC Region must not establish a maximum Transaction amount as a condition for honoring a Visa Card or Visa Electron Card, except when the Merchant is located in a U.S. Territory and the Transaction is conducted with a Visa credit Card issued in the U.S. or a U.S. Territory.

Only the following Merchants may establish a maximum Transaction amount for the Card type specified above:

- An agency of the U.S. federal government
- A Merchant properly assigned one of the following Merchant Category Codes:
 - 8220, “Colleges, Universities, Professional Schools, and Junior Colleges”
 - 8244, “Business and Secretarial Schools”
 - 8249, “Trade and Vocational Schools”

Any maximum Transaction amount imposed must not be discriminatory between Issuers or between Visa and another payment network.

ID#: 160312-210710-0026409

Minimum Transaction Amount - U.S. Region

A U.S. Merchant must not establish a minimum Transaction amount as a condition for honoring a Visa Card or Visa Electron Card, except for a Transaction conducted with a Visa credit Card issued in the U.S. or a U.S. Territory.

The minimum Transaction amount must not be greater than US \$10 and must not be discriminatory between Issuers or between Visa and another payment network.

ID#: 160312-210710-0026410

Maximum Transaction Amount - U.S. Region

A U.S. Merchant must not establish a maximum Transaction amount as a condition for honoring a Visa Card or Visa Electron Card, except for a Transaction conducted with a Visa credit Card issued in the U.S. or a U.S. Territory.

Only the following Merchants may establish a maximum Transaction amount for the Card type specified above:

- An agency of the U.S. federal government
- A Merchant properly assigned one of the following Merchant Category Codes:
 - 8220, “Colleges, Universities, Professional Schools, and Junior Colleges”
 - 8244, “Business and Secretarial Schools”
 - 8249, “Trade and Vocational Schools”

Any maximum Transaction amount imposed must not be discriminatory between Issuers or between Visa and another payment network.

ID#: 160312-210710-0026411

Postcard with Account Data - U.S. Region 5.2.F

A U.S. Merchant must **not** require a Cardholder to complete a postcard or similar device that includes the Cardholder's Account Number, Card expiration date, signature, or any other Card account data in plain view when mailed.

ID#: 010410-010410-0006960

Surcharges 5.1.C

A Merchant must **not** add any surcharges to Transactions, unless local law expressly requires that a Merchant be permitted to impose a surcharge. Any surcharge amount, if allowed, must be included in the Transaction amount and not collected separately.

A variance applies in the U.S. Region for the Visa Tax Payment Program.

A variance applies in the AP Region for New Zealand under certain terms and conditions, as communicated to Members in New Zealand. Further information is available from Visa.

A variance applies in the AP Region for government payments in Australia.

ID#: 160312-010410-0006948

Surcharges and Taxes - U.S. Region 5.2.F

A U.S. Merchant must **not**:

- Add any surcharge to Transactions, except as specified for a Tax Payment Transaction. Travelers cheque and Foreign Currency fees and commissions are **not** surcharges.
- Add any tax to Transactions, unless applicable law expressly requires that a Merchant be permitted to impose a tax. Any tax amount, if allowed, must be included in the Transaction amount and not collected separately.

ID#: 010410-010410-0003019

Cardholder Right to Dispute a Transaction - U.S. Region

A U.S. Merchant must not require a Cardholder, as a condition for honoring a Visa Card or Visa Electron Card, to sign a statement that waives the Cardholder's right to dispute the Transaction with the Issuer.

ID#: 111011-010410-0026585

Previous Chargeback - U.S. Region 5.2.F

A U.S. Merchant must **not** enter into Interchange any Transaction Receipt for a Transaction that was previously charged back to the Acquirer and subsequently returned to the Merchant, irrespective of Cardholder approval. The Merchant may pursue payment from the customer outside the Visa system.

ID#: 010410-010410-0003022

Refinancing of Existing Debt - U.S. Region 5.2.F

A U.S. Merchant must **not** accept a Card to collect or refinance an existing debt that has been deemed uncollectible by the Merchant providing the associated goods or services.

A U.S. Merchant must **not** accept a Visa Consumer Credit Card or Commercial Visa Product, issued by a U.S. Issuer, to collect or refinance an existing debt.

ID#: 010410-010100-0003026

Other Prohibitions

Scrip Prohibition

A Visa or Visa Electron Card must **not** be used to purchase Scrip.

A variance to this requirement applies in the CEMEA Region.

ID#: 010410-010410-0008708

Merchant Funds Disbursement

A Merchant must not provide cash to Visa Cardholders:

- Except as specified in "Hotel or Cruise Line Cash Disbursement"^[73] ^[74]
- Unless the Merchant is participating in Visa Cash-Back Services

ID#: 111011-010410-0006952

Visa Prepaid Card Cash Redemption

A Visa Prepaid Card must **not** be redeemed for cash by a Merchant accepting the Visa Prepaid Card.

ID#: 160312-010100-0025713

Telephone Service Transactions - U.S. Region

In the U.S. Region, a telephone service Merchant must **not** accept payment for a telephone call when the Card number is either:

- Entered via touchtone key pad
- Provided to an operator

This prohibition excludes:

- **Effective through 14 October 2011**, Magnetic-Stripe Telephone Transactions
- **Effective 15 October 2011**, Telephone Service Transactions conducted at an Unattended Cardholder-Activated Terminal
- Transactions for which the Issuer has a contract with the carrier
- Transactions involving telephone services that have been explicitly approved by Visa and provide appropriate risk controls
- Telephone orders for goods and services
- Transactions provided by Inbound Teleservices Merchants, as specified in the *Visa Merchant Data Standards Manual*

ID#: 111011-010410-0005338

73 A variance applies to the CEMEA Region for Members in South Africa.

74 A variance applies in the AP Region for Acquirers participating in Cash-Back Services.

Visa Electron Manual Cash Disbursement - U.S. Region

A U.S. Merchant must **not** accept a Visa Electron Card or Visa TravelMoney Card for a Manual Cash Disbursement.

ID#: 010410-010410-0008709

Authorization Requirements

General Authorization Requirements

Transaction Date Authorization Requirement

A Merchant must obtain Authorization on the Transaction Date, excluding special conditions specified in the *Visa International Operating Regulations* for the Transactions listed below:

- Hotel Transactions (in the U.S. Region, Lodging Merchant Transactions) (*This only applies in the U.S. Region.*)
- Car Rental Company Transactions
- Cruise Line Transactions (in the U.S. Region, Cruise Line Merchant Transactions) (*This only applies in the U.S. Region.*)
- Delayed Delivery Transactions
- Mail/Phone Order Transactions
- Electronic Commerce Transactions
- Automated Fuel Dispenser Transactions
- **Effective 13 October 2011**, Transactions completed at a Proximity Payment-Only Terminal, as specified in "Deployment of Proximity Payment-Only Terminals"
- **Effective 14 November 2011**, Aggregated Transactions

ID#: 160312-010410-0003059

Prohibition Against Arbitrary or Estimated Amounts

The Merchant must not use an arbitrary or estimated amount to obtain Authorization, except as specifically permitted in the *Visa International Operating Regulations*.

ID#: 111011-010410-0025596

Authorization Code on Transaction Receipt

An Authorization Code must appear on the Transaction Receipt. ^[76]

ID#: 151011-010410-0009046

Merchant Authorization Requirements

A Merchant must request Authorization, regardless of the Transaction amount, if any of the following is true:

- Cardholder presents an Expired Card
- Cardholder neglects to bring their Card
- Card signature panel is blank
- Merchant is suspicious of a proposed Transaction
- Cardholder presents a Visa Electron Card at a Visa Electron Merchant
- Transaction is an Electronic Commerce Transaction
- Transaction is a Mail/Phone Order Transaction
- Transaction is an In-Transit Service Transaction
- Transaction is a Recurring Transaction
- Transaction is a V PAY Transaction ^[78]
- Chip or Chip-Reading Device is inoperative at a Chip-enabled Merchant
- Card is unembossed and an Electronic Imprint is not obtained
- Transaction is a Cash-Back Transaction
- **Effective 13 October 2011**, Transaction occurs at a Proximity Payment-Only Terminal, as specified in "Deployment of Proximity Payment-Only Terminals"
- **Effective 15 October 2011**, Transaction is the purchase of a Visa Prepaid Card conducted at an Unattended Cardholder-Activated Terminal

ID#: 160312-010410-0008901

Authorization Cancellation

An Acquirer or Merchant that obtains an Authorization for a Transaction and subsequently cancels the Transaction (for any reason) must notify Visa or the Issuer of the cancellation.

ID#: 010410-010410-0005500

76 **Effective 14 April 2012**, a variance to this requirement applies in the U.S. Region.

78 Offline Authorization is allowed for Chip-initiated Transactions provided that the Transaction amount does not exceed the Merchant's Floor Limit.

Airline Authorization

If practical, an Acquirer must provide Authorization services to an International Airline at the request of Visa.

Authorization support provided to an International Airline must be available on a primary and backup basis.

ID#: 010410-010410-0006134

Aggregated Transaction Authorization (Updated)

Effective through 13 November 2011, for an Aggregated Transaction, an Electronic Commerce Merchant must obtain Authorization for the full, final Aggregated Transaction amount.

Effective 14 November 2011, for an Aggregated Transaction, a Merchant must obtain Authorization for the full, final Aggregated Transaction amount.

ID#: 160312-010410-0003062

Estimated and Incremental Authorization Procedures for Transit Merchants (New)

Effective 14 November 2011, a Merchant properly assigned Merchant Category Code 4111, "Local and Suburban Commuter Passenger Transportation, Including Ferries," 4112, "Passenger Railways," or 4131, "Bus Lines," may estimate Transaction amounts for Authorization based on the minimum cost of a journey.

Such Merchants may obtain additional Authorizations for additional amounts above any amount already authorized:

- At any time between the Cardholder's first journey and 7 days after the first journey
- In the U.S. Region, at any time between the Cardholder's first journey and 3 days after the first journey (*This only applies in the U.S. Region.*)
- For any amount, as long as the total amount of the Authorizations does not exceed US \$25, or local currency equivalent
- In the U.S. Region, for any amount, as long as the total amount of the Authorizations does not exceed US \$15 (*This only applies in the U.S. Region.*)
- If the Merchant obtains, prior to Clearing, an Authorization or Authorizations that cover the final or total Transaction amount

ID#: 160312-141111-0026708

Visa Electron Authorization - LAC Region

A Visa Electron Acquirer in the LAC Region must comply with the *Visa International Operating Regulations* with the following modifications:

- An Acquirer may, at its own risk, accept embossed Visa Electron Cards at Merchant terminals without Electronic Capability
- A Merchant must obtain an Authorization Code for these Transactions

ID#: 010410-010410-0005310

Transaction Date Authorization Requirement - U.S. Region 5.2.K (Updated)

Effective through 13 November 2011, a U.S. Merchant must obtain Authorization on the Transaction Date unless the Merchant/Transaction is one of the following:

- Lodging Merchant, Cruise Line Merchant, or a Car Rental Company Transaction
- Mail/Phone Order Merchant or an Electronic Commerce Transaction
- Automated Fuel Dispenser Transaction
- Aggregated Transaction

ID#: 160312-150210-0003579

Authorization Amount Requirements - U.S. Region

In the U.S. Region, an Authorization Request must be for the total amount of the Transaction.

A U.S. Merchant must **not** use an arbitrary or estimated amount to obtain Authorization, except as specifically permitted in the *Visa International Operating Regulations*.

The Merchant must **not** add an estimated tip amount to the Authorization Request beyond the value of the goods provided, or services rendered, plus any applicable tax.

ID#: 031209-150210-0008581

Point-of-Sale Balance Inquiry Authorization - U.S. Region 4.2.H.15

A U.S. Merchant that participates in the Point-of-Sale Balance Inquiry Service may submit a second Authorization Request for the lower available balance amount if the Cardholder agrees.

ID#: 010410-150210-0005566

Authorization Amount Allowance for Tip - U.S. Region 5.2.K

Except as specified otherwise in "Partial Authorization Service," an Authorization obtained by a U.S. Merchant for a Transaction amount that is equal to the Authorization amount plus or minus 20% is valid if the Transaction originates at a Merchant Outlet assigned one of the following Merchant Category Codes:

- 5812, "Eating Places and Restaurants"
- 5814, "Fast Food Restaurants"
- 4121, "Taxicabs and Limousines"
- 5813, "Drinking Places (Bars and Taverns)"
- 7230, "Beauty and Barber Shops"
- 7298, "Health and Beauty Spas"

ID#: 010410-010410-0005655

Electron Transaction Authorization - U.S. Region

An Authorization Request for a Visa Electron Transaction in the U.S. Region must originate at an ATM or Point-of-Transaction Terminal and include the entire unaltered contents of track 1 or track 2 of the Magnetic Stripe or Chip.

A Point-of-Transaction Terminal that does not have Online capability, regardless of whether the terminal is Chip-enabled, must **not** display the Visa Electron Symbol or Visa Brand Mark with the Electron Identifier.

ID#: 010410-010410-0006135

Preauthorized Transaction Decline Response - U.S. Region

Except as specified in "Preauthorized Payment Cancellation Service Declined Transaction Procedures - U.S. Region," a Preauthorized Transaction in the U.S. Region that receives a Decline Response may be resubmitted for Authorization up to 4 times within 16 calendar days from the date of the original Decline Response, in an attempt to receive approval, if the Decline Response is one of the following:

- Response Code 05, "Authorization declined"
- Response Code 51, "Insufficient funds"
- Response Code 61, "Exceeds approval amount limit"
- Response Code 65, "Exceeds withdrawal frequency limit"

If an Approval Response is not received within this time frame, the Merchant must **not** deposit the Transaction.

ID#: 111011-010410-0006007

Visa Debit with PIN Transactions - Preauthorization Transactions - U.S. Region (Updated)

Effective 14 April 2012, in the U.S. Region, a Merchant that initiates a preauthorization request for a Visa Debit with PIN Transaction as specified in the VisaNet manuals must send a preauthorization completion message within X of the preauthorization request.

ID#: 230312-140412-0026878

Visa Debit with PIN Transaction Resubmissions – U.S. Region

Effective 14 April 2012, a Merchant or an Acquirer may resubmit a Visa Debit with PIN Transaction if the Decline Response is one of the following:

- Response Code 51, “Insufficient Funds”
- Response Code 61, “Exceeds approval amount limit”
- Response Code 65, “Exceeds withdrawal frequency limit”

Transactions resubmitted:

- Must not contain a PIN
- Must not contain the full contents of the track or full Magnetic-Stripe Data
- May be submitted once each day for up to 9 calendar days after the original Transaction Date
- Must contain the same information as the original Authorization Request, except for the PIN and the full contents of the track or Magnetic-Stripe Data

ID#: 111011-140412-0026506

ATM Declines

Decline of an ATM Authorization Based on Expiration Date

An ATM Acquirer must **not** return or decline an ATM Transaction based on the expiration date and must attempt to complete a Transaction with an Expired Card.

An ATM Authorization Request originating from an Expired Card must be sent Online to the Issuer for an Authorization Response.

ID#: 010410-010410-0006005

Chip Card ATM Transactions - U.S. Region 5.5.A

In the U.S. Region, if a Chip Card cannot be read, an ATM may complete the Transaction by reading the Magnetic Stripe. If the Magnetic Stripe cannot be read, the Transaction must **not** be completed.

ID#: 010410-010410-0004979

Cancelled ATM Transactions - U.S. Region 5.5.A

If an ATM in the U.S. Region has the ability to cancel a Transaction before it is completed, a Reversal message must be sent to the Single Message System whenever:

- A Cardholder cancels the Transaction
- An ATM cannot dispense currency due to a system failure
- A delayed Authorization Response causes a timeout

ID#: 010410-010410-0004980

ATM Declines - U.S. Region 5.5.A

If an ATM can decline a Cardholder's request for a Cash Disbursement, the ATM Acquirer may only use this function without Issuer permission :

ID#: 111011-010410-0004981

T&E Authorizations

Airline Authorization - Multiple Tickets

When a Cardholder purchases multiple Airline tickets on the same Account Number and their cumulative purchase price exceeds the Floor Limit, the Airline may obtain Authorization for each ticket individually.

ID#: 010410-010410-0003070

Cruise Line Authorization - Multiple Tickets

When a Cardholder purchases multiple Cruise Line tickets on the same Account Number and their cumulative purchase price exceeds the Floor Limit, the Cruise Line may obtain Authorization for each ticket individually.

ID#: 010410-010410-0003248

Car Rental Estimated Authorization Amount 5.1.E.4

A Car Rental Company may estimate Transaction amounts for Authorization based on:

- Cardholder's intended car rental period
- Rental rate
- Applicable tax
- Mileage rates
- Other allowed charges, as specified in "T&E Delayed or Amended Charges Time Limit"

The estimated Transaction amount must **not** include charges that cover potential vehicle damages or the insurance deductible amount.

ID#: 010410-010410-0003066

Hotel Estimated Authorization Amount VIOR 5.1.E.4, VIOR 5.4.R.7, USOR 5.2.K.3

A Hotel may estimate Transaction amounts for Authorization based on:

- The Cardholder's intended length of stay at check-in time
- Room rate
- Applicable tax
- Service charge rates
- Other allowed charges, as specified in "T&E Delayed or Amended Charges Time Limit"

After completing the estimate, a U.S. Lodging Merchant must obtain an Authorization and include the date, amount, and Authorization Code on the Transaction Receipt. *(This only applies in the U.S. Region.)*

ID#: 010410-010410-0008965

Cruise Line Estimated Authorization Amount

For a Cruise Line Transaction, a Merchant may estimate Transaction amounts for Authorization based on:

- The initial Authorization Request must be based on the Cardholder's signed statement of intent to purchase goods or services aboard ship for a Cardholder-specified amount.
- Additional Authorizations may be obtained at any time on or between the Cardholder's embarkation date and disembarkation date, and must be disclosed to the Cardholder.

ID#: 010410-010410-0003071

T&E Estimated Authorization Procedures VIOR 5.1.E.4, USOR 5.2.K.3

After completing an estimate for a Hotel or Car Rental Company Transaction, the Merchant must either:

- If the estimated Transaction amount is equal to or below the Floor Limit, check the appropriate Card Recovery Bulletin or obtain an Account Number Verification on the Cardholder's check-in or rental pick-up date
- If the estimated Transaction exceeds the Floor Limit, obtain an Authorization and include the date, amount, and Authorization Code on the Transaction Receipt

In the U.S. Region, the Merchant may obtain an Authorization for a new estimated Transaction amount and must include the date, amount, and Authorization Code on the Transaction Receipt if the Merchant subsequently estimates that, based on the Cardholder's actual charges, the Transaction amount will exceed the previously authorized amount. *(This only applies in the U.S. Region.)*

ID#: 111011-010410-0008966

T&E Incremental Authorizations 5.1.E.4

A Hotel or Car Rental Company may obtain and must record Authorizations for additional amounts above any amount already authorized after the check-in or rental pick-up date and before the check-out or rental return date.

ID#: 031209-150210-0003068

T&E Final Authorization VIOR 5.1.E.4, USOR 5.2.K.3 (Updated)

Effective through 13 April 2012, a Merchant must obtain a final or an additional Authorization and include the date, amount, and Authorization Code on the Transaction Receipt if the actual Transaction amount exceeds either the Floor Limit or 15% more than the sum of the authorized amounts.

Effective 14 April 2012, for a Hotel or Cruise Line Transaction, a Merchant must obtain a final or an additional Authorization and include the date, amount, and Authorization Code on the Transaction Receipt if the actual Transaction amount exceeds the Floor Limit or is greater than 15% of the sum of authorized amounts.

Effective 14 April 2012, a Car Rental Company must obtain a final or an additional Authorization and include the date, amount, and the Authorization Code on the Transaction Receipt if the actual Transaction amount exceeds the greater of the following:

- Sum of authorized amounts plus 15%
- Sum of authorized amounts plus US \$75 or local currency equivalent *(This provision does not apply to Transactions involving Issuers or Acquirers in Visa Europe.)*

ID#: 060412-010410-0008967

Car Rental Authorization Amount Disclosure - U.S. Region 5.2.K

If Authorization is obtained for the estimated amount of a car rental Transaction, a U.S. Merchant must disclose the authorized amount to the Cardholder on the rental date.

ID#: 010410-010410-0005644

T&E Partial Authorizations - U.S. Region 5.2.K

In the U.S. Region, the special Authorization procedures for Lodging Merchants, Cruise Line Merchants, and Car Rental Companies specified in the *Visa International Operating Regulations* do **not** apply if the last Authorization obtained was a Partial Authorization.

ID#: 010410-010410-0005647

Floor Limits**Default Floor Limits**

For countries where the Floor Limit is shown in US dollars in "Maximum Authorized Floor Limits," a Transaction is considered to have exceeded the Floor Limit if the local currency equivalent value of the Transaction is greater than the equivalent value of the Floor Limit shown.

ID#: 010410-010410-0002858

Domestic Floor Limits

An Acquirer may establish a higher domestic Floor Limit than the international Floor Limit at its own risk.

If the Acquirer sets a lower domestic Floor Limit than the international Floor Limit, the Acquirer must authorize all Transactions at that Floor Limit.

ID#: 010410-010410-0006029

Domestic Non-Chip Floor Limits in Australia – AP Region

The following non-Chip Floor Limits apply to Domestic Transactions in Australia:

Domestic Non-Chip Floor Limits in Australia

Category	Maximum Limit
Petrol Stations (Paper-based or electronic fallback only)	AUD 49

Category	Maximum Limit
All Merchants with electronic terminals	Zero
Fallback (Where terminal is inoperable – i.e. terminal faulty or cannot communicate with the Acquirer host)	AUD 75

ID#: 050411-060111-0026162

Manual Cash Disbursement Floor Limit

The Floor Limit for a Manual Cash Disbursement is zero.

ID#: 010410-010410-0005305

Below-Floor Limit Transactions (Updated)

A Merchant must check the appropriate Card Recovery Bulletin (CRB) for each Transaction below the Floor Limit. If the Account Number appears on the bulletin, the Merchant should attempt to recover the Card.

The Merchant is not required to check the CRB if any of the following apply:

- Merchant is in the U.S. Region
- **Effective 13 October 2011**, Transaction is completed at a Proximity Payment-Only Terminal, as specified in "Deployment of Proximity Payment-Only Terminals"
- **Effective 14 November 2011**, Transaction occurs at a Chip-Reading Device and qualifies for the EMV liability shift, as specified in "EMV Liability Shift Participation"

Effective 8 March 2012, the requirement to attempt to recover the Card does not apply to Mobile Payment Devices.

ID#: 160312-010410-0003010

Transactions Above the Floor Limit

A Merchant must:

- Request Authorization before completing a Transaction if the amount exceeds the Floor Limit, unless Visa grants a variance in writing
- **Not** split a sale to avoid obtaining Authorization
- For a Real-Time Clearing Transaction, send a preauthorization request through the Single Message System for an estimated amount (not to exceed US \$500) that is based on the Merchant's good-faith estimate of the final Transaction amount, taking into account, among other factors, typical spending patterns at the Merchant location

The provision related to Real-Time Clearing is **not** applicable to Transactions involving Issuers or Acquirers in the jurisdiction of Visa Europe.

ID#: 010410-010410-0003058

Zero Floor Limit - U.S. Region 5.2.K

Effective through 14 October 2011, a U.S. Merchant must request Authorization for every Transaction, unless specified otherwise, before completing the Transaction, unless the Transaction occurs at a Limited Amount Terminal.

Effective 15 October 2011, a U.S. Merchant must request Authorization for every Transaction, unless specified otherwise, before completing the Transaction.

ID#: 111011-010410-0004124

Chargeback Protection Limit for Prestigious Property Merchant - U.S. Region

In the U.S. Region, the Chargeback Protection Limit for a Prestigious Property Merchant that uses the Status Check procedure is US \$1500. Visa determines the qualification of a Prestigious Property Merchant on a case-by-case basis.

ID#: 010410-010410-0005568

Partial Authorization

Automated Fuel Dispenser Partial Authorization Requirements

If participating in the Partial Authorization service, an Automated Fuel Dispenser Merchant must:

- Include the Partial Authorization indicator in the Authorization Request or Status Check Authorization, as specified in the VisaNet manuals and the applicable Prepaid Program Guidelines
- For Transactions where the full Transaction amount is included in the Authorization Request, submit a Clearing Transaction for no more than the amount approved in the Partial Authorization Response
- For Status Check Authorization Transactions, submit a Clearing Transaction up to the amount approved in the Partial Authorization Response or one of the following, whichever is lower:
 - For a Chip or PIN-verified Transaction, US \$100, or local currency equivalent
 - For all other Transactions, US \$75,^[79] or local currency equivalent
- Submit an Authorization Reversal for either:
 - The difference between the amount approved in the Partial Authorization Response and the final Transaction amount if the Cardholder's purchase is lower than the Partial Authorization amount

- The full amount of the Partial Authorization Response if the Cardholder does not continue with the Transaction

ID#: 111011-010410-0002520

Partial Authorization Requirements - U.S. Region 5.2.K

Except as specified in "Automated Fuel Dispenser Partial Authorization Requirements - U.S. Region," a U.S. Merchant accepting Partial Authorizations must support them for all Visa Card types and must:

- Include the Partial Authorization indicator in the Authorization Request message, as specified in the VisaNet manuals
- Submit an Authorization Reversal if the Cardholder elects not to complete the purchase
- Submit a Clearing Transaction for no more than the amount approved in the Partial Authorization Response

ID#: 050411-010410-0006058

Authorization Reversals

Authorization Reversal Requirements (Updated)

A Merchant must submit an Authorization Reversal:

- If the Cardholder elects not to complete the Transaction
- If the Authorization Request was submitted in error
- For the difference if the final Transaction amount is less than the Authorization amount

A Merchant must submit an Authorization Reversal within:

- 24 hours of the original Authorization if the Transaction was initiated in a Card-Present Environment
- 72 hours of the original Authorization if the Transaction was initiated in a Card-Absent Environment
- 24 hours of the check-out, rental return, or disembarkation date if the Transaction was initiated by a Hotel, Car Rental Company, or Cruise Line
- **Effective 14 November 2011**, 24 hours of the final Authorization if the Transaction was completed as specified in "Estimated and Incremental Authorization Procedures for Transit Merchants"

ID#: 230312-010410-0025597

Transaction Receipt Deposit Subsequent to an Authorization Reversal

A Merchant must **not** deposit a Transaction Receipt for either:

79 A variance to this requirement applies in the U.S. Region.

- A Transaction that was subsequently reversed for the full amount
- A Transaction representing the amount of the partial Authorization Reversal

ID#: 111011-010410-0025598

Authorization Reversal Requirements - U.S. Region (Updated)

Effective through 13 November 2011, a U.S. Merchant must submit an Authorization Reversal if:

- The Cardholder elects not to complete the Transaction
- The Authorization Request was submitted in error
- The final Transaction amount is less than the Authorization amount

ID#: 160312-010709-0007202

Card and Cardholder Verification

Validation and Verification Requirements

Card and Cardholder Verification (Updated)

Effective through 7 March 2012, an Acquirer or a Merchant must validate a Cardholder's identity and verify the Card in a Face-to-Face Environment, as specified in the table below.

Identification Verification (Effective through 7 March 2012)

Description	Retail Transaction	Manual Cash Disbursement	Quasi-Cash Transaction ¹
Cardholder Verification			
Review positive identification to validate the Cardholder's identity		X	X ¹⁰
Verify that the Cardholder resembles the person described or depicted in any photograph intended for identification on the Card		X ²	X ^{2,10}
Indicate the positive identification on the Transaction Receipt, including either: <ul style="list-style-type: none"> • Description of identification, including any serial number • Notation that the Cardholder's identity was verified by the photograph on the Card (e.g., "photo card presented") 		X ³ X ²	X ^{3,10} X ^{2,10}

Visa International Operating Regulations

Description	Retail Transaction	Manual Cash Disbursement	Quasi-Cash Transaction ¹
Verify that the signature on the Card matches the signature on the Transaction Receipt and, if applicable, identification presented. This signature may be different from the name embossed or printed on the Card. ^{4, 5, 6, 7, 8}	X ^{4, 8}	X	X ²
Process the PIN, if applicable	X ⁹	X	X
Card Verification			
Check one or more Card security features, as specified in the <i>Visa International Operating Regulations</i> or the Merchant Agreement, if applicable	X		
Check one or more Card security features before completing the Transaction			X
For a Visa Card or Visa Electron Card, a Merchant must: <ul style="list-style-type: none"> • Check one or more Card security features before completing the Transaction • Compare the first 4 digits of the Account Number (if present) to the 4 digits printed below the Account Number • Record the printed 4 digits on the front of the Transaction Receipt 		X X X	X X X

Description	Retail Transaction	Manual Cash Disbursement	Quasi-Cash Transaction ¹
<ol style="list-style-type: none"> 1. Applies only in a Card-Present Environment. 2. If a Card bears a photograph intended for identification 3. If a Card does not bear a photograph intended for identification 4. Does not apply to: <ul style="list-style-type: none"> – Anonymous Visa Prepaid Card Transactions – Visa Commercial Card Transactions – Effective through 14 March 2012, Transactions conducted in New Channels – Effective 16 October 2010, Visa Easy Payment Service (VEPS) Transactions. Visa may require Cardholder Verification for Visa Easy Payment Service Transactions at a Merchant that exceeds acceptable Fraud Activity thresholds and may impose fines on an Acquirer for its Merchant's failure to comply. 5. Except for a Vehicle-Specific Fleet Card 6. Applies only to a Transaction where a Card with a signature panel was presented for payment 7. Signature verification is not required for a Transaction in which a PIN is used 8. Effective through 15 October 2010, in the U.S. Region, this requirement does not apply to Small Ticket Transactions, Transactions US \$25 and under completed at a Point-of-Transaction Terminal with Proximity Payment (Contactless Payment) capability, and any Transactions completed with a Visa Micro Tag. Effective 16 October 2010, in the U.S. Region, this requirement does not apply to Transactions completed with a Visa Micro Tag. 9. Effective 16 October 2010, in the AP, LAC, and U.S. Regions, PIN is not required for Visa Easy Payment Service Transactions unless Visa specifically requires a Merchant to obtain Cardholder Verification for Visa Easy Payment Transactions when the Merchant exceeds acceptable levels of Fraud Activity. 10. Effective 14 April 2012, a variance to this requirement applies in the U.S. Region. 			

Effective 8 March 2012, an Acquirer or a Merchant must validate a Cardholder's identity and verify the Card in a Face-to-Face Environment, as specified in the following table.

Card and Cardholder Verification (Effective 8 March 2012)

Description	Retail Transaction	Manual Cash Disbursement	Quasi-Cash Transaction ¹
Cardholder Verification			
Review positive identification (such as an unexpired passport or driver's license with photo) to validate the Cardholder's identity.		X	X

 Visa International Operating Regulations

Description	Retail Transaction	Manual Cash Disbursement	Quasi-Cash Transaction ¹
Verify that the Cardholder resembles the person described or depicted in any photograph intended for identification on the Card. In the U.S. Region, this requirement does not apply to Visa Micro Tag Transactions.		X	X
Indicate the positive identification on the Transaction Receipt, including: <ul style="list-style-type: none"> • Description of identification, including any serial number and expiration date. (This does not apply if the Card bears a photograph intended for identification.) • Notification that the Cardholder's identify was verified by the photograph on the Card (e.g., "photo card presented"), if applicable • In the U.S. Region, Cardholder name (if different than the embossed or printed name) and address 		X	X
Verify that the signature on the Card matches the signature on the Transaction Receipt and, if applicable, identification presented. This signature may be different from the name embossed or printed on the Card. This requirement does not apply to: <ul style="list-style-type: none"> • Anonymous Visa Prepaid Card Transactions • Visa Commercial Card Transactions • Visa Easy Payment Service (VEPS) Transactions² • Vehicle-Specific Fleet Card Transactions • Transactions where the Card does not have a signature panel including, in the U.S. Region, a Visa Micro Tag • Outside the U.S. Region, Transactions in which a PIN is used 	X	X	X
Process the PIN, if applicable. ³	X	X	X
Process the Consumer Device Cardholder Verification Method (CDCVM), if applicable.	X		
Card Verification			
Check one or more Card security features, as specified in the Visa International Operating Regulations or the Merchant Agreement, if applicable.	X		

Description	Retail Transaction	Manual Cash Disbursement	Quasi-Cash Transaction ¹
<p>For a Visa Card or Visa Electron Card, a Merchant must:</p> <ul style="list-style-type: none"> • Check one or more Card security features before completing the Transaction • Compare the first 4 digits of the Account Number (if present) to the 4 digits printed above or below the Account Number • Record the printed 4 digits on the front of the Transaction Receipt <p>In the U.S. Region, if the numbers do not match, the Merchant must attempt to recover the Visa Card or Visa Electron Card</p>		X	X
<p>In the U.S. Region, when using an Account-Verifying Terminal, if the embossed or printed Account Number does not match the encoded Account Number:</p> <ul style="list-style-type: none"> • Decline the Transaction and attempt to recover the Card by reasonable and peaceful means • Note the physical description of the Cardholder 		X	X
<ol style="list-style-type: none"> 1. Effective 14 April 2012, in the U.S. Region, not applicable to Visa Debit with PIN Transactions. 2. Visa may require Cardholder Verification for Visa Easy Payment Service Transactions at a Merchant that exceeds acceptable Fraud Activity thresholds and may impose fines on an Acquirer for its Merchant's failure to comply. 3. In the AP, LAC, and U.S. Regions, PIN is not required for Visa Easy Payment Service Transactions unless Visa specifically requires a Merchant to obtain Cardholder Verification for Visa Easy Payment Service Transactions when the Merchant exceeds acceptable levels of Fraud Activity. 			

ID#: 230312-150210-0008769

Uncertain Cardholder or Card Verification

If Cardholder identification or a Card's validity is uncertain, a Merchant must contact its Acquirer for instruction. If the Acquirer instructs the Merchant to recover the Card, the Merchant must comply with the Card recovery procedures specified in the *Visa International Operating Regulations*.

ID#: 010410-010410-0002834

Missing Imprint or Expired Card

A Merchant must verify a Cardholder's identity if either a:

- Card cannot be imprinted on a Transaction Receipt

- Cardholder presents an Expired Card

This requirement does not apply to Visa Easy Payment Service Transactions.^[80]

In the U.S. Region, this requirement does **not** apply to:

- Transactions originating at Magnetic-Stripe Terminals that provide Transaction Receipts
- **Effective through 14 October 2011**, Limited-Amount Terminal Transactions
- Transactions completed with a Visa Micro Tag
- **Effective 15 October 2011**, Transactions completed as specified in "CVV2 Submission in a Face-to-Face Environment - U.S. Region"

A U.S. Airline is deemed to have verified the Cardholder's identity if the address to which the ticket is mailed (indicated on the Issuer's file) matches that on the Address Verification Service file. *(This only applies in the U.S. Region.)*

ID#: 160312-010410-0008594

Cardholder Signature Requirements

When an Issuer issues or reissues a Card, the Issuer must:

- Advise the Cardholder to immediately sign the signature panel on the Card
- Indicate that the Card must be signed in order to be valid

ID#: 160312-150211-0025977

Merchant Use of Account Number Verification

A Merchant may use Account Number Verification to request verification of the Card Account Number, address (where available), or Card Verification Value 2, as specified in the VisaNet Manuals.

ID#: 111011-010410-0025595

Cardholder Identification and Card Verification Table - U.S. Region 5.2.J.1.a (Updated)

Effective through 7 March 2012, a U.S. Member or Merchant must validate a Cardholder's identity and verify the Card in a Face-To-Face Environment, as specified in the following table.

80 Visa may require Cardholder Verification for a Visa Easy Payment Service Transaction at a Merchant that exceeds acceptable Fraud Activity thresholds. Visa may impose fines on an Acquirer for its Merchant's failure to comply.

Identification Validation - U.S. Region (Effective through 7 March 2012)

Description	Retail and T&E Transactions	Manual Cash Disbursements	Quasi-Cash Transactions ¹
Review positive identification (such as an unexpired passport or driver's license) to validate the Cardholder's identity		X	X
Indicate the positive identification on the Transaction Receipt, ² including: <ul style="list-style-type: none"> • Description of the identification, including any serial number and expiration date • Cardholder name (if different than the embossed or printed name) and address 		X³	X
Verify that the ^{3,4} : <ul style="list-style-type: none"> • Signature on the Visa Card or Visa Electron Card matches the signature on the Transaction Receipt and identification presented. This signature may be different from the name embossed or printed on the Card. • Cardholder resembles the person described or depicted in any photograph intended for identification on the Visa Card or Visa Electron Card 	X	X	X

Visa International Operating Regulations

Description	Retail and T&E Transactions	Manual Cash Disbursements	Quasi-Cash Transactions ¹
<p>Compare the first 4 digits of the embossed or printed Account Number to the 4 digits printed above or below the Account Number</p>		X	X
<p>Record the printed 4 digits on the Transaction Receipt. Either:</p> <ul style="list-style-type: none"> • Write the digits in the space provided on the Transaction Receipt • Key enter and electronically print the digits on the Cash Disbursement Transaction Record in the designated space, if using a Point-of-Transaction Terminal capable of printing key-entered numbers <p>If the numbers do not match, attempt to recover the Visa Card or Visa Electron Card.</p>		X	X
<p>When using an Account-Number-Verifying Terminal, if the embossed or printed Account Number does not match the encoded Account Number:</p> <ul style="list-style-type: none"> • Decline the Transaction and attempt to recover the Card by reasonable and peaceful means • Note the physical description of the Cardholder 	X	X	X

Description	Retail and T&E Transactions	Manual Cash Disbursements	Quasi-Cash Transactions ¹
<ol style="list-style-type: none"> Effective 14 April 2012, not applicable to Visa Debit with PIN Transactions. Unless a violation of applicable law. Effective through 15 October 2010, this requirement does not apply to Vehicle-Specific Fleet Card Transactions, U.S. Small Ticket Transactions, or No Signature Required Transactions. Effective 16 October 2010, this requirement does not apply to Vehicle-Specific Fleet Card Transactions or Visa Easy Payment Service Transactions. Visa may require Cardholder Verification for Visa Easy Payment Service Transactions at a Merchant that exceeds acceptable Fraud Activity thresholds and may impose fines on an Acquirer for its Merchant's failure to comply. Effective through 16 April 2010, this requirement does not apply to Transactions under US \$25 completed at a Point-of-Transaction Terminal with Contactless Payment capability, or any Transactions completed with a Visa Micro Tag. Effective 17 April 2010 through 15 October 2010, this requirement does not apply to Transactions less than or equal to US \$25 completed at a Point-of-Transaction Terminal with Contactless Payment capability or Transactions of any value completed with a Visa Micro Tag. Effective 16 October 2010, this requirement does not apply to Transactions of any value completed with a Visa Micro Tag. 			

ID#: 160312-150210-0002836

"Valid From" Date - U.S. Region

A U.S. Merchant must **not** accept a Card before the embossed or printed "valid from" date. When a Card is embossed or printed with a "valid from" date, the Card is considered valid on the date specified in the table below.

Card "Valid From" Dates - U.S. Region

"Valid From" Date Format	Validity Date
Month/year	First day of the embossed or printed month and year
Month/day/year	Embossed or printed date

ID#: 010410-010410-0002830

Card Security Features - U.S. Region

A U.S. Merchant must examine one or more Visa Card or Visa Electron Card security features before completing a Transaction if either:

- Required by its Acquirer
- Requested by Visa of the Merchant's Acquirer

ID#: 010410-010410-0002877

Supplemental Identification - U.S. Region

A U.S. Acquirer must **not**, as a regular practice, require a Merchant, and a Merchant must **not** require a Cardholder, to provide any supplementary Cardholder information as a condition for honoring a Visa Card or Visa Electron Card, unless it is required or permitted elsewhere in the U.S. Regional Operating Regulations. Such supplementary Cardholder information includes, but is not limited to:

- Social Security Number (or any part thereof)
- Fingerprint
- Home or business address or telephone number
- Driver's license number
- Photocopy of a driver's license
- Photocopy of the Visa Card or Visa Electron Card
- Other credit cards

ID#: 010410-010410-0002837

Authorization in Lieu of Cardholder Identification - U.S. Region

In the U.S. Region, the fact that a Merchant has obtained Authorization for the Transaction does **not** eliminate the Merchant's requirement to complete Cardholder identification procedures.

ID#: 010410-010410-0002841

Cardholder Verification - Blank Signature Panel - U.S. Region

In the U.S. Region, if the signature panel on a Card is blank, in addition to requesting an Authorization, a Merchant must:

- Review positive identification bearing the Cardholder's signature (such as an unexpired passport or driver's license) to validate the Cardholder's identity
- Indicate the positive identification, including any serial number and expiration date, on the Transaction Receipt
- Require the Cardholder to sign the signature panel of the Card before completing the Transaction

Visa considers a signature panel with the words "See I.D." or equivalent language to be blank.

The requirements of this section do **not** apply to Transactions resulting from the use of a Vehicle-Specific Fleet Card.

ID#: 010410-010410-0008592

Address Verification Service

Address Verification Service - ZIP Code Inquiry - U.S. Region

A U.S. Merchant may perform Address Verification Service (ZIP code inquiry only) in a Face-To-Face Environment if:

- The Merchant has been certified as a Cardholder Information Security Program Level 1-compliant Merchant
- The Merchant has maintained a face-to-face fraud-related Chargeback rate below 0.02%. The face-to-face fraud-related Chargeback rate is the number of Chargeback Reason Code 81, "Fraud-Card Present Environment" Chargebacks received as a percentage of all face-to-face Transaction Receipts processed.
- The Acquirer has received written certification from Visa approving the use of Address Verification Service by its Merchant

A Merchant that chooses to perform Address Verification Service, as specified above, must **not** require the Cardholder's ZIP code as a condition of honoring the Card.

ID#: 050411-010410-0008596

PIN Verification

PIN in Lieu of Signature

A Merchant that uses a Point of Transaction Terminal with Electronic Capability may accept a Cardholder's PIN rather than a signature. The PIN must be processed as specified in the:

- *PIN Management Requirements Documents - Payment Card Industry PIN Security Requirements Manual*
- *EMV Integrated Circuit Card Specifications for Payment Systems*
- *Transaction Acceptance Device Requirements*
- In the U.S. Region, PIN Management Requirements Documents (*This only applies in the U.S. Region.*)

The Merchant must **not** ask Cardholders to reveal their PINs.

ID#: 081010-010410-0008977

Visa Debit with PIN Transaction Processing Requirements – U.S. Region

Effective 14 April 2012, in the U.S. Region, a Visa Debit with PIN Transaction must be processed by:

- Reading the full contents of track 1 or track 2 of the Magnetic Stripe
- The Cardholder keying in their PIN at the PIN pad located at, or in proximity to, the Point-of-Transaction Terminal

ID#: 111011-140412-0026507

Transaction Receipts

Transaction Receipt General Requirements

Transaction Receipt Requirements

A Transaction Receipt may be generated electronically or manually. Detailed requirements for each type of Transaction Receipt, including printing and data requirements, are specified in:

- "ATM Transaction Receipt Requirements Table 7I-2"
- "ATM Transaction Receipt Requirements - U.S. Region Table S-3"
- "Data Requirements: Cardholder-Activated Terminal Transaction Receipt (Types A, B and C) Table 7I-4"
- "Data Requirements: Cardholder-Activated Terminal Transaction Receipt - U.S. Region Tables S-4, S-5 and S-6"
- "Data Requirements: Visa Easy Payment Service Transaction Receipt Table 7I-3"
- "Electronic and Manual Transaction Receipts - General - U.S. Region Exhibit S"
- "Electronic Commerce Transaction Receipt Requirements 5.2.B.4 Table 7K-1"
- "Electronic Commerce Transaction Receipt Data Requirements - U.S. Region"
- "Face-to-Face Electronic Purchase or Credit Transaction Receipt Data Requirements Table 7I-1"
- "Hotel Guest Folio - Data Requirements Table 7J-3"
- "Manual Cash Disbursement Transaction Receipt - Data Requirements VIOR Table 7J-4 USOR Table S-9"
- "Manual Credit Transaction Receipt - Data Requirements Table 7J-5"
- "Manual Transaction Receipt - Data Requirements VIOR Table 7J-1 USOR Table S-7"
- "Manual Transaction Receipt - Hotels Table 7J-2"
- "Manual Transaction Receipt - Lodging and Cruise Line Merchants - U.S. Region Table S-1"
- "Point-of-Transaction Terminal Transaction Receipt - U.S. Region Table S-1"
- "Transaction Receipt - Formset Requirements - U.S. Region Exhibit S"
- "Transaction Receipt - Fraud Deterrent Requirements - U.S. Region Exhibit S"
- "Transaction Receipt - Prohibitions - U.S. Region Exhibit S"

On Transaction Receipts used in Japan, space for the Cardholder signature is **not** required on the Merchant or Cardholder copy. Space for the Cardholder signature must be provided on the Acquirer copy.

Effective through 30 September 2014, Visa strongly recommends disguising or suppressing all but the last 4 positions of the primary Account Number on the Cardholder Transaction Receipt from a Point-of-Transaction Terminal.

Effective for Point-of-Transaction Terminals installed on or after 1 October 2011, the Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final 4 digits.

Effective 1 October 2014, the Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final 4 digits.

ID#: 080411-010410-0003641

Transaction Receipt Description and Currency Requirements

A Merchant must enter the following information on the Transaction Receipt:

- Brief description of the goods or services sold
- Currency symbol (such as US \$) or words denoting the Transaction Currency as part of the Transaction amount

Without a currency symbol or identification, the Transaction Currency defaults to the local currency of the Transaction Country.

If the Transaction takes place at a U.S. embassy or consulate on foreign territory, the currency used to complete the Transaction must be disclosed on the Transaction Receipt. (*This only applies in the U.S. Region.*)

ID#: 010410-010410-0008604

Cardholder Signature for Unknown Amount - VIOR 5.2.A.3, USOR 5.2.M.2

A Merchant must **not** require a Cardholder to sign a Transaction Receipt until the final Transaction amount is entered on the Transaction Receipt.

ID#: 010410-010410-0003120

Multiple Transaction Receipts and Partial Payment

A Merchant must include on a single Transaction Receipt the total currency amount of goods and services purchased at the same time. A Transaction must **not** be divided by using 2 or more Transaction Receipts. The only exceptions are:

- Purchases in separate departments of a multiple-department store

- Individual Airline tickets issued to each passenger, if required by Airline policy
- Individual Cruise Line tickets issued to each passenger, if required by Cruise Line policy
- Partial amount paid by the Cardholder in cash, check, or both at the time of the sale
- Delayed Delivery Transactions
- Advance Deposit Transactions
- Installment Transactions

In the U.S. Region, additional exceptions are individual passenger railway tickets issued to each passenger, if required by carrier policy. *(This only applies in the U.S. Region.)*

ID#: 010410-010410-0008603

Multiple Transaction Receipts for Authorizations - U.S. Region 5.2.K.1.f

A U.S. Merchant must **not** use multiple Transaction Receipts to avoid making an Authorization Request for a single Transaction.

ID#: 010410-010410-0004127

Manual Transaction Receipts - U.S. Region

Effective through 14 October 2011, if the encoded Account Number on a Visa Card cannot be read from the Magnetic Stripe, a U.S. Merchant must follow normal Authorization procedures and complete the Transaction using a Manual Imprinter, unless the Merchant qualifies to use the Card Verification Value 2 result code as a substitute for a Manual Imprint.

ID#: 111011-010410-0005121

Manual Imprinter Merchant Plate - U.S. Region

A U.S. Merchant must notify its Acquirer when it changes the information on the Manual Imprinter's Merchant plate.

ID#: 010410-010410-0005128

Transaction Receipt Data Requirements

Transaction Receipt Legend

The Cardholder copy of a Transaction Receipt must bear the legend "Retain this copy for statement verification" or similar wording. At a minimum, this legend must appear in the language of the Transaction Country. The legend may also appear in another language.

ID#: 010410-010410-0005290

Manually Imprinted Transaction Receipts

On manually imprinted Transaction Receipts, a Merchant must:

- Include the Cardholder name if one is printed or embossed on the Card
- If the imprinted information is **not** legible, reproduce it clearly

ID#: 010410-010410-0004121

Transaction Receipt Information Requirements - U.S. Region

In the U.S. Region, the Transaction Receipt must include:

- Transaction Date
- Brief description of the goods or services sold, returned, or cancelled
- Price of the goods or services, including applicable taxes, or amount of adjustment or credit
- Imprint of the embossed legends from the Card and Merchant plate. If the legends cannot be imprinted, or if the Magnetic Stripe or Chip is read, the Merchant must include at least the Cardholder name or generic consumer identifier (if one is printed or embossed on the Card) Account Number, Merchant name, and place of business.

ID#: 010410-010410-0005122

Transaction Receipt Signature Line Notations - U.S. Region

A U.S. Merchant must write the following letters or words on the signature line of the Transaction Receipt, if applicable:

Transaction Receipt Completion - U.S. Region

Transaction Type	Signature Line Printing
Telephone Order	TO
Mail Order	MO
No Show	NO SHOW
T&E Advance Deposit	ADVANCE DEPOSIT
Priority Check-out	PRIORITY CHECK-OUT
Recurring	RECURRING TRANSACTION
Advance Payment Service	ADVANCE PAYMENT

ID#: 111011-150210-0005129

Electronic Commerce Transaction Receipt Data Requirements - U.S. Region

In addition to the requirements specified in "Electronic and Manual Transaction Receipts - General - U.S. Region Exhibit S" and "Electronic Commerce Transaction Receipt Requirements 5.2.B.4 Table 7K-1," a Transaction Receipt completed for an Electronic Commerce Transaction in the U.S. Region must include:

- Merchant name most recognizable to the Cardholder, such as:
 - Merchant "doing business as" name (DBA)
 - Merchant universal resource locator (URL)
 - Merchant name used in the Clearing Record
- Customer service contact, including telephone number. If a Merchant delivers goods or services internationally, both local and internationally accessible telephone numbers must be included.
- Terms and conditions of sale, if restricted
- Exact date free trial period ends, if offered
- Cancellation policies

Transaction payment type (i.e., "Visa") and the payment brand used to complete the Transaction must be identified on the Cardholder's copy of the Transaction Receipt.

ID#: 111011-010410-0005148

Internet Payment Service Provider Name on Transaction Receipt - U.S. Region

Effective through 30 June 2011, for a Transaction Receipt completed by an Internet Payment Service Provider (IPSP) in the U.S. Region, if a Cardholder accesses a Sponsored Merchant's Website and is then linked to the IPSP Website for payment, the IPSP's name must appear on the Transaction Receipt in conjunction with the Sponsored Merchant's name.

The IPSP's name may appear alone on the Transaction Receipt if the:

- Cardholder accesses the IPSP's Website directly
- IPSP's name is visible to the Cardholder during the selection, order, and payment processing services

If the IPSP's name appears alone on the Transaction Receipt, Visa may require that the Sponsored Merchant's name be included on the Transaction Receipt if the IPSP or its Sponsored Merchants cause undue economic hardship to the Visa system, including, but not limited to:

- Qualifying for the Global Merchant Chargeback Monitoring Program or the Merchant Chargeback Monitoring Program
- Generating excessive Copy Requests

ID#: 111011-010410-0006125

High-Risk Internet Payment Service Provider Transaction Receipt - U.S. Region

For a Transaction Receipt completed by a High-Risk Internet Payment Service Provider (IPSP) in the U.S. Region, the High-Risk IPSP's name must appear in conjunction with the High-Risk Sponsored Merchant's name, as specified in "VisaNet Clearing Message Content Standards" (Exhibit NN).

The payment provider information specified below must be included either:

- On the Web site checkout screen used to present the total purchase amount
- Within the sequence of pages the Cardholder accesses during the checkout process

[High-Risk Internet Payment Service Provider name] is a designated payment processor for [High-Risk Sponsored Merchant name]. [High-Risk Internet Payment Service Provider name*Sponsored Merchant name] will appear on your Cardholder statement.

ID#: 010410-010410-0005843

Electronic and Manual Transaction Receipts

Transaction Receipt - Formset Requirements - U.S. Region Exhibit S

In the U.S. Region, each Transaction Receipt formset must contain, at a minimum, a Member copy and a Cardholder copy. The Merchant or Member copy must bear the Cardholder's original signature.

Formset ink colors must comply with the following table:

Formset Ink Colors

Description	Ink Color
Transaction Receipt	Dark blue or black
Cash Disbursement Transaction Receipt	Dark green or black
Credit Transaction Receipt	Red ink of legible density

Each formset must bear a sequential number consisting of at least five digits.

ID#: 050411-220311-0026204

Transaction Receipt - Fraud Deterrent Requirements - U.S. Region Exhibit S

In the U.S. Region, all formsets must be of the fraud-deterrent type, either:

- Carbonless or carbon-backed

- With the carbon page perforated so that it will tear through the Account Number when the formset is separated

ID#: 050411-220311-0026205

Transaction Receipt - Prohibitions - U.S. Region Exhibit S

In the U.S. Region, preprinted legends designating space for supplementary Cardholder information (e.g., address, telephone number) or ancillary charges to be added after completion of the Transaction are prohibited, except as specified below.

Supplementary Cardholder information may be designated on formsets also designed for use as:

- Mailing or delivery slips
- Guest registration forms
- Car rental contracts
- Wire Transfer Money Orders

Space for ancillary charges is permitted on T&E Document formsets used by Lodging or Cruise Line Merchants, or Car Rental Companies, as specified in "Delayed or Amended Charges - Acceptable Charges 5.2.M.4."

Use of promotional, advertising, or similar language that conveys preference of a non-Visa payment card on Transaction Receipts that bear the Visa Program Marks is prohibited.

The use of language that conveys any limitation of a Cardholder's rights to dispute the Transaction with the Issuer is prohibited.

ID#: 111011-220311-0026206

Electronic and Manual Transaction Receipts - General - U.S. Region Exhibit S

In the U.S. Region, the requirements listed in "Transaction Receipt Formset Requirements - U.S. Region Exhibit S," "Transaction Receipt Fraud Deterrent Requirements - U.S. Region Exhibit S," and "Transaction Receipt - Prohibitions - U.S. Region Exhibit S" apply to both electronic and manual Transaction Receipts.

ID#: 080411-220311-0026207

Data Requirements: Cardholder-Activated Terminal Transaction Receipt - U.S. Region Tables S-4, S-5 and S-6

Effective through 14 October 2011, in the U.S. Region, a Limited-Amount Terminal (except for Magnetic-Stripe Telephones) Transaction Receipt must contain the following data elements:

- Account Number. The Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final 4 digits. This requirement does not apply to Point-of-Transaction Terminals installed before 1 July 2003.

- Merchant name
- Location Code, or city and state
- Transaction amount
- Transaction Date
- Transaction payment type (i.e., “Visa”). The payment brand used to complete the Transaction must be identified on the Cardholder’s copy of the Transaction Receipt.

Effective through 14 October 2011, in the U.S. Region, an Automated Dispensing Machine Transaction Receipt must contain the following data elements:

- Account Number. The Account Number must be disguised or suppressed on the Cardholder’s copy of the Transaction Receipt, except for the final 4 digits. This requirement does not apply to Point-of-Transaction Terminals installed before 1 July 2003.
- Merchant name
- Location Code, or city and state
- Transaction amount
- Transaction Date
- Transaction payment type (i.e., “Visa”). The payment brand used to complete the Transaction must be identified on the Cardholder’s copy of the Transaction Receipt.

Effective through 14 October 2011, in the U.S. Region, a Self-Service Terminal Transaction Receipt must contain the following data elements:

- Account Number. The Account Number must be disguised or suppressed on the Cardholder’s copy of the Transaction Receipt, except for the final 4 digits.
- Merchant name
- Location Code, or city and state
- Transaction amount
- Transaction Date
- Transaction payment type (i.e., “Visa”). The payment brand used to complete the Transaction must be identified on the Cardholder’s copy of the Transaction Receipt.

ID#: 111011-010100-0026208

Data Requirements: Unattended Transaction Receipt - U.S. Region

Effective 15 October 2011, in the U.S. Region, an Unattended Cardholder-Activated Terminal Transaction Receipt must contain the following data elements:^[81]

- Account Number. The Account Number must be disguised or suppressed on the Cardholder’s copy of the Transaction Receipt, except for the final 4 digits. This requirement does not apply to Point-of-Transaction Terminals installed before 1 July 2003.

81 Not applicable to a Telephone Service Transaction completed at an Unattended Cardholder-Activated Terminal

- Merchant name
- Location Code, or city and state
- Transaction amount
- Transaction Date
- Transaction payment type (i.e., Visa). The payment brand used to complete the Transaction must be identified on the Cardholder's copy of the Transaction Receipt.

ID#: 171011-151011-0026361

Data Requirements: Cardholder-Activated Terminal Transaction Receipt (Types A, B, and C) Table 7I-4

Effective through 14 October 2011, the following table specifies the data requirements for Unattended Terminal Transaction Receipts.

Data Requirements for Unattended Terminal Transaction Receipts

Transaction Data Requirements	CAT Type A Limited Amount Terminal	CAT Type B Self-Service Terminal	CAT Type C Automated Dispensing Machine
Account Number (at least 4 digits of the Account Number on the Cardholder copy of the Transaction Receipt must be disguised or suppressed. (Visa strongly recommends disguising or suppressing all but the last 4 positions of the primary Account Number on the Cardholder Transaction Receipt.) Effective for Point-of-Transaction Terminals installed on or after 1 October 2011 , the Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final 4 digits.	X	X	X
Merchant name	X	X	X
Terminal location (city and country)	X	X	X

 Visa International Operating Regulations

Transaction Data Requirements	CAT Type A Limited Amount Terminal	CAT Type B Self-Service Terminal	CAT Type C Automated Dispensing Machine
Transaction Date	X	X	X
Identification of Transaction Currency	X	X	X
Transaction amount indicated in Transaction Currency	X	X	X
Transaction type (purchase)	X	X	X
Authorization Code, if applicable	X	X	X

ID#: 111011-220311-0026210

Data Requirements: Unattended Transaction Receipt

Effective 15 October 2011, an Unattended Cardholder-Activated Terminal Transaction Receipt must contain the following data elements:

- Account Number. **Effective through 30 September 2014**, at least 4 digits of the Account Number on the Cardholder copy of the Transaction Receipt must be disguised or suppressed. ^[82] **Effective for Point-of-Transaction Terminals installed on or after 1 October 2011**, the Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final 4 digits. **Effective 1 October 2014**, the Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final 4 digits.
- Merchant name
- Terminal location (city and country)
- Transaction Date
- Identification of Transaction Currency
- Transaction amount indicated in Transaction Currency
- Transaction type (purchase)
- Authorization Code, if applicable

ID#: 111011-151011-0026360

Data Requirements: Visa Easy Payment Service Transaction Receipt Table 7I-3

The following are the data requirements for a Visa Easy Payment Service Transaction Receipt:

- Merchant name

82 **Effective through 30 September 2014**, Visa strongly recommends disguising or suppressing all but the last 4 positions of the primary Account Number on the Cardholder Transaction Receipt.

- Total Transaction amount indicated in Transaction Currency
- Transaction Date
- Confirmation that Cardholder performed payment using a Visa Card or a Visa Electron Card or a Proximity Payment Device

ID#: 230312-010100-0026212

Point-of-Transaction Terminal Transaction Receipt - U.S. Region Table S-1

A Point-of-Transaction Terminal Transaction Receipt must contain the following data elements:

- Account Number. The Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final 4 digits. This requirement does not apply to Point-of-Transaction Terminals installed before 1 July 2003.
- Expiration date. The expiration date must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt. This requirement does not apply to Point-of-Transaction Terminals installed before 1 July 2003.
- Location Code
- Transaction amount
- Transaction Date
- Transaction payment type (i.e., "Visa"). The payment brand used to complete the Transaction must be identified on the Cardholder's copy of the Transaction Receipt
- Space for Cardholder signature, except for:
 - Transactions in which the PIN is an acceptable substitute for Cardholder signature
 - Visa Easy Payment Service Transactions
- A legend identifying the party to whom it will be delivered (e.g., Member copy, Merchant copy, Cardholder copy), except for Visa Easy Payment Service Transactions
- Authorization Code, if applicable
- For a Quasi-Cash Transaction completed in a Face-to-Face Environment, the Transaction Receipt must provide space for Cardholder identification and the 4 digits printed above or below the Account Number, as specified in "Cardholder Identification and Card Verification Table - U.S. Region 5.2.J.1.a."
- For a Visa Cash Back Service Transaction, the amount of cash provided to the Cardholder.

ID#: 160312-220311-0026215

Manual Transaction Receipt - Data Requirements VIOR Table 7J-1 USOR Table S-7

A Manual Transaction Receipt must contain the following data elements:

- Embossed Card data
- Merchant name

- Merchant city and country (and state/province, if applicable)
- Transaction amount indicated in Transaction Currency
- Identification of Transaction Currency
- Transaction Date
- Description of goods or services (optional)
- Space for Cardholder signature
- Authorization Code, if applicable
- Transaction Type (purchase)

In addition to the above requirements, in the U.S. Region the Manual Transaction Receipt must also contain the following data elements: *(This only applies in the U.S. Region.)*

- Imprint of Card data *(This only applies in the U.S. Region.)*
- Imprint of Merchant or Member name and location *(This only applies in the U.S. Region.)*
- Transaction payment type (i.e., "Visa"). The payment brand used to complete the Transaction must be identified on the Cardholder's copy of the Transaction Receipt *(This only applies in the U.S. Region.)*
- Space for salesperson's initials or department number *(This only applies in the U.S. Region.)*
- Location Code *(This only applies in the U.S. Region.)*
- Description of goods or services (required) *(This only applies in the U.S. Region.)*
- Legend identifying its purpose (i.e., Transaction Receipt or sales slip) *(This only applies in the U.S. Region.)*
- Legend identifying the party to whom it will be delivered (e.g., "Member copy"). The other copies of the formset should also be appropriately labeled "Merchant copy" or "Cardholder copy." *(This only applies in the U.S. Region.)*
- Description of goods or services (required) *(This only applies in the U.S. Region.)*
- For a Quasi-Cash Transaction completed in a Face-to-Face Environment, space for Cardholder identification and the 4 digits printed above the Account Number, as specified in "Cardholder Identification and Card Verification Table - U.S. Region 5.2.J.1.a." *(This only applies in the U.S. Region.)*

ID#: 080411-220311-0026217

Manual Transaction Receipt - Hotels Table 7J-2

A Manual Transaction Receipt for Hotels must contain the following data elements:

- Embossed Card data
- Hotel name
- Hotel city and country (and state/province, if applicable)
- Transaction amount in Transaction Currency

- Identification of Transaction Currency
- Transaction Date
- Space for guest check-in date
- Space for guest check-out date
- Authorization dates, amounts, and approval codes (if applicable)
- Description of goods or services (optional)
- Space for room rate, if applicable
- Space for Cardholder signature
- Space for salesperson's initials
- Authorization dates, amounts, and approval codes (if applicable)

ID#: 050411-010100-0026218

Manual Cash Disbursement Transaction Receipt - Data Requirements VIOR Table 7J-4 USOR Table S-9

A Manual Cash Disbursement Transaction Receipt must contain the following data elements:

- Embossed Card data
- Acquirer or Merchant name
- City and country (and state/province, if applicable) of Acquirer or Merchant, as appropriate
- Transaction amount indicated in Transaction Currency
- Identification of Transaction Currency
- Transaction Date
- Space for Cardholder signature
- Space for Cardholder identification
- Space for clerk's signature or identification
- Authorization Code
- Space for 4 printed digits above or below Account Number
- Transaction type (Cash Disbursement)

In addition to the above requirement, in the U.S. Region the Manual Cash Disbursement Transaction Receipt must also contain the following data elements: *(This only applies in the U.S. Region.)*

- Imprint of Card data *(This only applies in the U.S. Region.)*
- Imprint of the name and location of the Member, Merchant, or Cash Disbursement Merchant *(This only applies in the U.S. Region.)*
- Transaction payment type (i.e., "Visa"). The payment brand used to complete the Transaction must be identified on the Cardholder's copy of the Transaction Receipt *(This only applies in the U.S. Region.)*

- Legend identifying the party to whom it will be delivered (e.g., “Member copy”). The other copies of the formset should also be appropriately labeled “Merchant copy” or “Cardholder copy.” (*This only applies in the U.S. Region.*)
- Space for Cardholder’s address (may be eliminated from the Cash Disbursement Transaction Receipt used only by a Cash Disbursement Merchant) (*This only applies in the U.S. Region.*)

ID#: 050411-220311-0026219

Hotel Guest Folio - Data Requirements Table 7J-3

A Hotel Guest Folio must contain the following data elements:

- Embossed Card date
- Hotel name
- Hotel city and country (and state/province, if applicable)
- Transaction amount indicated in Transaction Currency
- Identification of Transaction Currency
- Transaction Date
- Description of goods and services (optional)
- Space for Cardholder signature
- Guest check-in date
- Guest check-out date
- Intended length of stay at check-in (optional)
- Room rate and salesperson’s initials
- Authorization dates, amounts, and approval codes
- Authorization Code, if applicable
- Applicable tax and/or service charge rates (optional)
- Computation and procedure for estimating ancillary charges (optional)
- Estimated Transaction amount calculated on check-in date (optional)

ID#: 050411-220311-0026220

Manual Credit Transaction Receipt - Data Requirements Table 7J-5

A manual Credit Transaction Receipt must contain the following data elements.

- Embossed Card data
- Merchant name
- Merchant location (city and country)
- Credit amount indicated in Transaction Currency

- Identification of Transaction Currency
- Credit preparation date
- Description of goods or services returned to Merchant (optional)
- Space for Merchant or Cardholder signature
- Transaction type (Credit)

ID#: 111011-220311-0026221

Manual Transaction Receipt - Lodging and Cruise Line Merchants - U.S. Region Table S-8

In the U.S. Region, a Manual Transaction Receipt for Lodging or Cruise Line Merchants must contain the following data elements:

- Imprint of Card data
- Imprint of Merchant or Member name and location
- Location Code
- Transaction amount
- Transaction Date
- Transaction payment type (i.e., "Visa"). The payment brand used to complete the Transaction must be identified on the Cardholder's copy of the Transaction Receipt
- Guest check-out or disembarkation date
- Legend identifying its purpose (i.e., Transaction Receipt or sales slip)
- Legend identifying the party to whom it will be delivered (e.g., "Member copy"). The other copies of the formset should also be appropriately labeled "Merchant copy" or "Cardholder copy."
- Description of goods or services
- Room rate and salesperson's initials or department number
- Authorization dates, amounts, and approval codes
- Space for Cardholder signature

ID#: 050411-220311-0026225

Face-to-Face Electronic Purchase or Credit Transaction Receipt Data Requirements Table 7I-1

The following data elements are required for a face-to-face electronic purchase or Credit Transaction Receipt.

- Merchant name
- Merchant city and country (and state/province, if applicable)
- Transaction amount (or credit), indicated in Transaction Currency

- Transaction Date (or credit preparation date)
- Account Number (at least 4 digits of the Account Number on the Cardholder copy of the Transaction Receipt must be disguised or suppressed) ^[83]
- Space for Cardholder signature
- Authorization Code, if applicable ^[84]
- Transaction type (purchase or credit)

ID#: 171011-010100-0026256

Data Requirements for Visa Debit with PIN Transactions – U.S. Region

Effective 14 April 2012, the following are the Transaction Receipt data requirements for Visa Debit with PIN Transactions.

- Transaction amount
- Transaction Date
- Transaction type (e.g., payment from primary account)
- Account Number. The Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final 4 digits.
- Terminal location
- Merchant name
- Trace number

ID#: 111011-140412-0026508

Transaction Receipt Delivery to Cardholder

Transaction Receipt Delivery Requirements

A Merchant must provide a completed copy of the Transaction Receipt to the Cardholder at the time that the purchased goods are delivered or services are performed. ^[85] ^[86]

A Transaction Receipt is not required for a Visa Easy Payment Service Transaction unless requested by the Cardholder.

83 Visa strongly recommends disguising or suppressing all but the last 4 positions of the primary Account Number on the Cardholder Transaction Receipt.

84 **Effective 14 April 2012**, a variance to this requirement applies in the U.S. Region.

85 A variance to this requirement applies in Visa Europe for vending Transactions.

86 A variance to this requirement applies in the AP Region for Members in Australia and New Zealand for certain vending machine Transactions.

If a Transaction Receipt is requested or issued for a Visa Easy Payment Service Transaction, a Merchant may provide a cash register receipt if it contains, at a minimum, the Transaction Data specified in "Face-to-Face Electronic Purchase or Credit Transaction Receipt Data Requirements Table 7I-1."

In the U.S. Region, when issued, a Transaction Receipt for a Visa Easy Payment Service Transaction must contain the Transaction Data specified in "Point-of-Transaction Terminal Transaction Receipt - U.S. Region Table S-1." (*This only applies in the U.S. Region.*)

Effective 13 October 2011, unless otherwise required by applicable law, a Transaction Receipt is not required for a Transaction completed at a Proximity Payment-Only Terminal, as specified in "Deployment of Proximity Payment-Only Terminals." However, the Merchant must communicate to the Cardholder how to obtain Transaction details and provide them at the Cardholder's request.

An Electronic Commerce Merchant may deliver the Transaction Receipt in either of the following formats:

- Electronic (e.g., e-mail or fax)
- Paper (e.g., hand-written or terminal-generated)

ID#: 160312-010410-0008621

Amended Transaction Receipt Delivery

A Hotel, Car Rental Company, or Cruise Line must send the Cardholder a copy of any amended or additional charges added to a Transaction Receipt.

ID#: 010410-010410-0005050

Transaction Receipt Delivery Requirements - U.S. Region 5.2.N

A U.S. Merchant must provide a completed copy of the Transaction Receipt to the Cardholder as follows:

- At the time that the purchased goods are delivered or services are performed, except for:
 - A Visa Easy Payment Service Transaction for which the Cardholder has not requested a Transaction Receipt
 - **Effective through 14 October 2011**, a Magnetic-Stripe Telephone Transaction
 - **Effective 15 October 2011**, a Telephone Service Transaction conducted at an Unattended Cardholder-Activated Terminal
- At the time of billing, for a Deferred Payment Transaction
- At the time of the Transaction, for a Transaction completed at a Point-of-Transaction Terminal
- Upon Cardholder request for a Visa Easy Payment Service Transaction

If a Transaction Receipt is provided to the Cardholder for a Visa Easy Payment Service Transaction, it must contain the Transaction Data Specified in "Data Requirements: Visa Easy Payment Service Transaction Receipt Table 7I-3."

ID#: 160312-010410-0005130

Transaction Deposits

General Transaction Deposit Requirements

Transaction Deposit in Transaction Country

A Merchant, except a military base or an International Airline, must deposit all Transaction Receipts in the Transaction Country.

ID#: 010410-010410-0002979

Cruise Line Exceptions

A Cruise Line may deposit on-board Transactions at various ports-of-call. The Transaction Date is the Deposit Date or date of disembarkation, if the Transactions are deposited at the end of the cruise.

ID#: 010410-010410-0002980

Transaction Deposit Time Limits

Deposit Time Limit

A Merchant must deposit all Transaction Receipts within 3 business days of the Transaction Date.

ID#: 010410-010410-0002976

Visa Electron Deposit Time Limit

A Merchant must deposit all Visa Electron Transaction Receipts within 2 business days of the Transaction Date.

ID#: 010410-010410-0002977

Multiple Merchant Outlets Deposit Time Limits

An Acquirer may allow a Merchant with multiple Merchant Outlets in the same country that centrally accumulates Transaction Receipts up to 21 calendar days to deposit them. The 21-calendar-day period includes the Transaction Date and Deposit Date.

ID#: 010410-010410-0002978

Transaction Receipt Deposit Time Limits in Malaysia - AP Region

Effective 15 October 2011, in Malaysia, a Merchant must deposit a domestic Visa debit Transaction conducted at an Automated Fuel Dispenser within 2 business days from the Transaction Date.

ID#: 151011-151011-0026499

Deposit Time Limit - U.S. Region 5.2.O.2

A U.S. Merchant must deposit Transaction Receipts to its Acquirer or designated Agent within 5 calendar days of the Transaction Date, except as specified in "Delayed Delivery Transaction Deposits - U.S. Region" and "Multiple Merchant Outlets Deposit Time Limits - U.S. Region." Each time period specified includes the Transaction Date and the Receipt Date.

A U.S. Merchant must deposit Credit Transaction Receipts to its Acquirer or designated Agent within 3 calendar days of the Transaction Date.

ID#: 081010-010709-0008617

Delayed Delivery Transaction Deposits - U.S. Region

A U.S. Merchant must deposit Transaction Receipts for Delayed Delivery Transactions within 5 calendar days of the date of both the deposit and final payment.

ID#: 081010-010709-0008628

Multiple Merchant Outlets Deposit Time Limits - U.S. Region

A U.S. Merchant with multiple Merchant Outlets, if it accumulates Transaction Receipts at a central office or facility, must deposit them as follows:

- Transaction Receipts within 15 calendar days of the Transaction Date
- Credit Transaction Receipts within 5 calendar days of the Transaction Date

Visa may extend the maximum time for delivery.

The above applies to the following Merchant types:

- Transportation companies subject to federal or foreign regulations
- Oil companies
- Car Rental Companies
- Hotels, motels, and restaurant chains
- Other Merchant categories specified by the Board

ID#: 081010-010410-0008629

Installment Billing Transaction Receipt Deposits - U.S. Region

A U.S. Merchant must **not** deposit the first Installment Billing Transaction with its Acquirer until the shipment date of the goods. The Merchant must deposit subsequent Installment Billing Transaction Receipts at either of the following intervals:

- 30 calendar days or more
- Monthly anniversary of the shipment date (same day of each month)

ID#: 010410-010410-0005189

Transaction Deposit Restrictions

Transactions Directly Resulting from Other Entities 5.3.F.1.a

A Merchant must deposit only Transaction Receipts that directly result from Cardholder Transactions with that Merchant. A Merchant must **not** deposit Transaction Receipts resulting from any Transaction involving a Card between a Cardholder and another entity.

Effective 1 July 2011, a Payment Service Provider (PSP) may deposit a Transaction Receipt resulting from a Transaction between a Cardholder and a Sponsored Merchant of the PSP.

A variance applies in the U.S. Region for the Visa Tax Payment Program.

A variance applies in the AP Region for government payments in Australia.

Effective through 14 October 2011, a variance to this requirement applies in the CEMEA Region for Domestic Transactions at Unattended Acceptance Terminals in Russia.

Effective 15 October 2011, a variance to this requirement applies in the CEMEA Region for Domestic Transactions at Unattended Cardholder-Activated Terminals in Russia.

ID#: 160312-010410-0002981

Merchant Location Identification

A Merchant with multiple Merchant Outlets must deposit Transaction Receipts so that the Acquirer can identify the location of each Transaction.

ID#: 010410-010410-0002982

Transaction Deposit Conditions

A Merchant must **not** deposit a Transaction Receipt until it does one of the following:

- Completes the Transaction
- Ships or provides the goods
- Performs the purchased service
- Obtains the Cardholder's consent for a Recurring Transaction

A U.S. Merchant may deposit a prepayment within the time limits specified in the U.S. Regional Operating Regulations if the Merchant advises the Cardholder of the immediate billing at the time of the Transaction, for:

- Prepayment of services, excluding estimates for services to be provided
- Full prepayment of custom-ordered merchandise manufactured to the Cardholder's specifications

For prepayment of services, the Transaction Date is considered to be the date of Cardholder prepayment.

ID#: 010410-010410-0008982

Credits and Refunds

General Credit and Refund Requirements

Credit Transaction Receipt 5.3.D.2

A Merchant may, at its discretion, prepare a Credit Transaction Receipt when a valid Transaction Receipt was previously processed and the Cardholder either cancelled the Transaction later or returned the goods. At the time of the Credit Transaction, the Merchant must:

- Prepare a credit that includes the Credit Transaction Receipt date and identifies the original Transaction
- Deliver a completed Credit Transaction Receipt to the Cardholder
- Deposit the Credit Transaction Receipt within 5 calendar days from the date that the credit was issued

In the U.S. Region, the Credit Transaction Receipt must describe the merchandise returned, services cancelled, or adjustment made. *(This only applies in the U.S. Region.)*

ID#: 230312-010410-0008605

Credit Transaction Receipt Delivery - U.S. Region 5.2.Q

A U.S. Merchant must provide a credit refund or price adjustment by delivering a Credit Transaction Receipt to the Member that received the related Transaction Receipt representing the original purchase. The only exception is an Airline or other carrier, if required by law or applicable tariff.

ID#: 010410-010410-0001713

Credit and Refund Restrictions

A Merchant must provide a credit refund in connection with a Transaction by a Credit Transaction Receipt, not by cash or check. The only exceptions are Airlines, if required by law or applicable tariff.

A Merchant must not:

- Accept payment from a Cardholder for the purpose of depositing funds to the Cardholder's account
- Process a Credit Transaction Receipt without having completed a previous retail Transaction with the same Cardholder

The loading of value to a Visa Prepaid Card that has been designated for participation in the Visa Prepaid Load Service by the Issuer is excluded from these restrictions.

ID#: 100412-010410-0003076

Credit and Refund Restrictions - U.S. Region 5.2.P.1

A U.S. Merchant must **not**:

- Accept payment from a Cardholder for the purpose of depositing funds to the Cardholder's account. The loading of value to a Visa Prepaid Card or to another Non-Visa Branded Account, as defined in the *Visa ReadyLink Service Description and Implementation Guidelines* that has been designated for participation in Visa ReadyLink by the Issuer is excluded from this restriction.
- Process a Credit Transaction Receipt without having completed a previous retail Transaction with the same Cardholder, except as specified in "Credit Transaction Receipt Delivery - U.S. Region"

ID#: 080411-010410-0001710

Proper Disclosure of Refund Policy

Electronic Commerce Merchant Refund Policy Disclosure

An Acquirer must ensure that its Electronic Commerce Merchant includes any return/refund policy on the Merchant's Website and that a "click to accept," or other acknowledgement button accepting the policy, is used by the Cardholder.

Purchase terms and conditions must be displayed to the Cardholder during the order process either:

- On the same screen as the checkout screen indicating the total Transaction amount
- Within the sequence of Web pages accessed by the Cardholder before the final checkout

In the U.S. Region, in addition to the above requirements, an Electronic Commerce Merchant Website must communicate its refund policy to the Cardholder **during** the order process. *(This only applies in the U.S. Region.)*

ID#: 010410-010410-0008606

Proper Disclosure of Limited Return Policies 5.3.D.5

The table below specifies the words or similar wording that must be legibly printed on all copies of a Transaction Receipt near the Cardholder signature area or in an area easily seen by the Cardholder.

Proper Disclosure on Transaction Receipts

Transaction Receipt Wording	To Be Used for the Following Return Policies
"No Refund," "No Exchanges," or "All Sales Final"	Merchant does not : <ul style="list-style-type: none"> • Accept merchandise in return or exchange • Issue a refund to a Cardholder
"Exchange Only"	Merchant only accepts merchandise in exchange for merchandise of equal value to the original Transaction amount.
"In-Store Credit Only"	Merchant only accepts merchandise for return and delivers an in-store credit document that both: <ul style="list-style-type: none"> • Equals the value of the returned merchandise • Must be used at the Merchant location

Proper disclosure must **not** include a statement that waives a Cardholder's right to dispute the Transaction with the Issuer.

For Transactions in a Card-Present Environment, a Merchant may limit its acceptance of returned merchandise or establish a policy to make price adjustments provided that the Merchant makes proper disclosure of its returns policy in accordance with the table above.

ID#: 160312-010410-0008771

Proper Disclosure of Limited Return Policies - U.S. Region

The following words or similar wording must be legibly printed on all copies of a Transaction Receipt or invoice, in letters approximately 0.25 inches high, near the Cardholder signature area.

Examples of Proper Refund Policy Disclosure on Transaction Receipt - U.S. Region

Transaction Receipt Wording	For the Following Types of Refund Policy:
"No Refund"	Merchant does not : <ul style="list-style-type: none"> • Accept merchandise in return or exchange • Issue a refund to a Cardholder
"Exchange Only"	Merchant only accepts merchandise in immediate exchange for similar merchandise of price equal to the original Transaction amount.
"In-Store Credit Only"	Merchant only accepts merchandise in return and delivers an in-store credit that: <ul style="list-style-type: none"> • Equals the value of the returned merchandise • Must be used at the Merchant's place of business
Note: Absence of the above wording does not necessarily mean that proper disclosure has not been provided.	

In the U.S. Region, for Transactions in a Card-Present Environment, a Merchant may limit its acceptance of returned merchandise or establish a policy to make price adjustments provided that the Merchant makes proper disclosure of its returns policy in accordance with the table above.

ID#: 160312-010410-0008772

Special Circumstances - U.S. Region

A U.S. Merchant may, with Cardholder approval and if permitted by local law, identify terms for special circumstances (such as late delivery, delivery charges) and must print any special terms on the Transaction Receipt.

ID#: 010410-010410-0008610

Alternate Forms of Credit - U.S. Region

A U.S. Merchant may provide the following alternate forms of credit:

- Cash refund to the Cardholder for a Visa Easy Payment Service Transaction
- Cash refund, Credit Transaction Receipt, or other appropriate form of credit to the recipient of a gift purchased as a Mail/Phone Order Transaction, instead of to the Cardholder
- Cash refund or in-store credit for a Visa Prepaid Card Transaction if the Cardholder states that the Visa Prepaid Card has been discarded

The refund or adjustment must **not** exceed the original Transaction amount.

ID#: 160312-010410-0008613

Transaction Reversals

Transaction Receipt Reversal or Adjustment 5.3.D.3.a

A Merchant must process a Reversal or an Adjustment within 30 calendar ^[88] days if it processed a Transaction Receipt in error.

The debit must be reversed using a Reversal Transaction code or an Adjustment message. See "BASE II Record Requirements" (Exhibit 2L) for information on Transaction codes and the VisaNet manuals for information on Single Message System message types.

ID#: 111011-010410-0008614

Convenience Fees

Convenience Fee General Requirements

Convenience Fees - AP Region

An AP Merchant that charges a Convenience Fee must ensure that the fee is:

- Related to the bona fide convenience of providing a particular service (that is, **not** to the acceptance of the Visa Card) in a payment channel that does **not** include face-to-face Transactions
- Disclosed clearly to the Cardholder as a charge for the payment channel convenience
- Disclosed before the completion of the Transaction and the Cardholder is given the opportunity to cancel

88 **Effective 14 April 2012**, a variance to this requirement applies in the U.S. Region

- A flat amount, except that an ad valorem amount is allowed where the Merchant's pricing is subject to regulatory controls that make a flat fee infeasible
- The same fee that is applicable to all forms of payment accepted in the payment channel (that is, there is no discrimination against Visa Cards)
- Included as a part of the total amount of the Transaction

ID#: 010410-010410-0006880

Domestic Convenience Fee - CEMEA Region

In the CEMEA Region a Russian Merchant or Third Party may charge a Convenience Fee. The Merchant or Third Party that charges a Convenience Fee must ensure that the fee is:

- Applied to a Domestic Transaction only
- Charged for a bona fide convenience in the form of an alternative payment channel outside the Merchant's customary payment channels
- **Effective through 14 October 2011**, added only to a Transaction at an Unattended Acceptance Terminal^[89]
- **Effective 15 October 2011**, added only to a Transaction at an Unattended Cardholder-Activated Terminal^{[90] [91]}
- Applicable to all forms of payment accepted in the alternative payment channel (that is, there is no adverse discrimination against Visa Cards)
- Included as a part of the total amount of the Transaction and not collected separately
- Clearly reflected and specified on the Cardholder's Transaction Receipt
- **Not** added to a Recurring Transaction or Installment Transaction

If the Transaction takes place at an Unattended Acceptance Terminal operated by a Third Party, the Acquirer must ensure that:

- The Third Party is assigned the appropriate Merchant Category Code, as specified in the *Visa Merchant Data Standards Manual*
- The Third Party's name (or an abbreviation of the Third Party's name) in conjunction with the associated Merchant name is included in the Authorization Request and Clearing Record

ID#: 151011-010100-0025572

89 Excluding Transactions at Automated Fuel Dispensers, Magnetic-Stripe Telephones, Card Dispensing Machines, Load Devices or ATM Cash Disbursements.

90 **Effective through 31 December 2013**, excluding Transactions at Automated Fuel Dispensers, Telephone Service Transactions, Card Dispensing Machines, Load Devices, or ATM Cash Disbursements.

91 **Effective 1 January 2014**, excluding Transactions at Automated Fuel Dispensers, Telephone Service Transactions, Load Devices, or ATM Cash Disbursements.

Domestic Convenience Fee Limits - CEMEA Region

In the CEMEA Region, a Convenience Fee charged by a Russian Merchant must be a flat or fixed amount, not exceeding the following:

- 35 Rubles for Transactions processed with MCC 4814, "Telecommunication Service Including Local and Long Distance Calls, Credit Card Calls, Calls Through Use of Magnetic-Stripe-Reading Telephones, and Fax Services"
- 60 Rubles for Transactions processed with MCC 4900, "Utilities - Electric, Gas, Water, Sanitary"
- 48 Rubles for all other Transactions

ID#: 111011-010100-0025574

Domestic Convenience Fee Disclosure - CEMEA Region

In the CEMEA Region if a Russian Merchant or Third Party imposes a Convenience Fee, the terminal must:

- Inform the Cardholder that a Convenience Fee will be applied as a charge for the alternative payment channel convenience, in addition to charges assessed by the Issuer. The disclosure must comply with all the following:
 - Be as high a contrast or resolution as any other graphics on the terminal
 - Contain the notice:

Fee Notice: "(Name) will assess a fee to cardholders for transactions at this terminal. This fee is added to the amount of your transaction and is in addition to any fees that may be charged by your financial institution."

- Identify the recipient of the Convenience Fee
- Inform the Cardholder of the amount of the Convenience Fee
- Request Cardholder approval of the Convenience Fee
- Provide the ability for the Cardholder to cancel the Transaction without incurring a fee or penalty
- **Not** establish a minimum or maximum Transaction amount as a condition of honoring a Visa Card or Visa Electron Card

ID#: 111011-010100-0025573

Convenience Fees - General Requirements - U.S. Region 5.2.E

In the U.S. Region, a Merchant that charges a Convenience Fee must ensure that the fee is:

- Charged for a bona fide convenience in the form of an alternative payment channel outside the Merchant's customary payment channels
- Disclosed to the Cardholder as a charge for the alternative payment channel convenience

- Added only to a non-face-to-face Transaction. The requirement for an alternate payment channel means that Mail/Telephone Order and Electronic Commerce Merchants whose payment channels are exclusively non-face-to-face may **not** impose a Convenience Fee.
- A flat or fixed amount, regardless of the value of the payment due
- Applicable to all forms of payment accepted in the alternative payment channel
- Disclosed before the completion of the Transaction and the Cardholder is given the opportunity to cancel
- Included as a part of the total amount of the Transaction

Other requirements or exceptions may apply, as specified in the "Tax Payment Program Fee Requirements - U.S. Region" and "Convenience Fees on Government and Higher Education Transactions - U.S. Region."

ID#: 160312-010410-0003035

Convenience Fees Not Assessed by a Third Party - U.S. Region 5.2.E

In the U.S. Region, a Convenience Fee may only be charged by the Merchant that actually provides goods or services to the Cardholder. A Convenience Fee may **not** be charged by any third party.

Other requirements or exceptions may apply, as specified in the "Tax Payment Program - Interchange Reimbursement Fee Qualifications and Fee Amount - U.S. Region" and "Convenience Fees on Government and Higher Education Transactions - U.S. Region."

ID#: 160312-010410-0003037

Convenience Fees on Recurring Transactions - U.S. Region 5.2.E

In the U.S. Region, except as permitted in "Tax Payment Program - Interchange Reimbursement Fee Qualifications and Fee Amount - U.S. Region," a Convenience Fee must **not** be added to a Recurring Transaction.

ID#: 010410-010410-0003038

Convenience Fees on Government and Higher Education Transactions - U.S. Region

In the U.S. Region, a third-party Merchant that is not providing goods or services to a Cardholder may charge a Convenience Fee for a government or higher education Transaction processed with one of the following Merchant Category Codes:

- 9399, "Government Services"
- 9222, "Fines"
- 9211, "Court Costs"
- 8220, "Colleges, Universities, Professional Schools, and Junior Colleges"

If the Convenience Fee is charged by the third-party Merchant:

- The Convenience Fee amount must be processed as a separate Transaction
- The third-party Merchant name must appear in the Clearing Record for the separate Transaction

ID#: 160312-010100-0026671

Chip Card Acceptance

Chip Card Acceptance General Requirements

Chip Card Acceptance Requirements VIOR 4.6.D, USOR 5.2.G

The Card and Cardholder must be present for **all** Chip-initiated Transactions.

If a Chip-initiated Transaction is declined by the Issuer, the Transaction must **not** be processed by any other means.

If the Chip or Chip-Reading Device is inoperable, the Merchant must obtain an Online Authorization using the Magnetic Stripe. If the Magnetic Stripe cannot be read, or if Online Authorization is not available, existing Card acceptance and Transaction processing procedures apply.

If the Acquirer-Country combination exceeds international Fallback Transaction thresholds, the Member may be subject to penalties, as specified in "Acquirer Penalty for Global Fallback Monitoring Program Identification," "Acquirer Liability for Fallback Chip Transactions," and the *Global Chip Fallback Monitoring Program Guide*.

ID#: 160312-150210-0004845

Chip Card Acceptance in Australia – AP Region (Updated)

Effective 1 April 2012, Acquirers and Merchants in Australia must comply with the following requirements for all Card acceptance devices, excluding ATMs:

- Acquirers and Merchants must complete the migration of electronic Card acceptance devices to be EMV-Compliant for acceptance of Visa domestic or international EMV Transactions ^[92] ^[93]
- An Acquirer must certify its hosts support for Full-Chip Data
- An Acquirer and its Merchants must activate their EMV acceptance devices to conduct Visa Smart Debit/Credit (VSDC) Transactions

ID#: 160312-210611-0026157

92 New Unattended Cardholder-Activated Terminals deployed **on or after 1 April 2012** must be EMV-Compliant.

93 All Unattended Cardholder-Activated Terminals must be EMV-Compliant by **1 January 2014**.

Chip Card Acceptance in New Zealand – AP Region (Updated)

Effective 1 July 2011, Acquirers and Merchants in New Zealand must comply with the following requirements for all Card acceptance devices, excluding ATMs:

- Acquirers and Merchants must complete the migration of electronic Card acceptance devices to be EMV-Compliant for acceptance of Visa domestic or international EMV Transactions ^[94] ^[95]
- An Acquirer must certify its hosts support for Full-Chip Data
- An Acquirer and its Merchants must activate their EMV acceptance devices to conduct Visa Smart Debit/Credit (VSDC) Transactions

ID#: 160312-210611-0026142

Declined Chip Transaction Processing - Canada Region

If a Canada Issuer or the Issuer's agent issues a Pickup Response or a Decline Response, or a Compliant Chip Card declines a Chip-initiated Transaction, the Transaction must **not** be processed by any other means.

ID#: 010410-010410-0004878

Chip Fallback Transaction Authorization Notification - Canada Region

Where an Authorization Request for a Fallback Transaction is made, a Canada Acquirer must ensure the Issuer is aware that the Authorization Request is for a Fallback Transaction.

ID#: 010410-010410-0004879

Chip Transaction Authorization and Clearing Messages - Canada Region

A Canada Acquirer must submit Authorization and Clearing messages for Chip-initiated Transactions using full data.

ID#: 010410-010410-0004880

Chip Transaction Authorization Response Code - Canada Region

A Canada Acquirer must provide the Authorization Response code in the Clearing Record for all Chip-initiated Transactions that are approved offline.

ID#: 010410-010410-0004881

94 New Unattended Cardholder-Activated Terminals deployed **on or after 1 April 2012** must be EMV-Compliant.

95 All Unattended Cardholder-Activated Terminals must be EMV-Compliant by **1 January 2014**.

Acquirer Liability for Chip Fallback Transactions - Canada Region

A Canada Acquirer will be liable for a Fallback Transaction if the:

- Card is a Compliant Chip Card
- Account Number is found in the Exception File with a negative response on the Processing Date of the Chargeback, and is on the Exception File for a total period of at least 60 calendar days from the date of listing
- Transaction met any of the following conditions:
 - Was authorized **Offline**
 - Was authorized **Online** but **not** by the Issuer or the Issuer's agent
 - Was authorized **Online** by the Issuer or the Issuer's agent, but the appropriate values identifying the Transaction as a Fallback Transaction were **not** included within the related Authorization Message

ID#: 010410-010410-0004882

Acquirer Liability for Chip Transactions in Card-Present Environment - Canada Region

A Canada Acquirer will be liable for a Transaction in a Card-Present Environment, whether or not the Transaction is Chip-initiated, when the:

- Transaction does **not** take place at a Compliant Chip Card Reading Device with a Compliant PIN Entry Device (PED)
- Card is a Compliant Chip Card
- Transaction is reported as a fraudulent Transaction using one of the following Fraud Type Codes:
 - 0, "lost"
 - 1, "stolen"
 - 2, "Card not received as issued (NRI)"
 - 4, "Issuer-reported counterfeit"
- Account Number is listed on the Card Recovery Bulletin with an Exception File Pick-up of 04, 07, 41, or 43 on the Processing Date of the Chargeback, and is on the Exception File for a total period of at least 60 calendar days from the date of listing

ID#: 160312-011010-0004884

Visa Debit Acquirers - Canada Region

A Canada Acquirer must be able to process Visa Debit Card Transactions from any Merchant with which the Acquirer has a Merchant Agreement.

ID#: 111011-300609-0008078

Failure to Comply with Visa Debit Processing Requirements - Canada Region

A Canada Acquirer that fails to comply with the requirements for processing Visa Debit Card Transactions will be subject to a penalty, as specified in "Visa Debit Acquirers Compliance Program - Canada Region."

An Acquirer or its Visa Debit Acceptor that fails to properly process Visa Debit Transactions will be subject to a penalty, as specified in "Visa Debit Acquirers Compliance Program - Canada Region."

ID#: 050411-300609-0008079

Visa Debit Transaction Authorization Requirement - Canada Region

A Visa Debit Acquirer in Canada must not process a Magnetic Stripe-read Authorization Request from a domestic Visa Debit Card.

ID#: 111011-160810-0025968

Visa Debit Acquirers Compliance Program - Canada Region

A Canada Acquirer that fails to comply in updating its host systems with the ability to process Visa Debit Card Transactions will be subject to a penalty of CAD \$100,000 per month of non-compliance.

If an Acquirer or its Visa Debit Acceptor fails to properly process Visa Debit Transactions, the Acquirer will be subject to a penalty of CAD \$5,000 per Cardholder complaint reported to Visa as an Acceptance Compliance Program incident, as detailed in "Acceptance Compliance Program - Canada Region."

ID#: 050411-300609-0008364

Chip Authorization

Chip Transaction Below Chip Floor Limit

For Authorization of a Transaction processed below the Floor Limit, a Visa Smart Payment Application may either:

- Instruct the terminal to go Online

- Approve the Transaction using offline controls contained in the Chip

ID#: 010410-010410-0004391

Parameters to Enable Offline Chip Authorization

An Issuer of Chip Cards containing the Visa Smart Payment Application with Offline Authorization controls must define parameters to enable Offline Chip Authorization. An Issuer may exempt a Visa Card encoded with Service Code from this requirement.

ID#: 111011-010410-0004392

Visa Purchasing Card Offline Chip Authorization

An Issuer of a Visa Purchasing Card containing a Chip with a Visa Smart Payment Application with Offline Authorization controls may define parameters to enable Chip Offline Authorization.

ID#: 010410-010410-0004394

Visa Electron Offline Chip Authorization

An Issuer of a Visa Electron Card containing a Chip with Offline Authorization controls may define parameters to enable acceptance at terminals with no Online Authorization capability.

ID#: 010410-010410-0004395

Consecutive Offline Chip Authorization Counters

When Offline Authorization controls are defined in a Chip, and the upper limit for consecutive offline counters is specified, **all** Chip-initiated Transactions must go Online if the upper limit for the total number or value of consecutive offline Transactions is exceeded. If the terminal is unable to go Online, the Transaction must be declined.

ID#: 010410-010410-0004393

Chip Floor Limit Requirements

An Acquirer must ensure that its Merchants obtain Authorization for Transaction amounts above the Chip Floor Limits or non-Chip Floor Limits specified in "Maximum Authorized Floor Limits."

ID#: 010410-010410-0002854

Domestic Chip Floor Limits in Australia – AP Region

In Australia all EMV- and VIS-Compliant Chip-Reading Terminals (including EMV- and VIS-Compliant Chip-reading Unattended Acceptance Terminals) must support a Chip Floor Limit of AUD 200 across all Merchant Category Codes for Domestic Transactions.

The zero Chip Floor Limit mandates specified in “Maximum Authorized Floor Limits” continue to apply for International Transactions.

ID#: 050411-060111-0026161

Offline Authorization of Chip-Initiated Transactions

For Chip-initiated Transactions, Offline Authorization is allowed, provided that the Transaction amount does **not** exceed the Floor Limits specified for Chip Transactions.

ID#: 010410-010410-0002855

EMV Liability Shift and Fallback

EMV Liability Shift - Acquirer Liability for Card-Present Counterfeit Card Transactions

Counterfeit Card Transactions completed in a Card-Present Environment are the liability of the Acquirer if:

- The Transaction does **not** take place at a Chip-Reading Device and is **not** a Fallback Transaction completed following correct acceptance procedures
- The Card is a Chip Card containing a Visa or Visa Electron Smart Payment Application or an EMV and VIS-Compliant Plus application

The requirements in this section apply to qualifying Transactions, as specified in "EMV Liability Shift Participation."

Effective for Transactions completed on or after 1 May 2012, the requirements in this section do not apply if the Authorization record indicates that CVV verification was not performed or that the CVV failed verification.

ID#: 160312-010410-0001837

EMV Liability Shift - Acquirer Liability for Non-Counterfeit Card-Present Fraudulent Transactions

Non-Counterfeit Card fraudulent Transactions completed in a Card-Present Environment are the liability of the Acquirer if:

- The Transaction takes place at a Point-of-Transaction Terminal that is **not** EMV PIN-Compliant

- The Card is a PIN-Preferring Chip Card
- PIN Verification was **not** performed

The requirements in this section apply to qualifying Transactions, as specified in "EMV Liability Shift Participation."

ID#: 160312-010410-0001838

Acquirer Liability for Fallback Chip Transactions

Transactions accepted as Fallback Transactions are the liability of the Acquirer if:

- The Card is a Chip Card containing a Visa and Visa Electron Smart Payment Application or an EMV and VIS-Compliant Plus application
- One of the following conditions:
 - Transaction is **not** authorized by the Issuer or the Issuer's agent
 - Transaction is authorized by the Issuer or the Issuer's agent, and the appropriate values identifying the Transaction as a Fallback Transaction are **not** included within the related Authorization Message
- The Account Number was resident on the Exception File with a Negative Response on the Processing Date of the Chargeback and was on the Exception File for a total period of at least 60 calendar days from the date of listing

ID#: 010410-010410-0001839

Fallback Transaction Monitoring

Visa monitors International Chip Transactions in relation to Fallback Transactions to reduce the number of excessive Fallback Transactions that occur at the Point-of-Transaction.

ID#: 111011-011009-0008402

Global Chip Fallback Monitoring Program Criteria

An Acquirer is placed in the Global Chip Fallback Monitoring Program if the Acquirer-country combination meets or exceeds all of the monthly performance activity levels for international Chip-Initiated Transactions specified in the *Global Chip Fallback Monitoring Program Guide*.

Visa may modify or create new monthly performance levels after evaluation of the program's success in identifying Acquirer-country combinations with excessive amounts of Fallback Transaction activity that could cause undue economic hardship or damage to the goodwill of the Visa system, as specified in the *Global Chip Fallback Monitoring Program Guide*.

At the option of Visa, this program applies to Domestic Transactions, as detailed in the *Global Chip Fallback Monitoring Program Guide*.

ID#: 160312-011009-0008404

Acquirer Penalty for Global Fallback Monitoring Program Identification

An Acquirer is subject to a penalty of US \$1 per Fallback Transaction when the Acquirer-country combination meets or exceeds the minimum Transaction volume and percentage parameters specified in the *Visa International Operating Regulations* and the *Global Chip Fallback Monitoring Program Guide*.

Transactions involving Acquirers in the jurisdiction of Visa Europe will be subject to a penalty of 1 euro per Fallback Transaction.

ID#: 160312-011009-0008405

Global Chip Fallback Monitoring Program Visa Rights

Visa may assess or suspend penalties to accommodate unique or extenuating circumstances, as specified in the *Global Chip Fallback Monitoring Program Guide*. Penalties will no longer be assessed once the Acquirer has met acceptable performance levels.

ID#: 160312-011009-0008406

Domestic Chip Liability Shift - AP Region

In the AP Region, Visa may adopt a domestic liability shift for any domestic market and set an effective date for the liability shift.

The domestic liability shift rules must, at a minimum, adhere to "Acquirer Liability for Fallback Chip Transactions."

ID#: 010410-010410-0003826

Small Ticket Transactions

Small Ticket Transaction - General Requirements

Visa Easy Payment Service (VEPS) - General Requirements

To qualify as a Visa Easy Payment Service (VEPS) Transaction, a Transaction must:

- Be conducted in a Face-to-Face Environment ^[96] ^[97]
- Be authorized
- Be conducted at a Merchant Outlet with a Merchant Category Code other than that specified in "Visa Easy Payment Service (VEPS) Merchant Category Code Exclusions" ^[98]

- Not exceed the Transaction limits specified in "Visa Easy Payment Service Country Level Transaction Limits"
- Have a POS Entry Mode code of "05," "07," "90," or "91"

ID#: 160312-161010-0025692

Visa Easy Payment Service (VEPS) Merchant Category Code Exclusions

Any Merchant **except** a Merchant assigned one of the following Merchant Category Codes^[99] may conduct a Visa Easy Payment Service Transaction:

- 4829 - Wire Transfer Money Orders
- 5542 - Automated Fuel Dispensers
- 5960 - Direct Marketing - Insurance Services
- 5962 - Direct Marketing - Travel Related Arrangement Services
- 5964 - Direct Marketing - Catalog Merchants
- 5965 - Direct Marketing - Combination Catalog and Retail Merchants
- 5966 - Direct Marketing - Outbound Telemarketing Merchants
- 5967 - Direct Marketing - Inbound Telemarketing Merchants
- 5968 - Direct Marketing -Continuity/Subscription Merchants
- 5969 - Direct Marketing/Direct Marketers (Not elsewhere classified)
- 6010 - Financial Institutions - Manual Cash Disbursements
- 6011 - Financial Institutions - Automated Cash Disbursements
- 6012 - Financial Institutions - Merchandise and Services
- 7995 - Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Track
- 9405 - Intra-Government Purchases (Government only)
- 9700 - International Automated Referral Service (Visa use only)
- 9701 - Visa Credential Server (Visa use only)
- 9702 - GCAS Emergency Services (Visa use only)
- 9751 - UK Supermarkets - Electronic Hot File (Region use only)

96 **Effective 16 October 2010 through 14 October 2011**, a variance applies in the AP Region. Domestic Proximity Payment Transactions conducted at Unattended Acceptance Terminals (Type B and Type C) may qualify as Visa Easy Payment Service Transactions. **Effective 15 October 2011**, a variance applies in the AP Region. Domestic Proximity Payment Transactions conducted at Unattended Cardholder-Activated Terminals may qualify as Visa Easy Payment Service Transactions.

97 **Effective through 14 October 2011**, a variance applies in the U.S. Region. Transactions less than or equal to US \$15 conducted at Cardholder-Activated Terminals may qualify as Visa Easy Payment Service Transactions. **Effective 15 October 2011**, a variance applies in the U.S. Region. Transactions less than or equal to US \$15 conducted at Unattended Cardholder-Activated Terminals may qualify as Visa Easy Payment Service Transactions.

98 An exception applies in the AP Region for domestic Transactions in Australia.

99 A restriction applies in the AP Region for domestic Transactions in Australia.

- 9752 - UK Petrol Stations - Electronic Hot File (Region use only)
- 9950 - Intra-Company Purchases

ID#: 160312-161010-0025695

Visa Easy Payment Service (VEPS) Transaction Restrictions

The following Transactions which require a Transaction Receipt must not be processed as Visa Easy Payment Service Transactions:

- A Fallback Transaction
- An Account Funding Transaction
- A Cash-Back Transaction
- A Manual Cash Disbursement Transaction
- A Quasi-Cash Transaction
- A Prepaid Load Transaction
- A Transaction where Dynamic Currency Conversion is performed

ID#: 160312-161010-0025693

Visa Easy Payment Service (VEPS) Transaction Cardholder Verification Method

A Merchant is **not** required to obtain Cardholder Verification for a Visa Easy Payment Service (VEPS) Transaction unless the Transaction is an EMV PIN Transaction.

For an EMV PIN Transaction, the EMV Terminal must prompt the Cardholder for a PIN if PIN verification is required as a result of EMV processing.

Failure to comply with this requirement may result in a change to the Chargeback liability as specified in "EMV Liability Shift - Issuer Liability for Card-Present Counterfeit Chip Card Transactions" and "EMV Liability Shift - Acquirer Liability for Card-Present Counterfeit Chip Card Transactions."

ID#: 160312-161010-0025694

Visa Easy Payment Service Transaction Requirements - AP Region

Effective 16 October 2010 through 14 October 2011, in the AP Region, in addition to the requirements specified in "Visa Easy Payment Service (VEPS) – General Requirements," a Visa Easy Payment Service Transaction that is a Proximity Payment may be either:

- A Cardholder-Activated Transaction Type B
- A Cardholder-Activated Transaction Type C

Effective 15 October 2011, in the AP Region, in addition to the requirements specified in “Visa Easy Payment Service (VEPS) – General Requirements,” a Visa Easy Payment Service Transaction that is a Proximity Payment may be an Unattended Transaction.

ID#: 160312-161010-0025703

Australia Visa Easy Payment Service Transaction Merchant Category Codes – AP Region

Effective 16 October 2010 through 1 November 2012, for all domestic Visa Easy Payment Service Transactions conducted in Australia, the Transaction must originate at one of the Merchant Category Codes shown in the following table. ^[100]

Visa Easy Payment Service Merchant Category Codes

Merchant Category Codes	Description
4111	Local and Suburban Commuter Passenger Transportation, including Ferries
4121	Taxicabs and Limousines
4131	Bus Lines
4784	Tolls and Bridge Fees
5251	Hardware Stores
5310	Discount Stores
5331	Variety Stores
5411	Grocery Stores and Supermarkets
5441	Candy Stores
5451	Dairy and Ice Cream Stores
5462	Bakeries
5499	Miscellaneous Food Store - Convenience Stores and Specialty Markets
5541	Filling Stations - Automotive Gasoline
Effective 11 August 2011 5735	Record Shops
Effective 11 August 2011 5811	Caterers
5812	Eating Places and Restaurants
5814	Fast Food Restaurants
5912	Drug Stores and Pharmacies

100 The Merchant Category Code qualification criteria does not apply to Proximity Payment Transactions.

Visa International Operating Regulations

Merchant Category Codes	Description
5921	Package Stores - Beer, Wine and Liquor
5942	Bookstores
5943	Stationery Stores
5947	Gift Card, Novelty and Souvenir Shops
5993	Cigar Stores and Stands
5994	News Dealers and Newsstands
7211	Laundry Services - Family and Commercial
7216	Dry Cleaners
7338	Quick Copy, Reproduction and Blueprinting Services
7523	Parking Lots, Parking Meters and Garages
Effective 11 August 2011 7538	Automotive Service Shops (Non Dealers)
7542	Car Washes
7832	Motion Picture Theaters
7841	DVD/Video Tape Rental Stores
9402	Postal Services - Government

Effective 16 October 2010 through 1 November 2012, Visa may add additional qualifying Merchant Category Codes to this list.

ID#: 160312-060111-0026155

Australia Visa Easy Payment Service Transaction Cardholder Verification – AP Region

For all domestic Visa Easy Payment Service Transactions conducted in Australia, Cardholder Verification Method (CVM) is not required. This applies to Transactions conducted with EMV PIN-Preferring Chip Cards.

ID#: 160312-060111-0026156

Card-Not-Present Transactions

Mail/Phone Order and Electronic Commerce Authorization Requirements

Mail/Phone Order and Electronic Commerce Expiration Date in Authorization

A Mail/Phone Order Merchant and an Electronic Commerce Merchant (for a Non-Secure Transaction and Non-Authenticated Security Transaction) must attempt to obtain the Visa Card expiration date and forward it as part of the Authorization Request.

ID#: 031209-150210-0003129

Mail/Phone Order and Electronic Commerce Authorization Requirements (Updated)

For goods to be shipped, a Mail/Phone Order or an Electronic Commerce Merchant may obtain Authorization on any day up to 7 calendar days before the Transaction Date. The Transaction Date is the date the merchandise is shipped. This Authorization is valid if the Transaction amount is within 15% of the authorized amount, provided that the additional amount represents shipping costs.

In the U.S. Region, the 15% provision does **not** apply if:

- The last Authorization obtained was a Partial Authorization. *(This only applies in the U.S. Region.)*
- **Effective 14 April 2012**, the Transaction is a Commercial Payables Transaction completed with a Visa Purchasing Card as specified in "Authorization and Settlement Match Participation Requirements - U.S. Region." *(This only applies in the U.S. Region.)*

ID#: 230312-010410-0006108

Mail/Phone Order Signature Line

A Merchant must write "TO" for a telephone order or "MO" for a mail order on the signature line of the Transaction Receipt used for Deposit or retrieval purposes.

ID#: 010410-010410-0003113

Mail/Phone Order Expiration Date in Authorization - AP Region

In the AP Region, all Mail/Phone Order Transaction Authorization Requests must include the Card expiration date. An exception applies to Recurring Transactions, which do **not** require an expiration date in the Authorization Request.

ID#: 010410-010410-0005333

Mail/Phone Order and Electronic Commerce Expiration Date in Authorization - U.S. Region 5.2.K (Updated)

Effective through 14 March 2012, an Electronic Commerce Merchant in the U.S. Region must attempt to obtain the Visa Card expiration date and forward it as part of the Authorization Request for Non-Secure Transactions and Non-Authenticated Security Transactions.

ID#: 160312-150210-0003662

Mail/Phone Order and Electronic Commerce Merchant Outlet Requirements

Mail/Phone Order and Electronic Commerce Merchant Outlet Location (Updated)

Effective through 14 March 2012, a Merchant Outlet location for an Electronic Commerce or Mail/Phone Order Merchant is the country where:

- There is a Permanent Establishment through which Transactions are completed
- The Merchant holds a valid business license for the Merchant Outlet
- The Merchant has a local address for correspondence and judicial process other than a post office box or mail-forwarding address, which do **not** meet this requirement
- The Merchant Outlet pays taxes relating to the sales activity

Effective through 14 March 2012, in the absence of a Permanent Establishment, the Merchant Outlet of a Merchant that provides only digital goods is deemed to be located in the country where the principals of the company work.

ID#: 160312-010410-0003247

Disclosure of Merchant Outlet Country

An Electronic Commerce or Mail/Phone Order Merchant must disclose the Merchant Outlet country when presenting payment options to the Cardholder.

ID#: 010410-010410-0002902

Visa Right to Determine Merchant Outlet Country

Visa may determine the country of a Merchant Outlet and an Acquirer's ability to contract with it based on:

- An evaluation of the Merchant's business structure
- Any other available information

The decision by Visa is final.

ID#: 010410-010410-0005916

Electronic Commerce General Requirements

Electronic Commerce Acquirer Solicitation Website Requirements

An Acquirer soliciting Merchant applications must list the Merchant domicile requirements on its Website. The domicile requirements must be those permitted by the Acquirer's jurisdictional rights, as specified in "Country of Domicile and Jurisdiction Requirements" and the *Visa International Certificate of Incorporation and Bylaws, Section 2.10*.

ID#: 151011-010210-0004630

Acquirer Use of Digital Certificates

Effective through 30 June 2011, an Acquirer that issues Digital Certificates to its Merchants or Internet Payment Service Providers to enable them to access Visa-owned system components must only use Digital Certificates associated with Visa.

Effective 1 July 2011, an Acquirer that issues Digital Certificates to its Merchants or Payment Service Providers to enable them to access Visa-owned system components must only use Digital Certificates associated with Visa.

ID#: 111011-010410-0004617

Acquirer Support for Verified by Visa (Updated)

Effective through 14 March 2012, an Acquirer must support 3-D Secure for its Electronic Commerce Merchants.

Effective 15 March 2012, an Acquirer must:

- Notify its Electronic Commerce Merchant of the availability of Verified by Visa
- Provide Verified by Visa to its Electronic Commerce Merchant, as requested

ID#: 160312-010410-0004619

3-D Secure Availability Notification (Updated)

Effective through 14 March 2012, an Acquirer must notify its Electronic Commerce Merchants of the availability of 3-D Secure.

ID#: 160312-010410-0004624

Electronic Commerce Online Authorization

An Electronic Commerce Transaction must be sent Online for Authorization.

ID#: 010410-010410-0003659

Data Protection Method Requirements (Updated)

An Acquirer must:

- Ensure that its Electronic Commerce Merchants offer Cardholders a Data Protection Method such as:
 - **Effective through 14 March 2012**, 3-D Secure
 - **Effective 15 March 2012**, Verified by Visa
 - Secure Sockets Layer (SSL)
- **Effective through 14 March 2012**, include the above requirement in the Merchant Agreement

ID#: 160312-010410-0008632

Electronic Commerce Indicator Requirements (Updated)

An Electronic Commerce Transaction must be identified in both the Authorization Request and Clearing Record with the appropriate Electronic Commerce Indicator values, as specified in:

- "BASE II Record Requirements" (Exhibit 2L)
- "Required Message Content for VisaNet Financial Transactions" (Exhibit 3A)
- "Required Message Content for VisaNet Authorization Requests" (Exhibit 3B)

An Acquirer that fails to identify an Electronic Commerce Transaction is subject to the penalties specified in the table below:

Acquirer Penalties for Incorrect Use of Electronic Commerce Indicator Values

Violation	Visa Action, Notification, or Fine
Warning	Notification of violation with specific date for correction, not to exceed 3 months
Uncorrected Violation (Month 4)	Acquirer assessed US \$5,000 fine per Merchant identified
Uncorrected Violation (Month 5)	Acquirer assessed US \$10,000 fine per Merchant identified
Uncorrected Violation (Months 6-12)	Acquirer assessed US \$25,000 fine each month per Merchant identified

Uncorrected Violation (Months 13-18)	Visa may suspend the Merchant from participation in the Visa Program
Uncorrected Violation (Month 19 and subsequent months)	Visa may permanently disqualify the Merchant from participation in the Visa Program

ID#: 160312-010410-0007149

Electronic Commerce Transaction Receipt Requirements 5.2.B.4 Table 7K-1 (Updated)

The Transaction Receipt for an Electronic Commerce Transaction must include:

- Merchant name ^[101] ^[102]
- Merchant online address
- Transaction amount (or credit), indicated in Transaction Currency
- Transaction Date (or credit preparation date)
- Unique Transaction identification number
- Purchaser name
- Authorization Code
- Transaction type (purchase or credit)
- Description of merchandise/services
- Date of each individual purchase (for Aggregated Transactions only)
- Amount of each individual purchase (for Aggregated Transactions only)
- Return/refund policy (if restricted)

ID#: 160312-010410-0003114

Electronic Commerce Account Number Requirements (Updated)

An Electronic Commerce Merchant must **not** return the full Account Number to the Cardholder online or on the Transaction Receipt.

ID#: 160312-010410-0003627

Electronic Commerce Merchant Transaction Type Prohibition

Effective through 31 May 2011, a Merchant, an Internet Payment Service Provider (IPSP), or a Sponsored Merchant that displays a Visa-Owned Mark on its Website must **not** accept Cards for the purchase or trade of photographs, video imagery, computer-generated images, cartoons, simulation, or any other media or activities including, but not limited to, activities listed under "Brand Protection."

101 The Merchant name must not be the name of the network provider or other entity unless the Transaction represents membership service charges or merchandise/services provided by the network provider itself.

102 The Merchant name must be the name most recognizable to the Cardholder.

Violation of this requirement will result in the termination of the Merchant, IPSP, or Sponsored Merchant.

Effective 1 June 2011, a Merchant, Payment Service Provider (PSP), Sponsored Merchant, or entity classified as high-brand risk, as specified in "High-Brand Risk Merchant Category Codes," that displays a Visa-Owned Mark on its Website must not accept Cards for the purchase or trade of photographs, video imagery, computer-generated images, cartoons, simulation, or any other media or activities, as specified in "Brand Protection."

Violation of this requirement may result in the termination of the Merchant, PSP, Sponsored Merchant or High-Brand Risk Merchant, High-Brand Risk PSP or High-Brand Risk Sponsored Merchant.

ID#: 230312-150210-0005067

Online Gambling Merchant Risk Policies

An Acquirer for an Online Gambling Merchant must comply with the Member risk policy requirements established by Visa.

ID#: 010410-010410-0004632

Verified by Visa Acquirer Requirements in India – AP Region (Updated)

Effective 31 December 2011:

- All Electronic Commerce Merchants in India must support Verified by Visa
- **Effective through 14 March 2012**, all Acquirers in India must process Electronic Commerce Transactions that are coded with an ECI value 5, "Secure Electronic Commerce Transaction," using Verified by Visa
- **Effective 15 March 2012**, an Acquirer in India must not process a domestic Electronic Commerce Transaction unless the Cardholder is successfully authenticated using Verified by Visa

ID#: 160312-311211-0026540

Verified By Visa Acquirer Requirements - CEMEA Region

A CEMEA Acquirer must process Electronic Commerce Transactions using Verified by Visa.

ID#: 010410-010410-0004651

Secure Transaction Data Transmission Requirements - CEMEA Region (Updated)

Effective through 14 March 2012, a CEMEA Acquirer of a Merchant that processes Electronic Commerce Transactions must ensure secure Transaction data transmission between the Cardholder and the Merchant. Secure Socket Layer (SSL) encryption or Secure Electronic Transaction (3D-Secure) encryption must be offered by the Merchant to the Cardholder. Merchant Agreements must include this requirement.

ID#: 160312-010410-0004652

Merchant Authentication Requirements - CEMEA Region (Updated)

Effective through 14 March 2012, a CEMEA Acquirer must implement the strongest possible method of Merchant authentication to the Visa system, and must upgrade their existing Merchant authentication method to the strongest level available within 12 months of the method becoming available.

Effective 15 March 2012, a CEMEA Acquirer must support Merchant Certificates and, if new Merchant authentication methods become available, upgrade to the strongest level of authentication method within 12 months of the method becoming available.

ID#: 160312-010410-0004653

Verified by Visa Nigerian Acquirer Usage Requirements - CEMEA Region

A CEMEA Acquirer located in Nigeria must **not** process any domestic Electronic Commerce Transaction unless Verified by Visa verification is received and authenticated.

ID#: 010410-010410-0005373

Electronic Commerce Acquirer Requirements - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Acquirer that has a Merchant Agreement with an Electronic Commerce Merchant must comply with the *Visa International Operating Regulations* and must:

- Meet all minimum requirements for Merchant server processing
- Comply with the Visa-established policies, procedures, and operating guidelines governing 3-D Secure Specification Transactions

ID#: 160312-010410-0004605

Verified by Visa Chargeback Protection Limitations - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Acquirer must notify its Merchants participating in Visa Secure Electronic Commerce in the following Merchant Category Codes that their Electronic Commerce Transactions are not eligible for protection from Chargeback Reason Code 75, "Cardholder Does Not Recognize Transaction," and Chargeback Reason Code 83, "Fraudulent Transaction-Card-Absent Environment":

- MCC 4829, "Wire Transfer Money Orders"
- MCC 5967, "Direct Marketing - Inbound Teleservices Merchant"
- MCC 6051, "Non-Financial Institutions - Foreign Currency, Money Orders (not Wire Transfer), Travelers' Cheques"
- MCC 7995, "Betting including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks"

Effective 15 March 2012, in the U.S. Region, an Acquirer must notify its Verified by Visa Merchant that its Electronic Commerce Transactions are not eligible for Chargeback protection from Chargeback Reason Code 75, "Transaction Not Recognized," and from Chargeback Reason Code 83, "Fraud-Card-Absent Environment," if either:

- The Merchant is classified with one of the following Merchant Category Codes:
 - MCC 4829, "Wire Transfer Money Orders"
 - MCC 5967, "Direct Marketing - Inbound Teleservices Merchant"
 - MCC 6051, "Non-Financial Institutions - Foreign Currency, Money Orders (not Wire Transfer), Travelers' Cheques"
 - MCC 7995, "Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks"
- The Merchant has been identified in the Merchant Chargeback Monitoring Program or Risk Identification Service Online. The Acquirer must notify the Merchant that it remains ineligible while it is in either program, and for an additional 4 months after exiting the program. This condition also applies if the Merchant enabled Verified by Visa while identified in the Merchant Chargeback Monitoring Program or Risk Identification Service Online.

ID#: 160312-010410-0004608

Visa Secure Electronic Commerce Chargeback Protection Limitations, Ineligible Merchants - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Acquirer must notify any of its Merchants participating in Visa Secure Electronic Commerce identified in the Merchant Chargeback Monitoring Program or Risk Identification Service Online that their Electronic Commerce Transactions are not eligible for Chargeback protection from:

- Chargeback Reason Code 75, "Cardholder Does Not Recognize Transaction"
- Chargeback Reason Code 83, "Fraudulent Transaction-Card-Absent Environment"

Effective through 14 March 2012, Merchants must be notified that they remain ineligible while they are in either program, plus 4 additional months after exiting the program.

ID#: 160312-010410-0008456

Chip-Initiated Electronic Commerce Transaction Online Authorization - U.S. Region 5.2.K

In the U.S. Region, a Chip-initiated Electronic Commerce Transaction must be sent Online for Authorization.

ID#: 010410-010410-0003660

3-D Secure Failure at Authorization - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Merchant must **not** submit an Authorization Request for an Electronic Commerce Transaction that failed a 3-D Secure Authentication Request.

ID#: 160312-010410-0004635

Electronic Commerce Authentication Data Prohibitions - U.S. Region

In an Authorization Request, an Electronic Commerce Merchant in the U.S. Region must **not** transmit Authentication Data specific to one Transaction with another Transaction, except when either:

- 2 Transactions are related due to delayed delivery
- All items of an order cannot be shipped at the same time

ID#: 010410-010410-0004636

Electronic Commerce Authentication Data in Subsequent Authorizations - U.S. Region

In the U.S. Region, the original Authentication Data may be used if a subsequent Authorization Request is initiated as a result of a delayed delivery or split shipment. The original Authentication Data is valid for up to 90 calendar days from the date it was first received.

ID#: 010410-010410-0004637

Electronic Commerce Merchant Certificate Requirements - U.S. Region

In addition to the requirements specified in "Required Merchant Information - U.S. Region," a U.S. Acquirer must collect the following information for each of its Electronic Commerce Merchants that uses a Merchant Certificate:

- Name of Merchant Certificate issuer

- Merchant Certificate number
- Merchant Certificate expiration date
- Ownership status of Merchant Certificate - shared or individual

ID#: 010410-010410-0005085

Electronic Commerce Member Requirements - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Member that participates in Visa Secure Electronic Commerce must comply with the participation requirements specified in the U.S. Regional Operating Regulations.

Effective through 14 March 2012, U.S. Members must refer to the *Visa International Operating Regulations* for requirements related to online gambling Merchants.

ID#: 160312-010410-0004634

Electronic Commerce Indicator for Recurring Transactions - U.S. Region (Updated)

In the U.S. Region, if the Order Form for a Recurring Transaction is provided to the Merchant in an electronic format, the initial Transaction must be processed with the appropriate Electronic Commerce Indicator values.

Subsequent Recurring Transactions must be processed as Recurring Transactions, as specified in "VisaNet Clearing Message Content Standards" (Exhibit NN).

ID#: 160312-010410-0004638

Merchant Website Requirements

Electronic Commerce Website Merchant Agreement Requirements (Updated)

Effective through 14 March 2012, an Acquirer must ensure that its Merchant Agreement requires an Electronic Commerce Merchant to display the following on the Merchant's Website:

- Consumer data privacy policy
- Security capabilities and policy for transmission of payment card details
- The address of its Permanent Establishment

ID#: 160312-010410-0003357

Website Requirements (Updated)

Effective through 31 May 2011, a Merchant Website must contain:

- Visa Brand Mark in full color to indicate Visa Card acceptance, as specified in the *Visa Product Brand Standards*
- Complete description of the goods or services offered
- Return/refund policy (see a "Electronic Commerce Merchant Refund Policy Disclosure")
- Customer service contact, including electronic mail address or telephone number
- Address of the Merchant's Permanent Establishment
- Transaction Currency (e.g., U.S. dollars, Canadian dollars)
- Export restrictions (if known)
- Delivery policy
- Disclosure of the Merchant Outlet country at the time of presenting payment options to the Cardholder
- Consumer data privacy policy
- Security capabilities and policy for transmission of payment card details

Effective through 31 May 2011, in the U.S. Region, the Website may be operated by a Merchant, Sponsored Merchant, or Internet Payment Service Provider and must contain the following additional information: *(This only applies in the U.S. Region.)*

- Legal restrictions (if known) *(This only applies in the U.S. Region.)*
- The address of the Merchant Outlet's Permanent Establishment, including the Merchant Outlet country, either:^[103] *(This only applies in the U.S. Region.)*
 - On the same screen view as the checkout screen used to present the total purchase amount *(This only applies in the U.S. Region.)*
 - Within the sequence of Web pages the Cardholder accesses during the checkout process *(This only applies in the U.S. Region.)*

Effective 1 June 2011 through 30 June 2011, a Website operated by a Merchant, Sponsored Merchant, Internet Payment Service Provider, High-Brand Risk Merchant, High-Brand Risk Sponsored Merchant or High-Risk Internet Payment Service Provider must contain:

- Visa Brand Mark in full color to indicate Visa Card acceptance, as specified in the *Visa Product Brand Standards*
- Complete description of the goods or services offered
- Return/refund policy (see "Electronic Commerce Merchant Refund Policy Disclosure")
- Customer service contact, including electronic mail address or local or internationally accessible telephone number
- Address of the Merchant's Permanent Establishment, including the Merchant Outlet country either:
 - On the same screen view as the checkout screen used to present the final Transaction Amount
 - Within the sequence of Web pages the Cardholder accesses during the checkout process

103 The country code for this country must be transmitted in the Clearing Record, as specified in "VisaNet Clearing Message Content Standards" (Exhibit NN).

- Transaction Currency (e.g., U.S. dollars, Canadian dollars)
- Export restrictions (if known)
- Delivery policy
- Disclosure of the Merchant Outlet country at the time of presenting payment options to the Cardholder
- Consumer data privacy policy
- Security capabilities and policy for transmission of payment Card details
- Legal restrictions (if known)

Effective 1 July 2011, a Website operated by a Merchant, Sponsored Merchant, Payment Service Provider, High-Brand Risk Merchant, High-Brand Risk Sponsored Merchant, or High-Risk Internet Payment Service Provider must contain:

- Visa Brand Mark in full color to indicate Visa Card acceptance, as specified in the *Visa Product Brand Standards*
- **Effective 15 March 2012**, in the U.S. Region, the appropriate Verified by Visa Mark, if applicable
- Complete description of the goods or services offered
- Return/refund policy (see "Electronic Commerce Merchant Refund Policy Disclosure")
- Customer service contact, including e-mail address or local or internationally accessible telephone number
- Address of the Merchant's or Sponsored Merchant's Permanent Establishment, including the Merchant Outlet country, either:
 - On the same screen view as the checkout screen used to present the final Transaction Amount
 - Within the sequence of Web pages the Cardholder accesses during the checkout process
- Transaction Currency (e.g., U.S. dollars, Canadian dollars)
- Export restrictions (if known)
- Delivery policy
- Consumer data privacy policy
- Security capabilities and policy for transmission of payment card details
- Legal restrictions (if known)

ID#: 160312-150210-0008635

Verified by Visa Participation Requirements

Verified by Visa Acquirer and Merchant Requirements (Updated)

Effective through 14 March 2012, an Acquirer that participates in Visa Secure Electronic Commerce and supports an Authentication Method for Electronic Commerce Transactions must comply with Visa-established policies, procedures, operating guidelines, and standards specified in the *Verified by Visa Acquirer and Merchant Implementation Guide*.

Effective 15 March 2012, an Acquirer must ensure that its Electronic Commerce Merchants or Agents that participate in Verified by Visa:

- Comply with the requirements specified in the:
 - Applicable regional Verified by Visa Acquirer and Merchant Implementation Guide
 - *Payment Card Industry Data Security Standard (PCI DSS)*
- Not submit an Authorization Request for an Electronic Commerce Transaction that failed a Verified by Visa Authentication Request. This provision applies to U.S. Domestic Transactions. (*This only applies in the U.S. Region.*)

Effective 15 March 2012, an Acquirer must only use Electronic Commerce Indicator value 5 or 6 in the Clearing Record if the Authorization Request included:

- For Electronic Commerce Indicator value 5, "Secure Electronic Commerce Transaction," the Cardholder Authentication Verification Value
- For Electronic Commerce Indicator value 6, "Non-Authenticated Security Transaction and the Merchant attempted Cardholder authentication using Verified by Visa," the Cardholder Authentication Verification Value, if provided by the Issuer

ID#: 160312-010410-0004616

Verified by Visa Acquirer Compliance Requirements (Updated)

Effective through 14 March 2012, an Acquirer that participates in 3-D Secure must comply with the requirements in the *Verified by Visa Acquirer and Merchant Implementation Guide*.

ID#: 160312-010410-0004621

Verified by Visa Merchant Risk Practices

An Acquirer and its Merchant that participate in Verified by Visa must maintain or implement fraud and risk practices in addition to Verified by Visa such as, but not limited to:

- Address Verification Services
- Card Verification Value 2

- Velocity Checks

ID#: 010410-010410-0004622

Verified by Visa Acquirer Participation Requirements (Updated)

Effective through 14 March 2012, an Acquirer must:

- Ensure that its participating Electronic Commerce Merchants comply with all *Visa International Operating Regulations* regarding 3-D Secure and Verified by Visa, and that the substance of these requirements is included in the Merchant Agreement
- Ensure that its participating Merchants or agents that process 3-D Secure Transactions comply with the requirements specified in the:
 - *Verified by Visa Acquirer and Merchant Implementation Guide*
 - *Payment Card Industry Data Security Standard (PCI DSS)*
- Include the following in an Authorization Request, as a condition of using Electronic Commerce Transaction Indicator (ECI) value "5" or "6" in the Clearing Record:
 - For ECI value 5, "Secure Electronic Commerce Transaction," both Cardholder Authentication Verification Value and Authentication Identifier
 - For ECI value 6, "Non-Authenticated Security Transaction and the Merchant attempted Cardholder authentication using 3-D Secure," both Cardholder Authentication Verification Value and Authentication Identifier if the Cardholder Authentication Verification Value was provided by the Issuer

ID#: 160312-010410-0004625

Verified by Visa Activate Later Feature Merchant Requirements - Canada Region (Updated)

A Canada Acquirer may offer the Activate Later Feature to an Electronic Commerce Merchant provided that the Electronic Commerce Merchant:

- **Effective through 14 March 2012**, is enrolled in good standing in 3-D Secure (commonly known as the Verified by Visa program)
- **Effective 15 March 2012**, is enrolled in good standing in Verified by Visa
- Has at least 10,000 Electronic Commerce Transactions annually or has Electronic Commerce Transactions valued in excess of CAD \$1,000,000 annually
- Has been approved by Visa
- Has a written agreement with its Acquirer to participate in the Activate Later Feature

ID#: 160312-010410-0005384

MPI Client Certificate Requirements - Canada Region (Updated)

Effective through 14 March 2012, all existing and new Electronic Commerce Merchants in the Canada Region that enroll in 3-D Secure must use an MPI Client Certificate for Merchant authentication in 3-D Secure.

ID#: 160312-010410-0008454

MPI Certificate Requirements - Canada Region (Updated)

Effective through 14 March 2012, all Electronic Commerce Merchants in the Canada Region that enroll in 3-D Secure must follow the MPI Certificate requirements of the *3-D Secure Merchant Authentication Member Implementation Guide*. Canada Members may obtain a copy of this guide from Visa.

Effective 15 March 2012, an Electronic Commerce Merchant in the Canada Region that enrolls in Verified by Visa must:

- Use a Merchant Plug-In (MPI) Client Certificate for Merchant authentication
- Follow the MPI certificate requirements of the *3-D Secure Merchant Authentication Member Implementation Guide*

ID#: 160312-010410-0005241

Verified by Visa Account and Cardholder Data Requirements - CEMEA Region (Updated)

Effective through 14 March 2012, a CEMEA Acquirer must implement 3-D Secure in such a way that the account and Cardholder details are **never** in the Merchant's possession.

Effective 15 March 2012, a CEMEA Acquirer must implement Verified by Visa in such a way that the account and Cardholder details are never in the Merchant's possession.

ID#: 230312-010410-0004654

Visa Secure Electronic Commerce Program Compliance - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Member that participates in Visa Secure Electronic Commerce must comply with the *Visa International Operating Regulations* and the policies, procedures, operating requirements, and standards specified in the *Verified by Visa Acquirer and Merchant Implementation Guide - U.S. Region*.

ID#: 160312-010410-0004592

Electronic Commerce Indicator Requirement for High-Risk Merchants - U.S. Region (Updated)

Effective through 14 March 2012, a U.S. Acquirer must ensure that its Merchant transmits an Electronic Commerce Transaction Indicator 7, "Non-Authenticated Security Transaction," in the Authorization Request and Clearing Record for fully authenticated Transactions and attempted authentication Transactions within 30 days of Notification from Visa that the participating 3-D Secure Merchant is identified in the Merchant Chargeback Monitoring Program or Risk Identification Service Online.

Effective 15 March 2012, a U.S. Acquirer must ensure that its Merchant that participates in Verified by Visa transmits an Electronic Commerce Indicator value 7, "Non-Authenticated Security Transaction," in the Authorization Request and Clearing Record for fully authenticated Transactions and attempted authentication Transactions within 30 days of Notification from Visa that the Merchant is identified in the Merchant Chargeback Monitoring Program or Risk Identification Service Online.

Effective 15 March 2012, this condition also applies if the U.S. Merchant enables Verified by Visa while identified in the Merchant Chargeback Monitoring Program or Risk Identification Service Online.

ID#: 160312-010410-0004611

Requirements for High-Risk Merchants that Enable Verified by Visa - U.S. Region (Updated)

Effective through 14 March 2012, the requirements specified in "Visa Secure Electronic Commerce Chargeback Protection Limitations (Ineligible Merchants) - U.S. Region" and "Electronic Commerce Indicator Requirement - U.S. Region" also apply to U.S. Merchants that enable 3-D Secure while identified in the Merchant Chargeback Monitoring Program or Risk Identification Service Online.

ID#: 230312-010410-0004612

Electronic Commerce Financial Responsibility

Electronic Commerce Merchant Financial Responsibility - U.S. Region

In addition to the requirements specified in "Acquirer Requirement to Query the Terminated Merchant File and Inspect Merchant Premises - U.S. Region," to determine that a prospective Electronic Commerce Merchant is financially responsible, a U.S. Acquirer must:

- Obtain a detailed business description
- Examine the Merchant's Website to:
 - Verify that the Merchant is operating within the Acquirer's jurisdiction, as specified in the *Visa International Certificate of Incorporation and Bylaws* and *Visa International Operating Regulations*

- Ensure that the Merchant is **not** engaged in any activity that is in violation of the *Visa International Operating Regulations*
- Ensure that the Merchant is **not** engaged in any activity that could cause harm to the Visa system or the Visa brand
- Print and retain copies of all relevant screens contained in the Website. Retained copies may be in either hard copy or electronic format
- Provide retained copies of all relevant screens contained in the Merchant's Website to Visa upon request

ID#: 010410-010410-0005079

Electronic Commerce Merchant Yearly Review - U.S. Region

At least once each year, for each of its applicable Electronic Commerce Merchants, a U.S. Acquirer must examine the Merchant's Website and conduct an enhanced due diligence review, as specified in "Electronic Commerce Merchant Financial Responsibility - U.S. Region," if any of the following criteria is met:

- **Effective through 31 May 2011**, the Electronic Commerce Merchant or Sponsored Merchant is required to be classified by a Merchant Category Code referenced in the definition of a High-Risk Telemarketing Merchant, as specified in the:
 - U.S. Regional Operating Regulations
 - *Visa Merchant Data Standards Manual*
- **Effective 1 June 2011**, the Electronic Commerce Merchant or Sponsored Merchant is required to be classified by a Merchant Category Code considered by Visa to be high-brand risk, as specified in the:
 - *Visa International Operating Regulations*
 - *Visa Merchant Data Standards Manual*
 - *Visa Global Brand Protection Program Guide for Acquirers*
- The Merchant is identified by any Visa Chargeback monitoring program or designated at any time as an Identified Merchant by the Risk Identification Service (RIS) Online
- The Acquirer becomes aware the Merchant is selling products or services that were not documented in the Merchant Agreement or disclosed in the Merchant's business description
- The Acquirer conducts a periodic review of the Merchant as required by its internal procedures

ID#: 111011-010410-0005082

Payment Service Providers

Payment Service Providers (PSP) General Requirements

Sponsored Merchant Location

Effective through 30 June 2011, the country of a Sponsored Merchant determines the Merchant Outlet location, **not** the country of the Internet Payment Service Provider (IPSP).

The economic activity of a Merchant Outlet is deemed to occur at the Sponsored Merchant location, **not** at the location of the IPSP.

The Merchant country code included in the Authorization and Clearing Record must be the country code of the Sponsored Merchant, as specified in "BASE II Record Requirements" (Exhibit 2L).

Effective 1 July 2011:

- The country of a Sponsored Merchant determines the Merchant Outlet location, not the country of the Payment Service Provider.
- The Merchant country code included in the Authorization and Clearing Records must be the country code of the Sponsored Merchant, as specified in "BASE II Record Requirements" (Exhibit 2L).

See "Country of Domicile and Jurisdiction Requirements."

ID#: 111011-010410-0006104

Payment Service Provider Deposit Allowances

Effective through 30 June 2011, an Internet Payment Service Provider (IPSP) may deposit Transaction Receipts on behalf of a Sponsored Merchant.

Effective 1 July 2011, a Payment Service Provider (PSP) may deposit Transaction Receipts on behalf of a Sponsored Merchant.

ID#: 111011-010410-0002972

Payment Service Provider Transaction Receipt Deposits

Effective through 30 June 2011, a Merchant or Internet Payment Service Provider (IPSP) must **not** deposit a Transaction Receipt until one of the following occurs:

- The Transaction is completed
- The goods or services are shipped or provided, except as specified below

- The purchased service is performed
- Cardholder consent is obtained for a Recurring Transaction

A Merchant or IPSP may deposit a Transaction Receipt before shipping or providing the goods or services **only** if the Cardholder has agreed to either:

- A Delayed Delivery Transaction
- An Advance Deposit Transaction

Effective 1 July 2011, a Merchant or Payment Service Provider (PSP) must not deposit a Transaction Receipt until one of the following occurs:

- The Transaction is completed
- The goods or services are shipped or provided, except as specified below
- The purchased service is performed
- Cardholder consent is obtained for a Recurring Transaction

A Merchant or PSP may deposit a Transaction Receipt before shipping or providing goods or services only if the Cardholder has agreed to either:

- A Delayed Delivery Transaction
- An Advance Deposit Transaction

ID#: 111011-010410-0008658

Payment Service Provider Responsibilities

Effective through 30 June 2011, an Internet Payment Service Provider (IPSP) must:

- **Not** contract with another IPSP
- Display the appropriate Visa-Owned Marks to indicate which Cards are accepted for payment on its Sponsored Merchants' Websites
- Report Sponsored Merchant and Transaction Information to its Acquirer and, upon request, to Visa
- Use the appropriate Merchant Category Code or other required indicators to identify Merchant or Transaction type
- Include the payment acceptance requirements specified in the *Visa International Operating Regulations* in its contracts with its Sponsored Merchant and ensure compliance by the Sponsored Merchant
- Immediately terminate a Sponsored Merchant if required by the Acquirer or Visa
- Ensure that a terminated Merchant is **not** permitted to be a Sponsored Merchant

Effective 1 July 2011, a Payment Service Provider (PSP) must:

- Ensure that the appropriate Visa-Owned Marks are displayed to indicate the Cards that are accepted for payment at its Sponsored Merchants' locations or on its Sponsored Merchants' Websites
- Report Sponsored Merchant and Transaction Information to its Acquirer and, upon request, to Visa
- Use the appropriate Merchant Category Code or other required indicators to identify Merchant or Transaction type
- Ensure compliance by the Sponsored Merchant with its contract with the PSP
- Immediately terminate a Sponsored Merchant if required by the Acquirer or Visa

ID#: 111011-010410-0002897

Payment Service Provider Contract with Multiple Acquirers

Effective through 30 June 2011, an Internet Payment Service Provider (IPSP) may contract and process Transactions with multiple Acquirers. However, an Acquirer must **only** accept and submit Transactions into Interchange from Sponsored Merchants within that Acquirer's jurisdiction.

Effective 1 July 2011, a Payment Service Provider (PSP) may contract and process Transactions with multiple Acquirers.

Effective 1 July 2011, an Acquirer must only accept and submit into Interchange Transactions from PSPs, Merchants, and Sponsored Merchants within that Acquirer's jurisdiction.

ID#: 111011-010410-0002898

Sponsored Merchant and Payment Service Provider Billing Name

Effective 17 June 2011 through 30 June 2011, in the U.S. Region, the Sponsored Merchant name and the Internet Payment Service Provider name (or an abbreviation) must appear on the Transaction Receipt and billing statement and both must be included in the Merchant name field of the Clearing Record, as specified in "VisaNet Clearing Message Content Standards" (Exhibit NN - U.S. Region). *(This only applies in the U.S. Region.)*

Effective 1 July 2011, the Sponsored Merchant name and the Payment Service Provider name (or an abbreviation) must appear on the Transaction Receipt and billing statement and both must be included in the Merchant name field of the Clearing Record, as specified in "BASE II Record Requirements" (Exhibit 2L).

ID#: 111011-010711-0026434

Internet Payment Service Provider Billing Name

Effective through 30 June 2011, the Internet Payment Service Provider (IPSP) name may appear alone on the Transaction Receipt and, except in the U.S. Region, billing statement **only** if the:

- Cardholder accesses the IPSP Website directly
- IPSP name is visible to the Cardholder during the selection, order, and payment processes

Effective through 30 June 2011, if the IPSP name appears alone, Visa may require that the Sponsored Merchant name be transmitted in the Clearing Record if the IPSP (or some or all of its Sponsored Merchants) causes undue economic hardship to the Visa system, including, but not limited to:

- Qualifying for the Global Merchant Chargeback Monitoring Program
- Generating excessive Copy Requests

Effective through 30 June 2011, the IPSP name (or an abbreviation) may appear in conjunction with the Sponsored Merchant name.

ID#: 111011-010410-0008659

Payment Service Provider Customer Support

Effective through 30 June 2011, an Internet Payment Service Provider (IPSP) must provide customer service through its Website if a Cardholder accesses the IPSP Website directly. Customer service may be provided either directly or through its Sponsored Merchants.

Effective 1 July 2011, a Payment Service Provider (PSP) must provide customer service either directly or through its Sponsored Merchant.

- For a Transaction completed at an Electronic Commerce Sponsored Merchant, a PSP must provide customer service through its Website if a Cardholder accesses the PSP Website directly.
- For a Transaction that is not completed at an Electronic Commerce Sponsored Merchant, customer service may be provided by the PSP or its Sponsored Merchant.

ID#: 111011-010410-0002893

Internet Payment Service Provider Processing Requirements - U.S. Region

Effective through 30 June 2011, in the U.S. Region, if a Cardholder accesses a Sponsored Merchant's Website and is then linked to the Internet Payment Service Provider (IPSP) Website for payment:

- The IPSP name must appear in the Clearing Record in conjunction with the Sponsored Merchant's name
- Processing requirements apply, as specified in "VisaNet Clearing Message Content Standards" (Exhibit NN)

ID#: 111011-010410-0005106

Payment Service Providers (PSP) Acquirer Requirements

Acquirer Responsibility for Payment Service Providers

Effective 1 July 2011, a Payment Service Provider (PSP) that contracts with an Acquirer to provide payment-related services to a Sponsored Merchant will be considered a Merchant. An Acquirer that contracts with a PSP is liable for all acts, omissions, and other adverse conditions caused by the PSP and its Sponsored Merchants, including, but not limited to:

- Chargebacks
- Failure to provide service
- Related legal costs
- Settlement to the PSP or Sponsored Merchant

The acts and omissions caused by a Sponsored Merchant will be treated as those of the PSP and those caused by a PSP or a Sponsored Merchant as those of the Acquirer.

ID#: 111011-010410-0006574

Acquirer Contractual Requirements with Internet Payment Service Providers

Effective through 30 June 2011, an Acquirer that contracts with an Internet Payment Service Provider (IPSP) must:

- Ensure that the IPSP and its Sponsored Merchants comply with the *Visa International Operating Regulations*
- Ensure that the IPSP does **not** contract with a Sponsored Merchant outside the Acquirer's jurisdiction
- Directly credit the IPSP for its Deposit. An Acquirer that contracts with both an IPSP and a Sponsored Merchant may directly credit the Sponsored Merchant for its portion of the Deposit, as permitted by local law.

ID#: 111011-010410-0005269

Payment Service Provider Registration

Effective 1 July 2011, an Acquirer must ensure that each of its Payment Service Providers (PSP) is registered with Visa before entering Transactions into Interchange on behalf of the PSP or its Sponsored Merchant.

To register, the Acquirer must send to Visa, as specified by Visa, registration forms and supporting documentation to confirm that the Acquirer has performed a comprehensive risk and financial review of the PSP, as specified in *Third Party Agent Due Diligence Risk Standards*.

Registration materials must be submitted using the Visa Membership Management application or as specified by Visa.

The Acquirer must receive from Visa written confirmation of approval and registration of the PSP before entering any Transactions into Interchange on behalf of the PSP or its Sponsored Merchant.

Visa may assess a fee to the Acquirer for each Payment Service Provider registered, as specified in the appropriate regional fee guide.

ID#: 111011-010711-0026435

Ineligible Payment Service Provider Merchant Types

Effective 1 July 2011, an Acquirer must not allow its Payment Service Provider (PSP) to provide payment services to the following merchant types, regardless of whether the PSP has a Merchant Agreement with merchants in these merchant categories. However, an Acquirer may sign a Merchant Agreement directly with these entities:

- Buyers clubs/membership clubs
- Credit counseling or credit repair services
- Credit protection/identity theft protection
- Direct marketing - subscription merchants
- Infomercial merchants
- Internet pharmacies
- Internet pharmacy referral sites
- Multi-level marketing businesses
- Outbound telemarketers
- Rebate-based businesses
- Up-Selling merchants

The merchant types above may be classified with Merchant Category Codes 4814, 5912, 5962, 5966, 5968, and 5969, and are ineligible for Sponsored Merchant status.

ID#: 111011-010711-0026436

Sponsored Merchant MCC Requirements

Effective through 30 June 2011, an Acquirer must ensure that the Internet Payment Service Provider (IPSP) uses:

- The appropriate Merchant Category Code for each Sponsored Merchant in the Authorization and Clearing Record, as specified in the *Visa Merchant Data Standards Manual*

- Merchant Category Code 7995, "Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks," for a Sponsored Merchant that provides gaming chips or electronic funds to be used for online gambling, even if gambling services is not the Sponsored Merchant's primary business

Effective 1 July 2011, an Acquirer must ensure that a Payment Service Provider uses:

- The appropriate Merchant Category Code for each Sponsored Merchant in the Authorization Request and Clearing Record, as specified in the *Visa Merchant Data Standards Manual*
- Merchant Category Code 7995, "Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks," for a Sponsored Merchant that provides gaming chips or electronic funds to be used for online gambling, even if gambling services is not the Sponsored Merchant's primary business

ID#: 111011-150210-0005271

Payment Service Provider Restrictions

Effective 1 July 2011, an Acquirer must ensure that its Payment Service Provider (PSP) does not deposit Transactions on behalf of another PSP.

ID#: 111011-010711-0026437

Payment Service Provider Activity Reporting

Effective 1 July 2011, upon Visa request, an Acquirer must submit to Visa activity reporting on its Payment Service Provider's Sponsored Merchants that includes, for each Sponsored Merchant:

- Sponsored Merchant name
- Merchant Category Code
- Sales count and amount
- Chargeback count and amount

ID#: 111011-010711-0026438

Acquirer Responsibility for Internet Payment Service Providers - U.S. Region

Effective through 30 June 2011, in the U.S. Region, an Internet Payment Service Provider (IPSP) that contracts with an Acquirer to provide payment-related services to Sponsored Merchants will be treated as a Merchant.

An Acquirer is liable for all acts and omissions caused by an IPSP and its Sponsored Merchants, including, but not limited to:

- Chargebacks
- Failure to provide service
- Related legal costs

The acts and omissions caused by a Sponsored Merchant will be treated as those of the IPSP.

ID#: 111011-010410-0005089

Internet Payment Service Provider Registration - U.S. Region

Effective through 30 June 2011, a U.S. Acquirer must ensure that each of its Internet Payment Service Providers (IPSPs) is registered with Visa before entering Transactions into Interchange.

To register, the Acquirer must send the following to Visa:

- The "Visa/Interlink Network/Plus Independent Sales Organization/Third-Party Servicer/Merchant Servicer Registration" form for the IPSP
- Supporting documentation to confirm that the Acquirer has performed a comprehensive risk and financial review of the IPSP, as specified in the *Third Party Agent Due Diligence Risk Standards*
- The electronic "Sponsored Merchant Registration" form with a comprehensive list of all Sponsored Merchants.

Registration materials must be sent via certified mail (return receipt requested) to:

Visa
Franchise Management
Mail Stop M3 - 4C
P.O. Box 8999
San Francisco, CA 94128-8999

ID#: 111011-010410-0008664

Ineligible Internet Payment Service Provider Merchant Types - U.S. Region

Effective through 30 June 2011, a U.S. Acquirer must **not** allow its Internet Payment Service Provider (IPSP) to provide payment services to the following merchant types. However, an Acquirer may sign a Merchant Agreement directly with these entities:

- Buyers clubs/Membership clubs
- Credit counseling or credit repair services
- Credit protection/Identity theft protection
- Direct marketing - subscription merchants
- Infomercial merchants
- Internet pharmacies
- Internet pharmacy referral sites
- Multi-level marketing businesses
- Outbound telemarketers
- Prepaid phone cards

- Prepaid phone services
- Rebate-based businesses
- "Up-Sell" merchants

The merchant types above may be classified with Merchant Category Code values 4814, 5912, 5962, 5966, 5968, and 5969, and are ineligible for Sponsored Merchant status.

ID#: 111011-150210-0005091

Internet Payment Service Provider Restrictions - U.S. Region

Effective through 30 June 2011, a U.S. Acquirer must ensure that an Internet Payment Service Provider (IPSP) does **not** operate as the Sponsored Merchant of another IPSP or deposit Transactions on its behalf.

ID#: 111011-010410-0005093

Payment Service and Card Acceptance Requirements - U.S. Region

Effective through 30 June 2011, a U.S. Acquirer must ensure that:

- Its Internet Payment Service Provider (IPSP) provides all payment-related services to Sponsored Merchants
- Sponsored Merchants meet all Card acceptance requirements and comply with the requirements for Electronic Commerce Merchants

ID#: 111011-150210-0006101

Monthly Internet Payment Service Provider Sponsored Merchant Activity Reporting - U.S. Region

Effective through 30 June 2011, Visa must receive monthly activity reporting from U.S. Acquirers on their Internet Payment Service Provider (IPSP) Sponsored Merchants that includes:

- Sponsored Merchant name
- Merchant Category Code
- Sales count and amount
- Chargeback count and amount

ID#: 111011-150210-0005105

High-Risk Internet Payment Service Providers

High-Risk Internet Payment Service Provider Registration

Effective 1 December 2011, an Acquirer must register each Payment Service Provider (PSP) considered to be high-brand risk with Visa as a High-Risk Internet Payment Service Provider, regardless of whether or not that PSP has been previously registered with Visa.

The Acquirer must receive written confirmation of approval and registration of the High-Risk Internet Payment Service Provider before entering any High-Brand Risk Transactions into Interchange.

Visa may assess a registration fee and annual charge to the Acquirer for each High-Risk Internet Payment Service Provider registered, as specified in the appropriate regional fee guide.

ID#: 111011-011211-0026328

High-Risk Internet Payment Service Provider Processing Requirements

Effective 1 December 2011, if a Cardholder accesses the Website of an Electronic Commerce Merchant considered to be high-brand risk or that of a High-Brand Risk Sponsored Merchant and is then linked to the Website of the High-Risk Internet Payment Service Provider for payment:

- The name of the High-Risk Internet Payment Service Provider must appear in the Authorization Request and Clearing Record in conjunction with the name of the High-Brand Risk Sponsored Merchant
- The High-Risk Internet Payment Service Provider must comply with the Transaction processing requirements, as specified in the VisaNet manuals

ID#: 111011-011211-0026329

High-Risk Internet Payment Service Provider Fines

Effective 1 December 2011, an Acquirer that fails to comply with registration program requirements for High-Risk Internet Payment Service Providers is assessed a fine, as follows:

- US \$25,000 per month per High-Brand Risk Sponsored Merchant or High-Risk Internet Payment Service Provider
- After 3 violations in a calendar year, one or both of the following:
 - US \$100,000 for each 30-calendar-day period of non-compliance
 - Prohibition against signing High-Brand-Risk Sponsored Merchants

ID#: 111011-011211-0026334

High-Risk Internet Payment Service Provider Contractual Obligation

Effective 1 December 2011, an Acquirer must ensure that its High-Risk Internet Payment Service Providers and High-Brand Risk Sponsored Merchants are contractually obligated to operate in accordance with the *Visa International Operating Regulations*.

ID#: 160312-011211-0026331

High-Risk Internet Payment Service Provider Agreement Requirements

Effective 1 December 2011, an Acquirer must ensure that a High-Risk Internet Payment Service Provider Agreement requires:

- That the High-Brand Risk Sponsored Merchant Agreement be signed by a senior officer of the High-Risk Internet Payment Service Provider
- The High-Risk Internet Payment Service Provider to report:
 - Acquisition of new High-Brand Risk Sponsored Merchants
 - Monthly Transaction activity for all High-Brand Risk Sponsored Merchants

The reports must be provided to Visa in specified electronic formats available from Visa upon request.

ID#: 111011-011211-0026332

Visa Right to Prohibit or Disqualify Sponsored Merchants - U.S. Region

Visa may prohibit a U.S. Acquirer from including any Merchant as a High-Risk Sponsored Merchant in its High-Risk Internet Payment Service Provider portfolio if the Merchant either:

- Generates or has a history of generating excessive levels of exception items (Chargebacks and/or credits) within a 12-month period
- Takes action to evade responsibility for compliance with the *Visa International Operating Regulations*

Visa may disqualify a High-Risk Internet Payment Service Provider or High-Risk Sponsored Merchant in accordance with the High-Risk Chargeback Monitoring Program or for other activity that causes undue harm to the Visa system.

ID#: 010410-010410-0008667

High-Risk Internet Payment Service Provider Eligibility - U.S. Region

Effective through 30 November 2011, before entering into a Merchant Agreement with a High-Risk Internet Payment Service Provider, a U.S. Acquirer must:

- Be in good standing in all Visa risk management programs

- Meet the Acquirer Tier 1 capital requirement

ID#: 111011-010410-0003519

High-Risk Internet Payment Service Provider Registration - U.S. Region

Effective through 30 November 2011, a U.S. Acquirer must register a High-Risk Internet Payment Service Provider and its High-Risk Sponsored Merchants with Visa before entering Transactions into Interchange.

Visa assesses a registration fee and annual charge for High-Risk Internet Payment Service Providers and High-Risk Sponsored Merchants, as specified in the *Visa U.S.A. Fee Guide*.

ID#: 111011-010410-0008665

High-Risk Internet Payment Service Provider Fines - U.S. Region

Effective through 30 November 2011, a U.S. Acquirer that fails to comply with registration program requirements for High-Risk Internet Payment Service Providers is assessed a fine, as follows:

- US \$25,000 per month per High-Risk Sponsored Merchant or High-Risk Internet Payment Service Provider
- After 3 violations in a calendar year, one or both of the following:
 - US \$100,000 for each 30-calendar-day period of non-compliance
 - Prohibition against signing High-Risk Sponsored Merchants

ID#: 111011-010410-0003523

High-Risk Internet Payment Service Provider Contractual Obligation - U.S. Region

Effective through 30 November 2011, a U.S. Acquirer must ensure that High-Risk Internet Payment Service Providers and High-Risk Sponsored Merchants are contractually obligated to operate in accordance with the *Visa International Operating Regulations*.

ID#: 111011-010410-0007313

High-Risk Internet Payment Service Provider Agreement Requirements - U.S. Region

Effective through 30 November 2011, a U.S. Acquirer must ensure that the Internet Payment Service Provider Agreement requires:

- That the High-Risk Sponsored Merchant Agreement be signed by a senior officer of the High-Risk Internet Payment Service Provider
- The High-Risk Internet Payment Service Provider to report:
 - Acquisition of new High-Risk Sponsored Merchants (using the electronic "High-Risk Sponsored Merchant Registration" form)

- Monthly Transaction activity for all High-Risk Sponsored Merchants

The reports must be provided to Visa in specified electronic formats available from Visa upon request.

ID#: 111011-010410-0003522

Up-Selling and Negative Option Transactions

Up-Selling and Negative Option General Requirements

Up-Selling Merchant Requirements

Effective 1 June 2011, an Up-Selling Merchant must comply with all of the following:

- Clearly disclose to the Cardholder all of the following:
 - The name of the Up-Selling Merchant offering the goods and/or services, in a manner that clearly differentiates the Up-Selling Merchant from the initial Merchant
 - A description of the goods and/or services being offered
 - The length of the trial period, if offered, including clear disclosure that the Cardholder will be charged unless the Cardholder takes steps to cancel the subsequent Transaction
 - The Transaction amount and Transaction Date for the goods and/or services purchased
 - The cancellation policy for all goods and/or services being offered
- Obtain an Authorization for the initial Transaction and any subsequent Transactions, as specified in “Recurring Transaction Processing”
- Obtain express informed consent from the Cardholder for the subsequent Transactions by requiring the Cardholder to undertake all of the following:
 - Enter their personal Account Number for the subsequent Transaction
 - Enter the name and address and contact details of the Cardholder
 - Perform an additional affirmative action, such as clicking a confirmation button or other authentication, as permitted by local applicable law, to indicate Cardholder consent for participation in the Transaction
- Comply with all other Transaction processing requirements, as specified in the *Visa International Operating Regulations*

ID#: 111011-010611-0026364

Negative Option Merchant Requirement

Effective 1 June 2011, a Negative Option Merchant must comply with all of the following requirements:

- Obtain express informed consent from the Cardholder by disclosing all purchase terms and conditions prior to initiating the initial Transaction, including, but not limited to:
-

- The name of the Merchant offering the goods and/or services
- A description of the goods and/or services being offered
- The Transaction amount and Transaction Date (for each recurring charge) for goods and/or services purchased
- The length of the trial period, if offered, including clear disclosure that the Cardholder will be charged unless the Cardholder takes steps to cancel the subsequent Transaction
- The cancellation policy for all goods and/or services being offered, if the initial Cardholder acceptance of such goods and/or services was online
- Provide a simple mechanism for the Cardholder to cancel charges, including recurring charges, if the Cardholder purchased the goods and/or services online
- Comply with all other Transaction requirements, as specified in the *Visa International Operating Regulations*

ID#: 160312-010611-0026365

Recurring Transactions

Recurring Transaction General Requirements

General Requirements for Recurring Transactions

A Recurring Services Merchant must:

- **Effective through 31 May 2011**, obtain Cardholder permission to periodically charge for recurring services, in a format including, but not limited to:
 - E-mail or other electronic record
 - Hard copy correspondence
- **Effective 1 June 2011**, obtain a completed order form, or written Cardholder permission to periodically charge for recurring goods or services, in a format including but not limited to, e-mail or other electronic record or hardcopy correspondence. This written permission must include, at least, but is not limited to, the following:
 - Transaction amount, unless the Recurring Transactions are for varying amounts
 - Frequency of the recurring charges
 - Duration for which Cardholder permission is granted
- Retain this permission for the duration of the recurring services and provide it upon Issuer request
- Provide a simple and easily accessible online cancellation procedure if the Cardholder request for goods or services was initially accepted online
- **Effective 1 June 2011**, obtain subsequent written Cardholder permission when a Recurring Transaction is renewed

ID#: 111011-010410-0002932

Recurring Transaction Processing

Effective through 31 May 2011, for a Recurring Services Transaction, a Merchant must:

- Obtain an Authorization
- Write "Recurring Transaction" on the signature line of the Transaction Receipt
- For a recurring Electronic Commerce Transaction, include on the Transaction Receipt the frequency and duration of the Recurring Transactions, as agreed to by the Cardholder

Effective 1 June 2011, for a Recurring Transaction a Merchant must:

- Confirm the Transaction amount unless the Recurring Transactions are for varying amounts
- Obtain an Authorization for each Transaction in the series
- Obtain the Cardholder signature, or an electronic signature or other similar authentication, that is effective as Cardholder consent under applicable law
- Write "Recurring Transaction" on the signature line of the Transaction Receipt
- For an Electronic Commerce Transaction that is a Recurring Transaction, include on the Transaction Receipt the frequency and duration of the Recurring Transactions, as agreed to, in writing, by the Cardholder

ID#: 111011-010410-0003665

Recurring Services Merchant Prohibitions

A Recurring Services Merchant must **not**:

- Include partial payment for goods or services purchased in a single Transaction
- Include additional finance charges on a Recurring Transaction
- Complete a Recurring Transaction if it receives a Decline Response or a cancellation notice from the Cardholder
- **Effective 1 June 2011**, disclose an Account Number, personal information, or other Transaction Information to any entity other than to a registered Third Party, the Acquirer, or Agent, except for the purpose of completing a Transaction

ID#: 111011-010410-0002933

Recurring Electronic Commerce Transactions (Updated)

The initial Transaction for a recurring Electronic Commerce Transaction must be processed with the appropriate Electronic Commerce Indicator values, as specified in:

- "BASE II Record Requirements" (Exhibit 2L)
- "Required Message Content for VisaNet Financial Transactions" (Exhibit 3A)
- "Required Message Content for VisaNet Authorization Requests" (Exhibit 3B)

Subsequent recurring Electronic Commerce Transactions must be completed as specified in "Recurring Transaction Processing" and "BASE II Record Requirements" (Exhibit 2L).

ID#: 160312-150210-0003111

Merchant Requirements for Recurring Transactions - U.S. Region

Effective through 31 May 2011, in the U.S. Region, a Recurring Services Merchant must:

- Obtain from the Cardholder a completed Order Form containing a written request for the goods or services to be charged to the Cardholder's account. The Order Form must include, but is not limited to, the following:
 - Transaction amount, unless the Recurring Transactions are for varying amounts
 - Frequency of the recurring charges
 - Duration of time for which Cardholder permission is granted
- Retain a copy of the Order Form for the duration of the recurring services and provide it upon Issuer request
- Write the words "Recurring Transaction" on the signature line of the Transaction Receipt
- Provide a subsequent Order Form when a Recurring Transaction is renewed
- Obtain the Cardholder signature, or an electronic signature or other similar authentication, that is effective under applicable law

For an Electronic Commerce Transaction, the Recurring Services Merchant must also:

- Include on the Transaction Receipt the frequency and duration of the Recurring Transaction, as agreed to by the Cardholder
- Provide a simple and easily accessible online cancellation procedure, if the Cardholder request for goods or services was initially accepted online

ID#: 151011-010410-0002926

Notification Requirements for Recurring Transactions - U.S. Region

In the U.S. Region, for Recurring Transactions of varying amounts, the:

- Order Form must allow the Cardholder to specify a minimum and maximum Transaction amount to be charged, unless the Cardholder will be notified of the amount and date of each charge, as specified below
- Merchant must inform the Cardholder of their right to receive, at least 10 calendar days before each scheduled Transaction Date, written notification of the amount and date of the next charge

The Cardholder may choose to receive the notification:

- For every charge

- When the Transaction amount does not fall within the range of amounts specified on the Order Form
- When the Transaction amount will differ from the most recent charge by more than an agreed-upon amount

ID#: 010410-010410-0002930

Recurring Services Merchant Contact Information

For a Recurring Transaction, an Acquirer must:

- Ensure that its Recurring Services Merchant obtains an Authorization for all Recurring Transactions
- Transmit the Recurring Transaction indicator in the:
 - Authorization Request
 - Clearing Record

The Clearing Record for a Recurring Transaction must contain Merchant contact information in the Merchant name or Merchant city fields that enables the Cardholder to contact the Merchant directly.

ID#: 010410-010410-0008652

Installment Transactions

Installment Transaction General Requirements

Installment Transaction General Requirements

A Merchant that offers Installment Transactions must:

- Disclose in writing, electronically or by another method, to the Cardholder the terms of the Installment Transaction, including:
 - All costs associated with the purchase of the goods or services
 - Transaction Currency agreed to by the Cardholder
 - That Transaction amounts may vary due to Currency Conversion Rate fluctuations
- **Not** submit an Installment Transaction Receipt to its Acquirer at intervals of less than 7 calendar days
- **Not** submit an initial Installment Transaction Receipt to its Acquirer until the merchandise has been shipped, unless the Merchant requires a "down payment" or deposit for custom-order goods
- Authorize the initial and all subsequent Transactions (Zero Floor Limit applies)

ID#: 010410-010410-0002891

Liability for Installment Transactions

Except as specified in the *Visa International Certificate of Incorporation and Bylaws*, Visa assumes no liability for Installment Transactions processed more than 30 calendar days from the Authorization date.

ID#: 031209-150210-0002892

Installment Billing Transaction Option - U.S. Region

In the U.S. Region, a Mail/Phone Order or Electronic Commerce Merchant may offer Cardholders an Installment Billing Transaction option.

If offered, the U.S. Merchant must:

- Disclose in writing the terms, including, but not limited to whether the installment terms are limited to certain goods that a Cardholder may purchase. The written disclosure must also include the shipping and handling charges and any applicable tax.
- Inform the Cardholder not billed in the Transaction Currency of the Merchant that each Installment Billing Transaction amount may vary due to Currency Conversion Rate fluctuations
- Ensure that the sum of the Installment Billing Transactions does not include any finance charge or exceed the total price of the goods
- Authorize all Installment Billing Transactions

The Merchant must **not** add finance charges to an Installment Billing Transaction.

ID#: 010410-010410-0008638

Delayed Delivery Transactions

Delayed Delivery Transaction General Requirements

Delayed Delivery Transaction Authorization

A Merchant completing a Delayed Delivery Transaction must obtain an Authorization if the cumulative total of both Transaction Receipts exceeds the Floor Limit. The Merchant must obtain Authorization for each Delayed Delivery Transaction on each Transaction Date.

ID#: 010410-010410-0002879

Delayed Delivery Transaction Date

For Delayed Delivery Transactions, the Transaction Date for goods and services not shipped within 30 calendar days of the order is the shipment date.

ID#: 010410-010410-0002880

Delayed Delivery Transaction Initial Deposit Time Frame

For Delayed Delivery Transactions, the Merchant may deposit the Transaction Receipt for the delayed delivery deposit before delivery of the goods or services.

For Delayed Delivery Transactions, the Merchant must **not** deposit the Transaction Receipt for the balance before delivery of the goods or services.

ID#: 010410-010410-0008993

Delayed Delivery Transaction Receipt Requirements

Delayed Delivery Transaction Receipt

For Delayed Delivery Transactions, the Merchant must write the word "Deposit" or "Balance" on the appropriate Transaction Receipt.

ID#: 031209-150210-0005051

Retaining Delayed Delivery Transaction Deposit

For Delayed Delivery Transactions, the Merchant may retain the deposit if the:

- Merchant received a Decline Response for the balance
- Balance was not paid by other means
- Transaction Receipt states that the deposit is nonrefundable

ID#: 050411-010410-0002884

Delayed Delivery Transaction Receipt - U.S. Region

In the U.S. Region, for Delayed Delivery Transactions, the Merchant must:

- Assign a separate Authorization number for each Transaction Receipt
- Write the following information on the appropriate Transaction Receipt:
 - Words "Delayed Delivery"

- Word "Deposit" or "Balance," as appropriate
- Authorization date and Authorization Code, if applicable

ID#: 031209-150210-0002925

Advance Payment Transactions - U.S. Region

Advance Payment General Requirements

Advance Payment Deposit - U.S. Region

In the U.S. Region, an Advance Payment Service Merchant may deposit a Transaction Receipt representing a partial or complete advance payment.

The Merchant must complete a Transaction Receipt for the amount of the advance payment, including:

- Words "Advance Payment" on the signature line
- Cardholder's Account Number, telephone number, and mailing address
- Card expiration date
- Cardholder name on the Card

ID#: 010410-010410-0008654

Acquirer Requirements for Advance Payment Service - U.S. Region 5.4.U

A U.S. Acquirer must obtain all of the following from a Merchant participating in the Advance Payment Service:

- Merchant name
- Address of each Merchant Outlet and type of service provided
- Number of years in business
- Number of years of ownership of the current business
- Chargeback/fraud ratios from the previous 6 months
- Configuration of cancellation codes
- Outline of the Merchant's procedures, including written cancellation policy and telephone script for accepting Advance Payment Service Transactions

ID#: 010410-010410-0005226

Merchant Agreement for Advance Payment Service - U.S. Region 5.4.U

A U.S. Acquirer must incorporate at least the substance of the Advance Payment Service requirements into all Merchant Agreements, either as part of the Merchant Agreement or a separate contract, for each of its Advance Payment Service Merchants.

ID#: 010410-010410-0005214

Advance Payment Procedures - U.S. Region 5.4.U

A U.S. Merchant participating in the Advance Payment Service must:

- Accept all Cards in its category of acceptance for advance payment when the Cardholder agrees to the Advance Payment Service
- Determine the amount of the Advance Payment Service Transaction. The Transaction amount must **not** exceed the total price of the reserved services or activity.
- Inform the Cardholder of the following:
 - Total price of the services or activity
 - Advance payment amount
 - Advance payment confirmation code
 - Cancellation terms. If a cancellation request is not received within the cancellation time specified by the Merchant, the Cardholder must forfeit the advance payment amount.
- Obtain all of the following:
 - Cardholder's Account Number, telephone number, and mailing address
 - Card expiration date
 - Cardholder name on the Card

ID#: 010410-010410-0005215

Written Confirmation of Advance Payment Service Transaction - U.S. Region

If a U.S. Merchant receives an Approval Response for an Advance Payment Service Transaction, the Merchant must:

- Deposit the Transaction Receipt, as specified in the *Visa International Operating Regulations*
- Mail a written confirmation to the Cardholder with a:
 - Copy of the Transaction Receipt
 - Cancellation policy, including any applicable limitations relating to "bad weather" cancellations

For an advance payment made less than 72 hours before the scheduled commencement of services, a written confirmation is required only upon Cardholder request.

If the Merchant receives a Decline Response, the Merchant must advise the Cardholder and must **not** deposit the Transaction Receipt.

ID#: 031209-150210-0008650

Advance Payment Service Cancellation Procedures - U.S. Region 5.4.U

A U.S. Merchant participating in the Advance Payment Service must:

- Accept all cancellation requests, provided that the request is made before the specified cancellation date and time
- Provide a cancellation number and advise the Cardholder to retain it in case of a dispute
- Complete a Credit Transaction Receipt for the amount of the advance payment with the:
 - Words "Advance Payment" on the signature line
 - Cardholder's Account Number and mailing address
 - Card expiration date
 - Cardholder name on the Card
 - Cancellation number
- Mail the Credit Transaction Receipt to the address indicated by the Cardholder within 3 business days from the Transaction Date

ID#: 010410-010410-0005219

Dynamic Currency Conversion

Dynamic Currency Conversion - General Requirements

Penalties for Incorrect Use of Dynamic Currency Conversion

An Acquirer, VisaNet Processor, or Third Party Agent that offers Dynamic Currency Conversion, must effect a timely resolution of violations of the *Visa International Operating Regulations*. The table below specifies the actions and penalties that may occur when an Acquirer, Merchant Outlet, VisaNet Processor, or Third Party Agent violates the Dynamic Currency Conversion requirements.

Dynamic Currency Conversion Actions and Penalties

Dynamic Currency Conversion Action	Event	Visa Action or Fine
Registration of Acquirer, VisaNet Processor or Third Party Agent	<p>Effective through 6 October 2010, Acquirer fails to register itself, its Merchant Outlet, its VisaNet Processor, or Third Party</p> <p>Effective 7 October 2010, Acquirer fails to register itself, its VisaNet Processor or Third Party Agent.</p>	Notification of violation with specific date of correction and request for action plan
	Failure to register within 10 calendar days from the date of notification letter on failure to register	<p>Effective through 6 October 2010, US \$10,000 fine per unregistered Acquirer, Merchant Outlet, VisaNet Processor, or Third Party Agent per month . Effective 7 October 2010, US \$10,000 fine per unregistered Acquirer, VisaNet Processor, or Third Party Agent per month</p>
	Failure to register within 30 calendar days from the date of notification letter on failure to register	<p>Visa may:</p> <ul style="list-style-type: none"> • Require the Acquirer to stop the Dynamic Currency Conversion being offered by the unregistered , VisaNet Processor, or Third Party Agent • Prohibit the Acquirer from contracting with any Dynamic Currency Conversion , VisaNet Processor, or Third Party Agent
Registration of Merchant and Merchant Outlet	<p>Effective 7 October 2010, Acquirer fails to register its Dynamic Currency Conversion enabled Merchant or Merchant Outlet as per the <i>International Transactions Guide</i></p>	<p>Effective 7 October 2010, notification of violation with specific date of correction and request for action plan</p>
	<p>Effective 7 October 2010, failure to register in the next quarterly registration cycle</p>	<p>Effective 7 October 2010, US \$10,000 fine per unregistered Merchant or Merchant Outlet, per quarterly registration cycle</p>
Certification	<p>Effective 1 May 2010 through 6 October 2010, failure of Acquirer to certify itself or its Merchant Outlet, VisaNet Processor, or Third Party by 1 October 2010</p> <p>Effective 7 October 2010, failure of Acquirer to certify itself, its VisaNet Processor or Third Party Agent</p>	Notification of violation with specific date of correction and request for action plan

 Visa International Operating Regulations

Dynamic Currency Conversion Action	Event	Visa Action or Fine
	Failure to certify within 10 calendar days from the date of notification letter on failure to certify	<p>Effective through 6 October 2010, US \$10,000 fine per uncertified Acquirer, Merchant Outlet, VisaNet Processor, or Third Party per month</p> <p>Effective 7 October 2010, US \$10,000 fine per month per uncertified Acquirer, VisaNet Processor or Third Party Agent, or per Merchant Outlet using an uncertified Dynamic Currency Conversion solution</p>
	Failure to certify within 30 calendar days from the date of notification letter on failure to certify	<p>Visa may:</p> <ul style="list-style-type: none"> • Effective through 6 October 2010, require the Acquirer to stop the Dynamic Currency Conversion being offered by the uncertified Merchant Outlet, VisaNet Processor, or Third Party • Effective 7 October 2010, require the Acquirer to stop the Dynamic Currency Conversion being offered by the uncertified VisaNet Processor or Third Party Agent or by the Merchant Outlet using an uncertified Dynamic Currency Conversion solution. • Prohibit the Acquirer from contracting with any Merchant Outlet, VisaNet Processor, or Third Party Agent offering Dynamic Currency Conversion
Merchant Outlet Dynamic Currency Conversion Violations	Merchant Outlet non-compliant with one or more Dynamic Currency Conversion rules	Notification of violation with specific date of correction and request for action plan
	Failure to provide action plan for violation resolution within 30 calendar days from the date of notification letter on Dynamic Currency Conversion violation	US \$10,000 fine per non-compliant Merchant Outlet per month
	Failure to provide action plan for violation resolution within 60 calendar days from the date of notification letter on Dynamic Currency Conversion violation	<p>Visa may:</p> <ul style="list-style-type: none"> • Require the Acquirer to stop Dynamic Currency Conversion being offered by the Merchant Outlet • Prohibit the Acquirer from contracting with any Dynamic Currency Conversion Merchant Outlet

Dynamic Currency Conversion Action	Event	Visa Action or Fine
Dynamic Currency Conversion Approval Revocation	Uncorrected Acquirer, Acquirer's Merchant Outlet, VisaNet Processor, or Third Party Dynamic Currency Conversion violation	<p>Visa may revoke Dynamic Currency Conversion approval from the Acquirer, an Acquirer's Merchant Outlet, VisaNet Processor, or Third Party Agent for:</p> <ul style="list-style-type: none"> • Repeated or persistent violation of the <i>Visa International Operating Regulations</i> following notice from Visa to the Acquirer to remedy any breach and failure to do so within a reasonable time frame • Repeated or persistent Cardholder complaints identified against an Acquirer or an Acquirer's Merchant Outlet, VisaNet Processor, or Third Party Agent within a 3-month period and the Acquirer failed to comply with the <i>Visa International Operating Regulations</i> regarding its Merchant Outlet, VisaNet Processor, or Third Party Agent pertaining to disclosure, Cardholder choice, and fee disclosure • Failure to ensure proper Merchant Outlet staff training and retraining on Dynamic Currency Conversion to ensure compliance • Failure to prevent its Merchant Outlet from deploying a Point-of-Transaction Terminal or other Merchant Outlet procedures that will lead or have led to a violation of the <i>Visa International Operating Regulations</i>

ID#: 171011-010410-0001293

Dynamic Currency Conversion - Merchant Requirements

Dynamic Currency Conversion Merchant Requirements

A Merchant offering Dynamic Currency Conversion must:

- Inform the Cardholder that Dynamic Currency Conversion is optional

- **Not** impose any additional requirements on the Cardholder to have the Transaction processed in the local currency
- **Not** use any language or procedures that may cause the Cardholder to choose Dynamic Currency Conversion by default
- **Not** misrepresent, either explicitly or implicitly, that its Dynamic Currency Conversion service is a Visa service
- Not convert a Transaction amount in the local currency that has been approved by the Cardholder into an amount in the Cardholder's billing currency after the Transaction has been completed but not yet entered into Interchange
- Ensure that the Cardholder expressly agrees to a Dynamic Currency Conversion Transaction, as specified in "Dynamic Currency Conversion Transaction Receipt Requirements"

ID#: 111011-010410-0003100

Multi-Currency Priced Transaction Requirement

Effective 9 September 2010, in a Multi-Currency Priced Transaction, the displayed price and currency selected by the Cardholder must be the same price and currency charged to the Cardholder, printed on the Transaction Receipt, and entered into Interchange by the Acquirer, as specified in the *International Transactions Guide*.

ID#: 050411-090910-0026216

Dynamic Currency Conversion Transaction Receipt Requirements

In both a Card-Present and Card-Absent Environment, a Transaction Receipt representing Dynamic Currency Conversion at the Point-of-Transaction must show separately:

- Currency symbol of the Merchant's local currency
- Transaction amount of the goods or services purchased in the Merchant's local currency
- Exchange rate used to determine the Transaction amount
- Currency conversion commission, fees, or, mark up on the exchange rate over a wholesale rate or government mandated rate
- Currency symbol of the Transaction Currency
- Total Transaction amount charged by the Merchant in the Transaction Currency, and the words "Transaction Currency"
- Statement, easily visible to the Cardholder, that specifies the:
 - Cardholder has been offered a choice of currencies for payment, including the Merchant's local currency
 - Cardholder expressly agrees to the Transaction Receipt information by marking an "accept" box on the Transaction Receipt

The Transaction Receipt **must** indicate that Dynamic Currency Conversion is conducted by the Merchant.

ID#: 230312-010410-0003101

Dynamic Currency Conversion Card-Absent Environment Transactions

Effective 1 October 2010 through 30 September 2011, before initiating a Dynamic Currency Conversion Mail/Phone Order or Electronic Commerce Transaction, a Merchant must notify the Cardholder of all the information listed in "Dynamic Currency Conversion Transaction Receipt Requirements."

Effective 1 October 2010 through 30 September 2011, for an Electronic Commerce Transaction, the Cardholder must confirm receipt of the information required in "Dynamic Currency Conversion Transaction Receipt Requirements," by clicking on an "accept" or other affirmative button on the payment page for the Transaction to indicate that proper disclosure has occurred.

ID#: 050411-011010-0025742

Dynamic Currency Conversion Priority Check-Out and Express Return Requirements

Before initiating Dynamic Currency Conversion for a Priority Check-out Transaction or an express-return car rental Transaction, the Merchant must complete a written agreement with the Cardholder that specifies:

- Cardholder has agreed that Dynamic Currency Conversion will take place
- Cardholder has been offered a choice of currencies for payment, including the Merchant's local currency
- Specific Transaction Currency agreed to by the Cardholder and Merchant
- Cardholder expressly agrees to DCC by marking an "accept" box on the written agreement
- Currency conversion commission, fees, or mark-up on the exchange rate over a wholesale rate or government mandated rate
- Exchange rate will be determined by the Merchant at a later time without additional consultation with the Cardholder

The written agreement must indicate that the Dynamic Currency Conversion is conducted by the Merchant.

The Merchant must disclose to the Cardholder all of the Transaction Receipt requirements specified in "Dynamic Currency Conversion Transaction Receipt Requirements."

ID#: 160312-010410-0008642

Dynamic Currency Conversion - Acquirer Requirements

Dynamic Currency Conversion Acquirer Requirements

Before processing a Dynamic Currency Conversion Transaction, an Acquirer must:

- Register for Dynamic Currency Conversion as specified in the *International Transactions Guide*
- Register any VisaNet Processor or Third Party Agent that is providing Dynamic Currency Conversion services to the Acquirer or its Merchant Outlets as specified in the *International Transactions Guide*
- Certify all Dynamic Currency Conversion solutions used by its Merchants, as specified in the *International Transactions Guide*
- Notify Visa when material changes are made to a Dynamic Currency Conversion solution used by its Merchants and recertify if required
- Ensure that each Merchant Outlet conducting Dynamic Currency Conversion complies with the *Visa International Operating Regulations* and the *International Transactions Guide*

ID#: 160312-010510-0025740

Dynamic Currency Conversion Merchant Registration Requirement

An Acquirer that offers its Merchants the facility to conduct Dynamic Currency Conversion must provide to Visa the name and location of each of its Merchant's Merchant Outlets that conduct Dynamic Currency Conversion Transactions.

An Acquirer is not, however, required to register each Sponsored Merchant if Dynamic Currency Conversion is conducted by the Sponsored Merchant's Payment Service Provider (PSP).

The Acquirer is responsible for registering with Visa the Merchant or Merchant Outlet as specified in the *International Transactions Guide*, whether or not the Acquirer has directly supplied the service to the Merchant or Merchant Outlet.

ID#: 160312-010410-0008657

Dynamic Currency Conversion Program Fee

An Acquirer that participates in Dynamic Currency Conversion must pay an annual program fee, as specified in the applicable regional fee guide. This fee will not be pro-rated.

ID#: 160312-011010-0025741

Manual Cash Disbursements

Manual Cash Disbursements Requirements

Member Manual Cash Disbursements

Each Member, excluding one participating **only** in the Visa Electron or Plus programs, must make Manual Cash Disbursements to other Issuers' Visa Cardholders from all of its Branches in its Country of Domicile. This includes, but is not limited to, unembossed Visa Cards, and Visa Cards with a generic identifier or no Cardholder name. This requirement is limited only by applicable law and the Issuer's Cash Disbursement policy.

ID#: 081010-010410-0006851

Manual Cash Disbursements - Visa Electron Cards

A Member may make Manual Cash Disbursements to other Issuers' Visa Electron Cardholders if the Member complies with the appropriate acceptance procedures.

ID#: 010410-010410-0006852

Manual Cash Disbursement - Foreign Branches

A foreign Branch of a Member licensed to use the Visa Program Marks outside of its Country of Domicile may make Manual Cash Disbursements to:

- Other Issuers' Visa Cardholders
- Other Issuers' Visa Electron Cardholders, if the Branch complies with the appropriate acceptance procedures

A Foreign Branch of a U.S. Member licensed to use the Visa Program Marks must make Manual Cash Disbursements to other Issuers' Visa Cardholders up to the maximum Cash Disbursement limit assigned to the Foreign Branches by the Member. *(This only applies in the U.S. Region.)*

ID#: 010410-010410-0008660

Manual Cash Disbursements - Related Companies

A Member may make Manual Cash Disbursements through the offices of its related companies if:

- The companies are primarily engaged in providing financial services to the public
- The Member or the Member's holding company wholly owns the company
- Visa has given the Member prior approval

A variance to this provision applies in the CEMEA Region for Members in South Africa.

ID#: 081010-010410-0006854

Visa Electron Acceptance for Manual Cash Disbursements

An Acquirer must use a Point-of-Transaction Terminal with Electronic Capability to accept Visa Electron Cards for Manual Cash Disbursements.

ID#: 010410-010410-0006865

Manual Cash Disbursement Transaction Currency

The Transaction Currency for a Manual Cash Disbursement must be the:

- Currency dispensed
- Currency in the Authorization Request
- Currency presented into Interchange

ID#: 010410-010410-0006862

Manual Cash Disbursement Fee Disclosure

A Manual Cash Disbursement Transaction Receipt must state that the Issuer may assess a Cash Disbursement fee or set-up charge.

ID#: 081010-010410-0006863

Manual Cash Disbursement Transaction Receipt

An Acquirer must provide the Cardholder with a Manual Cash Disbursement Transaction Receipt that includes the:

- Transaction amount
- Transaction date
- Account Number
- Acquirer name and location

ID#: 010410-010410-0007539

Manual Cash Disbursement Cardholder Identification Requirements in Australia – AP Region

In addition to the requirements specified in "Validation of Cardholder Identity," an Acquirer in Australia must comply with the following Cardholder Verification Method requirements when making a Manual Cash Disbursement. An Issuer making a Manual Cash Disbursement to its own Cardholder may set its own verification requirements.

The Acquirer must verify that the person resembles the person described or depicted on one of the following forms of primary identification:

- Credit or debit card bearing the Cardholder's photograph
- Driver's license
- Photographic passport

If the Cardholder is unable to provide a primary identification, the Acquirer may request any two of the following forms of secondary identification:

- Any other identity card bearing the Cardholder's photograph
- Another signed debit/credit card
- Another signed document (e.g. employee identity card, union card, student card)
- Pensioner cards

ID#: 111011-060111-0026151

Non-Member Cash Disbursements - CEMEA Region

A CEMEA Acquirer may allow a non-Member that is ineligible for Visa membership to make Cash Disbursements if:

- Visa has approved the applicable country, and the Member's principal place of business is within it
- The non-Member locations are within the approved country
- Visa has given its written approval
- The Acquirer assumes full responsibility for compliance with the *Visa International Certificate of Incorporation and Bylaws* and the *Visa International Operating Regulations*

A variance to this provision applies in the CEMEA Region for Members in South Africa.

ID#: 081010-150210-0005362

Manual Cash Disbursement Requirements - LAC Region

Before completing a Manual Cash Disbursement, an LAC Member must follow the "Card and Cardholder Verification" procedures and write on the Transaction Receipt the:

- Cardholder name (if it is different from the name embossed on the Card)
- Cardholder address

ID#: 010410-010410-0005254

Manual Cash Disbursements - Chargeback Reasons - U.S. Region

A U.S. Issuer must **not** charge back a Manual Cash Disbursement that exceeds X, except for the reasons listed .

A U.S. Issuer may, within 180 calendar days of the Central Processing Date, request Compliance, **only** if either:

- The Issuer asserts that the Transaction was not authorized through the V.I.P. System
- The Acquirer's failure to provide the requested copy of a signed, imprinted, and legible Cash Disbursement Transaction Receipt or Transaction Record in a timely manner resulted in a loss to the Issuer

ID#: 111011-010410-0006934

Manual Cash Disbursements - Requirements and Limitations - U.S. Region

Each U.S. Member authorized to provide Cash Disbursements in the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws, Section 2.04*, must make Manual Cash Disbursements to other Issuers' Visa Cardholders. This includes, but is not limited to, valid Visa Payroll Cards and Visa Prepaid Cards with an unembossed Cardholder name. This requirement is limited only by applicable law, the Issuer's Cash Disbursement policy, and as specified in the *Visa International Operating Regulations*.

ID#: 010410-010410-0005111

Participant-Type Members Providing Cash Disbursements - U.S. Region

Before making Cash Disbursements, a Participant-Type Member in the U.S. Region that is authorized to provide Cash Disbursements, as described in the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws, Section 2.04(j)*, must be separately approved for each type of Cash Disbursement by Visa.

ID#: 010410-010410-0005114

Manual Cash Disbursement - Card Security Features - U.S. Region 5.5.B.6.a, 3.7.A.1.m

Before completing a Manual Cash Disbursement, a U.S. Acquirer must:

- At the request of Visa, check one or more Card security features
- For a Visa Mini Card, request the corresponding full-sized card

- Compare the first 4 digits of the embossed or printed Account Number to the 4 digits printed above or below the Account Number. If the digits do not match, the Acquirer must attempt to recover the Card, as specified in "Card Recovery"
- Record the printed 4 digits by either:
 - Writing the digits in the space provided on the "80-Column Cash Disbursement Transaction Receipt" (Exhibit 7A)
 - Key entering and electronically printing the digits on the Cash Disbursement Transaction Record in the designated space (if using a Point-of-Transaction Terminal capable of printing key-entered numbers)
- Authorize all Manual Cash Disbursements via an Account-Number-Verifying Terminal

ID#: 010410-010410-0008663

Minimum and Maximum Cash Disbursement Amounts

Issuer Minimum Manual Cash Disbursement Amount - U.S. Region

A U.S. Issuer must **not** establish a minimum Manual Cash Disbursement amount.

ID#: 010410-010410-0006858

Acquirer Minimum Manual Cash Disbursement Amount - U.S. Region

A U.S. Acquirer must **not** establish a minimum Manual Cash Disbursement amount.

ID#: 160312-010410-0005119

Manual Cash Disbursement Restrictions

Manual Cash Disbursement - Surcharge Prohibition

An Acquirer must **not** add a surcharge to a Manual Cash Disbursement unless local law expressly requires that a Member be permitted to impose a surcharge. Any surcharge amount, if allowed, must be included in the Transaction amount and **not** collected separately.

ID#: 010410-010410-0006864

Manual Cash Disbursement - Mobile Payment Device Prohibition (New)

Effective 8 March 2012, an Acquirer must not accept a Mobile Payment Device for a Manual Cash Disbursement.

ID#: 160312-080312-0026781

Visa Electron and Visa TravelMoney Manual Cash Disbursement - U.S. Region

A U.S. Acquirer must **not** accept a Visa Electron Card for a Manual Cash Disbursement.

A U.S. Acquirer must **not** accept a Visa TravelMoney Card for a Manual Cash Disbursement, unless the Card bears the Visa Brand Mark.

ID#: 111011-010410-0008669

Cash-Back Services

Cash-Back Services General Requirements

Cash-Back Services

At the option of a Visa Region, a Visa or Visa Electron Merchant may provide Cash-Back to Visa or Visa Electron Cardholders for Domestic Transactions only. The Merchant must:

- Provide Cash-Back only in conjunction with a purchase^[104] ^[105]
- Authorize and complete the Transaction as a purchase and uniquely identify the Cash-Back portion of the Transaction amount

A variance to this provision applies in the CEMEA Region for Members in South Africa.

A variance applies in the AP Region for Members in Australia.

ID#: 160312-010410-0002971

Cash-Back Service Requirements

Before offering Cash-Back, a Member must be certified with Visa for the Visa Cash-Back Service.

ID#: 160312-011010-0026040

Cash-Back Amounts

The Cash-Back amount must be less than the total Transaction amount.^[106] ^[107]

104 A variance to this requirement applies in the AP Region for Members in India.

105 **Effective 14 April 2012**, a variance to this requirement applies in the U.S. Region.

106 A variance applies to the AP Region for Members in India.

107 A variance applies to the AP Region for Members in Australia.

A Merchant offering Cash-Back through Visa may establish a minimum or maximum Cash-Back amount. The maximum amount must not exceed US \$200, or local currency equivalent.^[108]

ID#: 230312-011010-0026042

Cash-Back Product Eligibility

A Cash-Back Transaction may be performed using the Visa Cash-Back Service on:

- A Visa debit product
- Certain Visa Prepaid Cards, as specified in the applicable Visa International Prepaid Program Guidelines
- A Visa credit product, with the prior written approval of Visa

A Merchant must not process a credit refund or Credit Transaction Receipt for the Cash-Back component of a Transaction.

ID#: 230312-011010-0026045

Cash-Back Services in India - AP Region

In addition to the requirements specified in the AP Regional Operating Regulations and the *Visa International Operating Regulations*, a Member in India that participates in the Cash-Back Service must comply with **all** of the following:

- A Cash-Back Transaction must be a domestic transaction
- The Issuer must ensure that the Cash-Back Service is only available to the product types permitted by the Reserve Bank of India (RBI)
- The Cash-Back Service must be available irrespective of whether or not the Cardholder makes a purchase
- The Issuer must ensure that Cash-Back disbursements do not exceed the RBI-legislated daily Cash-Back limit per Card
- The Merchant must not process a Credit Transaction for the Cash-Back element of the Transaction
- The Cash-Back Transaction Receipt must include the amount of the Cash-Back element of the Transaction as a separate field, irrespective of whether there is a purchase component to the Transaction

ID#: 151011-060111-0026139

108 A variance applies to the AP Region for Members in Australia.

Cash-Back Services in Australia – AP Region

In addition to the Cash-Back Services General Requirements specified in the AP Regional Operating Regulations, an Issuer or Acquirer in Australia that participates in Cash-Back services must comply with **all** of the following:

- A Cash-Back transaction must be a Domestic
- The Cash-Back service must be available irrespective of whether or not the Cardholder makes a purchase
- A Cash-Back transaction receipt must include the amount of the Cash-Back element of the Transaction as a separate field, irrespective of whether there is a purchase component to the Transaction
- Cash-Back transactions may only be performed on a Visa debit Card bearing a Visa Smart Debit and Credit (VSDC) Chip
- A Cash-Back Transaction must be sent Online for Authorization
- Fallback Transactions are prohibited
- Cash-Back transactions must be PIN-verified
- A Merchant must **not** process a credit refund or Credit Transaction Receipt for the Cash-Back component of a Transaction

ID#: 160312-060111-0026152

Cash-Back Services Participation Requirement in Australia – AP Region

An Issuer in Australia must offer Cash-Back services on its Visa debit Chip Cards.

An Acquirer in Australia must be certified to support Cash-Back Transactions.

ID#: 160312-060111-0026153

Cash-Back Services Participation – U.S. Region

Effective 14 April 2012, a U.S. Merchant may offer the Visa Cash-Back Service to Visa Debit Cardholders and Visa Business Check Card Cardholders if the Cash-Back Transaction is processed as a Visa Debit with PIN Transaction.

The Merchant may offer Cash-Back with or without a purchase.

ID#: 111011-140412-0026509

General Cash-Back Service Requirements- U.S. Region

Effective through 30 June 2015, a U.S. Merchant may offer the Visa Cash-Back Service to Visa Check Card II Cardholders if the:

- Service is offered as a part of a purchase Transaction
- Transaction is processed using a Point-of-Transaction Terminal with PIN pad
- PIN is used for Cardholder identification purposes
- Transaction is processed through the Single Message System

ID#: 111011-010410-0005342

Cash-Back Transaction Requirements

Cash-Back Transaction Requirements (Updated)

All Cash-Back Transactions must:

- Be authorized online, regardless of the Merchant's Floor Limit
- Be processed in a Face-to-Face Environment only
- Be conducted in the Merchant's local currency
- Contain the full contents of track 1 or track 2 of the Magnetic Stripe or unaltered Chip
- **Effective through 7 March 2012**, require Cardholder signature or PIN
- **Effective 8 March 2012**, require Cardholder signature, PIN, or Consumer Device Cardholder Verification Method (CDCVM)
- Comply with "BASE II Record Requirements" (Exhibit 2L)

ID#: 160312-011010-0026043

Cash-Back Receipt Requirements

For a Cash-Back Transaction, the Transaction Receipt must include the amount of the Cash-Back portion of the Transaction as a separate field, as specified in "Face-to-Face Electronic Purchase or Credit Transaction Receipt Data Requirements Table 7I-1."

ID#: 160312-011010-0026044

ATM Transactions

ATM Transaction General Requirements

Visa Global ATM Program Participation

Acquirer participation in the Visa Global ATM Program is optional. A Member has complete discretion over whether all, some, or none of its ATMs participate in the Visa Global ATM Program.

Only an ATM owned, leased, or controlled by a Member is eligible for participation in the Visa Global ATM Program. A Member that sponsors a non-Member agent to deploy or operate an ATM participating in the Visa Global ATM Program must ensure that the non-Member agent meets all obligations specified in "Contract Requirements Between Members, VisaNet Processors, and Third Parties," and that its ATMs comply with the applicable *Visa International Operating Regulations*.

ID#: 010410-010410-0004783

ATM Acquirer Certification Requirements

Before acting as an ATM Acquirer, an Acquirer must successfully complete certification and comply with:

- Licensing requirements
- Acquirer participation requirements specified in the *Visa Global ATM Member Guide*
- Processing requirements specified in the VisaNet manuals

ID#: 010410-010410-0004784

ATM Card Acceptance Requirements

A Visa/Plus ATM must accept all valid Cards as specified in the:

- *Visa International Operating Regulations*
- *Visa Global ATM Member Guide*

The above requirement does not apply in the Canada Region.

At the discretion of Visa, an ATM Acquirer that accepts Cards bearing the Plus Symbol may selectively deny access to its ATMs.

An ATM Acquirer certified to accept Visa Cards may selectively deny access to its ATMs if the Card presented is both issued to residents of the country where the ATM is located and billed in the local currency.

An ATM with restricted access must display language with the Visa Brand Mark that both identifies the ATM Acquirer and describes Card acceptance or the nature of any restrictions, as specified in the *Visa International Operating Regulations*, the *Visa Global ATM Member Guide*, and the *Visa Product Brand Standards*.

ID#: 111011-150210-0004785

ATM Account Number Acceptance

A Visa/Plus ATM and a Member ATM processing system must be able to accept all valid International Organization for Standardization numbers 11-19 digits in length.

ID#: 010410-010410-0004786

ATM Transactions Using Single Message System

A new ATM Acquirer (excluding an Acquirer that processes through a VisaNet Processor with an existing VisaNet endpoint) must process ATM Transactions using the Single Message System.

ID#: 010410-010410-0004789

ATM Acquirer Participation Requirements

An ATM Acquirer (including an Acquirer that processes through a VisaNet Processor with an existing VisaNet endpoint) must:

- Be certified to participate in either the:
 - Single Message System
 - Custom Payment Services/ATM
- Meet all tier II requirements specified in the *Visa Global ATM Member Guide*

If an ATM Acquirer does not meet tier II requirements, Visa may remove the ATM Acquirer from the tier II level.

ID#: 010410-010410-0008597

Magnetic Stripe Requirements for ATM Transactions

An ATM Acquirer must ensure that the entire unaltered contents of track 2 of the Magnetic Stripe or the Magnetic-Stripe Image from the Chip on the Card is read and transmitted.

ID#: 010410-010410-0004792

ATM Authorization Routing - Cards Bearing the Plus Symbol

If an ATM Acquirer does **not** route all Transactions to Visa, it must:

- Install and use the Plus account range table within 3 business days of receipt from Visa
- Use the Plus account range table to determine the routing of an Authorization Request for a Card bearing the Plus Symbol. This requirement does **not** apply to licensees of the Plus System, Inc.

ID#: 010410-010410-0006993

Minimum ATM Cash Disbursement Requirements

An ATM must be able to make Cash Disbursements of at least X, or local currency equivalent, per day, per Account Number.

ID#: 111011-010410-0006470

ATM Currency Disbursement

An ATM must dispense the local currency or display the type of currency (or cheques) dispensed.

ID#: 010410-010410-0006471

ATM Transaction Currency

The Transaction Currency for an ATM Cash Disbursement must be the:

- Currency dispensed
- Currency in the Authorization Request
- Currency presented into Interchange

A variance to this requirement applies in the U.S. Region and in the jurisdiction of Visa Europe.

The above requirement does not apply to Merchant Sales of Foreign Currency, including Cheques, or Visa TravelMoney Cards.

ID#: 111011-010410-0004801

ATM Transaction Reversal

For a cancelled ATM Transaction, the Acquirer must process a Reversal. The Reversal amount must be the original Transaction amount.

ID#: 010410-010410-0002404

PIN Requirement at ATMs - U.S. Region

In the U.S. Region, for a Visa ATM Network Transaction, a PIN serves as a substitute for the Cardholder signature and is required for all ATM Transactions. An ATM Acquirer must accept and transmit PIN verification 4 to 12 alphanumeric characters long, as specified in the *Payment Technology Standards Manual* and *Transaction Acceptance Device Requirements*. The PIN must be either:

- Reversibly encrypted using the Data Encryption Standard

- Within a Physically Secure Device, as specified in the PIN Management Requirements Documents

ID#: 081010-010210-0003957

ATM Messages - U.S. Region

An ATM in the U.S. Region must be capable of communicating the following information, if applicable:

- Card invalid for this service
- Service unavailable now
- Invalid PIN - Re-enter
- Card retained
- Access fee will be assessed

ID#: 010410-010410-0004777

ATM Transaction Receipts

ATM Transaction Receipt Requirements Table 71-2

An ATM must offer a Transaction Receipt for each ATM Cash Disbursement or Load Transaction. Visa may waive this requirement.

The Transaction Receipt must include:

- ATM or Load Device Acquirer name and/or name of affiliated domestic or regional network
- ATM or Load Device Acquirer street location or location code
- ATM or Load Device Acquirer city and country (and state/province, if applicable)
- Transaction amount indicated in Transaction Currency
- Account Number or card number (**Effective through 30 September 2014**, at least 4 digits of the Account Number or card number must be disguised or suppressed.^[109] **Effective for Point-of-Transaction Terminals installed on or after 1 October 2011**, the Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final four digits. **Effective 1 October 2014**, the Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final four digits.)
- Type of account accessed
- Authorization Code
- Transaction type (Cash Disbursement)

ID#: 160312-010410-0005065

109 **Effective through 30 September 2014**, Visa strongly recommends disguising or suppressing all but the last 4 positions of the primary Account Number on the Cardholder Transaction Receipt.

ATM Transaction Receipt Requirements - U.S. Region Table S-3

In the U.S. Region, an ATM Transaction Receipt must include:

- Account Number. The Account Number must be disguised or suppressed on the Cardholder's copy of the Transaction Receipt, except for the final 4 digits.
- ATM Acquirer name and/or name of affiliated local or regional network
- ATM street location or Location Code
- ATM city and state
- Transaction amount
- Access Fee, if any, imposed by the ATM Acquirer, as specified in "ATM Access Fee Disclosure on Transaction Receipt - U.S. Region 5.5.A."
- Transaction Date
- Transaction type (Cash Disbursement)
- Type of account accessed

ID#: 080411-220311-0026255

ATM Transaction Receipt - Cancellation Request - U.S. Region 5.5.A

In the U.S. Region, if an ATM cannot produce a Transaction Receipt and has a cancellation feature, it must allow the Cardholder to request cancellation of the Transaction.

ID#: 010410-010410-0004972

ATM Cash Disbursement Transaction Receipt - CEMEA Region

In the CEMEA Region, an ATM that does not routinely produce a Transaction Receipt is **not** required to do so.

An ATM that produces a Transaction Receipt is **not** required to include the complete Account Number on the Transaction Receipt.

ID#: 010410-010410-0004729

ATM Misdispense

ATM Misdispense Message

For a misdispense, an ATM Acquirer must process an ATM confirmation message for the actual amount dispensed.

ID#: 010410-010410-0002406

ATM Misdispense - U.S. Region

For a misdispense, an ATM in the U.S. Region must process an Adjustment within 45 calendar days of the Central Processing Date of the original Transaction. The Adjustment must:

- Adjust the Cardholder account for the actual amount of the misdispense
- Be processed as specified in the appropriate VisaNet manual

For an over-dispense that is caused by a misloaded terminal, the U.S. Acquirer must **not** process an Adjustment to the Cardholder account without prior consent from the Issuer (e.g., through a good-faith collection).

ID#: 010410-010410-0008601

ATM Transaction Restrictions

Chip-Initiated ATM Transaction Requirements

If a Chip Card cannot be read, an ATM may complete the Transaction by reading the Magnetic Stripe. If the Magnetic Stripe cannot be read, the Transaction must **not** be processed.

If the Acquirer-Country combination exceeds international Fallback Transaction thresholds, the Member may be subject to penalties as specified in the *Visa International Operating Regulations* and the *Global Chip Fallback Monitoring Program Guide*.

ID#: 160312-010410-0004787

ATM Transaction Timeout Time Limit

Neither an ATM nor its host system may timeout a Transaction in less than 45 seconds.

ID#: 010410-010410-0002405

Scrip Terminal as ATM - U.S. Region

A Scrip Terminal in the U.S. Region must **not** participate in the Visa ATM Network.

ID#: 010410-010410-0004778

Quasi-Cash Transactions

Quasi-Cash Transaction General Requirements

Quasi-Cash Transactions as a Purchase

Merchants and Members not previously processing Quasi-Cash Transactions as a Cash Disbursement must:

- Process all Quasi-Cash Transactions as a purchase
- **Not** process a Quasi-Cash Transaction as a Cash Disbursement

All Quasi-Cash Transactions, except as specified in "Sale of Travelers Cheques and Foreign Currency," must be:

- Processed as a purchase
- **Not** processed as a Cash Disbursement

A variance to these requirements applies in the CEMEA Region for Members in South Africa.

ID#: 050411-010410-0002885

Quasi-Cash Transactions - Mobile Payment Device Prohibition (New)

Effective 8 March 2012, a Merchant must not accept a Mobile Payment Device for a Quasi-Cash Transaction.

ID#: 160312-080312-0026782

Quasi-Cash Transaction Types - U.S. Region

In the U.S. Region, a Quasi-Cash Transaction is a Transaction representing a Merchant's sale of items that are directly convertible to cash, such as:

- Casino gaming chips
- Money orders
- Deposits

- Wire Transfer Money Orders
- Travelers cheques
- Visa TravelMoney Cards ^[110]

ID#: 081010-150210-0005158

Quasi Cash Transactions - Visa Electron Prohibition - U.S. Region

A U.S. Merchant must **not** accept a Visa Electron Card for a Quasi-Cash Transaction.

ID#: 010410-010410-0005162

Quasi-Cash Transactions in a Face-to-Face Environment - U.S. Region 3.7.A.1.m

In the U.S. Region, a Quasi-Cash Transaction that occurs in a Face-to-Face Environment must be authorized using a Magnetic-Stripe and Account-Number-Verifying Terminal. The Merchant must comply with the following:

- When the embossed or printed Account Number does **not** match the encoded Account Number:
 - Decline the Transaction and attempt to retain the Card by reasonable and peaceful means
 - Note the physical description of the Cardholder
 - Notify its Acquirer. The Acquirer must then notify the Issuers indicated by both the embossed or printed, and encoded Account Numbers of the incident.
 - Handle any recovered Card as specified in the *Visa International Operating Regulations*
- When the encoded Account Number cannot be read from the Magnetic Stripe, follow normal Authorization procedures and complete the approved Transaction using a Manual Imprinter
- When the embossed or printed Account Number is the same as the encoded Account Number, follow normal Authorization procedures

ID#: 010410-010410-0005166

Wire Transfer Money Orders (WTMO)

Wire Transfer Money Order Merchant Requirements

A Wire Transfer money order Merchant may disburse checks or money orders. If it does so, the Merchant must:

- Advise the Cardholder that the Merchant accepting the Card is the wire transfer company, **not** the payee. The check or money order must be payable to the party cashing the check or money order.

110 Members that previously processed Cash Disbursements to represent the sale of Visa TravelMoney Cards must comply with this requirement.

- Disclose any fee to the Cardholder and include it on the Transaction Receipt

ID#: 010410-010410-0002887

Third-Party Merchant Prohibition - U.S. Region

A U.S. Wire Transfer Money Order Merchant must **not** complete a Wire Transfer Money Order Transaction if the funds are obtained to purchase goods or services and the sale occurs at a third-party merchant outlet under the terms of an agreement between the Wire Transfer Money Order Merchant and third-party merchant.

This does **not** apply to agreements involving a:

- Casino or other gambling establishment
- Check-cashing outlet
- Truck stop offering cash access services

ID#: 010410-010410-0008693

Wire Transfer Money Order Penalties - U.S. Region

A U.S. Acquirer that processes Wire Transfer Money Order Transactions from a prohibited Merchant Outlet is subject to the following fines if it continues to process these Transactions after Notification:

Wire Transfer Money Order Fines - U.S. Region

Assessment	Fine
4 months after Notification	US \$100 per Merchant Outlet
5 months after Notification	US \$500 per Merchant Outlet
Each month thereafter	US \$1,000 per Merchant Outlet

ID#: 111011-010410-0001314

Wire Transfer Money Order Acquirer Responsibilities - U.S. Region (Updated)

A U.S. Acquirer that has a Merchant Agreement with a Wire Transfer Money Order Merchant must:

- Submit to Visa the following information about each Merchant Outlet:
 - Name and address where the Wire Transfer Money Order is issued
 - Type of business
 - Name and location of the third-party merchant under which wire transfer services are promoted, if applicable
 - Termination date of the Merchant Agreement, or date when the Acquirer may cancel without penalty

- Notify Visa of any change in the above information or in the status of any Merchant Agreement with a Wire Transfer Money Order Merchant
- Create a separate check or money order for each Wire Transfer Money Order Transaction
- **Effective through 14 March 2012**, notify any Wire Transfer Money Order Merchant that participates in 3-D Secure that its Electronic Commerce Transactions are not eligible for Chargeback protection from:
 - Chargeback Reason Code 75, "Cardholder Does Not Recognize Transaction"
 - Chargeback Reason Code 83, "Fraudulent Transaction-Card-Absent Environment"
- **Effective 15 March 2012**, notify any Wire Transfer Money Order Merchant that participates in Verified by Visa that its Electronic Commerce Transactions are not eligible for Chargeback protection from:
 - Chargeback Reason Code 75, "Cardholder Does Not Recognize Transaction"
 - Chargeback Reason Code 83, "Fraudulent Transaction-Card-Absent Environment"

ID#: 160312-010410-0005172

Multiple Wire Transfer Money Orders - U.S. Region

A Wire Transfer Money Order Merchant in the U.S. Region must **not** include more than one Wire Transfer Money Order Transaction on a single check or money order.

ID#: 010410-010410-0005175

Wire Transfer Money Order Disclosure Requirements - U.S. Region

In the U.S. Region, a Wire Transfer Money Order Merchant must disclose the following to the Cardholder:

- Wire Transfer Money Order Merchant name (name of the Merchant accepting the Card)
- That the Visa Transaction is the purchase of a check or money order and any subsequent Transaction with the third-party merchant is the same as a transaction made with cash

The disclosure must be either:

- In writing, for a Transaction completed through an electronic terminal, mail order, or service facility, before initiating the Transaction
- Verbal, for a telephone order

ID#: 010410-010410-0008646

Wire Transfer Money Order Requirements - U.S. Region

Except as specified below, a Wire Transfer Money Order completed in the U.S. Region must be a written negotiable instrument that is:

- Signed by the maker or drawer
- Payable on demand
- Payable to order or to bearer

Except as specified below, the money order must contain the following:

- Federal Reserve routing symbol
- Suffix of the institutional identifier of the paying bank or nonbank payor
- Name, city, and state of the paying bank associated with the routing number

If authorized by the Cardholder, the Wire Transfer Money Order Merchant may, in accordance with applicable law, process the Wire Transfer Money Order electronically without the creation of a written negotiable instrument. The Merchant must offer the Cardholder the option of obtaining the Wire Transfer Money Order as a written negotiable instrument, as specified above.

ID#: 081010-090709-0008440

Wire Transfer Money Order Fees - U.S. Region

A Wire Transfer Money Order Merchant in the U.S. Region must:

- Include any service fee in the total Transaction amount
- Disclose the fee to the Cardholder

The Merchant must **not** assess a fee for using a Visa Card for payment, unless the Merchant assesses a fee when another payment method is used.

ID#: 010410-010410-0008691

Wire Transfer Money Order Advertising and Disclosure - U.S. Region

In the U.S. Region, all advertising and marketing materials associated with a money order purchase, including but **not** limited to use of the Visa Brand Name, the Visa Flag Symbol, or the Visa Brand Mark, must:

- Specify that the Transaction involves the purchase of a money order
- Clearly identify the Wire Transfer Money Order Merchant as the Merchant completing the Transaction

Unless the Merchant has a valid Merchant Agreement, the Visa Brand Name, the Visa Flag Symbol, or the Visa Brand Mark must **not** appear by itself or be positioned in such a way as to imply that Cardholders may use their Cards to either:

- Pay for goods or services at the Merchant Outlet

- Satisfy an outstanding debt to the Merchant

ID#: 010410-010410-0008687

Scrip

Scrip - Unattended Acceptance Terminals - CEMEA Region

Effective through 14 October 2011, in the CEMEA Region, an Unattended Acceptance Terminal used for the sale of Scrip must process the Transaction as a Cardholder-Activated Transaction Type C.

Effective 15 October 2011, in the CEMEA Region, an Unattended Cardholder-Activated Terminal used for the sale of Scrip must process the Transaction using PIN Verification.

ID#: 111011-010410-0005358

Sale of Travelers Cheques and Foreign Currency

Sale of Travelers Cheques and Foreign Currency

A Member or a non-Member financial institution with authority to make Cash Disbursements that sells or disburses cheques or Foreign Currency must process the Transactions as either:

- A Quasi-Cash Transaction that must comply with "Quasi-Cash Transaction General Requirements"
- A Cash Disbursement that must comply with "Manual Cash Disbursement Requirements" and "Quasi-Cash Transaction General Requirements"

ID#: 010410-010410-0008694

Travelers Cheques or Foreign Currency Fees - U.S. Region

With the exception of taxes or other charges imposed by local law, a U.S. Acquirer must **not** add to the Transaction amount any surcharge, commission, or fee for the sale of cheques or Foreign Currency.

ID#: 010410-010410-0002986

Original Credit Transactions

Original Credit Transaction Processing Requirements

Original Credit Acceptance

A Member must accept an incoming Original Credit Transaction unless prohibited by local law. ^[111] If prohibited by local law, the Member must submit a written request to Visa to block incoming Original Credit Transactions.

ID#: 160312-091210-0004062

Original Credit Transaction Posting

A Recipient Member must post an Original Credit to the Visa Account Number within 2 business days of receiving the Clearing Transaction or it must charge back the Original Credit to the Originating Member.

For an Original Credit Transaction sent to a Cardholder's Visa credit Card account, the Recipient Member must post the funds as payment. (This requirement does not apply to Members in Visa Europe).

ID#: 160312-010410-0004064

Original Credit Transaction Clearing Time Limit

An Originating Member must submit an Original Credit for Clearing within one business day of receiving the approval response to the Original Credit Authorization Request, unless a Reversal is sent.

ID#: 050411-010410-0005576

Original Credit Transaction Reversals

An Originating Member must not reverse an Original Credit Transaction initiated as an Online Financial Transaction (0200 message).

For an Original Credit Transaction initiated as a BASE I Authorization Request (0100 message), the Originating Member may process a reversal within 24 hours of initiating the Transaction. The reversal is valid only for processing errors or if the consumer did not complete the Transaction.

A Reversal of a BASE II Original Credit Transaction must be processed within one business day of the Processing Date of the Original Credit Transaction and only for the following reasons:

¹¹¹ In the U.S. Region, this requirement applies only to incoming Money Transfer Original Credit Transactions.

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

ID#: 160312-010100-0026074

Money Transfer Original Credit Transactions

Money Transfer Original Credit Transaction Processing Requirements

Money Transfer Original Credit Transaction Posting

Except as specified otherwise in “Money Transfer Original Credit Transaction Posting – Fast Funds,” a Recipient Member must post a Money Transfer Original Credit Transaction to the Visa Account Number within 2 business days of receiving either the Online Financial Transaction or the Clearing Record or it must charge back the Money Transfer Original Credit to the Originating Member.

ID#: 160312-091210-0026243

Money Transfer Original Credit Transaction Posting - Fast Funds

A Recipient Member that participates in Fast Funds processing for incoming Money Transfer Original Credit Transactions as specified in “Money Transfer Original Credit Transactions - Fast Funds Processing” must make funds available to the Visa Cardholder within 30 minutes of successfully receiving and approving a Money Transfer Original Credit Transaction.

ID#: 160312-010100-0026244

Money Transfer Original Credit Transaction Reversal

An Originating Member must not reverse a Money Transfer Original Credit Transaction initiated as an enhanced Online Financial Transaction (0200 message) as specified in the *Visa Money Transfer (VMT) Global Implementation Guide*.

ID#: 230312-091210-0026245

Money Transfer Original Credit Transaction Posting to Credit Card Account

For a Money Transfer Original Credit Transaction sent to a Cardholder's Visa credit Card account, the Recipient Member must post the funds as a payment.

ID#: 160312-091210-0026246

Money Transfer Original Credit Transaction Authorization Request

An Originating Member must not initiate an Authorization Request (0100 message) for a Money Transfer Original Credit Transaction.

ID#: 160312-091210-0026247

Money Transfer Original Credit Compliance with Payment Card Industry Data Security Standards

An Originating Member must comply with the *Payment Card Industry Data Security Standard (PCI DSS)* when sending and managing sender data for a Money Transfer Original Credit Transaction.

The Originating Member must ensure that procedures are in place to validate sender data and comply with applicable anti-money laundering regulations and anti-terrorist financing standards. Proper disclosure must be given to the sender regarding the collection of sender data.

ID#: 080411-010410-0005328

Money Transfer Original Credit Transaction Sender Name and Address

For an International Money Transfer Original Credit Transaction, the Originating Member must include the sender's name and primary address in the Online Financial Transaction (0200 message) and the Clearing Record, as specified in:

- "BASE II Record Requirements" (Exhibit 2L)
- "Required Message Content for VisaNet Financial Transactions" (Exhibit 3A)

Prior to initiating an international Money Transfer Original Credit Transaction to the countries specified in the *Visa Money Transfer (VMT) Global Implementation Guide*, the Originating Member must submit the sender's name and address to VisaNet for screening against a regulatory watch list(s). The score returned to the Originating Member as a result of screening must be included by the Originating Member in the Money Transfer Original Credit Transaction message sent to the Recipient Member.

ID#: 160312-010410-0005579

Money Transfer Original Credit Transaction - Unique Sender Identification

For all Money Transfer Original Credit Transactions, the Originating Member must include in the Online Financial Transaction (0200 message) and the Clearing Record, either the sender's account number used to fund the Money Transfer Original Credit Transaction, or a transaction reference number that uniquely identifies the sender if the sender's account number is not available.

The Originating Member must ensure that the sender data in both the Online Financial Transaction (0200 message) and Clearing Record is identical.

ID#: 050411-010410-0008743

Money Transfer Original Credit Merchant Category Codes

A Money Transfer Original Credit Transaction must originate at a Merchant or Member properly assigned one of the following Merchant Category Codes:

- Wire Transfer Money Orders (4829)
- Financial Institutions—Merchandise and Services (6012)

ID#: 160312-091210-0026248

Mobile Commerce Transactions - AP Region

Mobile Commerce Transactions in India - AP Region

mChek Platform - Issuer Requirements

An Issuer in India participating in the mChek Platform:

- May issue mobile payment Visa accounts on any domestic BIN for credit, debit, or Visa Prepaid Cards
- Must not issue a physical plastic Card if it chooses to use a unique BIN for its mobile payment Visa accounts
- Must block the BIN for Mail/Phone Order Transactions if it chooses to use a unique BIN for its mobile payment Visa accounts

ID#: 080411-060111-0026137

mChek Platform - Acquirer Requirements

An Acquirer in India participating in the mChek Platform must use a unique BIN to acquire mobile commerce Transactions.

ID#: 050411-060111-0026138

Account Funding Transactions

Account Funding Transaction Processing Requirements

Account Funding Transaction Requirements

An Account Funding Transaction must:

- Be processed through VisaNet as a purchase Transaction
- If authorized, include the Account Funding Transaction indicator in the Authorization and Clearing Records
- Be cleared for the same amount approved in the Authorization

ID#: 010410-010410-0002890

Account Funding Transaction Requirements - U.S. Region (Updated)

An Account Funding Transaction originating in the U.S. Region must:

- Be processed as a purchase Transaction
- Include the transmission of the Electronic Commerce Indicator, as specified in "VisaNet Clearing Message Content Standards" (Exhibit NN) and "Required Data for Authorization Requests and Responses" (Exhibit OO)
- Include the transmission of the Account Funding Transaction indicator, as specified in the appropriate VisaNet manual

ID#: 160312-010410-0005191

Aggregated Transactions

Aggregated Transaction Requirements

Aggregated Transaction Processing Requirements (Updated)

Effective through 13 November 2011, only an Electronic Commerce Merchant may process an Aggregated Transaction. An Aggregated Transaction must consist only of purchases made:

- From a single Electronic Commerce Merchant, including a Sponsored Merchant, with a single trading name

- Using the same Visa Account Number

ID#: 160312-010410-0002905

Aggregated Transaction Receipt Data (Updated)

For an Aggregated Transaction completed by an Electronic Commerce Merchant, upon completion of a purchase, the Electronic Commerce Merchant must provide an Electronic Commerce Transaction Receipt with the information specified in "Electronic Commerce Transaction Receipt Requirements 5.2.B.4 Table 7K-1" and an Aggregated Transaction Receipt that includes the following for each individual purchase:

- Date
- Amount
- Description of purchase

Effective 14 November 2011, for an Aggregated Transaction completed at a Merchant properly assigned Merchant Category Code 4111, "Local and Suburban Commuter Passenger Transportation, Including Ferries," 4112, "Passenger Railways," or 4131, "Bus Lines," the Merchant must provide an Aggregated Transaction Receipt^[112] that includes the following:

- Merchant name
- Total Transaction amount and amount of each individual purchase, indicated in the Transaction Currency
- Final Transaction date and date of each individual purchase
- Detailed description of each individual purchase

ID#: 160312-010410-0002903

Aggregated Transactions - Purchase Data Availability

Individual purchase information and Aggregated Transaction information must be available to a Cardholder for a minimum of 120 days following the processing date of the Aggregated Transaction.

ID#: 010410-010410-0002904

Aggregated Transaction Requirements (Updated)

Effective 14 November 2011, only the following Merchants may process an Aggregated Transaction:

- Electronic Commerce Merchants
- Merchants properly assigned one of the following Merchant Category Codes:
 - 4111, "Local and Suburban Commuter Passenger Transportation, Including Ferries"

¹¹² If the Aggregated Transaction has been completed at a Proximity Payment-Only Terminal, the specified Transaction information must be provided to the Cardholder at the Cardholder's request.

- 4112, "Passenger Railways"
- 4131, "Bus Lines"

Effective 14 November 2011, an Aggregated Transaction must:

- Consist only of purchases made from a single Merchant, including a Sponsored Merchant, with a single trading name
- Consist only of purchases made using the same Visa Account Number
- Not include purchases made more than 7 calendar days apart
- In the U.S. Region, not include purchases made more than 3 calendar days apart (*This only applies in the U.S. Region.*)
- Not exceed US \$25, or local currency equivalent, in total aggregated purchases
- In the U.S. Region, not exceed US \$15 in total aggregated purchases (*This only applies in the U.S. Region.*)

Effective through 13 November 2011, an Aggregated Transaction must **not**:

- Include purchases made more than 7 calendar days apart
- Exceed US \$25, or local currency equivalent, in total aggregated purchases
- Be aggregated across more than one Visa Account Number

ID#: 160312-010410-0002906

Aggregated Transaction Cardholder Notification (Updated)

Effective through 13 November 2011, before a Cardholder's first purchase, an Electronic Commerce Merchant must inform the Cardholder of the following:

- Confirmation that Transaction aggregation will occur
- Transaction aggregation terms, including the maximum number of calendar days and Transaction value
- How to obtain details of the aggregated purchases

Effective 14 November 2011, for an Aggregated Transaction, before a Cardholder's first purchase, a Merchant must inform the Cardholder (e.g., via a message, signage, printed material, or other conspicuous means on the Website or at the Point-of-Transaction) of the following:

- That Transaction aggregation may occur
- Transaction aggregation terms, including the maximum number of calendar days and Transaction value
- How to obtain details of the aggregated purchases

ID#: 160312-010410-0002907

Aggregated Transactions - Prohibited Merchants - U.S. Region 5.2.K

A U.S. Merchant assigned one of the Merchant Category Codes in the High-Risk Chargeback Monitoring Program must **not** aggregate Transactions.

ID#: 010410-010410-0005651

Aggregated Transaction Requirements for Electronic Commerce Merchants - U.S. Region (Updated)

Effective through 30 June 2011, an Electronic Commerce Merchant in the U.S. Region, including an Internet Payment Service Provider, that aggregates Transactions must:

- Obtain an Authorization of no more than US \$15 at the start of each aggregation session
- Complete the aggregation session within 3 calendar days
- Aggregate Transactions from a single Merchant Outlet in each aggregation session
- Support Partial Authorization
- Submit a Sales Draft for the actual purchase amount
- At the check-out screen, inform the Cardholder of the following:
 - That Transactions are aggregated
 - The terms of aggregation, including the maximum number of calendar days, aggregated Transaction value, and that the Issuer may hold available funds up to US \$15 for 3 calendar days
 - How details of Aggregated Transactions can be obtained
- Provide a Transaction Receipt, via e-mail, that captures the details of individual purchases during the aggregation session, as follows:
 - Goods or services purchased
 - Amount and date of each individual purchase
 - Total Transaction amount charged
 - Transaction Date (for Aggregated Transactions, the Transaction Date is the date the Merchant submits the Sales Draft to its Acquirer)
- If requested, provide Cardholder purchase history for 120 calendar days after purchase

In the U.S. Region, for an Aggregated Transaction, the aggregated purchases must be from a single merchant brand of the direct seller to the Cardholder.

Effective 1 July 2011, an Electronic Commerce Merchant in the U.S. Region, including a Payment Service Provider, that aggregates Transactions must:

- Obtain an Authorization of no more than US \$15 at the start of each aggregation session
- Complete the aggregation session within 3 calendar days

- Aggregate Transactions from a single Merchant Outlet in each aggregation session
- Support Partial Authorization
- Submit a Sales Draft for the actual purchase amount
- At the check-out screen, inform the Cardholder of the following:
 - That Transactions are aggregated
 - The terms of aggregation, including the maximum number of calendar days, aggregated Transaction value, and that the Issuer may hold available funds of up to US \$15 for 3 calendar days
 - How details of Aggregated Transactions can be obtained
- Provide a Transaction Receipt, via e-mail, that captures the details of individual purchases during the aggregation session, as follows:
 - Goods or services purchased
 - Amount and date of each individual purchase
 - Total Transaction amount charged
 - Transaction Date (for Aggregated Transactions, the Transaction Date is the date the Merchant submits the Sales Draft to its Acquirer)
- If requested, provide Cardholder purchase history for 120 calendar days after purchase

ID#: 160312-010410-0005652

Deferred Payments - U.S. Region

Deferred Payment Transactions

Account Number Verification for Deferred Payment - U.S. Region

A U.S. Merchant may use Account Number Verification for a Deferred Payment Transaction at the time an order is placed.

ID#: 081010-010709-0007205

Authorization and Cardholder Notification - U.S. Region

A U.S. Merchant must:

- Request Authorization for a Deferred Payment Transaction on the date the Cardholder is billed, which must be no later than 90 days from the initial shipment date
- Include disclosure of the deferred payment process, including the exact date of the billing, with the initial shipment to the Cardholder

ID#: 010410-010410-0008737

Billing Date as Transaction Date - U.S. Region

In the U.S. Region, the billing date is considered to be the Transaction Date.

ID#: 010410-010410-0008736

Acquirer Performance Standards - U.S. Region**Retrieval Performance Rates - U.S. Region****Retrieval Request Rate Acquirer Standards - U.S. Region**

A U.S. Acquirer must **not** exceed the monthly Retrieval Request rate specified in the table below. The Retrieval Request rate is the number of Transaction Receipts received as a percentage of all Transactions processed by the Acquirer in the specific Merchant category.

Acquirer Monthly Retrieval Request Rate Standards - U.S. Region

Merchant Category	All Visa Cards
Airline	0.25%
Lodging/Cruise Line	0.15%
Car Rental	0.25%
Department Store	0.25%
Mass Merchandiser	0.15%
Gas and Convenience Store	0.25%
Direct Marketing Catalog Merchant	0.07%
Direct Marketing Combination Catalog and Retail Merchant	0.06%
Direct Marketing Outbound Telemarketing Merchant	0.40%
Direct Marketing Inbound Teleservices Merchant	0.20%
Direct Marketing Continuity/Subscription Merchant	0.15%
Direct Marketing Insurance Services Merchant	0.05%
All Merchants (including those listed above)	0.17%

ID#: 111011-010410-0006436

Chargeback Performance Rates - U.S. Region

Chargeback Rate Acquirer Standards - U.S. Region

A U.S. Acquirer must **not** exceed the Chargeback rate for the respective Card program, as specified in the table below. The Chargeback rate is the number of Chargebacks received as a percentage of all Transaction Receipts processed.

Acquirer Chargeback Rate Standards - U.S. Region

Merchant Category	All Visa Cards
Chargeback Rate	
All Merchants	0.17%
Department Store	0.10%
Mass Merchandiser	0.07%
Gas and Convenience Store	0.13%
Direct Marketing Catalog Merchant	0.22%
Direct Marketing Combination Catalog and Retail Merchant	0.18%
Direct Marketing Outbound Telemarketing Merchant	0.90%
Direct Marketing Inbound Teleservices Merchant	0.80%
Direct Marketing Continuity/Subscription Merchant	0.75%
Direct Marketing Insurance Services Merchant	0.25%

ID#: 010410-010410-0006439

In-Transit

In-Transit Service - General Requirements

Operational Plan for In-Transit Service Merchants

Before entering into a Merchant Agreement with an In-Transit Service Merchant, an Acquirer must:

- Submit a detailed written operational plan to Visa. At a minimum, the operational plan must meet the requirements in the "In-Transit Business Plan - Basic Checklist," available upon request from Visa
- Receive Visa approval for each Merchant providing In-Transit Services

Effective through 14 October 2011, in addition to the Unattended Acceptance Terminal requirements specified in the *Visa International Operating Regulations*, the operational plan for the In-Transit Service Merchant must include:

- Type of service provided
- Type of In-Transit Terminal used
- Process for obtaining Authorization
- Criteria and processes intended for risk management

Effective 15 October 2011, the operational plan for the In-Transit Service Merchant must include:

- Type of service provided
- Type of In-Transit Terminal used
- Process for obtaining Authorization
- Criteria and processes intended for risk management

ID#: 111011-010410-0008745

In-Transit Service Gambling Merchant Agreement

An Acquirer entering into a Merchant Agreement with an In-Transit Service Gambling Merchant must ensure that:

- Interchange Reimbursement Fees received from each Issuer as a result of a credit processed for Cardholder winnings are identified daily
- A funds disbursement is processed daily to each Issuer (using reason code 0240) for twice the amount of the Interchange Reimbursement Fee received from the Issuer of the original Account Number on the original Transaction
- The descriptor used in the funds disbursement is "In-Transit Gambling Reimbursement"

ID#: 010410-010410-0002471

In-Transit Terminal Display and Cardholder Options

An In-Transit Terminal must display the following information on the introductory screen:

- Merchant name
- Merchant location
- Terms and conditions, such as:
 - Refund policy
 - Return policy
 - Cancellation policy

Before initiating a Transaction, the In-Transit Terminal must allow the Cardholder to either accept the terms and conditions or cancel the Transaction.

ID#: 010410-010410-0008747

In-Transit Terminal Transaction Receipt for Gambling

Upon completion of gambling activities, an itemized Transaction Receipt must be generated by an In-Transit Terminal or from an on-board central printer and provided to the Cardholder. In addition to the data elements in "Face-to-Face Electronic Purchase or Credit Transaction Receipt Data Requirements Table 7I-1," the Transaction Receipt must contain the:

- Terminal number
- Date of play
- Net amount of winnings or losses per session
- Account Number with all but the last 4 digits disguised or suppressed

ID#: 080411-010410-0002475

In-Transit Merchant Description

The Acquirer must include in the Clearing Record a Merchant description containing at least:

- Merchant's primary place of business or country of incorporation in the Merchant country field
- Merchant's customer service telephone number and country in the Merchant city field
- Word "In-Transit" following the Merchant name in the Merchant name field

ID#: 010410-010410-0002960

In-Transit Transaction Receipt Delivery to Cardholder

An In-Transit Service Merchant must provide the Cardholder with a completed Transaction Receipt either while in transit or through the mail.

If sent by mail, the Cardholder name and address must be captured by the In-Transit Terminal and included on the Transaction Receipt.

ID#: 010410-010410-0008739

In-Transit Service - Authorization Requirements

In-Transit Service Transaction - Authorization Time Limit

An Authorization Request for an In-Transit Service Transaction may occur while in transit or at the final destination, and must be within 24 hours of the Transaction Date. If Authorization data is stored for processing until arrival at the final destination, it must be encrypted and kept in a secure location with access limited to authorized personnel only.

ID#: 010410-010410-0002961

In-Transit Service Transaction - Authorization Requirements

An Authorization Request for an In-Transit Service Transaction must **not** be key-entered. The Authorization Request must include the:

- Full, unaltered contents of the Magnetic Stripe or Magnetic-Stripe Image on the Chip
- Merchant Category Code most appropriate for the Transaction type

ID#: 010410-010410-0002962

In-Transit Service Transaction - Authorization for Movies and Games

An In-Transit Service Transaction Authorization Request for services such as in-transit movies or video games may be for an hourly rate, unit rate, or accumulated amount.

ID#: 010410-010410-0002963

In-Transit Service Transaction - Authorization for Catalog and Direct Marketing

An In-Transit Service Transaction Authorization Request for catalog or direct marketing purchases must be for the total amount of all purchases made by a single Cardholder in a single Transaction. Fees for shipping and handling may be included in the Authorization amount, provided they are disclosed to the Cardholder at the time of the Transaction. Merchandise must be shipped within 7 calendar days of the Authorization date.

ID#: 010410-010410-0002964

Multiple In-Transit Service Transactions

Multiple In-Transit Service Transactions are permitted if authorized and cleared individually. Authorization Requests occurring at an In-Transit Terminal representing multiple Merchants must be processed separately by each Merchant.

ID#: 010410-010410-0002965

In-Transit Service - Processing Requirements

Transaction Currency for In-Transit Service Transaction

An In-Transit Service Transaction must be cleared in the amount and Transaction Currency agreed by the Cardholder and Merchant. If a Transaction Currency is **not** specified on the Transaction Receipt, it will default to the currency of the Transaction Country.

ID#: 010410-010410-0002959

Transaction Date for In-Transit Service Transaction

The Transaction Date for an In-Transit Service Transaction is either the:

- Date the transport vehicle reaches its final destination
- Date merchandise is shipped

ID#: 010410-010410-0002966

General T&E

General T&E Requirements

Hotels and Cruise Lines - T&E Services

If requested, an Acquirer must provide its Hotel or Cruise Line with any of the Visa Hotel and Cruise Line services. A Hotel or Cruise Line must hold a valid contract with an Acquirer for each Visa Hotel and Cruise Line service in which it participates, either as part of the Merchant Agreement or as a separate contract.

ID#: 010410-010410-0007009

T&E Merchant Agreement - U.S. Region

In the U.S. Region, a T&E Merchant must hold a valid contract with an Acquirer for each T&E Service in which it participates, either as part of the Merchant Agreement or as an addendum.

If requested, an Acquirer must provide its T&E Merchant with any of the T&E Services. A T&E Merchant may participate in any of the following T&E Services:

- Visa Reservation Service
- T&E Advance Deposit Service

- Priority Check-out Service

ID#: 010410-010410-0008757

T&E Delayed or Amended Charges

Delayed or Amended Charges - Acceptable Charges 5.2.M.4

A delayed or amended charge may include room, food, or beverage charges, taxes, mileage charges, fuel, insurance, rental fees, and parking tickets and other traffic violations, and must **not** include charges for loss, theft, or damage.

This provision does **not** apply to Transactions involving Issuers or Acquirers in the jurisdiction of Visa Europe. For those Transactions, see "Delayed or Amended Charges for Visa Europe - General Requirements" and "Delayed or Amended Charges for Visa Europe - Car Rental."

ID#: 050411-171009-0003628

T&E Delayed or Amended Charges Time Limit

A delayed or amended charge for a T&E service must be processed to the Cardholder's account within 90 calendar days of the Transaction Date of the related T&E Transaction.

T&E services may include:

- Room
- Taxes
- Fuel
- Insurance
- Rental fees
- Parking tickets and other traffic violations
- Goods and services purchased aboard a Cruise Line
- Damage to rental vehicles as specified in "Delayed or Amended Charges for Visa Europe - General Requirements"

ID#: 010410-010410-0008791

Delayed or Amended Charges for Visa Europe - General Requirements

The following provisions apply to Transactions occurring between the jurisdictions of Visa Europe and Visa Inc.

A Merchant may process delayed or amended charges if the Cardholder has consented to be liable for delayed or amended charges for a Hotel, Car Rental Company, or Cruise Line Transaction.

A delayed or amended charge must be processed to the Cardholder's account within 90 calendar days of the Transaction Date of the related Transaction.

This may include room, food, or beverage charges, taxes, fuel, insurance, rental fees, damage to rental vehicles, parking tickets and other traffic violations, and goods and services purchased aboard a Cruise Line.

If the charge is for a parking ticket or traffic violation, the:

- Incident must have occurred while the Cardholder was in possession of the vehicle
- Merchant must support the charge with documentation from the appropriate civil authority, including the license number of the rental vehicle, date, time, and location of the violation, statute violated, and amount of the penalty in local currency

The Merchant may deposit the Transaction Receipt without a Cardholder signature if the Merchant has the Cardholder signature on file and:

- Includes the words "Signature on File" on the signature line
- Sends a copy to the Cardholder at the address shown on the rental contract or folio

ID#: 050411-171009-0007398

Airline Merchants

International Airline Merchant Requirements

International Airline Eligible Participants

An International Airline may participate in the International Airline program.

An Acquirer must meet the capitalization and reserve requirements of Visa. These requirements cover any estimated exposure for Chargebacks, including liability for airline tickets purchased but not redeemed by Cardholders.

ID#: 010410-010410-0005281

International Airline Business Plan

Before entering into a Merchant Agreement with an International Airline, an Acquirer must obtain approval of its business plan from Visa. Visa will review the business plan within 30 calendar days of receipt.

The business plan must include:

- All countries in which Merchant Outlets are to be located, demonstrated knowledge of key information on each country (for example, domestic Interchange Reimbursement Fee and business and legal restrictions), and a plan for Authorization support in each country
- All currencies in which the International Airline intends to complete Transactions and verification that the Member is able to process multi-currency Deposits and Interchange
- A plan for Chargeback support
- The Acquirer's proposed method of satisfying Retrieval Requests
- Information to satisfy the Acquirer risk criteria

An Acquirer must **not** sign an International Airline Merchant Outlet that is in a country not previously specified in the business plan unless it first notifies Visa in writing.

ID#: 010410-010410-0006089

International Airline - Merchant Agreement Requirements - U.S. Region

An International Airline Merchant Agreement must contain, at a minimum, the following elements, in addition to those specified for all U.S. Merchants in the Merchant Agreement requirements of the *Visa International Operating Regulations*:

- Merchant procedures for International Airline Program Transactions, as specified in the *Visa International Operating Regulations*
- Acquirer's responsibilities to the Merchant for Chargeback resolution support. This support must include:
 - Written information on Chargeback rights and procedures
 - Merchant Chargeback procedures, including a list of Chargeback Reason Codes, Merchant recourse options, and a local contact for inquiries
- A list of countries from which the Acquirer will accept Transactions, including the Authorization support procedures and processes for each country
- A requirement that the Acquirer and the Merchant notify Visa if Authorization problems arise for any countries covered by the Merchant Agreement

ID#: 010410-010410-0008948

Car Rental Merchants

Delayed or Amended Charges

Delayed or Amended Charges Processing Time Limit VIOR 5.3.B, USOR 5.2.M.4

A delayed or amended charge must be processed to the Cardholder's account within 90 calendar days of the Transaction Date of the related Transaction.

This provision does not apply to Transactions involving Issuers or Acquirers in the jurisdiction of Visa Europe. For those Transactions, see "Delayed or Amended Charges for Visa Europe - General Requirements" and "Delayed or Amended Charges for Visa Europe - Car Rental."

ID#: 050411-171009-0004133

Parking Tickets 5.3.B

For a parking ticket or traffic violation, a T&E Merchant must provide documentation from the appropriate civil authority, including the license number of the rental vehicle, time and location of the violation, statute violated, and amount of the penalty in local currency.

ID#: 010410-010410-0003085

Delayed or Amended Charges - Parking Ticket or Traffic Violation VIOR 5.3.B, USOR 5.2.M.4

If the delayed or amended charge is for a parking ticket or traffic violation, the:

- Incident must have occurred while the Cardholder was in possession of the vehicle
- Merchant must support the charge with documentation from the appropriate civil authority, including the license number of the rental vehicle, date, time, and location of the violation, statute violated, and amount of the penalty

This provision does **not** apply to Transactions involving Issuers or Acquirers in the jurisdiction of Visa Europe. For those Transactions, see "Delayed or Amended Charges for Visa Europe - General Requirements" and "Delayed or Amended Charges for Visa Europe - Car Rental."

ID#: 050411-171009-0003629

Delayed or Amended Charges - Signature on File VIOR 5.3.B, USOR 5.2.M.4

A Car Rental Merchant may deposit the Transaction Receipt for a delayed or amended charge without a Cardholder signature if the Merchant has the Cardholder signature on file and:

- Includes the words "Signature on File" on the signature line
- Sends a copy to the Cardholder at the address shown on the rental contract or folio

This provision does not apply to Transactions involving Issuers or Acquirers in the jurisdiction of Visa Europe. For those Transactions, see "Delayed or Amended Charges for Visa Europe - General Requirements" and "Delayed or Amended Charges for Visa Europe - Car Rental."

ID#: 111011-171009-0003354

Delayed or Amended Charges for Visa Europe - Car Rental VIOR 5.3.B

The following provisions apply to Transactions occurring between the jurisdictions of Visa Europe and Visa Inc.

The Car Rental Company must:

- Ensure that the Cardholder is advised at the time of making the reservation that a confirmation receipt is available during the hours of operation of the outlet on return of the rented vehicle. This confirmation receipt confirms the mutually agreed condition of the rented car upon return.
- Provide the Cardholder with written confirmation of the Cardholder decision of whether or not to request a confirmation receipt as part of the reservation confirmation
- Provide the Cardholder with written confirmation of the visible damage status of the rented car upon return. If there is no visible damage, this must be clearly stated on the written confirmation and the Car Rental Company must not process a delayed or amended charge Transaction for any visible damage to the rented car.

If the Cardholder returns the car using an express drop-off facility, the written confirmation receipt must be sent to the Cardholder within 5 business days of the return date of the rented car.

The Car Rental Company should advise the Cardholder to retain the confirmation receipt in case of a dispute.

When a Car Rental Company initiates a delayed or amended charge Transaction for charges relating to damage to a rental vehicle, the Merchant must provide the Acquirer with all of the following:

- A copy of the rental agreement
- An estimate of the cost of the damage from an organization that can legally provide repairs
- The relevant civil authority's accident report (if applicable)
- Documentation showing that the Cardholder has given prior consent that a delayed or amended charge Transaction may be processed using that Cardholder's Card to cover damages to a rental vehicle. Such consent must be evidenced by either the:
 - Cardholder's signature on the same page as, and close to, the description of the charges that may be covered by the delayed or amended charge Transaction
 - Cardholder's signature on the agreement and the Cardholder's initials on each page of the agreement, where the Cardholder's signature is not set out on the same page as the description of the charges which may be covered by the delayed or amended charge Transaction
- Any other documentation demonstrating that Cardholder's liability for the damage
- A copy of the insurance policy of the Car Rental Company, if that Car Rental Company requires that the Cardholder pay an insurance deductible for damages
- A copy of the car rental agreement showing that the Cardholder consents to be responsible for the insurance deductible

For rental car damages, the Merchant must provide documentation showing the Cardholder's consent to pay for damages with their Visa Card.

For delayed or amended charge Transactions relating to damages, the Car Rental Company must provide a written confirmation, within 10 business days of the return date of the rented car, containing the:

- Details of the damage
- Cost of the damage
- Currency in which the cost of the damage will be charged to the Cardholder

For delayed or amended charge Transactions relating to damages where the Car Rental Company has written to the Cardholder, the Cardholder may, at no cost to the Car Rental Company, provide written confirmation of an alternative estimate for the cost of the damage within 10 business days of receipt of original written confirmation detailing the cost of the damage from the Car Rental Company.

The Car Rental Company and the Cardholder may come to an agreement on the cost of the damage before processing the delayed or amended charge Transaction. If agreement is not reached between the Car Rental Company and the Cardholder for the cost of the damage, and if the Car Rental Company processes the delayed or amended charge Transaction, the Cardholder retains the right to dispute the delayed or amended charge Transaction.

The Car Rental Company must wait 20 business days from the date of the confirmation receipt provided to the Cardholder before processing a delayed or amended Transaction for damages.

Other delayed or amended charge Transactions, as specified in the *Visa International Operating Regulations*, may still apply.

ID#: 050411-171009-0004141

Car Rental Advance Deposit

Car Rental Advance Deposit Service - U.S. Region

In the U.S. Region, a Car Rental Company may participate in the T&E Advance Deposit Service. The Merchant must follow all applicable requirements for the Advance Deposit Service and must:

- Accept all Visa Cards in its category of acceptance for an advance deposit if the Cardholder agrees to the service
- Hold a valid T&E Advance Deposit Service contract with an Acquirer, either as part of the Merchant Agreement or as a separate contract

ID#: 010410-010410-0002755

Car Rental Advance Deposit Information Requirements - U.S. Region

In the U.S. Region, a participating Car Rental Company must obtain from the Cardholder for a T&E Advance Deposit Transaction:

- Cardholder name, Account Number, and expiration date as displayed on the Visa Card

- Telephone number and mailing address
- Scheduled date of rental
- Intended length of rental

ID#: 010410-010410-0002756

Car Rental Advance Deposit Amount - U.S. Region

In the U.S. Region, a Car Rental Merchant participating in the T&E Advance Deposit Service must determine the Advance Deposit Transaction amount, not to exceed the cost of the intended term of rental, which must not exceed 14 days.

The deposit amount must be applied to the total obligation.

ID#: 010410-010410-0008969

Car Rental Advance Deposit Reservation Information - U.S. Region

In the U.S. Region, a Car Rental Merchant participating in the T&E Advance Deposit Service must inform the Cardholder of the:

- Car rental rate
- Car Rental Company name
- Number of days the vehicle will be held

ID#: 010410-010410-0002759

Car Rental Advance Deposit Confirmation Code - U.S. Region

In the U.S. Region, a Car Rental Merchant participating in the T&E Advance Deposit Service must provide:

- A confirmation code, advising the Cardholder to retain it
- Advance deposit amount and cancellation policy requirements

ID#: 010410-010410-0002760

Disclosure of Car Rental Deposit Forfeiture - U.S. Region

In the U.S. Region, a Car Rental Company participating in the T&E Advance Deposit Service must advise the Cardholder that it will retain the entire T&E Advance Deposit Transaction amount or the amount specified in the Merchant's stated policy, if the Cardholder has not either:

- Rented the vehicle by the end of the last day of the rental period used to determine the amount of the Transaction

- Cancelled the reservation within the specified time frames

ID#: 010410-010410-0009013

Car Rental Advance Deposit Transaction Receipts - U.S. Region

In the U.S. Region, a Car Rental Merchant participating in the T&E Advance Deposit Service must complete a Transaction Receipt with the following information:

- Advance deposit amount
- Cardholder name, Account Number, and expiration date
- Cardholder telephone number and mailing address
- The words "Advance Deposit" on the Transaction Receipt signature line
- Confirmation code
- Scheduled vehicle rental date
- Date and time that cancellation privileges (if any) expire without deposit forfeiture

The Merchant must mail a Transaction Receipt copy and cancellation policy for the T&E Advance Deposit Transaction to the address indicated by the Cardholder within 3 business days from the Transaction Date.

ID#: 031209-150210-0009024

T&E Advance Deposit Service Cancellation Period - U.S. Region

In the U.S. Region, a Car Rental Merchant participating in the T&E Advance Deposit Service must accept all Cardholder cancellations within the time limits specified by the Merchant.

The Merchant must provide a cancellation code and advise the Cardholder to retain it in case of dispute.

ID#: 010410-010410-0009010

Car Rental Advance Deposit Credit Receipt - U.S. Region

A U.S. Car Rental Merchant participating in the T&E Advance Deposit Service that accepts a cancellation must complete a Credit Transaction Receipt, including the following information:

- The entire T&E Advance Deposit Transaction amount
- Cardholder mailing address
- Cancellation code
- Words "Advance Deposit" on the Transaction Receipt signature line

The Merchant must:

- Deposit the Credit Transaction Receipt within 5 calendar days of the Transaction Date
- Mail the Cardholder's copy to the Cardholder within 3 calendar days of the Transaction Date of the Credit Transaction Receipt

ID#: 010410-010410-0002771

Advance Deposit Service - Unavailable Vehicle - U.S. Region 5.4.R

If a vehicle reserved under the T&E Advance Deposit Service is unavailable, a U.S. Car Rental Merchant must provide the following services to the Cardholder without charge:

- Credit Transaction Receipt to refund the entire Advance Deposit Transaction amount
- At least a comparable vehicle for the number of days specified in the reservation, not to exceed 14 days, or until the reserved vehicle becomes available, whichever comes first

ID#: 010410-010410-0002778

Visa Reservation Service for Car Rentals - U.S. Region

Unavailable Specialized Vehicle - U.S. Region VIOR 5.4.X

A Car Rental Company in the U.S. Region may participate in a service to guarantee Peak Time reservations or reservations for Specialized Vehicles, as specified in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0008958

Car Rental Reservation Merchant Agreement Requirements - U.S. Region VIOR 5.4.X

A U.S. Acquirer must incorporate the applicable Visa Reservation Service requirements into all Merchant Agreements for Car Rental Companies participating in the Visa Reservation Service.

ID#: 010410-010410-0002689

Car Rental Reservation Card Acceptance - U.S. Region 5.4.Q

In the U.S. Region, a Car Rental Company participating in the Visa Reservation Service must accept all Visa Cards in its category of acceptance for reservations.

ID#: 010410-010410-0002671

Car Rental Reservation Billing Information - U.S. Region VIOR 5.4.X, USOR 5.4.Q

For a Specialized Vehicle or Peak Time reservation in the U.S. Region, a Car Rental company must obtain the Cardholder name, Account Number, and expiration date as displayed on the Visa Card or Visa Electron Card.

ID#: 010410-010410-0008949

Car Rental Peak-Time Reservation - Cardholder Disclosure Requirements - U.S. Region 5.4.Q

If a Cardholder reserves a vehicle in the U.S. Region during Peak Time, the Car Rental Company must inform the Cardholder that the reservation:

- Is within a Peak Time period and explain the meaning of Peak Time
- May be cancelled without penalty any time up to 8 hours before the scheduled rental time

ID#: 010410-010410-0002672

Car Rental Peak Time Reservation - Cancelled Flight - U.S. Region 5.4.Q

In the U.S. Region, if a Cardholder is traveling to a car rental location by Airline and the flight is cancelled or the airport is closed, the Cardholder may cancel the Peak Time reservation without penalty up to one hour before the scheduled rental time.

ID#: 010410-010410-0002673

Car Rental Peak Time Reservation - No-Show Fee Disclosure - U.S. Region 5.4.Q

In the U.S. Region, a Car Rental Company must advise the Cardholder that a "no-show" fee for Peak Time reservations may be billed if the Cardholder has neither:

- Rented the vehicle by the end of the guarantee period
- Properly cancelled the reservation

The "no-show" fee must not exceed one day's rental plus applicable taxes.

ID#: 010410-010410-0002674

Specialized Vehicle Guaranteed Rental Period - U.S. Region VIOR 5.4.X, USOR 5.4.Q

In the U.S. Region, if a Cardholder reserves a Specialized Vehicle, the Car Rental Company must inform the Cardholder that the reservation:

- Will be held until the scheduled pick-up time, unless cancelled

- May be cancelled without penalty up to 72 hours before the scheduled rental time
- If the reservation is made within 72 hours of the scheduled rental time, may be cancelled without penalty up to 8 hours before the scheduled rental time.

ID#: 010410-010410-0008960

Specialized Vehicle Reservation No-Show Disclosure Requirements - U.S. Region VIOR 5.4.X, USOR 5.4.Q

A Car Rental Company in the U.S. Region must advise the Cardholder that a "no-show" fee for a Specialized Vehicle reservation may be billed if the Cardholder has neither:

- Rented the Specialized Vehicle by the end of the guarantee period
- Properly cancelled the reservation

The "no show" fee must not exceed 2 days' rental.

ID#: 010410-010410-0008963

Car Rental Reservation Confirmation - U.S. Region VIOR 5.4.X, USOR 5.4.Q

In the U.S. Region, for a reservation made with at least 72 hours' notice, a Car Rental Company must send the Cardholder a written confirmation containing:

- Cardholder name, Account Number, and expiration date as displayed on the Visa Card or Visa Electron Card
- Name and exact street address of the Merchant Outlet
- Confirmation code
- Rate
- Cardholder obligations
- Cancellation and any other service details

For reservations made with less than 72 hours' notice, the Car Rental Company must mail a confirmation only on Cardholder request.

ID#: 010410-010410-0008950

Car Rental Cancellation Requests - U.S. Region VIOR 5.4.X, USOR 5.4.Q

A U.S. Car Rental company must:

- Accept a reservation cancellation request if made by the specified time
- Provide a cancellation code and advise the Cardholder to retain it in case of dispute

ID#: 010410-010410-0008951

Specialized Vehicle Reservation Cancellation Period - U.S. Region VIOR 5.4.X

A Car Rental Company in the U.S. Region must **not** require more than 72 hours' reservation cancellation notification before the scheduled rental date of a Specialized Vehicle.

If the Cardholder makes the reservation within 72 hours of the scheduled rental date, the cancellation deadline must be 12 hours before the scheduled rental time on the scheduled pick-up date.

ID#: 010410-010410-0008961

Car Rental Cancellation Written Confirmation - U.S. Region VIOR 5.4.X, USOR 5.4.Q

In the U.S. Region, if requested, a Car Rental company must provide the Cardholder with a written reservation confirmation that contains the following information:

- Cardholder name, Account Number, and Card expiration date as displayed on the Visa Card
- Cancellation code
- Cancellation details

ID#: 010410-010410-0008954

Car Rental No-Show Requirements - U.S. Region VIOR 5.4.X, USOR 5.4.Q

A U.S. Car Rental Company must hold a Specialized Vehicle according to the reservation if the Cardholder has not claimed or properly canceled the reservation by the specified time.

The Car Rental Company may then prepare a Transaction Receipt with the following information:

- No-Show Transaction fee plus tax, as applicable. The amount of the No-Show Transaction must **not** exceed the value of:
 - 2 days' rental, including tax, for a Specialized Vehicle reservation
 - One day's rental, including tax, for a Peak Time reservation
- Cardholder name, Account Number, and expiration date as displayed on the Card
- The words "No-Show" on the signature line of the Transaction Receipt

ID#: 010410-010410-0008955

Car Rental Reservation Authorization and Deposit Procedures - U.S. Region VIOR 5.4.X

In the U.S. Region, a Car Rental Company participating in the Visa Reservation Service must follow normal Authorization and Deposit requirements for a Car Rental Company, as specified in "T&E Authorizations" and "T&E Delayed or Amended Charges."

ID#: 010410-010410-0002703

Peak Time Reservation Vehicle Unavailable - U.S. Region 5.4.Q

In the U.S. Region, if a vehicle guaranteed as a Peak Time reservation is unavailable, the Car Rental Company must provide the Cardholder with a comparable vehicle no later than one hour from the scheduled rental time.

If a comparable vehicle cannot be provided within one hour, the Car Rental Company must provide the following services at no charge to the Cardholder:

- Transportation to the Cardholder's destination
- Delivery of a comparable vehicle to the Cardholder's destination within 8 hours from the scheduled rental time
- Transportation, vehicle delivery, and one day's car rental

ID#: 010410-010410-0008959

Unavailable Specialized Vehicle - U.S. Region VIOR 5.4.X, USOR 5.4.Q

If a reserved Specialized Vehicle is unavailable, a Car Rental Company in the U.S. Region must provide the following services at no charge to the Cardholder:

- Comparable vehicle at another car rental establishment for the reservation period
- Transportation to the alternate car rental establishment.

ID#: 010410-010410-0008962

Hotels and Cruise Lines

Hotel and Cruise Line General Requirements

Cruise Line On-Board Casinos

On-board gambling charges, such as the purchase of gaming chips, must be distinct from other cruise charges. They must be:

- Authorized
- Processed with:
 - MCC 7995, "Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks"
 - The Quasi-Cash/Online Gambling Transaction indicator

ID#: 010410-010410-0002705

Hotel or Cruise Line Cash Disbursement

A Hotel or Cruise Line may make Cash Disbursements on a Visa Card to a registered Cardholder if all of the following conditions apply:

- The Cardholder indicates at registration the intent to pay for the Hotel's services with a Visa Card
- Before disbursement, the Merchant reviews positive identification (such as a passport or driver's license) and, if permitted under applicable law, records type and number on the Transaction Receipt
- The Merchant completes a Cash Disbursement Transaction Receipt and writes on the front of the Transaction Receipt the Cardholder's positive identification and the 4 digits printed below the Account Number on the Card
- The Merchant does **not** disburse more than US \$250, or local currency equivalent, during the Cardholder's stay or voyage
- The Merchant does **not** include any additional fees, excluding taxes or charges imposed by law, to the Transaction amount

ID#: 010410-010410-0002801

Hotel Guaranteed Reservations

Required Participation in the Hotel Reservation Service

A Hotel or its third-party booking agent must participate in the Hotel Reservation Service (known in the U.S. Region as the Visa Reservation Service) if it accepts Visa Cards to guarantee Hotel reservations.

An Acquirer must incorporate the Hotel Reservation Service requirements into all Merchant Agreements.

In the U.S. Region, an Acquirer must incorporate these requirements into either: *(This only applies in the U.S. Region.)*

- All Merchant Agreements *(This only applies in the U.S. Region.)*
- Separate contract for each of its T&E Merchants that guarantees reservations *(This only applies in the U.S. Region.)*

ID#: 010410-010410-0008681

Hotel Reservation Billing Information

A Hotel or its third-party booking agent must obtain the Cardholder name, Account Number, and Card expiration date displayed on the Card for each reservation.

ID#: 010410-010410-0006087

Hotel Reservation Exact Name and Location

A Hotel or its third-party booking agent accepting a reservation must quote the reserved accommodation rate and the exact name and physical address of the establishment.

ID#: 010410-010410-0006086

Hotel Reservation Amount of No Show

A Hotel or its third-party booking agent must inform the Cardholder that one night's lodging will be billed if the Cardholder has **not** either:

- Registered by check-out time the day following the scheduled arrival date
- Properly canceled the reservation

ID#: 010410-010410-0006085

Hotel Reservation Confirmation Code 5.4.R

A Hotel or its third-party booking agent must provide a reservation confirmation code and advise the Cardholder to retain it in case of dispute.

ID#: 010410-010410-0002731

Hotel Reservation Information

A Hotel or its third-party booking agent must provide to the Cardholder reservation information and, if requested, a written confirmation with the following information:

- Cardholder name, Account Number, and Card expiration date
- Confirmation code
- Exact physical address of the establishment
- Hotel Reservation Service provisions relating to the Cardholder's obligations
- Any other reservation details

ID#: 010410-010410-0006084

Hotel Reservation Cancellations

A Hotel or its third-party booking agent must accept all reservation cancellations before the specified notification time.

The Hotel or its third-party booking agent must **not** require cancellation notification more than 72 hours before the scheduled arrival date.

If a Cardholder makes the reservation within 72 hours of the scheduled arrival date, the cancellation deadline must be no earlier than 6:00 p.m. Merchant Outlet time on the arrival date or date guaranteed.

If the Hotel or its third-party booking agent requires that a Cardholder cancel before 6:00 p.m. Merchant Outlet time on the date guaranteed, the Hotel or its third-party booking agent must mail the cancellation policy, including the date and time that cancellation privileges expire, to the Cardholder.

ID#: 010410-010410-0008688

Hotel Reservation Cancellation Code

A Hotel or its third-party booking agent must provide a reservation cancellation code (if the reservation is properly cancelled) and advise the Cardholder to retain it in case of dispute.

ID#: 010410-010410-0006079

Hotel Reservation Mail Confirmation

If requested by the Cardholder, a Hotel or its third-party booking agent must mail a confirmation of cancellation. The confirmation must include the following:

- Cardholder name, Account Number, and Card expiration date
- Cancellation code
- Any other cancellation details

ID#: 010410-010410-0006080

Hotel Reservation Room Hold

If a Cardholder has **not** claimed or cancelled the Hotel Reservation Service accommodations by the specified time, the Hotel or its third-party booking agent must hold the reserved rooms available until check-out time the following day.

The Hotel or its third-party booking agent may then complete a Transaction Receipt that must contain:

- Amount of one night's lodging plus applicable tax
- Cardholder name, Account Number, and Card expiration date
- The words "No-Show" on the signature line of the Transaction Receipt

ID#: 010410-010410-0008703

Hotel Reservation Unavailable Accommodations

If the accommodations guaranteed by the Hotel Reservation Service are unavailable, the Hotel must provide the Cardholder with the following services at no charge:

- Comparable accommodations for one night at another establishment
- If requested, a 3-minute telephone call and message forwarding to the alternate establishment
- Transportation to the alternate establishment

ID#: 010410-010410-0006076

Hotel Reservation Service Card Acceptance - U.S. Region 5.4.P

In the U.S. Region, a Lodging Merchant participating in the Visa Reservation Service must accept all Visa Cards in its category of acceptance for reservations.

ID#: 010410-010410-0002781

Advance Deposit Service

Advance Deposit Service - General Requirements VIOR 5.4.S, USOR 5.4.R

A Hotel or Cruise Line participating in the Advance Deposit Service must:

- Accept all Visa Cards or Visa Electron Cards for an advance deposit if the Cardholder agrees to the service
- Hold a valid Advance Deposit Service contract with an Acquirer

In the U.S. Region, the participating Merchant must accept all Visa Cards in its category of acceptance. *(This only applies in the U.S. Region.)*

ID#: 031209-150210-0002706

Advance Deposit Service - Deposit Information Requirements VIOR 5.4.S, USOR 5.4.R

A Merchant participating in the Advance Deposit Service must obtain from the Cardholder:

- Cardholder name, Account Number, and expiration date as displayed on the Visa Card or Visa Electron Card
- Telephone number and mailing address
- Scheduled date of arrival for a Hotel, or embarkation for a Cruise Line

- Intended length of stay or voyage

ID#: 010410-010410-0002707

Advance Deposit Transaction Amount VIOR 5.4.S, USOR 5.4.R.2

A Merchant participating in the Advance Deposit Service must determine the Advance Deposit Transaction amount, not to exceed the following:

- For lodging accommodations, the cost of the intended length of stay (not to exceed 14 nights)
- Cost of the cruise

The deposit amount must be applied to the total obligation.

ID#: 010410-010410-0008970

Advance Deposit Service - Reservation Information VIOR 5.4.S, USOR 5.4.R

A Merchant participating in the Advance Deposit Service must inform the Cardholder of the following, as applicable:

- Reserved accommodation rate and the Transaction amount
- Exact Merchant name and location
- Name of the cruise ship and point of embarkation
- Merchant's intention to hold the accommodation for the number of nights paid for
- Merchant cancellation policy

ID#: 010410-010410-0002710

Advance Deposit Service - Deposit Information Code and Other Requirements VIOR 5.4.S, USOR 5.4.R

A Merchant participating in the Advance Deposit Service must provide:

- A confirmation code, and advise the Cardholder to retain it
- Advance deposit requirements, cancellation policy requirements, and the actual date and time that the cancellation privileges expire

The Merchant must advise the Cardholder that it will:

- Hold the accommodations according to the reservation
- Provide written confirmation of a Cardholder reservation change if requested

ID#: 010410-010410-0008971

Advance Deposit Service - Disclosure of Deposit Forfeiture VIOR 5.4.S, USOR 5.4.R

A Merchant participating in the Advance Deposit Service must advise the Cardholder that it will retain the entire Advance Deposit Transaction amount or the amount specified in the Merchant's stated policy if the Cardholder has not:

- Registered by check-out time the day following the specified last night of lodging for a Hotel (the Cardholder will lose the unused amount of the reservation)
- Checked in by embarkation time for a Cruise Line
- Canceled the reservation within the time limit specified by the Merchant

Under the Advance Deposit Service, a Merchant must **not** charge the Cardholder for a No-Show Transaction.

ID#: 010410-010410-0009016

Advance Deposit Service - Transaction Receipt Completion and Delivery VIOR 5.4.S, USOR 5.4.R

A Merchant participating in the Advance Deposit Service must complete a Transaction Receipt with the following information:

- Advance deposit amount
- Cardholder name and Account Number
- Cardholder telephone number and mailing address
- The words "Advance Deposit" on the Transaction Receipt signature line
- Confirmation code
- Scheduled check-in or embarkation date
- Date and time that cancellation privileges (if any) expire without deposit forfeiture for unused accommodations

The Merchant must mail the Transaction Receipt copy and cancellation policy to the Cardholder within 3 business days of the Transaction Date.

ID#: 010410-010410-0009025

Advance Deposit Service Cancellation Requirements VIOR 5.4.S, USOR 5.4.R

A Merchant participating in the Advance Deposit Service must accept all Cardholder cancellations within the time limits specified the by the Merchant.

The Merchant must provide a cancellation code and advise the Cardholder to retain it in case of dispute.

ID#: 010410-010410-0009009

Advance Deposit Service - Credit Transaction Receipt VIOR 5.4.S, USOR 5.4.R

A Merchant participating in the Advance Deposit Service must complete a Credit Transaction Receipt, including all of the following:

- Transaction amount
- Cardholder name, Account Number, and expiration date as displayed on the Visa Card or Visa Electron Card
- Cardholder mailing address
- Cancellation code
- The words "Advance Deposit" on the Transaction Receipt signature line

ID#: 010410-010410-0002719

Refund Requirements

Within 3 business days of the Transaction Date on the Credit Transaction Receipt, a Merchant participating in the Advance Deposit Service must:

- Deposit the Credit Transaction Receipt
- Mail the Cardholder's copy to the Cardholder

In the U.S. Region, the Merchant must: *(This only applies in the U.S. Region.)*

- Deposit the Credit Transaction Receipt within 5 calendar days of the Transaction Date *(This only applies in the U.S. Region.)*
- Mail the Cardholder's copy to the Cardholder within 3 calendar days of the Transaction Date of the Credit Transaction Receipt *(This only applies in the U.S. Region.)*

ID#: 010410-010410-0008720

Unavailable Hotel Accommodations 5.4.S.9

If Hotel accommodations reserved under the Advance Deposit Service are unavailable, the Merchant must provide the Cardholder with the following services without charge:

- Credit refund for the entire Transaction amount. The Merchant must provide the Credit Transaction Receipt copy to the Cardholder.

- Comparable accommodations at an alternate establishment for the number of nights specified in the reservation (not to exceed 14 nights) or until the reserved accommodations become available at the original establishment
- If requested, 2 3-minute telephone calls and message forwarding to the alternate establishment
- Transportation to the alternate establishment's location and return to the original establishment. If requested, the Merchant must provide daily transportation to and from the alternate establishment.

ID#: 010410-010410-0008721

Unavailable Cruise Accommodations 5.4.S.10

If Cruise Line accommodations reserved under the Advance Deposit Service are unavailable, and no comparable accommodations are available on the ship, the Merchant must offer the Cardholder a comparable cruise of similar itinerary and embarkation date at no additional cost to the Cardholder.

If the Cardholder accepts the alternate accommodations, the Merchant must provide either of the following services without charge:

- An additional night's accommodation
- Airfare to a different port city

If the Cardholder declines the alternate accommodations, the Merchant must provide a credit refund for the entire Advance Deposit Transaction amount. The Merchant must provide a copy of the Credit Transaction Receipt to the Cardholder.

In addition, the Merchant must provide the Cardholder all of the following without charge:

- One night's Hotel accommodation, if the Cardholder requests it
- Transportation to the Hotel and airport
- Airline transportation to the airport nearest the Cardholder's residence
- Reasonable out-of-pocket expenses incurred by the Cardholder

ID#: 010410-010410-0008722

Priority Check-Out Service

General Requirements for Priority Check-Out

A Hotel or Cruise Line participating in the Priority Check-out Service must:

- Hold a valid Priority Check-out Service contract with an Acquirer
- Accept all Cards when a Cardholder requests the Priority Check-out Service

- Comply with all the requirements in "Dynamic Currency Conversion Priority Check-out and Express Return Requirements" if it offers Dynamic Currency Conversion

ID#: 010410-010410-0008735

Priority Check-out Agreement

A Priority Check-out Agreement must include the following information:

- Merchant name and location
- A statement from the Cardholder to the Hotel's cashier to check the Cardholder out of Room Number XXXXX on departure date MMDDYY
- In the US region, the Merchant telephone number

Space must be provided for the Cardholder (guest) name and signature with a statement that the Cardholder (guest) authorizes a charge to their Visa account for the amount of all costs incurred during their stay

If requested by the Cardholder (guest), the Hotel must send a copy of the following:

- Visa Transaction Receipt
- Hotel bill
- Copy of the Priority Check-out Agreement

The Hotel may include space for the Cardholder name, company name and address, including state/province and country in order to mail the receipt(s) to the Cardholder

Once completed, the agreement is Visa Confidential.

ID#: 151011-010100-0026517

Transaction Receipt and Priority Check-Out Agreement Completion

A Merchant participating in the Priority Check-out Service must:

- Ask the Cardholder to complete, sign, and return a Priority Check-out Agreement that must contain the information specified in "Manual Transaction Receipt - Data Requirements VIOR Table 7J-1 USOR Table S-7" and "Manual Transaction Receipt - Hotels Table 7J-2." The Cardholder must include the mailing address to receive a copy of the Hotel bill.
- Complete a Transaction Receipt, including the total obligation amount and the words "Priority Check-out" on the signature line of the Transaction Receipt
- Review the completed Priority Check-out Agreement and ensure that the Account Number matches the Account Number on the Transaction Receipt, if applicable

ID#: 080411-010410-0002798

Priority Check-Out Service - Transaction Receipt Delivery

At Cardholder request, a Merchant participating in the Priority Check-out Service must provide a Transaction Receipt copy, the itemized bill, and the signed agreement with the information listed in "Priority Check-out Agreement" in one of the following ways:

- Onsite
- By e-mail
- By mail within 3 business days of the Cardholder's departure

In the U.S. Region, a Lodging Merchant or Cruise Line merchant must mail the Transaction Receipt copy, the itemized bill and, if requested, the signed Priority Check-out Agreement to the Cardholder within 3 business days of the Cardholder's departure. *(This only applies in the U.S. Region.)*

ID#: 151011-010410-0008731

Priority Check-Out Service Document Retention

A Merchant participating in the Priority Check-out Service must retain the itemized bill and signed Priority Check-out Agreement for a minimum of 6 months after the Transaction Date.

ID#: 010410-010410-0002800

Central Reservation Service

Physical Inspections of Central Reservation Service Premises - U.S. Region

A U.S. Acquirer must conduct a physical inspection of the Central Reservation Service business premises and a review of:

- Solicitation or sales materials
- Operating procedures for Lodging Merchants to be serviced

ID#: 010410-010410-0003397

Central Reservation Service - Acquirer Requirement - U.S. Region

A U.S. Acquirer must maintain a file on a Central Reservation Service that:

- Includes all applicable documentation
- Is retained for a minimum of 2 years following discontinuance of the relationship, with reasons for discontinuance

ID#: 010410-010410-0003226

Merchant Agreement for Central Reservation Service - U.S. Region

For a Central Reservation Service Merchant to participate in the Advance Deposit Service, a U.S. Acquirer must have a Merchant Agreement with the Central Reservation Service that includes the provisions for the Advance Deposit Service.

ID#: 010410-010410-0008732

Central Reservation Service Requirements - U.S. Region

In the U.S. Region, a Central Reservation Service must:

- Have a written contract with the lodging establishment, executed by an officer or manager of the hotel
- Accept full responsibility for resolving Cardholder problems related to the Advance Deposit Service

ID#: 010410-010410-0002753

Central Reservation Service Agents - U.S. Region

In the U.S. Region, a Central Reservation Service must **not** use an agent to perform services on its behalf.

ID#: 010410-010410-0002754

Timeshare Merchants

General Timeshare Merchant Requirements

Timeshare Merchant Category Code

An Acquirer must assign Merchant Category Code 7012, "Timeshares," to a Timeshare Merchant that operates sales, rentals, or other uses not including full-service lodging (i.e., maid and room service).

The Acquirer must submit the assigned Merchant Category Code for a Timeshare Merchant either:

- With each Authorization Request
- Through BASE II

ID#: 010410-010410-0008741

Timeshare Merchants - Special Credit Refund Requirements

A Timeshare Merchant must provide a full credit refund when the:

- Transaction Receipt was processed
- Cardholder canceled the Transaction within 14 calendar days of the Transaction Date

ID#: 111011-010410-0003082

Real-Time Clearing - U.S. Region

Automated Fuel Dispensers Real-Time Clearing - U.S. Region

Automated Fuel Dispenser Real-Time Clearing Transaction Processing Requirements - U.S. Region

In the U.S. Region, a Real-Time Clearing Transaction must properly identify the preauthorization time limit in Field 63.2 of the Authorization message, as specified in the appropriate VisaNet manual.

Any applicable Interchange Reimbursement Fee may apply to a Real-Time Clearing Transaction.

ID#: 090411-010410-0007391

Gambling

Online Gambling

Online Gambling Merchant Requirements

An Acquirer must ensure that:

- An Online Gambling Merchant has a valid license or other appropriate authority to operate its Website under the local law of its Country of Domicile
- A Transaction completed by an Online Gambling Merchant is identified with:
 - Merchant Category Code 7995, "Betting," even when gambling services are not the Merchant's primary business
 - The Quasi-Cash/Online Gambling Transaction indicator in the Authorization and Clearing messages
- An Online Gambling Merchant Website complies with the Website requirements specified in "Online Gambling - Special Website Requirements"

- The appropriate payment acceptance provisions are included in its Merchant Agreement or as a separate addendum

ID#: 010410-010410-0002474

Online Gambling Identifiers

Effective through 30 June 2011, in addition to the requirements specified in "Electronic Commerce Indicator Requirements," a Transaction completed by a Member, Merchant, Online Gambling Merchant, Internet Payment Service Provider (IPSP), or Sponsored Merchant that processes Online Gambling Transactions must be identified with:

- Merchant Category Code 7995, "Betting," even when gambling services are not the Merchant's primary business
- The Quasi-Cash/Online Gambling Transaction indicator in the Authorization Request and Clearing Record

If a Member, Merchant, IPSP, or Sponsored Merchant is unable to distinguish an Online Gambling Transaction from other Transactions, it must:

- Identify all Transactions as Online Gambling Transactions
- Inform the Cardholder that Transactions may be identified on the billing statement as gambling Transactions

Effective 1 July 2011, in addition to the requirements specified in "Electronic Commerce Indicator Requirements," a Transaction completed by a Member, Merchant, Online Gambling Merchant, Payment Service Provider (PSP), or Sponsored Merchant that processes Online Gambling Transactions must be identified with:

- Merchant Category Code 7995, "Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks," even if gambling services are not the Merchant's or Sponsored Merchant's primary business
- The Quasi-Cash/Online Gambling Transaction indicator in the Authorization Request and Clearing Record

If a Member, Merchant, PSP, or Sponsored Merchant is unable to distinguish an Online Gambling Transaction from other Transactions, it must:

- Identify all Transactions as Online Gambling Transactions
- Inform the Cardholder that Transactions may be identified on the billing statement as gambling Transactions

ID#: 111011-010410-0005919

Online Gambling Funds Transfer

If a funds transfer to an individual is to be used for an Online Gambling Transaction, an Acquirer must:

- Identify the Transaction as an Online Gambling Transaction
- Ensure that adequate processes are in place that will identify and eliminate abuse by an individual or Online Gambling Merchant that attempts to circumvent proper Transaction identification

If Visa determines that an individual is facilitating Online Gambling Transactions through funds transfers, Visa may impose these requirements on the funds transfer Merchant for any future funds transfers to that individual.

ID#: 010410-010410-0002955

Online Gambling - Special Website Requirements

In addition to the Website requirements specified in "Website Requirements" and "Electronic Commerce Merchant Refund Policy Disclosure," a Website for an Online Gambling Merchant must contain:

- The statement "Internet Gambling may be illegal in the jurisdiction in which you are located; if so, you are **not** authorized to use your payment card to complete this transaction."
- A statement of the Cardholder's responsibility to know the laws concerning online gambling in their country of domicile
- A statement prohibiting the participation of minors
- A complete description of the:
 - Rules of play
 - Cancellation policies
 - Pay-out policies
- A statement recommending that the Cardholder retain a copy of transaction records and Merchant policies and rules
- An Acquirer numeric identifier, as specified in the *Visa Acquirer Risk Management Guide*

ID#: 010410-010410-0002957

Online Gambling Merchant Registration - LAC Region

Effective through 31 May 2011, before an LAC Acquirer signs an Online Gambling Merchant, it must comply with all of the applicable requirements for the monitoring of High-Risk Merchants specified in the *Visa International Operating Regulations*.

Effective 1 June 2011, before an LAC Acquirer signs an Online Gambling Merchant, it must comply with all of the applicable requirements for the monitoring of High-Brand Risk Merchants, as specified in the *Visa International Operating Regulations* and any other risk reduction procedures imposed by Visa.

ID#: 111011-010410-0005299

Online Gambling Merchant Registration Fees - LAC Region

To cover additional monitoring expenses, a registration fee for LAC Online Gambling Merchants is required, as described in the *Visa LAC Fee Guide* or applicable local fee guide.

ID#: 081010-010410-0005301

Gambling Credits

Transactions Representing Gambling Winnings

A gambling Merchant may disburse winnings as an Original Credit if:

- The Original Credit is processed to the same Account Number that was used to place the winning wager
- The Transaction representing the winning wager was lawfully made, properly identified, and processed according to the *Visa International Operating Regulations*

ID#: 010410-010410-0002958

Original Credit - Gambling Credits

An Online Gambling Merchant must **not** deposit a credit Transaction to disburse winnings to Cardholders, except for an Original Credit, as specified in "Transactions Representing Gambling Winnings."

ID#: 010410-010410-0002956

In-Transit Gambling

In-Transit Service Gambling Merchant Operational Plan

Effective through 14 October 2011, in addition to the Unattended Acceptance Terminal requirements and In-Transit Service Merchant requirements specified in the *Visa International Operating Regulations*, the operational plan for an In-Transit Service Gambling Merchant must include the following information:

- Rules of play
- Odds of winning
- Pay-out ratios

Effective 15 October 2011, in addition to the In-Transit Service Merchant requirements specified in "Operational Plan for In-Transit Service Merchants," the operational plan for an In-Transit Service Gambling Merchant must include the following information:

- Rules of play
- Odds of winning
- Pay-out ratios

ID#: 111011-010410-0002472

In-Transit Service Gambling Merchant - Independent Legal Source

An Acquirer must provide Visa with documentation from an independent legal source that:

- Specifies the type of gambling provided by its In-Transit Service Gambling Merchant
- Certifies the Merchant is not in violation of local or national laws regarding in-transit gambling

ID#: 010410-010410-0002473

In-Transit Gambling - BIN Blocked

An Acquirer must ensure that its In-Transit Service Gambling Merchant has the ability to prevent the In-Transit Terminal from accepting a service request on any BIN blocked by an Issuer.

In addition to the rules specified in "In-Transit," an In-Transit Terminal providing gambling services must:

- Verify that the BIN has not been blocked by the Issuer
- Display the following information on the introductory screen:
 - Rules of play
 - Odds of winning
 - Pay-out ratios

ID#: 010410-010410-0006091

In-Transit Gambling - Transaction Processing

An In-Transit Service Transaction involving gambling must be processed as a Quasi-Cash Transaction.

ID#: 010410-010410-0002952

In-Transit Gambling - Pay-Out Ratio

In-Transit Service gambling minimum pay-out ratios must be established within the In-Transit Service gambling Merchant's Visa Region.

ID#: 010410-010410-0002945

In-Transit Gambling - Winnings/Losses

An In-Transit Service Terminal providing gambling service must **not** permit either:

- Losses exceeding US \$350, or local currency equivalent, per excursion
- Winnings exceeding US \$3,500, or local currency equivalent, per excursion

ID#: 010410-010410-0002946

In-Transit Gambling - Single Trip

During a single trip on the same craft, a Cardholder may wager up to the total Transaction amount permitted.

ID#: 010410-010410-0002947

In-Transit Gambling - Authorization Request

An Authorization Request at an In-Transit Terminal providing gambling services must be for the total amount agreed to by the Cardholder.

An Authorization Request processed upon arrival at the final destination, as specified in "Transaction Date for In-Transit Service Transaction," must **not** be more than the total amount of the loss.

ID#: 010410-010410-0006090

In-Transit Gambling - Authorization Reversals

If losses are less than the amount authorized, an Authorization Reversal must be submitted for the difference.

ID#: 010410-010410-0002950

In-Transit Gambling - Cardholder Credit

Gambling winnings that are due to a Cardholder must be processed as a credit to the Account Number used in the initial Transaction. Gambling winnings must **not** be dispensed in the form of cash, check, or other payment method.

ID#: 010410-010410-0002951

Debt Repayment Program - U.S. Region

Debt Repayment Program

Qualification for Debt Repayment Program - U.S. Region (Updated)

Effective through 14 June 2012, in the U.S. Region, a Visa Debit Card Transaction may qualify as a Visa Debt Repayment Program Transaction if it meets the requirements specified in:

- "Merchant Requirements for Debt Repayment Program - U.S. Region"
- *Visa Debt Repayment Program Guide*

Effective 15 June 2012, in the U.S. Region, a Visa Debit Card Transaction and a Visa Business Check Card Transaction may qualify as a Visa Debt Repayment Program Transaction if it meets the requirements specified in:

- "Merchant Requirements for Debt Repayment Program - U.S. Region"
- *Visa Debt Repayment Program Guide*

A Visa Debt Repayment Program Transaction may qualify for the Debt Repayment Program Interchange Reimbursement Fee.

ID#: 160312-010410-0005198

Acquirer Requirements for Debt Repayment Program - U.S. Region (New)

Effective 15 June 2012, to participate in the U.S. Debt Repayment Program, an Acquirer must register the Debt Repayment Program Merchant and be provided with a Merchant Verification Value, as specified in the *Visa Debt Repayment Program Guide*.

ID#: 160312-150612-0026884

Merchant Requirements for Debt Repayment Program - U.S. Region (Updated)

For a U.S. Merchant to be eligible for the Debt Repayment Program, the Acquirer must ensure that the Merchant:

- Participates in Limited Acceptance of Visa Consumer Debit Card products as a means of payment in all channels where payments are accepted (i.e., Card-Absent Environments and Card-Present Environments, as applicable). A Merchant may accept all Visa Cards for any of its other lines of businesses that do not participate in the Debt Repayment Program. **Effective 15 June 2012**, a Merchant may accept Visa Business Check Cards as part of the Debt Repayment Program.
- Is properly assigned Merchant Category Code (MCC) 6012, "Financial Institutions - Merchandise and Services," or MCC 6051, "Non-Financial Institutions - Foreign Currency, Money Orders (not Wire Transfer), Travelers Cheques"
- Submits the debt repayment indicator for all Debt Repayment Program Transactions
- **Effective 15 June 2012**, includes the Merchant Verification Value (MVV) in all Visa Debt Repayment Program Transactions involving Visa Business Check Cards.
- **Effective through 14 June 2012**, ensures that the opportunity to pay with a Visa Consumer Debit Card is at least as prominently featured as all other accepted payment methods. **Effective 15 June 2012**, ensures that the opportunity to pay with a Visa Debit Card or Visa Business Check Card is at least as prominently featured as all other accepted payment methods.
- Only processes Visa Debt Repayment Program Transactions for an existing consumer debt that has not been deemed uncollectible and is an approved debt type, as defined in the *Visa Debt Repayment Program Guide*. The Merchant must not process Visa Debt Repayment Program Transactions representing payment for business debt (i.e., small business loans, loans to sole proprietors, or other types of business-related loans).
- Complies with all requirements in the *Visa Debt Repayment Program Guide*

ID#: 060412-150210-0005202

Merchants Not Participating in Debt Repayment Program - U.S. Region

A U.S. Merchant not participating in the Debt Repayment Program may accept Visa Debit Category Cards for payments on existing debt, provided that it complies with all applicable U.S. Regional Operating Regulations and is registered as a limited acceptor.

ID#: 010410-010410-0005201

Visa Right to Terminate Participation in Debt Repayment Program - U.S. Region

In the U.S. Region, Visa may at any time:

- Disqualify a Debt Repayment Program Merchant from participation
- Modify or discontinue the Visa Debt Repayment Program

ID#: 010410-010410-0005199

Tax and Other Government Payments

Tax and Other Government Payments - AP Region

Government Payments in Australia - AP Region

In Australia, a government Merchant with one of the following Merchant Category Codes may collect the Transaction amount separately from the surcharge amount, if the government Merchant requires this form of payment model. A government Merchant that does not require this model must include the surcharge amount with the Transaction amount and not collect it separately.

- 9211, "Court Costs including Alimony and Child Support"
- 9222, "Fines"
- 9223, "Bail and Bond Payments"
- 9311, "Tax Payments"
- 9399, "Government Services-not elsewhere classified"
- 9405, "Intra Government Transactions"

A government Merchant may use a third party payment service provider to deposit Transaction Receipts that result from a Transaction between a Cardholder and that government Merchant.

ID#: 090411-060111-0026163

Tax Payment Program Requirements - U.S. Region

Tax Payment Program Eligibility - U.S. Region

In the U.S. Region, the Visa Tax Payment Program allows a Tax Payment Program Merchant to process Visa Card Transactions for the payment of certain eligible federal, state, and local taxes.

ID#: 010410-010410-0003043

Tax Payment Program Acquirer Requirements - U.S. Region

To participate in the U.S. Region Tax Payment Program, an Acquirer must register the Tax Payment Program Merchant and be provided with a Merchant Verification Value, as specified in the *Visa Tax Payment Program Guide*.

ID#: 010410-010410-0003044

Tax Payment Program Merchant Category Code Requirements - U.S. Region

In the U.S. Region, a Tax Payment Program Transaction must originate from a Tax Payment Program Merchant using Merchant Category Code 9311, "Tax Payments."

ID#: 010410-010410-0003045

Tax Payment Program Data Requirements - U.S. Region

In the U.S. Region, an Acquirer participating in the Tax Payment Program must provide the Merchant Verification Value, as specified in the VisaNet manuals.

ID#: 010410-010410-0003046

Tax Payment Program - Category Limitations - U.S. Region

In the U.S. Region, tax payments must be limited to the following categories:

- Federal and State personal and small business income taxes
- Real estate/property taxes

ID#: 010410-010410-0003047

Tax Payment Program Transaction Environments - U.S. Region

In the U.S. Region, a Tax Payment Program Transaction may be processed in either a Card-Present Environment or a Card-Absent Environment.

ID#: 010410-010410-0003048

Tax Payment Program - Visa Rights - U.S. Region

In the U.S. Region, Visa may at any time:

- Disqualify a Tax Payment Program Merchant from participation
- Modify or discontinue the Tax Payment Program

ID#: 010410-010410-0003049

Tax Payment Program Fee Requirements - U.S. Region

Tax Payment Program Merchant Convenience Fee Requirements - U.S. Region 5.2.E

In the U.S. Region, a Tax Payment Program Merchant may charge a Convenience Fee for processing a Tax Payment Transaction if the Convenience Fee:

- Is a fixed or flat amount regardless of the value of the tax payment
- Charged for a Visa Transaction is **not** greater than any fixed or flat fee charged for a transaction with any other payment card
- Is clearly disclosed before the completion of the Transaction and the Cardholder is given the opportunity to cancel

ID#: 010410-010410-0003053

Tax Payment Program Convenience Fee - U.S. Region 5.2.E

In the U.S. Region, a Convenience Fee may be charged for Tax Payment Transactions in either a Card-Present Environment or a Card-Absent Environment, including for Recurring Transactions.

ID#: 010410-010410-0003055

Tax Payment Program - Interchange Reimbursement Fee Qualifications and Fee Amount - U.S. Region 5.2.E

In the U.S. Region, to qualify for the Debit Tax Payment Interchange Reimbursement Fee (IRF) specified in "Debit Tax Payment Interchange Reimbursement Fee - U.S. Region," the Convenience Fee for a Visa Debit Card Transaction must be a fixed or flat amount not exceeding US \$3.95 per Transaction, regardless of the tax payment amount.

ID#: 010410-010410-0003054

Tax Payment Program Fee Processing Requirements - U.S. Region 5.2.E

In the U.S. Region, a Tax Payment Program Merchant that charges a Convenience Fee must process the Convenience Fee amount as a separate Transaction.

ID#: 010410-010410-0003056

Tax Payment Program Merchant Option to Assess Fee - U.S. Region

In the U.S. Region, a Tax Payment Program Merchant may assess a variable service fee for processing a Visa Consumer Credit Card or a Commercial Visa Product Transaction if:

- The Transaction is an eligible Tax Payment Transaction
- The service fee is clearly disclosed before the completion of the Transaction and the Cardholder is given the opportunity to cancel
- The service fee for a Tax Payment Transaction on a Visa Card is **not** greater than the fee charged to a Cardholder who pays with another comparable general purpose consumer credit or commercial payment card

ID#: 010410-010410-0003050

Tax Payment Program Service Fee Processing Requirements - U.S. Region

In the U.S. Region, the service fee for a Tax Payment Transaction must be processed separately from the Transaction and not included with the amount of tax due.

A Tax Payment Program Merchant must **not** assess a service fee for a Visa Debit Card Transaction, but may assess a Convenience Fee to process a Visa Debit Card Tax Payment Transaction, as specified in "Tax Payment Program Merchant Convenience Fee Requirements - U.S. Region."

ID#: 010410-010410-0008917

Travelers Cheques

Travelers Cheque Acceptance and Encashment

Travelers Cheque Acceptance Requirements

A Member must accept and encash all Cheques denominated in currencies usually exchanged in the local market.

ID#: 010410-010410-0002657

Travelers Cheque Encashment Policy

A Member's encashment policy must be as favorable for Cheques as for other cheque brands.

ID#: 010410-010410-0002658

Travelers Cheque Signature Comparison

Visa guarantees reimbursement for a Cheque amount if the Member complies with the encashment procedures outlined in the *Visa International Operating Regulations*.

When encashing a Cheque, a Member must both:

- Witness the customer countersigning the cheque in the lower left signature area
- Compare the countersignature with the signature appearing in the upper right signature area. If the signatures appear similar, the Member may accept the Cheque.

If the Member is uncertain about the similarity of the signatures, it may request that the customer sign the Cheque on the back and provide identification. If the Member is satisfied with the identification comparison, it may accept the Cheque.

ID#: 010410-010410-0008947

Travelers Cheque Encashment Limitations

If a Cheque has already been countersigned, or if the presenter is **not** the original purchaser of the Cheque, the Member must **only** accept the Cheque if the presenter is a known customer and full recourse is available.

ID#: 010410-010410-0003575

Health Care Transactions

Preauthorized Health Care Program Requirements - U.S. Region

Preauthorized Health Care Transaction Order Form - U.S. Region

In the U.S. Region, a Cardholder that purchases services from a Health Care Merchant that accepts Preauthorized Health Care Transactions must provide a completed Order Form to the Merchant.

The Cardholder must specify at least the following on the Order Form:

- Request for the services to be charged to the Cardholder's account
- Authorization for the Health Care Merchant to charge the Cardholder's account for only that portion of the bill due subsequent to Merchant's receipt of any applicable insurance payment
- Duration of time, not to exceed one year, for which permission is granted

ID#: 081010-010410-0008706

Health Care Merchant Requirements - U.S. Region

For Preauthorized Health Care Transactions in the U.S. Region, a Health Care Merchant must:

- Retain a copy of the Order Form during the period it is in effect
- Provide a copy of the Order Form upon Issuer request for an original Transaction Receipt
- Type or print the words "PREAUTHORIZED HEALTH CARE" on the signature line of the Transaction Receipt

- Comply with the requirements of "Preauthorized Payment Cancellation Service Declined Transaction Procedures" and "Preauthorized Transaction Decline Response - U.S. Region"

The Health Care Merchant must **not** complete a Preauthorized Health Care Transaction after receiving either a:

- Cancellation notice from the Cardholder or its Acquirer
- Decline Response

Upon receipt of the notice of adjudication from the Cardholder's insurance company, the Health Care Merchant must:

- Request Authorization for the amount due
- Submit a Transaction Receipt into Interchange within 90 calendar days of the service date

ID#: 081010-010410-0008707

Healthcare Auto-Substantiation - U.S. Region

Healthcare Auto-Substantiation Transactions - Acquirer Responsibilities - U.S. Region

A U.S. Acquirer or its Agent that processes a Healthcare Auto-Substantiation Transaction from a SIGIS-certified Merchant must:

- Be licensed and certified by SIGIS
- Provide the Visa Flexible Savings Account (FSA) or Visa Health Reimbursement Account (HRA) BIN list to the certified Merchant
- Comply with all the requirements stipulated by SIGIS, including storage and fulfillment of Transaction Receipt detail data, as specified in:
 - *Visa Healthcare Auto-Substantiation Transactions Retrieval of SIGIS Receipt Detail Implementation Guide*
 - "Request for Transaction Receipt Copy and Substitute Transaction Receipt"
 - "Minimum Data Requirements for Retrieval Requests"
 - "Electronic Signature Criteria"
- Request an IIAS Merchant Verification Value (MVV) on behalf of the SIGIS-certified Merchant and provide the MVV to the Merchant
- Include the IIAS Merchant Verification Value (MVV) in the Authorization Request
- Comply with the following:
 - *Visa Healthcare Auto-Substantiation Transaction Consolidated Technical Requirements*
 - *Visa Healthcare Auto-Substantiation Transactions Service Description and Implementation Guide*

ID#: 050411-010410-0003106

Healthcare Auto-Substantiation Transactions - Merchant Responsibilities - U.S. Region

A Merchant that participates in Healthcare Auto-Substantiation Transactions must:

- Obtain a license from, and be certified by, SIGIS
- Comply with the requirements specified in:
 - *Visa Healthcare Auto-Substantiation Transaction Consolidated Technical Requirements*
 - *Visa Healthcare Auto-Substantiation Transactions Service Description and Implementation Guide*

ID#: 050411-010100-0025549

Easy Pay Transaction - General Requirements - LAC Region

Easy Pay Transactions - Merchant Agreement - LAC Region

An LAC Acquirer that contracts with Merchants that accept Easy Pay Transactions must include the Easy Pay Transaction requirements in the Merchant Agreement or in an additional contract.

ID#: 010410-010410-0005262

Easy Pay Patient Enrollment - LAC Region

In the LAC Region, a Medical Services Merchant must enroll a patient for participation in Easy Pay Transactions by using the "Cardholder Participation Request and Consent" form. Upon enrolling a patient, the Medical Services Merchant must obtain a Card Imprint.

The LAC Medical Services Merchant must:

- File a copy of the "Cardholder Participation Request and Consent" form
- Provide a copy of the "Cardholder Participation Request and Consent" form, accompanied by a copy of the Card Imprint, if the Issuer requests a Transaction Receipt
- Print or write on the signature line a message indicating that it is an Easy Pay Transaction

After receiving confirmation from the patient's medical insurance provider of the amount it will cover for the medical service requested, the LAC Medical Services Merchant must:

- Request Authorization for the outstanding amount if it exceeds the applicable Floor Limit
- Send the Transaction Receipt to Interchange within 30 calendar days

If the Transaction amount is not within the range preauthorized by the Cardholder, the Merchant must provide written notice at least 5 calendar days before the Transaction Date and obtain written consent from the Cardholder.

The LAC Medical Services Merchant must **not** complete an Easy Pay Transaction when it has received:

- A cancellation notice from its Acquirer or from the Cardholder
- A Decline Response

ID#: 010410-010410-0008728

Easy Pay - Authorization - LAC Region

Authorizations in Public and Private Hospitals - LAC Region

In the LAC Region, a Public and Private Hospital Merchant ("H&C Merchant," based on its Spanish language acronym, MCC 8062) may use estimated Transaction amounts to request Authorizations or Status Check Authorizations before providing its services.

The H&C Merchant may estimate the Transaction amounts for Authorizations based on any of the following:

- The patient's length of stay indicated during check-in
- The room rate
- Applicable tax
- The fee rates for services
- Doctors' fees
- Routine lab tests
- Medical supplies and medicines

After completing the estimates, the H&C Merchant must comply with one of the following:

- If the estimated Transaction amount is equal to or below the Floor Limit, obtain a Status Check Authorization on the check-in date
- If the estimated Transaction exceeds the Floor Limit, obtain an Authorization and include the date, amount, and Authorization Code on the Transaction Receipt

After the check-in date and before the check-out date, the H&C Merchant may obtain and must record Authorizations for additional amounts above any amount already authorized. The H&C Merchant must obtain a final or additional Authorization, and include the date, amount, and Authorization Code on the Transaction Receipt, if the actual Transaction amount exceeds the Floor Limit or is 15% greater than the sum of the authorized amounts.

ID#: 031209-150210-0008729

V.me by Visa

V.me by Visa - Merchant Requirements

V.me by Visa Merchant Requirements (New)

Effective 15 April 2012, a V.me by Visa Merchant that accepts a payment through V.me by Visa must:

- Comply with the V.me by Visa terms of service and applicable service agreement with Visa
- For a Transaction conducted with a Visa-branded product, comply with all current Visa International Operating Regulations and with the *Visa Product Brand Standards*

ID#: 040412-150412-0026992

Chapter 7: Transaction Processing

Core Principle 7.1

Provide Authorization and Settlement Service

Ensuring Seamless Payment Processing

Participants in the Visa system agree to provide transaction authorization and settlement services to their customers to ensure seamless payment processing.

ID#: 010410-010410-0007785

Core Principle 7.2

Rules Differ by Acceptance Environments

Defining Financial Responsibility between Issuers and Acquirers

Visa defines financial responsibility between issuers and acquirers, which may vary in different merchant acceptance environments. For example, acquirers bear more responsibility for transactions completed in card-absent environments.

ID#: 010410-010410-0007786

Core Principle 7.3

Financial Responsibility for Processed Transactions

Defining Issuer Financial Responsibility

Issuers are financially responsible for transactions that are accepted by the merchant as defined in the Visa Operating Regulations, and properly processed by the acquirer. Financial responsibility for transactions that are not processed as required by Visa may be returned from the issuer to the acquirer.

ID#: 010410-010410-0007787

Core Principle 7.4

Authorize, Clear, and Settle International Transactions

Using VisaNet to Authorize, Clear, and Settle International Transactions

Visa participants must authorize, clear, and settle messages for international Visa transactions through VisaNet, and report to Visa all domestic Visa transactions processed outside of VisaNet. In some jurisdictions, participants must authorize, clear and settle all Visa transactions through VisaNet, which enhances Visa's ability to manage risks, meet consumer expectations, and provide leading fraud-protection solutions.

ID#: 090211-010410-0007788

Access to Visa Systems

VisaNet Access

Member Requirements for Visa Extended Access

If a Member has Visa Extended Access, the Member must use it to transmit its Interchange.

A Member must complete its migration to Visa Extended Access to access VisaNet. A Member must **not** make or attempt to make any repair, adjustment, alteration, or modification to Visa Extended Access, except as expressly authorized by Visa.

The above requirements do **not** apply to a U.S. Member using Direct Exchange (DEX).

ID#: 010410-010410-0008744

Member Support of Visa Extended Access

Each Member participating in Visa Extended Access must provide, without cost to Visa, reasonable support requested by Visa for installing the V.I.P. System or BASE II, including:

- Providing a location that meets the requirements of Visa for installing Visa Extended Access on the Member's premises ^[113]
- Providing a sufficient number of qualified personnel that the Member will train to meet Visa specifications
- Maintaining V.I.P. System and BASE II records, documents, and logs required by Visa and providing them at the request of Visa

- Providing access to its premises and cooperating with Visa and its authorized agents in conjunction with the installation, service, repair, or inspection of Visa Extended Access ^[114]
- Notifying Visa promptly of any failure of Visa Extended Access to operate properly on its premises or the premises of its agent or independent contractor ^[115]
- Providing computer time and a sufficient number of qualified personnel required to ensure prompt and efficient installation and use of the V.I.P. System or BASE II Edit Package software supplied by Visa

ID#: 010410-010410-0003332

Unavailability of Visa Extended Access

If a Member's Visa Extended Access is expected to be unavailable, the Member must proceed as follows:

- If unavailable for fewer than 5 calendar days, the Member must prepare the transmission as usual and send the Interchange to Visa as soon as the VisaNet Access Point becomes available
- If unavailable for 5 or more calendar days, the Member must send the Interchange to Visa as soon as possible, as specified in the VisaNet manuals

This requirement does **not** apply to a U.S. Member using Direct Exchange (DEX).

ID#: 010410-010410-0003670

Visa Extended Access - Canada Region

Visa owns a Visa Extended Access server installed at a Canada Member's location and is responsible for its acquisition, installation, and maintenance.

Unless otherwise agreed to by Visa:

- The Member may use the Visa Extended Access server **only** for V.I.P. System and BASE II processing
- Members must **not** share a Visa Extended Access server

ID#: 010410-010410-0008746

V.I.P. System User Fees - U.S. Region

In the U.S. Region, a V.I.P. System User must pay the applicable fees for systems, training, and documentation services furnished to it, as specified in the *Visa U.S.A. Fee Guide*.

ID#: 081010-010410-0007347

113 This requirement does not apply to a U.S. Member using Direct Exchange (DEX).

114 This requirement does not apply to a U.S. Member using Direct Exchange (DEX).

115 This requirement does not apply to a U.S. Member using Direct Exchange (DEX).

Data Quality

Authorization and Clearing Data Requirements

Acquirer Requirement for Complete and Valid Data (Updated)

An Acquirer must ensure that all Authorization Requests and Clearing Records contain complete and valid data. If data is missing or incorrect, the Acquirer may be subject to the Data Quality Compliance Program.

The table below specifies the fines and penalties applicable to an Acquirer if Visa determines that the Acquirer has failed to meet the requirements of the Data Quality Compliance Program.

For further information about these requirements, see the VisaNet manuals.

Acquirer Penalties for Non-Compliance with the Data Quality Compliance Program

Violation	Time Period	Visa Action or Fine
Problem Not Resolved After Second Notification Letter		
Problem not resolved after receipt of Notification	60 calendar days	US \$5,000
Problem not resolved after receipt of Notification	90 calendar days	US \$10,000
Problem not resolved after receipt of Notification	120 calendar days, plus every 30 calendar days for each subsequent month until compliance is achieved	US \$25,000 per month
Resolution Date Not Met		
Problem not resolved by the agreed-upon date	Agreed-upon resolution date	US \$5,000
Problem not resolved	Within 30 calendar days of the agreed-upon resolution date	US \$10,000
Problem not resolved	Within 60 calendar days of the agreed-upon resolution date, plus every 30 calendar days for each subsequent month until compliance is achieved	US \$25,000 per month

ID#: 160312-010410-0008752

Global Brand Protection Program Data Quality Requirements

Effective 1 June 2011, to enable the valid identification of data for the Global Brand Protection Program, an Acquirer must:

- Ensure that all High-Brand Risk Merchants have been correctly classified, as specified in the *Visa Merchant Data Standards Manual*
- Ensure that all Authorization Requests and Clearing Records contain complete and valid data, as specified in the VisaNet manuals and the *Visa International Operating Regulations*

If Visa determines that an Acquirer or its Merchant changed, modified, or altered the Merchant name or Merchant data in any way to circumvent the Global Brand Protection Program, Visa may:

- Assess a fine of US \$10,000 per Merchant, per month, to the Acquirer
- Require the Acquirer to implement risk reduction measures
- Prohibit the Acquirer from acquiring High-Brand Risk Merchants for a period of one year or more

ID#: 111011-010611-0026335

Online Gambling Transaction Identification Penalties

Effective through 31 May 2011, an Acquirer is subject to the penalties specified in the following table if an Authorization Request for an Online Gambling Transaction contains incorrect data or fails to include both:

- MCC 7995, "Betting," as specified in "Online Gambling Identifiers"
- POS Condition Code 59, as specified in "Required Message Content for VisaNet Authorization Requests" (Exhibit 3B)

Acquirer Penalties for Failure to Correctly Identify Authorization Requests for Online Gambling Transactions (Effective through 30 June 2010)

Violation	Month	Visa Action or Fine
Uncorrected violation	Month 1	US \$25,000 fine per Merchant URL or Sponsored Merchant URL identified
Uncorrected violation	Month 2 in a 12-month period	US \$50,000 fine per Merchant URL or Sponsored Merchant URL identified
Uncorrected violation	Month 3 in a 12-month period	US \$100,000 fine per Merchant URL or Sponsored Merchant URL identified
Uncorrected violation	Month 4 and subsequent months in a 12-month period	Possible permanent disqualification of the Merchant or IPSP from participation in the Visa Program

Acquirer Penalties for Failure to Correctly Identify Authorization Requests for Online Gambling Transactions (Effective 1 July 2010 through 31 May 2011)

Violation ¹	Visa Action or Fine
First violation	US \$10,000 fine per Merchant URL or Sponsored Merchant URL identified
Second violation in a rolling 12-month period	US \$25,000 fine per Merchant URL or Sponsored Merchant URL identified
Third and any subsequent violation in a rolling 12-month period	US \$50,000 fine per Merchant URL or Sponsored Merchant URL identified
Fourth violation in a rolling 12-month period	Possible permanent disqualification of the Merchant or IPSP from participation in the Visa program Acquirer is eligible for the imposition of risk-reduction procedures, as specified in "Member Risk Reduction Requirements"
1. All violations must be corrected within 7 days of Notification	

Effective through 31 May 2011, Visa may prohibit an Acquirer from contracting with a new Online Gambling Merchant for a period of one year or more if the Acquirer has one or more non-compliant Merchants identified for any 4 or more months during a 12-month period.

Effective 1 June 2011, an Acquirer is subject to the penalties, as specified in "Global Brand Protection Program Penalties" if an Authorization Request for an Online Gambling Transaction contains incorrect data or fails to include:

- An appropriate Merchant Category Code to identify the High-Brand Risk Merchant, as specified in "High-Brand Risk Merchant Category Codes"
- MCC 7995, "Betting," for an Online Gambling Transaction, as specified in "Online Gambling Identifiers"
- POS Condition Code 59, as specified in "Required Message Content for VisaNet Authorization Requests (Exhibit 3B)"

ID#: 171011-010410-0008753

Interchange Data Element Requirements

An Acquirer sending Interchange through BASE II must use the data elements listed in "BASE II Record Requirements" (Exhibit 2L) and the VisaNet manuals.

ID#: 010410-010410-0005521

Visa Prepaid Card Transaction Data Requirements

A Transaction representing the purchase of a Visa Prepaid Card must be processed as a retail purchase, including transmission of a special Visa Prepaid Card indicator in the Transaction Record, as specified in the "BASE II Record Requirements" (Exhibit 2L) and the VisaNet manuals.

ID#: 081010-010410-0002516

Merchant Category Code Assignment

An Acquirer must assign the appropriate Merchant Category Code to each Merchant and ensure that the assigned Merchant Category Code is included in the Authorization Request and Clearing Record.

ID#: 010410-010410-0003133

High-Risk Merchant Category Codes

Effective through 31 May 2011, a High-Risk Telemarketing Merchant must submit the appropriate Merchant Category Code as follows:

- With each Authorization Request
- Through BASE II

ID#: 111011-010410-0005047

High-Brand Risk Merchant Category Code Processing

Effective 1 June 2011, a High-Brand Risk Merchant must submit their Merchant Category Code in each Authorization Request and Clearing Record.

ID#: 111011-010611-0026336

Quasi-Cash/Online Gambling Transaction Indicator

For a Quasi-Cash Transaction, the Quasi-Cash/Online Gambling Transaction indicator must appear in both the Authorization Request and Clearing Record.

A variance applies to the CEMEA Region for Members in South Africa.

ID#: 050411-010410-0002886

Fines for Incorrect Merchant Descriptor - U.S. Region

In the U.S. Region, Visa assesses a fine using Fee Collection Transaction Reason Code 5010 or 5210 for each Merchant Descriptor that has inaccurate, invalid, or unrecognizable data in the Authorization Request or Clearing Record. The fine is assessed monthly, as follows:

- US \$100 per Merchant Descriptor, beginning in the fifth consecutive month in which the inaccurate data is not corrected
- US \$200 per Merchant Descriptor, beginning in the ninth consecutive month in which the inaccurate data is not corrected

ID#: 010410-010410-0003496

Account BIN Range

Account Range Table

ATM Account Range Use

An ATM Acquirer must use the Visa account range table to determine the routing of an Authorization Request.

The ATM Acquirer must install and use the table within 6 business days of its receipt from Visa.

ID#: 010410-010410-0008780

ATM Account Range Table Distribution Prohibition

An ATM Acquirer must **not** distribute the account range table without the prior written consent of Visa.

ID#: 010410-010410-0004799

General Authorization Requirements

Authorization Services

Acquirer Provision of Authorization Services

An Acquirer that is a Principal or Merchant Bank must provide Authorization services to its own Merchants and the Merchants signed by its sponsored Associates. This service includes Authorization for Cash Disbursements at any of its Branches.

ID#: 010410-010410-0005478

Acquirer Participation in Authorization Services

An Acquirer must participate in the:

- International Automated Referral Service and comply with the *International Automated Referral Service (IARS) User's Guide*
- Card Verification Service

ID#: 050411-010410-0005407

Acquirer Authorization Service Requirements - U.S. Region

A U.S. Acquirer must provide Authorization service to:

- Its own Merchants and Merchants signed by its Sponsored Members located within the United States
- Authorizing Processors

This service may be provided:

- Directly, as an Authorizing Processor
- Through another Authorizing Processor
- Through the Operator Assistance Service
- By other means approved by Visa

ID#: 010410-010410-0006944

Authorization Services Outside of the U.S. - U.S. Region

A U.S. Acquirer or its Foreign Branch must provide Authorization service for its Merchant Outlets located outside the United States, either itself or through another Authorizing Processor.

A Foreign Branch that issues Cards must provide Authorization service to other Members.

ID#: 010410-010410-0008751

Authorization Support for T&E Merchants without a Point-of-Transaction Terminal - U.S. Region

A U.S. Acquirer that has a Merchant Agreement with a T&E Merchant that is not using a Point-of-Transaction Terminal must provide Support Authorization Service to the Merchant whenever the Merchant's primary Authorization number is unavailable, as specified in the appropriate VisaNet manuals.

ID#: 010410-010410-0005570

ATM Authorization Currency

An ATM Acquirer must submit Authorization Requests in the Transaction Currency.

ID#: 010410-010410-0004794

Chip Card Authorization at ATM - U.S. Region 5.5.A

For Authorization requests involving Chip-initiated Transactions in the U.S. Region, an ATM must either:

- Ensure that track 2 of the Magnetic-Stripe Image is read and transmitted
- Transmit all data elements that create the EMV-Online Card Authentication Cryptogram

ID#: 010410-010410-0004978

Authorization Computer Interface Requirements

Acquirer Computer Interface for Authorizations

An Acquirer must establish a computer interface between its Authorization system and the V.I.P. System if it receives either:

- A monthly average of more than 5,000 Authorization Requests from other Members or VisaNet Processors in any 3 consecutive months

- Any Authorization Requests generated by a Point-of-Transaction Terminal from its Merchants or other Members for which it provides Authorization services

The Acquirer must submit to Visa a reasonable schedule for establishing its computer interface within 90 calendar days of notifying Visa that either of the above conditions exists.

ID#: 010410-010410-0006946

Acquirer Computer Interface for Authorizations - U.S. Region

A U.S. Acquirer must:

- Submit for approval a reasonable schedule for establishing a computer interface between its Authorization system and the V.I.P. System
- Notify Visa in writing at least 120 calendar days before the proposed date of implementation
- Establish the computer interface as specified by Visa

ID#: 010410-010410-0005690

Visa Computer Interface Responsibilities - U.S. Region

To establish a computer interface in the U.S. Region, Visa:

- Processes requests in the order received. However, Visa may reprioritize requests as necessary.
- Provides prototype computer interface, engineering liaison, and acceptance testing to support the Acquirer during installation
- Assesses fees as specified in the *Visa U.S.A. Fee Guide*

ID#: 081010-010410-0007352

Authorizing Processor Computer Interface Responsibilities - U.S. Region

An Authorizing Processor in the U.S. Region must:

- Assume responsibility and costs for development of software and systems necessary to interface with VisaNet
- Comply with Visa interface specifications

ID#: 010410-010410-0005692

Authorization Processing

Required Authorization Processing through VisaNet

An Acquirer must process all Authorizations for International Transactions through VisaNet.

ID#: 010410-010410-0003369

Account Range Table for Authorization Routing

An Acquirer may use the account range table provided by Visa to determine the routing of an Authorization Request. An Acquirer that uses the account range table to validate Visa Cards must install and use the table within 6 business days of receipt.

An Acquirer must **not** distribute the account range table without the prior written consent of Visa.

ID#: 010410-010410-0008754

Matching Data in ATM Authorization and Clearing Messages

An ATM Acquirer must ensure that the following information matches in the Authorization and Clearing messages:

- Account Number
- Transaction Authorization Code
- Acquirer BIN
- Transaction amount
- Account selection processing code
- Merchant Category Code

ID#: 010410-010410-0004796

Private Agreements for Domestic Authorizations

Rules for Domestic Authorizations may be superseded in whole or in part by either Private Agreements or the operating regulations of Group Members.

This provision is not applicable in the AP Region for Members in Malaysia, Philippines, Singapore, Thailand and Vietnam.

ID#: 160312-010411-0007248

Compliance with Authorization Requirements

Each Member that processes Authorizations must comply with:

- The *Visa International Operating Regulations*, and National Operating Regulations applicable in the Transaction Country or Visa Region, regardless of how the Authorization is routed or where it is processed
- "Required Message Content for VisaNet Financial Transactions" (Exhibit 3A)
- "Required Message Content for VisaNet Authorization Requests" (Exhibit 3B)
- VisaNet manuals

ID#: 010410-010410-0003368

Visa Authorization Service Fees

Visa provides Authorization processing to Members using the V.I.P. System. Members must pay for Authorization processing and applicable fees and charges, as specified in the appropriate regional fee guide.

ID#: 111011-010410-0005139

Acquirer Responsibility for Telecommunications Costs

An Acquirer must pay for telephone or fax calls made to an Issuer for Authorization purposes. However, an Acquirer may record and recover these costs from the Issuer.

ID#: 050411-010410-0007979

V.I.P. System Services for Authorizing Processors - U.S. Region

Visa provides the following V.I.P. System services to U.S. Authorizing Processors upon written request at least 120 calendar days before implementation:

- Message Processing Service, to provide Authorizations when an Authorizing Processor does not directly provide Authorization for its Merchants
- File change service, to update the Exception File and PIN Verification Value file
- Reports to advise Authorizing Processors of their V.I.P. System activity, other than message processing activity
- PIN Verification Service
- Key Management Service
- Operator Assistance Service

- Direct-Connect Merchant service

ID#: 010410-010410-0005757

Issuer Authorization Requirements

Minimum Activity File Parameters

An Issuer must select minimum Activity File Parameters for all Transactions, as specified in the VisaNet manuals.

ID#: 010410-010410-0001857

Manual Cash Disbursement Authorization Limits

The Interchange Authorization Limits for Manual Cash Disbursements are specified in "Forwarding of Authorization Request to Visa." If an Issuer chooses to set higher limits, it must identify them on the "Visa Interchange Directory Update Form" (available through the Visa Publication Center on Visa Online).

ID#: 080411-010410-0003138

Mandatory Minimum Authorization Limits

An Issuer is subject to the mandated minimum Positive Cardholder Authorization Service Activity File Parameters and Issuer Limits as specified in the VisaNet manuals for the following Card types:

- Visa Gold/Premier Card
- Visa Infinite Card
- Visa Business Card
- Visa Corporate Card

A Visa Purchasing Card Issuer may apply a minimum Issuer Limit of zero for Authorization Requests.

ID#: 010410-010410-0008793

Mandatory Minimum Authorization Limits Exceptions

Mandatory minimum Authorization limits do **not** apply to a Visa Prepaid Card or debit Visa Card Issuer.

Visa may exempt an Issuer from the mandatory minimum Authorization limits.

ID#: 010410-010410-0008794

Issuer Authorization Reversal - Issuer Requirements

An Issuer that receives an Authorization Reversal must attempt to match the Authorization Reversal to a previous Authorization Request.

When matched, the Issuer must immediately:

- Process the Authorization Reversal as specified in the VisaNet manuals
- Release any applicable hold on the available funds in its Cardholder's account

ID#: 111011-010410-0025592

Commercial Visa Product Minimum Issuer Limits - U.S. Region

A Commercial Visa Product Issuer in the U.S. Region must apply minimum Issuer Limits for international Authorization Requests as specified in the VisaNet manuals.

ID#: 050411-010410-0005447

Member Authorization Services

Issuer Authorization Service Requirement

An Issuer must provide Authorization services for all of its Cardholders, 24 hours a day, 7 days a week, using one of the following methods:

- Directly, as a VisaNet Processor
- Through another VisaNet Processor
- By other means approved by Visa

ID#: 010410-010410-0004381

Issuer Authorization Response Requirements

An Issuer must provide Authorization Responses as specified in the VisaNet manuals and:

- Meet the assured Transaction response standards
- Participate in the International Automated Referral Service and comply with the *International Automated Referral Service (IARS) User's Guide* ^[116]
- Participate in the Card Verification Service, as specified in "Card Verification Service Participation"

Visa recommends that the Issuer:

116 Not applicable to Visa Electron Issuers.

- Periodically review its international Authorization Responses
- Not systematically or permanently send a Decline Response to an Authorization Request for any of the following:
 - Mail/Phone Order Transactions
 - Electronic Commerce Transactions ^[117]
 - Transactions from a specific country

ID#: 111011-010410-0004382

Reversal of Duplicate Authorizations

An Issuer must reverse duplicate Authorization Transactions from its Cardholder records upon receipt of Reversal information.

ID#: 010410-010410-0004383

Acquirer Authorization Service Requirement

An Acquirer must provide primary and backup Authorization service 24 hours a day, 7 days a week. This service may be provided by any of the following:

- The Acquirer directly
- Another VisaNet Processor, including Visa
- Other means approved by Visa

ID#: 010410-010410-0005411

Code 10 Authorizations - U.S. Region

Suspicious Transaction Merchant Requirements - U.S. Region 5.2.K

If a U.S. Merchant is suspicious of a Transaction, the Merchant must:

- Contact the Issuer at the telephone number listed in the *Visa Interchange Directory* using an In or Out WATS line, if available, or a collect call
- Ensure that its employees are familiar with Code 10 procedures (available from Visa upon request)
- Request a Code 10 Authorization
- If the Issuer is not available, process a normal Authorization Request

ID#: 010410-010410-0005648

117 For requirements specific to Electronic Commerce Transactions coded with an ECI value of "6", see "Decline Response Prohibition for Electronic Commerce Transactions."

Code 10 Issuer Contact Requirements - U.S. Region

To make a Code 10 Authorization Request, a U.S. Acquirer must contact the Issuer at the telephone number listed in the *Visa Interchange Directory* under "Fraud - Lost/Stolen Contact."

If the Issuer or the Issuer's Authorizing Processor is unavailable, the Acquirer must process the Authorization Request as specified in "Emergency Authorization for Transactions - Amount Limits - U.S. Region."

ID#: 010410-010410-0008797

Authorization Amount

Authorization Currency and Conversion

An Authorization Request must be expressed in US dollars or the Transaction Currency.

If the Transaction Currency is not US dollars, an Acquirer may convert the Authorization amount into US dollars before sending the Authorization Request to Visa. If the Acquirer converts the Authorization amount, it must use a generally accepted Currency Conversion Rate.

ATM Cash Disbursements and Manual Cash Disbursements must be authorized in the Transaction Currency.

ID#: 010410-010410-0008803

Authorization Request Amount - U.S. Region (Updated)

A U.S. Acquirer must process an Authorization Request for the final amount of a Transaction that is entered into Interchange, with the following exceptions:

- Hotel and Car Rental Transactions
- Transactions originating at restaurant Merchants
- Mail/Phone Order and Electronic Commerce Transactions. **Effective 14 April 2012**, this exception does not apply to Transactions on a Visa account enrolled in the Authorization and Settlement Match service.
- Transactions conducted at Cruise Lines
- Transactions originating at a Merchant Outlet assigned any one of the following Merchant Category Codes:
 - 4121, "Taxicabs and Limousines"
 - 5813, "Bars and Taverns"
 - 7230, "Beauty and Barber Shops"
 - 7298, "Health and Beauty Spas"

- Account Number Verification Transactions
- Transactions at Merchants permitted to use the Status Check Procedure

ID#: 160312-010410-0005519

Authorization Request and Settlement Amount Match - U.S. Region (New)

Effective 14 April 2012, in the U.S. Region, Visa will return a Commercial Payables Transaction to the Acquirer for resubmission if the amount in the Clearing Record does not match the amount in the Authorization Request and all of the following conditions apply:

- Card is a Visa Purchasing or Visa Fleet Card
- Issuer has enrolled to participate in the Authorization and Settlement Match service
- The Visa Purchasing Card BIN or account range (including Visa Fleet Card BIN or account range) is enrolled in the Authorization and Settlement Match service
- Transaction occurs in a Card-Absent Environment

ID#: 160312-010100-0026827

Status Check Availability for Lodging Merchants - U.S. Region

A U.S. Acquirer of a Lodging Merchant that wants to use the Status Check Procedure instead of an Authorization Request for an estimated Transaction amount must:

- Obtain written permission from Visa for the Lodging Merchant to be eligible to use the Status Check Procedure
- Qualify for the Electronic Interchange Reimbursement Fee or the payment service Interchange Reimbursement Fee

ID#: 010410-010410-0008799

Merchants Eligible for Status Check Procedure - U.S. Region

In the U.S. Region, only a Prestigious Property or an Automated Fuel Dispenser Merchant may use the Status Check Procedure to request an Authorization for US \$1 instead of an Authorization Request for the exact Transaction amount when the exact Transaction amount is not known.

ID#: 081010-010709-0007188

Merchants Not Eligible for Status Check Procedure - U.S. Region

In the U.S. Region, a Merchant that is not eligible to use the Status Check Procedure may use the Account Number Verification Service.

ID#: 010410-010709-0007189

Status Check Procedure - Authorization Reversal - U.S. Region

In the U.S. Region, a Prestigious Property or Automated Fuel Dispenser Merchant that cancels a US \$1 Status Check is subject to the Authorization Reversal requirements specified in the U.S. Regional Operating Regulations.

ID#: 081010-010709-0007190

Manual Authorizations

Manual Authorization Procedures

Forwarding of Authorization Request to Visa

An Acquirer must forward an Authorization Request to Visa or the Issuer under any of the following conditions:

- The Transaction amount added to previous Transactions on the same Account Number on the same day exceeds the Interchange Authorization Limit set by the Issuer, or the Floor Limits specified in "Maximum Authorized Floor Limits," whichever is greater
- The minimum Interchange Authorization Limit is US \$350 for Retail Transactions and US \$150 for Manual Cash Disbursements. If an Issuer has established higher limits, they appear on the Issuer's "Visa Interchange Directory Update Form" (available through the Visa Publication Center on Visa Online)
- A Merchant questions the validity of the Card or informs the Acquirer that it is suspicious about a Transaction
- A Cardholder wants to make a purchase in person (**not** a Mail/Phone Order Transaction) but does not have their Card
- A Cardholder presents an Expired Card
- A Cardholder presents a Card with a blank signature panel

ID#: 050411-010410-0005497

Visa Transaction Approval

If Visa approves a Transaction:

- Visa provides the Acquirer with an Authorization Code based on the date, time, and Account Number
- The Acquirer provides the Merchant with an Authorization Code

ID#: 111011-010410-0005498

Manual Authorization Code on Transaction Receipt

When an Authorization Code is obtained using manual Authorization procedures, the Merchant must include it on the Transaction Receipt.

ID#: 010410-010410-0008981

Substitute Authorization Code

If a Transaction originating at an Authorization-Only Terminal does **not** require Authorization, the Acquirer must use the substitute Authorization Code "0000N" in the Clearing Record.

ID#: 010410-010410-0005501

Emergency Authorizations

Emergency Authorization Procedures

Procedure During Communication Failure

An Acquirer must follow emergency Authorization procedures if it cannot transmit an Authorization Request to Visa due to a communications failure.

An Acquirer must **not** use the procedures:

- For more than 4 hours
- If any other means of electronic interface with Visa is available

ID#: 010410-010410-0008800

Emergency Authorization Procedure for ATM and Unattended Transactions

Effective through 14 October 2011, the emergency Authorization procedures do **not** apply to ATM Cash Disbursements or Cardholder-Activated Transactions Type C. When an Acquirer cannot transmit Authorization Requests, it must transmit a "service unavailable now" Authorization Response to the terminal in reply to an Authorization Request.

Effective 15 October 2011, the emergency Authorization procedures do **not** apply to ATM Cash Disbursements or Unattended Transactions where a PIN is present. When an Acquirer cannot transmit Authorization Requests, it must transmit a "service unavailable now" Authorization Response to the terminal in reply to an Authorization Request.

Effective through 14 October 2011, in the U.S. Region, the emergency Authorization procedures do **not** apply to ATM Cash Disbursements or Automated Dispensing Machine Transactions. When the Authorizing Processor cannot transmit Authorization Requests, it must transmit a "service unavailable now" Authorization Response to the terminal in reply to the Authorization Request. *(This only applies in the U.S. Region.)*

ID#: 160312-010410-0008801

Emergency Authorization for Transactions

If a Transaction amount is X or more, an Acquirer must contact the Issuer by telephone or fax for Authorization, as specified in "Manual Authorization Requirements - Authorizations Sent to the Issuer."

If the Transaction amount is less than X, the Acquirer is **not** required to contact the Issuer. The Acquirer must:

- Review the appropriate Card Recovery Bulletin
- Provide the Merchant with an Authorization Code if the Account Number does not appear on the Card Recovery Bulletin

ID#: 111011-010410-0008827

Emergency Authorization for Transactions - Amount Limits - U.S. Region

In the U.S. Region, if a Transaction is more than US X or the Cardholder presents an Expired Card, the Authorizing Processor must:

- Call the Issuer at the telephone number listed in the *Visa Interchange Directory*
- Use an In or Out WATS line, if available, or call collect
- Provide the information specified in:
 - "Required Data for Authorization Requests and Responses" (Exhibit OO)
 - The appropriate VisaNet manual

If the Transaction is X or less, the Authorizing Processor must:

- Review the current National Card Recovery File and approve the requested Authorization if the Account Number does not appear
- Issue an Authorization Code

ID#: 111011-010410-0008828

Emergency Authorization Procedure Limitations - U.S. Region

In the U.S. Region, an Authorizing Processor must follow emergency Authorization procedures if it cannot transmit an Authorization Request to Visa due to an emergency.

Emergency Authorization procedures must **not** be used during a routine system shutdown that the Authorizing Processor can control.

An Authorization granted using emergency Authorization procedures does **not** constitute an Authorization for purposes of Chargeback rights.

ID#: 010410-010410-0008802

Partial Authorizations

Partial Authorization Service Requirements

Partial Authorization Service Participation Requirements

An Acquirer and its Processor may participate in the Partial Authorization service.

To participate in the service, an Acquirer and its Processor must:

- Support Partial Authorization Transactions and Authorization reversals
- Obtain systems certification from Visa to receive and transmit Visa Partial Authorization Transactions as specified in the appropriate VisaNet manual

ID#: 160312-010410-0002515

Partial Authorization Service Participation Requirements - U.S. Region

A U.S. Acquirer must:

- Support an Authorization Request message for terminals that have been programmed to accept a Partial Authorization Response
- Include the Partial Authorization indicator in the Authorization Request message, as specified in the VisaNet manuals
- Support partial approval amounts and Partial Authorization (Response Code "10") from an Issuer, as specified in the VisaNet manuals, for terminals that have been programmed to accept Partial Authorization Responses
- Accept and forward to Visa an Authorization Reversal received subsequent to a Partial Authorization Response

- Submit a Clearing Transaction for no more than the amount approved in the Partial Authorization Response
- Obtain systems certification from Visa to receive and transmit Visa Partial Authorization transactions as specified in the VisaNet manuals

ID#: 050411-010410-0003532

Non-Visa Transaction Authorizations

Processing Requirements

Stand-In Authorization Processing for Non-Visa Transactions

Visa may provide Stand-In Processing for non-Visa Card transactions if the authorization processing service associated with the non-Visa Card is unavailable. Visa is **not** responsible for losses incurred on non-Visa transactions authorized through the VisaNet Payment Gateway services.

ID#: 010410-010410-0005508

MasterCard Authorization Request Requirements - U.S. Region

In the U.S. Region, an Authorizing Processor that is directly linked to VisaNet must be capable of receiving MasterCard authorization requests directly through VisaNet.

ID#: 010410-010410-0005593

Authorization Services for American Express Terminals - U.S. Region

A U.S. Acquirer must provide Visa Authorization services for its Merchant using an American Express terminal if either:

- Authorization for a Visa Transaction to be cleared over the systems link cannot be obtained through use of an American Express terminal
- Referral Response is generated at an American Express terminal

ID#: 010410-010410-0005598

Stand-In Processing (STIP)

Stand-In Processing Requirements

Intraregional Authorization Requests - Maximum Time Limit for Response

Visa may establish time limits for Intraregional Authorization Requests. The maximum time limit for a response to an Authorization Request is:

- 15 seconds without PIN data
- 30 seconds with PIN data

ID#: 010410-010410-0004385

Authorization Requests - Maximum Time Limit for Response - CEMEA Region

In the CEMEA Region, the maximum time limit for a response to an Authorization Request is:

- 15 seconds without PIN data
- 25 seconds with PIN data

ID#: 010410-010410-0005509

Authorization Requests - Maximum Time Limit for Response - U.S. Region

In the U.S. Region, the maximum time limit for response to an Authorization Request to be received by the V.I.P. System from a Point-of-Transaction Terminal is:

- 10 seconds without PIN data
- 25 seconds with PIN data

ID#: 010410-010410-0005426

Average Authorization Response Time Standard - U.S. Region

A U.S. Issuer or its Authorizing Member (including V.I.P. Stand-In Processing) must respond to all Authorization Requests in an average time not exceeding 5 seconds during each calendar month.

ID#: 010410-010410-0005425

Assured Transaction Response

If Visa does not receive an Authorization Response from an Issuer within the specified time limit, Visa will respond on behalf of the Issuer, using Stand-In Processing.

ID#: 010410-010410-0008804

Issuer Responsibility for Stand-In Processing Authorizations

The Issuer is responsible for Transactions authorized by Stand-In Processing.

ID#: 010410-010410-0004386

Visa Authorization Response

If Visa receives an Issuer Authorization Response after it has initiated Stand-In Processing, it will not forward the Issuer-generated Authorization Response to the Acquirer. The Visa-generated Authorization Response takes precedence over the Issuer's Authorization Response.

ID#: 010410-010410-0008805

Acquirer Stand-In Authorization for Domestic Visa Transactions in Australia – AP Region

In Australia, if an Acquirer is temporarily unable to contact VisaNet, any domestic Authorization Request, received by the Acquirer's Authorization processing center with the ability to perform stand-in Authorization, may be approved unless either:

- The Visa Cardholder Account Number is listed on the negative file
- The value of the Authorization Request exceeds the current maximum amount allowable

ID#: 050411-060111-0026169

Issuer Availability in Australia – AP Region

In Australia, an Issuer or its VisaNet Processor must maintain Authorization availability of not less than 98%.

ID#: 111011-060111-0026170

Authorization of Visa Signature Card and Visa Signature Preferred Card Transactions - U.S. Region

In the U.S. Region, for Visa Signature Cards and Visa Signature Preferred Cards, if an Issuer is unavailable and has not established stand-in limits, the V.I.P. System will use Stand-In Processing and the PIN Verification Service to authorize up to X per day, per account.

ID#: 111011-010410-0008992

Authorization Request Monitoring

Authorization Request Monitoring Requirements

Decline Threshold - U.S. Region

In the U.S. Region, if the number of Authorization Requests for a specific Account Number exceeds a pre-determined threshold and fails data edits, Visa will decline all subsequent Authorization Requests for that Account Number and send an advice to the Issuer.

Visa will remove the block on the Account Number upon notification from the Issuer.

ID#: 010410-010410-0008839

Issuer Authorization Monitoring - AP Region

An AP Issuer must monitor all Authorizations for each Cardholder Account Number daily. The Issuer must retain a record of all Authorizations for at least 30 calendar days.

The Issuer must generate exception reports for the following categories if the parameters set by the Issuer are exceeded:

- Individual authorized Transactions exceeding the Issuer's pre-set limit for Transaction amounts
- Total number of authorized Transactions exceeding the Issuer's pre-set limit for Transaction amounts
- Total number of Transactions exceeding the Issuer's pre-set limit for number of Authorizations per account

ID#: 081010-010410-0008840

Acquirer Authorization Monitoring - AP Region

An AP Acquirer must monitor and retain all Authorizations processed through its system for each Merchant Outlet daily. The Acquirer must retain a record of all Authorizations for a minimum of 30 calendar days.

The Acquirer must generate exception reports if any of the following conditions occur:

- More than 3 Authorizations on an individual Cardholder Account Number during a 24-hour period
- An authorized Transaction exceeds the Acquirer's pre-set limit for Transaction amounts
- Ratio of key-entered Transactions to Magnetic-Stripe-read Authorizations exceeds the Acquirer's pre-set limit
- Repeated Authorization Requests for the same Transaction amount

ID#: 081010-010410-0008842

Authorization Response Standards

Approval, Referral, and Decline Rate Standards

Minimum Monthly Approval Rates

An Issuer must maintain the minimum monthly approval rates for its Visa Programs as listed in the following table. The approval rate is the number of positive Authorization Responses as a percentage of all Authorization Requests processed.

Minimum Monthly Approval Rates

Category	Visa Classic Cards ¹	Visa Gold/Premier Cards ¹	Visa Business and Visa Corporate Cards	Visa Purchasing Cards	Visa Signature Cards ²	Visa Infinite Cards
Retail Merchants	Not applicable	95%	95%	Not applicable	99%	99%
Airlines	90%	95%	95%	Not applicable	99%	99%
Hotels	90%	95%	95%	Not applicable	99%	99%
Cruise Lines	90%	95%	95%	Not applicable	99%	99%

Visa International Operating Regulations

Category	Visa Classic Cards ¹	Visa Gold/Premier Cards ¹	Visa Business and Visa Corporate Cards	Visa Purchasing Cards	Visa Signature Cards ²	Visa Infinite Cards
Car Rental Companies	90%	95%	95%	Not applicable	99%	99%
Mail/Phone Orders	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Quasi-Cash	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
ATM Cash Disbursements	Not applicable	65%	65%	Not applicable	65%	65%
Manual Cash Disbursements	Not applicable	85%	Not applicable	Not applicable	85%	85%
1. A variance to this requirement applies in the U.S. Region.						
2. Effective 1 January 2011 , this requirement also applies to Visa Signature Business Cards in the AP Region.						

ID#: 050411-010410-0004404

Authorization Referral and Approval Response Rate Reporting

An Issuer must report to Visa its Referral Response and Approval Response rates for Domestic Transactions on a quarterly basis.

ID#: 010410-010410-0004405

Minimum Monthly Approval Rate Requirements - General - U.S. Region

A U.S. Issuer must maintain the minimum monthly approval rates listed in the tables below for its Visa Programs. The approval rate is the number of positive Responses as a percentage of all Authorization Requests processed.

Minimum Monthly Approval Rates - Visa Consumer Card Programs - U.S. Region

Category	Visa Traditional	Visa Signature and Visa Signature Preferred	Consumer Visa Check Card
Airlines/Car Rentals	92%	99%	92%
Lodging/Cruise Line Merchants	95%	99%	95%
Manual Cash Disbursements	Not Applicable	95%	Not Applicable

 Visa International Operating Regulations

Category	Visa Traditional	Visa Signature and Visa Signature Preferred	Consumer Visa Check Card
All Merchants (including those listed above)	95%	99%	95%

Minimum Monthly Approval Rates - Commercial Visa Products - U.S. Region

Category	Visa Business	Visa Signature Business	Visa Corporate	Visa Purchasing
Airlines/Car Rentals	96%	99%	98%	Not Applicable
Lodging/Cruise Line Merchants	97%	99%	98%	Not Applicable
Manual Cash Disbursements	Not Applicable	Not Applicable	Not Applicable	Not Applicable
All Merchants (including those listed above)	96%	99%	98%	Not Applicable

ID#: 111011-010410-0005446

Automated Referral Service

Automated Referral Service (ARS) - U.S. Region

Issuer International Automated Referral Service Response Requirement - U.S. Region

A U.S. Issuer must be able to accept and immediately respond to an International Automated Referral Service inquiry.

ID#: 050411-010410-0005742

Acquirer Inquiry Requirements - U.S. Region 6.2.F.3.a

A U.S. Acquirer must:

- Generate an International Automated Referral Service inquiry for all Referral Responses received from the V.I.P. System, including Referral Responses involving a Visa Card issued outside the U.S. Region. This requirement does **not** apply to Authorization Requests where the Issuer and Acquirer use the same Authorizing Processor.

- **Effective through 14 October 2011**, meet or exceed the International Automated Referral Service inquiry standard of 40%. The inquiry standard, calculated for each BIN, is the number of Referral Responses processed through the International Automated Referral Service as a percentage of the total number of Referral Responses received by the Acquirer. It excludes duplicate Referral Responses on a single Transaction, Referral Responses on Mail/Phone Order Transactions, and Referral Responses to Cardholder-Activated Terminals.
- **Effective 15 October 2011**, meet or exceed the International Automated Referral Service inquiry standard of 40%. The inquiry standard, calculated for each BIN, is the number of Referral Responses processed through the International Automated Referral Service as a percentage of the total number of Referral Responses received by the Acquirer. It excludes duplicate Referral Responses on a single Transaction, Referral Responses on Mail/Phone Order Transactions, and Referral Responses to Unattended Cardholder-Activated Terminals.

ID#: 111011-010410-0005743

Referral Incentive Payment - U.S. Region

A U.S. Acquirer receives a referral incentive payment, as specified in the *Visa U.S.A. Fee Guide*:

- For each Referral Response processed through the International Automated Referral Service
- If the International Automated Referral Service inquiry is initiated within 20 minutes of the initial Referral Response

The Acquirer does not receive a referral incentive payment for a Referral Response generated in response to a Manual Cash Disbursement Authorization Request.

ID#: 050411-010410-0008792

International Automated Referral Service - U.S. Region

In the U.S. Region, the International Automated Referral Service connects the Authorizing Processor directly with the Issuer or its Authorizing Processor. However, the International Automated Referral Service provides Stand-In Processing for Referral Responses or "system malfunction" (96) responses if the:

- Issuer's telephone line is busy
- International Automated Referral Service call is not answered within 30 seconds
- International Automated Referral Service call is placed on hold for more than 30 seconds after the call is answered

If the International Automated Referral Service provides Stand-In Processing, it:

- Verifies that a Referral Response or "system malfunction" response was generated
- Checks the Account Number against the Exception File

- Requests that the Merchant review positive Cardholder identification. If the Cardholder does not provide positive identification, a Decline Response is issued.

ID#: 050411-010410-0008795

International Automated Referral Service Approval Response Limits - U.S. Region

If a U.S. Cardholder provides positive identification and the Account Number is not listed on the Exception File with a Decline Response, the International Automated Referral Service issues an Approval Response and a 4-digit Authorization Code followed by the letter .

ID#: 111011-010410-0005748

International Automated Referral Service Advice - U.S. Region

In the U.S. Region, the V.I.P. System forwards an advice to the Issuer for each Authorization Response generated by the International Automated Referral Service.

An Authorization issued by the International Automated Referral Service is a valid Authorization.

ID#: 050411-010410-0008796

Referral Responses

Referral Response Requirements

Referral Response - Prohibited Transaction Types

An Issuer must **not** send a Referral Response to an Authorization Request for:

- ATM or Electronic Commerce Transactions. If the Issuer does so, VisaNet will reject the Referral Response and process the Authorization Request according to Stand-In Processing parameters.
- Telephone Service Transactions with Merchant Category Code 4814, "Telecommunication Services." If the Issuer does so, VisaNet will perform Stand-In Processing. If Stand-In Processing returns a Referral Response, the Referral Response will be converted to a Decline Response and forwarded to the Acquirer.

ID#: 010410-010410-0008832

Conversion of Referral Response to Decline Response - STIP-Generated Authorization Request

A Referral Response generated on an International Transaction due to Issuer Stand-in Processing parameters will be converted to a Decline Response if the Transaction amount is less than US \$500 and the Issuer is unavailable.

ID#: 010410-010410-0004397

Conversion to Decline Response - Issuer-Generated Authorization Request

A Referral Response generated on an International Transaction by an Issuer will be converted by VisaNet to a Decline Response for:

- Mail/Phone Order Transactions
- **Effective through 14 October 2011**, Unattended Terminal Transactions
- **Effective 15 October 2011**, Unattended Transactions
- The following Merchant Category Codes when the transaction is less than US \$100:
 - 4121, "Taxicabs and Limousines"
 - 4784, "Tolls and Bridge Fees"
 - 5411, "Grocery Stores and Supermarkets"
 - 5814, "Fast Food Restaurants"
 - 7523, "Parking Lots, Parking Meters, and Garages"
 - 7832, "Motion Picture Theaters"

ID#: 111011-010410-0008833

Maximum Issuer Monthly Referral Rates

An Issuer must **not** exceed the monthly referral rate listed in the table below for its Visa Program in the specified Merchant categories. The referral rate is the number of Referral Responses as a percentage of all Authorization Requests processed by an Issuer, excluding those processed by Stand-In Processing.

Maximum Monthly Referral Rates

Category	Visa Classic Cards, Visa Gold/Premier Cards, and Visa Commercial Cards	Visa Signature Cards, Visa Infinite Cards ¹	Visa Electron Cards
Retail Merchants	0.5%	0.3%	Not allowed
Airlines	0.5%	0.3%	Not allowed

 Visa International Operating Regulations

Category	Visa Classic Cards, Visa Gold/Premier Cards, and Visa Commercial Cards	Visa Signature Cards, Visa Infinite Cards ¹	Visa Electron Cards
Hotels	0.5%	0.2%	Not allowed
Cruise Lines	0.5%	0.3%	Not allowed
Car Rentals	0.5%	0.2%	Not allowed
Mail/Phone Orders	0.5%	0.3%	Not allowed
Quasi-Cash	0.5%	0.3%	Not allowed
ATM Cash Disbursements	Not allowed	Not allowed	Not allowed
Referral rates listed for Mail/Phone Order Transactions also apply for Domestic Mail/Phone Order Transactions unless a different rate is specified in the applicable Regional Operating Regulations.			
1. Effective 1 January 2011 , this requirement also applies to Visa Signature Business Cards in the AP Region.			

ID#: 050411-010410-0004401

Referral Response Prohibition for Visa Electron Cards

A Visa Electron Issuer must **not** generate a Referral Response to any Authorization Request for Visa Electron Cards.

ID#: 010410-010410-0004402

Issuer Referral Response Requirements

If an Issuer or its agent generates a Referral Response, it must both:

- Be available to receive the call or fax
- Respond with an Approval Response, Decline Response, or Pickup Response immediately after receiving the requested information

ID#: 160312-010410-0004403

Referral Response Requirements - Canada Region

The Referral Response standards specified in "Conversion of Referral Response to Decline Response - STIP-Generated Authorization Request" and "Conversion to Decline Response - Issuer-Generated Authorization Request" apply to Domestic Transactions and International Transactions in the Canada Region.

ID#: 010410-010410-0005381

Referral Response Prohibitions and Rates - U.S. Region

A U.S. Issuer must **not**:

- Send a Referral Response to an Authorization Request involving an Electronic Commerce Transaction
- Exceed the monthly referral rate listed in the tables below for its Visa Consumer Card and Commercial Visa Product Programs, respectively, in the specified Merchant categories

The referral rate is the number of Referral Responses as a percentage of all Authorization Requests processed by an Issuer, excluding those processed by Stand-In Processing.

Maximum Monthly Referral Rates - Visa Consumer Card Programs - U.S. Region

Category	Visa Consumer Credit	Consumer Visa Check Card
Airlines	0.30%	0.50%
Lodging/Cruise Line Merchants	0.20%	0.15%
Car Rental Companies	0.20%	0.20%
All Merchants (including those listed above)	0.20%	0.20%

Maximum Monthly Referral Rates - Commercial Visa Products - U.S. Region

Category	Visa Business	Visa Signature Business	Visa Corporate	Visa Purchasing
Airlines	0.30%	0.30%	0.20%	0.10%
Lodging/Cruise Line Merchants	0.10%	0.10%	0.10%	0.10%
Car Rental Companies	0.15%	0.15%	0.10%	0.10%
All Merchants (including those listed above)	0.20%	0.20%	0.15%	0.10%

ID#: 111011-010410-0005443

Referral Response for Mail/Phone Order Transactions - U.S. Region

If a U.S. Issuer replies with a Referral Response to an Authorization Request for a Mail/Phone Order Transaction, the V.I.P. System will either:

- Forward Transactions greater than US \$100 to the Acquirer's Authorizing Processor
- Return an "invalid response" code for Transactions less than or equal to US \$100 to the Issuer or its Authorizing Member

Upon receipt of the "invalid response" code, the Issuer may generate an Approval Response or Decline Response within the appropriate Authorization Response time limit.

If there is no Authorization Response within the appropriate time limit, Stand-In Processing generates an Approval Response or Decline Response, as specified in the Issuer's "Issuer Unavailable" Activity Limits.

ID#: 010410-010410-0005444

Maximum Monthly Referral Rates for International Transactions - U.S. Region

A Commercial Visa Product Issuer in the U.S. Region must **not** exceed the monthly referral rate listed in the table below for international Authorization Requests during each calendar month.

The referral rate is the number of Referral Responses as a percentage of all Authorization Requests processed by the Issuer, excluding those processed by Stand-In Processing.

Maximum Monthly Referral Rates for International Authorization Requests - U.S. Region

Card Type	Maximum Monthly Referral Rate
Visa Business	0.20%
Visa Signature Business	0.20%
Visa Corporate	0.15%
Visa Purchasing	0.10%

ID#: 111011-010410-0005445

Stand-In Processing Referral Response (Point-of-Transaction Terminals) - U.S. Region

Stand-In Processing issues the Referral/Activity Default Response specified by a U.S. Issuer to an Authorization Request from a Point-of-Transaction Terminal when:

- Either a Referral Response is indicated on the Exception File or Stand-In Processing generated a Referral Response because the Transaction exceeds the Activity File Parameters
- Transaction amount is US \$150 or less
- Issuer's Authorizing Member is not available to process the request
- Transaction is not a Mail/Phone Order
- **Effective through 31 May 2011**, Transaction is not completed at a High-Risk Merchant

- **Effective 1 June 2011**, Transaction is not completed at a High-Brand Risk Merchant

ID#: 111011-010410-0005463

Authorization Reversals, Rejections, and Declines

Authorization Reversals and Rejections

Authorization Rejection

An Acquirer must **not** selectively reject or decline Authorization Requests based on an internally developed table of BINs or Account Numbers. This prohibition includes, but is not limited to, tables developed using the printed or tape versions of the *Visa Interchange Directory*.

In the U.S. Region, this prohibition does **not** include Authorization Requests originating from a Limited Acceptance Merchant for Account Numbers that are within a BIN not accepted by the Merchant. *(This only applies in the U.S. Region.)*

ID#: 010410-010410-0008817

Requirement to Accept Authorization Reversal

An Acquirer that receives an Authorization Reversal from one of its Merchants must accept the Authorization Reversal and forward it to Visa immediately.

ID#: 111011-010410-0005476

Visa Authorization Reversal Monitoring

Visa will monitor Authorization Reversals and may require an Acquirer to take corrective measures if abnormal patterns of activity are observed.

ID#: 111011-010410-0025594

Transaction Submission Subsequent to an Authorization Reversal (Updated)

An Acquirer must **not** submit into Interchange either:

- A Transaction that was subsequently reversed for the full amount
- A Transaction representing the amount of the partial Authorization Reversal

ID#: 160312-010410-0025593

Online Financial Transaction Reversal Requirements

An Acquirer must process a Reversal for an Online Financial Transaction if either the:

- Acquirer, Merchant, or terminal did not receive an Authorization Response
- Transaction is subsequently voided or cancelled

ID#: 010410-010410-0005477

Authorization Reversal Requirements - Canada Region

A Canada Issuer must acknowledge and act on 0400 messages (Authorization Reversals) received.

ID#: 010410-010410-0005382

Declined Authorizations

Decline Response Requirements

Decline Response Prohibition for Electronic Commerce Transactions (Updated)

An Issuer must not systematically send a Decline Response to an Authorization Request for an Electronic Commerce Transaction coded with Electronic Commerce Indicator value 6 unless there is an immediate fraud threat. This prohibition does **not** apply to Visa products issued with restrictions clearly communicated to the Cardholder, e.g., a Card product issued for use exclusively in a Card-Present Environment.

Effective 15 March 2012, Visa monitors an Issuer's decline rates for Transactions containing an Electronic Commerce Indicator value 6. An Issuer is deemed to be non-compliant if it exceeds 500 Authorizations a month and a decline rate of 50% or more.

ID#: 160312-010410-0004389

Decline Response Prohibition for Verified by Visa Transactions (Updated)

Effective through 14 March 2012, an Issuer must **not** implement systematic decline response parameters on Verified by Visa "attempted authentication" Transactions. An Issuer must **not** maintain systematic decline response parameters for Transactions coded with Electronic Commerce Transaction Indicator value "6" (ECI 6) beyond the period of an immediate fraud threat. This requirement does not apply to Visa products issued under restrictive terms clearly communicated to the Cardholder.

Effective through 14 March 2012, Visa monitors an Issuer's decline rates for ECI 6. An Issuer is determined to be non-compliant if it exceeds 500 Authorizations a month and a decline rate of 50% or more.

ID#: 160312-010410-0004390

Decline Response for Illegal Transactions

An Issuer may systematically send a Decline Response to an Authorization Request for a Transaction that has been determined to be illegal.

ID#: 010410-010410-0004388

V.me by Visa - Decline Response Prohibition (New)

Effective 15 April 2012, an Issuer must not send a Decline Response to an Authorization Request for a Transaction solely because the Transaction is conducted through V.me by Visa.

ID#: 040412-150412-0026993

Transaction Receiving Decline Response - USOR 4.2.H.15

An Acquirer must not enter a Transaction into Interchange that has received a Decline Response unless the Transaction:

- Received a subsequent approval^[118]
- In the U.S. Region, is a Preauthorized Transaction (*This only applies in the U.S. Region.*)

ID#: 171011-010410-0005701

Allowable Decline and Referral Reasons by Product

Visa Infinite Card Restriction on Declines due to Pre-Set Limits

For Visa Infinite Cards issued with no pre-set limit, Transactions must **not** be declined because of a pre-set limit of any kind. Transactions must be approved or declined based on:

- The absence of suspected fraud
- The Cardholder's spending patterns
- Issuer determination of the likelihood of default

ID#: 010410-010410-0005422

118 This provision does not include Transactions that receive an Authorization Pickup Response of "04," "07," "41," or "43" or Authorization Requests submitted more than 12 hours after the submission of the first Authorization Request.

Visa Signature Card Restriction on Declines - U.S. Region (Updated)

Effective through 7 March 2012, except as specified in "Visa Signature Card Spending Limits and Payment Options - U.S. Region," a Visa Signature Issuer in the U.S. Region must **not** decline a Transaction for exceeding a pre-set spending limit of any kind. Transactions must be approved or declined based on:

- The absence of suspected fraud
- The Cardholder's spending patterns
- Issuer determination of the likelihood of default

ID#: 160312-010410-0005405

Visa Signature Preferred Card Restriction on Declines - U.S. Region (Updated)

Effective through 7 March 2012, except as specified in "Visa Signature Preferred Card Spending Limits and Payment Options - U.S. Region," a Visa Signature Preferred Issuer in the U.S. Region must **not** decline a Transaction for exceeding a pre-set spending limit of any kind. Transactions must be approved or declined based on:

- The likelihood of suspected fraud
- The Cardholder's spending patterns
- Issuer determination of the likelihood of default
- Issuer safety and soundness considerations

ID#: 160312-010410-0005406

VisaNet Clearing

VisaNet Clearing - General Requirements

Issuer Requirement to Provide Clearing and Settlement

An Issuer must provide Clearing and Settlement services for its Cardholders.

ID#: 010410-010410-0005404

Reimbursement for Valid Transactions

Each Issuer must pay the Acquirer the amount due for Transactions occurring with the use of a valid Card. This includes Transactions resulting from geographically restricted Card use outside the country of issuance.

ID#: 010410-010410-0006558

Processing Time Limit for In-Transit Service Transactions

The Processing Date for an In-Transit Service Transaction must be within 5 calendar days of the Transaction Date.

ID#: 010410-010410-0005571

General Clearing Requirements

For Domestic Transactions, the following rules that govern the Clearing of all Transactions may be superseded by either Private Agreements or the operating regulations of Group Members.

Regardless of how a Transaction is routed or where it is processed, the Transaction is subject to the applicable *Visa International Operating Regulations*, Regional Operating Regulations, or National Operating Regulations affecting the Transaction Country.

A Member must clear International Transactions through VisaNet, as specified in the VisaNet manuals, including those resulting from the use of restricted Cards outside the country of issuance.

ID#: 010410-010410-0008844

Submission of Domestic Transactions to VisaNet - AP Region

Unless prohibited by local law, an AP Member must submit, or at least submit by collection only, all domestic Visa Transactions to VisaNet, including any Transaction that is processed:

- Through VisaNet
- Through a VisaNet Processor
- Under any domestic Private Agreements

The following Transaction types are not required to be submitted, although an AP Member may choose to submit them:

- Domestic ATM Transactions
- Domestic On-Us Manual Cash Disbursements

An AP Member may request a variance from Visa.

ID#: 050411-011109-0005424

Required Use of VisaNet for Processing – AP Region

Effective 1 October 2011, all Members in Malaysia, Philippines, Singapore, Thailand, and Vietnam must authorize, clear, and settle all Domestic Transactions ^[119] through VisaNet, including On-Ups Transactions and any Transaction that is processed through a VisaNet Processor or through any other Agent. Transactions must be submitted in the relevant format as specified in the VisaNet manuals.

ID#: 050411-011011-0026201

Required Use of VisaNet for Processing in Australia – AP Region

In the AP Region, all Members in Australia must authorize, clear, and settle all Domestic Transactions through VisaNet. Transactions must be submitted in the relevant format as specified in the VisaNet manuals.

This requirement does not apply to:

- On-Ups Transactions
- Domestic Magnetic Stripe or contact Chip-initiated Transactions in a Face-to-Face Environment, on a co-badged Visa Card, processed on the domestic debit network associated with the co-badged acceptance mark

ID#: 050411-060111-0026168

VisaNet Transaction Types - Reporting - Canada Region

A Canada Member must process the non-ATM BASE II financial On-Ups Transactions through VisaNet.

A Visa Debit Acquirer must process all Visa Debit Transactions through VisaNet.

ID#: 161111-010410-0008891

Prohibition against Manual Cash Transaction Surcharge - U.S. Region

A U.S. Acquirer must submit a Manual Cash Disbursement Transaction for Clearing at the same value as the cash dispensed to the Cardholder.

ID#: 010410-010410-0002985

¹¹⁹ Excluding ATM Transactions, On-Ups Manual Cash Disbursements and Transactions on a co-badged Visa Card processed on the domestic debit network associated with the co-badged acceptance mark.

Clearing of Transactions through VisaNet - U.S. Region

In the U.S. Region, all Transactions must be processed through VisaNet, except those processed by another means approved by Visa, as specified in "Required Transaction Processing through VisaNet - U.S. Region."

ID#: 010410-010410-0005682

Required Transaction Processing through VisaNet - U.S. Region

A U.S. Member must process Visa Transactions through VisaNet by one of the following means:

- Directly
- Through a Clearing Processor
- By other means approved by Visa

A Member requesting to process Transactions by a means other than through VisaNet must complete a "VisaNet Processing Exception Request" (available upon request) and submit it to Visa.

ID#: 010410-010410-0005709

Reporting of Transactions Not Processed through VisaNet - U.S. Region

A U.S. Member must report to Visa, as specified in the appropriate VisaNet manuals, all Transactions, Chargebacks, and Representments processed by other means approved by Visa.

ID#: 010410-010410-0005712

Account Number Processing Requirement - U.S. Region

All U.S. Member processing systems must be able to accept Account Numbers .

ID#: 111011-010410-0005726

Interchange Data through VisaNet - U.S. Region

A U.S. Member must be able to receive incoming Interchange data and must send outgoing Interchange data through BASE II or the V.I.P. System.

ID#: 010410-010410-0005678

Transaction Delivery - U.S. Region

In the U.S. Region, VisaNet accepts the direct delivery of Visa Transactions for Clearing and Settlement from a Direct-Connect Merchant.

A U.S. Acquirer must:

- Be capable of receiving BASE II advice records, as specified in the appropriate VisaNet manual, as notification that:
 - Clearing and Settlement occurred for those Transactions
 - Payment is due to the Merchant
- Accept total responsibility for Direct-Connect Merchant Transactions

ID#: 111011-010410-0006241

Acquirer Responsibility for Visa Transactions - U.S. Region

A U.S. Acquirer is responsible for Visa Transactions it submits into Interchange including, but not limited to, any Transaction properly charged back by an Issuer, regardless of the Acquirer's ability to return the Transaction to the Merchant for any reason.

ID#: 010410-010410-0005077

Clearing Processor Downgrade or Termination - U.S. Region

In the U.S. Region, if a Clearing Processor terminates receipt or transmission of Interchange, or downgrades its VisaNet processing level, the Clearing Processor must:

- Notify Visa in writing at least 3 months before the termination or effective date of the downgrade
- Be responsible for the VisaNet access charges that would have been assessed until the designated termination date, if the Clearing Processor terminates the receipt or transmission of Interchange before the designated termination date

Access and processing levels must have been in effect at least 12 months on the designated effective date of the downgrade or termination.

ID#: 050411-010410-0005685

Direct-Connect Merchant Downgrade or Termination - U.S. Region

In the U.S. Region, for Interchange processing access provided to a Direct-Connect Merchant at a Clearing Member's request, the Clearing Member may terminate the receipt or transmission of Interchange or downgrade its VisaNet processing level, as specified in "Clearing Processor Downgrade or Termination - U.S. Region."

ID#: 010410-010410-0005686

Data Consistency Requirement - U.S. Region

In the U.S. Region, Clearing Record data must be the same as, or consistent with, comparable data in the Authorization Request and Authorization Response, if an Authorization was obtained.

ID#: 010410-010410-0008892

Domestic Interchange

Domestic Interchange Processing

Only Domestic Interchange under Private Agreements may be processed outside of VisaNet.

These Agreements must exclude Interchange originating from an International Airline.

ID#: 010410-010410-0008920

Private Agreements - Change Notification

Members with Private Agreements may send Domestic Interchange to Visa if they provide Visa with at least 30 calendar days' advance written notice. Members also must provide Visa with at least 30 calendar days' written notice for termination of these agreements.

ID#: 010410-010410-0003380

Private Agreements - Interchange Files

If Members with Private Agreements elect to send Domestic Interchange files to another Member, they must do so by the fastest means possible.

ID#: 010410-010410-0005464

Submission of Transactions to VisaNet - CEMEA Region

A CEMEA Member must submit all domestic point-of-sale Visa Transactions to VisaNet, for Clearing and Settlement or collection only. This includes all Transactions in a Card-Present Environment or a Card-Absent Environment, and any Transaction that is processed:

- Through:
 - VisaNet
 - A VisaNet Processor
 - A domestic switch or Processor
 - Any other form of Processor
- Under any domestic Private Agreement or bilateral agreement

The following Transaction types are not required to be submitted to VisaNet. However, CEMEA Members may choose to submit them:

- Domestic ATM Transactions
- Domestic Manual Cash Disbursements

ID#: 050411-011009-0008857

Interchange Files and Tapes

Duplicate Interchange File Requirements

A Member must generate a duplicate Interchange File before transmitting Interchange to Visa, and retain this file for 15 calendar days after the Settlement Date.

ID#: 010410-010410-0003372

Currency Requirements

Transaction Currency for Original Presentments

An Acquirer must enter all original Presentments into Interchange in the exact amount of Transaction Currency authorized by the Cardholder.

ID#: 010410-010410-0008358

Basic Currency Conversion Rate Application - CEMEA Region

In the CEMEA Region, Visa applies the Basic Currency Conversion Rate to Transaction Receipts, Credit Transaction Receipts, and Cash Disbursements. The Basic Currency Conversion Rate for Intraregional and Interregional Transactions is either the wholesale Transactions market rate or government-mandated rate in effect one day before the Central Processing Date.

The Issuer may apply an Optional Issuer Fee on the Basic Currency Conversion Rate. Visa will only apply such a fee on the Issuer's instruction.

ID#: 010410-010410-0005450

Authorization Currency - CEMEA Region

A CEMEA Member must:

- Submit Authorization Requests in the Transaction Currency
- Receive Authorization Requests in its Billing Currency

ID#: 010410-010410-0008898

ATM Clearing

ATM Cash Disbursement Transaction Classification

An ATM Cash Disbursement is a Visa Transaction if it is made with a Visa Card or Visa Electron Card.

An ATM Cash Disbursement is a Plus Transaction if it is made with a Proprietary Card bearing the Plus Symbol. A Visa Region or its exclusive Plus Program sublicensee may redefine a Plus Transaction involving a Card bearing the Plus Symbol for Intraregional Transactions.

ID#: 010410-010410-0008996

ATM Clearing Requirements

An ATM Transaction cleared through VisaNet must have been authorized through VisaNet.

ID#: 010410-010410-0004795

Non-Visa Transaction Processing - U.S. Region

PIN-Debit Network Requirements - U.S. Region

A U.S. Issuer that enables Non-Visa Debit Transaction processing on its Visa Check Card or Visa Debit Card must ensure that all such transactions are facilitated by a PIN-Debit Network.

An Issuer that enables Non-Visa Debit Transaction processing and that does not require that all such transactions be authenticated by a PIN must:

- Clearly communicate to its Cardholders at the time of implementation of such processing or at the time of issuance, and on an annual or more frequent basis thereafter, that it has enabled Non-Visa Debit Transaction processing and that it does not require that all such transactions be authenticated by a PIN
- Clearly communicate to its Cardholders the identity of the debit networks for which such transactions are enabled on the Visa Check Card or Visa Debit Card
- Provide Cardholders with examples of the types of Cardholder actions that may be required to initiate a Visa Transaction on such Cards
- At least 30 calendar days before implementation, notify Visa that it does not require that all Non-Visa Debit Transactions be authenticated by a PIN
- Clearly communicate to its Cardholders at the time of implementation of such processing or at the time of issuance, and on an annual or more frequent basis thereafter, that the provisions of its Cardholder agreement relating only to Visa Transactions are inapplicable to non-Visa transactions

ID#: 111011-010410-0008884

Single Message System (SMS)

General Requirements

Single Message System Participation Requirements

If a Member processes Online Financial and Deferred Clearing Transactions as part of the Single Message System, it must:

- Be linked to the Single Message System either directly or through its VisaNet Processor
- Comply with the specifications for Authorization and Clearing specified in the *Visa International Operating Regulations* and the VisaNet manuals

ID#: 010410-010410-0003087

Single Message System Message Format Conversion

If a Single Message Service Transaction is sent to a non-participating Member, Visa converts the Transaction to the appropriate BASE I or BASE II message format before transmitting the Transaction.

ID#: 050411-010410-0005736

Online Financial and Deferred Clearing

Online Financial and Deferred Clearing General Requirements - U.S. Region

Online Financial and Deferred Clearing Transaction Processing - U.S. Region

A U.S. Member may process Online Financial and Deferred Clearing Transactions as part of the Single Message Service.

A participating Member must comply with the requirements specified in "Single Message System Participation Requirements."

ID#: 010410-010410-0008861

Deferred Clearing Transaction Requirements - U.S. Region

In the U.S. Region, a Deferred Clearing Transaction for a Visa or Visa Electron Transaction completed in a Card-Present Environment must originate at a Point-of-Transaction Terminal and include the:

- Entire unaltered contents of track 1 or track 2 of the Magnetic Stripe, Chip, or Contactless Payment chip
- Value of "05," "07," "90," or "91" in the POS Entry Mode code field of the Authorization Request (if applicable) and the Clearing Record

A Deferred Clearing Transaction (excluding a Visa Electron Transaction) may be key-entered either:

- If the Magnetic Stripe cannot be read
- In a Card-Absent Environment

ID#: 010410-010410-0008862

Clearing Reversals for Online Financial and Deferred Clearing Transactions - U.S. Region

A U.S. Acquirer must process a Clearing Reversal for an Online Financial or Deferred Clearing Transaction, as specified in the VisaNet manuals, if either the:

- Acquirer, Merchant, or terminal did not receive an Authorization Response
- Transaction is subsequently voided or cancelled

ID#: 010410-010410-0005735

Online Financial Transactions

Online Financial Transaction Authorization Request

An Online Financial Transaction Authorization Request for a Visa or Visa Electron Transaction must originate at an ATM or a Point-of-Transaction Terminal and include the:

- Entire unaltered contents of track 1 or track 2 of the Magnetic Stripe or the Magnetic-Stripe Image on the Chip
- Final amount of the Transaction

A purchase Transaction may be key-entered either:

- In a Card-Absent Environment
- If the Magnetic Stripe cannot be read, unless it is a Visa Electron Transaction, which may **not** be key-entered

ID#: 010410-010410-0008863

Online Financial Transaction Authorization - U.S. Region

In the U.S. Region, every Online Financial Transaction must be authorized.

If an Online Financial Transaction is initiated in a Card Present Environment, the Online Financial Transaction Authorization Request for a Visa or Visa Electron Transaction must originate at a Point-of-Transaction Terminal and include the:

- Entire unaltered contents of track 1 or track 2 of the Magnetic Stripe, Chip, or Contactless Payment chip
- Value of "05," "07," "90," or "91" in the POS Entry Mode code field

An Online Financial Transaction Authorization Request for a Visa or Visa Electron Transaction must include the final amount of the Transaction.

A Transaction (excluding a Visa Electron Transaction) may be key-entered if the Magnetic Stripe cannot be read.

ID#: 010410-010410-0008865

Clearing Reversals and Adjustments

Clearing Reversals

Member Reversal of Duplicate Data through VisaNet

These regulations for reversing duplicate data apply to Members that clear Interchange through VisaNet.

If Visa has processed an original file, the Member must reverse the duplicate data.

If the Receiving Member has processed the original file, the Sending Member must reverse the duplicate data.

To reverse duplicate data, the Member must:

- Identify the Processing Date of the Transaction that it is reversing
- Replace the Transaction codes of the duplicate Transactions with the appropriate Reversal codes, as specified in the VisaNet manuals. The Member must **not** change any other information in the duplicate Transaction.
- Send the Reversals to Visa within one business day of notification of the duplicate data

ID#: 010410-010410-0008878

Issuer Reversal

An Issuer must reverse the duplicate Transactions from its Cardholder records upon receipt of Reversal information. Visa reverses the duplicate Transactions using either the:

- Appropriate Basic Currency Conversion Rate
- Currency Conversion Rate effective on the Central Processing Date of the duplication

Visa assesses the responsible Members any foreign exchange loss due to currency fluctuation between the Central Processing Date of the duplicate data and the Reversal date using the VisaNet fee collection process.

ID#: 010410-010410-0008879

Member Reversal of Duplicate Data for Members with Private Agreements

To reverse duplicate Interchange data, a Member with Private Agreements that processes Domestic Interchange outside of VisaNet must:

- Identify the Processing Date of the Transactions that it is reversing
- Replace the Transaction codes of the duplicate Transactions with the appropriate Reversal codes, as specified in the VisaNet manuals. The Member must **not** change any other information in the duplicate Transaction.
- Send the Reversals to the Receiving Member within one business day of notification of the duplicate data

ID#: 010410-010410-0003392

Original Adjustment through VisaNet

An Acquirer may initiate a credit Reversal only to correct inadvertent processing errors.

The Acquirer must process a credit Reversal or a debit Adjustment within 30^[120] calendar days of the Processing Date of the initial credit Transaction.

ID#: 160312-010410-0008880

Permitted Use of Clearing Reversals - U.S. Region 6.2.I.5.a

In the U.S. Region, a Clearing Reversal may be initiated by the Clearing Processor that originated the duplicate or erroneous transmission or by Visa.

The Clearing Processor may use a Clearing Reversal only to correct either:

- Inadvertent processing errors, as described in "Duplicate or Erroneous Data - U.S. Region"
- Individual Transactions that were transmitted twice or contain erroneous data

To reverse a duplicate or erroneous Interchange transmission, the Clearing Processor must:

- Ensure that Visa is aware of the duplicate or erroneous transmission
- Replace the transaction codes of the duplicate Transactions with the appropriate Clearing Reversal codes, as specified in "VisaNet Clearing Message Content Standards" (Exhibit NN). The Clearing Processor must **not** change any other information in the duplicate transactions.
- Send the corrected file on the next transmission day

ID#: 010410-010410-0008882

120 **Effective 14 April 2012**, a variance to this requirement applies in the U.S. Region.

Adjustments

Out-of-Balance Online Check Card Transactions - U.S. Region

Effective for Transactions completed through 30 June 2015, a U.S. Acquirer may process an Adjustment to an Online Check Card Transaction, as specified in the VisaNet manuals, to correct a Merchant or Acquirer processing error that causes an out-of-balance situation. The Acquirer must:

- Process the Adjustment within 10 calendar days of the purchase date of the original Transaction
- Process a Clearing Reversal for the incorrect Transaction
- Process the Adjustment for the correct Transaction amount

Effective for Transactions completed through 30 June 2015, a U.S. Acquirer may process a first Presentment Transaction as an Original Adjustment, as specified in the VisaNet manuals, when the:

- Original Transaction resulted from an Online Check Card Transaction
- Connection between the Merchant and its Authorizing Processor was inoperable
- Merchant completed the Transaction without obtaining an Authorization

An Acquirer must **not** process an Original Adjustment if the original Transaction received a Decline Response.

ID#: 111011-010410-0008883

Adjustment and PIN/Magnetic-Stripe Storage or Transmission - U.S. Region

A U.S. Acquirer that processes an Adjustment or Original Adjustment must **not** store the:

- PIN, or provide it in the Adjustment
- Contents of the Magnetic Stripe or Chip, or provide it in the Adjustment

ID#: 010410-010410-0005740

Adjustment and Original Adjustment Chargeback Liability - U.S. Region

A U.S. Acquirer is liable for an Adjustment or Original Adjustment charged back in accordance with the U.S. Regional Operating Regulations.

ID#: 010410-010410-0005741

Visa Debit with PIN Transaction Adjustments – U.S. Region

Effective 14 April 2012, a U.S. Acquirer may process an Adjustment to a Visa Debit with PIN Transaction, as specified in the VisaNet manuals, to correct a Merchant or Acquirer processing error that causes an out-of-balance situation.

The Acquirer must:

- Process the Adjustment within 45 calendar days of the purchase date of the original Transaction
- Process the Adjustment for the correct Transaction amount

A U.S. Acquirer may process a first Presentment Transaction as an Original Adjustment, as specified in the VisaNet manuals, when the:

- Original Transaction resulted from a Visa Debit with PIN Transaction
- Connection between the Merchant and its Authorizing Processor was inoperable
- Merchant completed the Transaction without obtaining an Authorization

An Acquirer must not process an Original Adjustment if the original Transaction received a Decline Response.

The Acquirer must not process an Adjustment subsequent to a Chargeback.

ID#: 111011-140412-0026510

Duplicate or Erroneous Data

Duplicate or Erroneous Data Processing Requirements

Correction before Transmission through VisaNet

If a Member that clears Interchange through VisaNet:

- Detects duplicate data before sending it to Visa, it must correct the duplication before transmission
- Detects duplicate data on a file previously sent, it must immediately notify Visa of the situation by telephone or fax and provide the:
 - File Processing Date
 - Tape number, for a mailed tape

If Visa has received but not yet processed the file containing the duplicate data, the Member must send the corrected file no later than the next business day.

ID#: 111011-010410-0008854

Notification of Duplicate Data - Exceptions for Private Agreements

This section applies to Members with Private Agreements that process Domestic Interchange outside of VisaNet.

If a Sending Member detects duplicate data before sending it to the Receiving Member, it must correct the duplication before transmission.

If the Sending Member detects duplicate data on a file previously sent, it must immediately notify the Receiving Member of the situation by telephone or fax and provide the:

- File Processing Date
- Tape number, for a mailed tape

If the Receiving Member has received but not yet processed the file containing the duplicate data, the Sending Member must send the corrected file no later than the next business day.

ID#: 050411-010410-0008856

Australia Domestic Processing Error Notification Requirements – AP Region

In Australia, a Member must do one of the following in the event of a processing error:

- If the error impacts only one domestic Member, the Member may either:
 - Contact and advise the affected Member directly
 - Keep Visa informed of the processing error by e-mailing the details specified in “Australia Processing Error Advice to Visa - AP Region”
- If the error impacts more than one domestic Member, the Member may either:
 - Advise Visa of the processing error and request assistance to circulate the impact notification to other domestic Members with the information specified in “Australia Processing Error Advice to Visa - AP Region”
 - Advise Visa of the processing error and circulate the impact notification to other domestic Members directly with the information specified in “Australia Processing Error Advice to Visa - AP Region”

ID#: 080411-060111-0026164

Australia Processing Error Advice to Visa – AP Region

A Member in Australia notifying Visa of a processing error must send the advice to Visa within 24 hours of processing error identification. If the notification contains sensitive information (e.g. Card account information) the file must be encrypted with password prior to e-mailing to Visa.

The advice to Visa must be sent via e-mail to Visa Client Support Services with the subject: AU, Member Name – Processing Error Notification.

The e-mail must indicate the action required from Visa and must contain the following:

- Brief description of the error/impact including estimated volume of transactions
- Brief description of the action plan to rectify error/reduce impact
- Central Processing Date of the original file/transactions (whichever applicable)
- Central Processing Date of the duplicate file/transactions (whichever applicable)
- Transaction reference number range (if available)
- Merchant name (where appropriate)
- Anticipated file refund/reversal date (if applicable)
- Member contact information (telephone number, e-mail address etc.)

If the e-mail requires Visa assistance to broadcast to other domestic Members, Visa will assist to circulate the impact notification to all impacted Members within the next business day.

ID#: 050411-060111-0026165

Duplicate or Erroneous Data - U.S. Region

In the U.S. Region, if a Clearing Processor that cleared Interchange through VisaNet detects duplicate or erroneous data before sending it to Visa, the Clearing Processor must correct the data before transmission.

The Clearing Processor must immediately notify Visa by telephone or fax if duplicate or erroneous data is transmitted, including any of the following:

- An entire day's Interchange duplication
- Batches of previously transmitted Interchange
- Batches captured more than once on the same outgoing Interchange File

The Clearing Processor must rectify and send the correction on the next transmission day following the incident of the duplicate or erroneous data.

A Clearing Processor that fails to comply with these procedures is assessed a fine.

ID#: 111011-010410-0008855

Settlement

General Settlement Requirements

Australia Interchange File Exchange Settlement Cut-Off Time for BASE II Processors - AP Region

A domestic VisaNet Processor in Australia must adhere to the applicable Australia Eastern Standard Time or Eastern Daylight Savings Time based on the local Settlement Bank's Settlement site as the cut-off time for the Clearing of BASE II files.

ID#: 050411-060111-0026166

Australia Local Settlement Bank Fee – AP Region

In Australia, a local Settlement Bank fee of AUD 245 is appointed to Members monthly. The fee is applied quarterly by the central banker as AUD 735, excluding GST.

ID#: 050411-060111-0026167

Establishment of Settlement Arrangements - U.S. Region

To establish Settlement arrangements, a U.S. Member must complete and return to Visa a "Funds Transfer Instruction Form" as specified in the appropriate VisaNet manual.

ID#: 010410-010410-0003326

Billing and Settlement Currencies

Issuers Using Multiple Billing Currencies (Updated)

Effective through 12 January 2012, an Issuer receives Interchange in its Billing Currency. If the Issuer uses more than one Billing Currency, it must have a separate BIN for each.

ID#: 160312-010410-0006559

Settlement Account Requirements

Member Settlement Account Requirements - AP Region

An AP Member must have sole ownership of any account it uses for funds transfers payable of Settlement Amounts at the Member's Settlement Bank.

ID#: 010410-010410-0005419

Late Settlement Fee

Late Settlement Fee - Canada Region

A Canada Member may be required to pay a Late Settlement Fee, as specified in "Late Settlement Fees," if a required Settlement Amount is **not** transferred to Visa in accordance with the requirements of the *Canadian National Net Settlement Policies and Procedures Guide*.

ID#: 160312-010410-0005433

Settlement Financial Obligations

Member Responsibility for Settlement Financial Obligations - AP Region

In addition to the provisions specified in "Visa Rights in Calculating Settlement," an AP Member is responsible for all financial obligations owed to Visa by any entity or subsidiary owned or controlled by the Member, even if the entity is separately incorporated or in any other way legally independent of the Member. Visa may offset any amount owed to Visa by the entity or subsidiary against the Member accounts, branches, or other owned or controlled entity worldwide.

ID#: 010410-010410-0005423

Member Responsibility for Settlement Financial Obligations - U.S. Region

A U.S. Member is responsible for any amount due for all Transaction Receipts bearing its BIN and resulting from a Merchant or another Member honoring a valid, properly presented Card.

ID#: 010410-010410-0005710

National Net Settlement

Participation in National Net Settlement - Canada Region

Unless a Member has a Private Agreement for Settlement of Domestic Transactions, Canada Members must participate in the Canada Region's National Net Settlement (NNS) arrangements.

ID#: 010410-010410-0005429

National Net Settlement Policies and Procedures - Canada Region

Canada Members participating in National Net Settlement must comply with the *Canadian National Net Settlement Policies and Procedures Guide* (available on Visa Online). The *Canadian National Net Settlement Policies and Procedures Guide* may be changed from time to time at the discretion of Visa, subject to Members being provided reasonable advance notice of any changes that might affect them.

ID#: 160312-010410-0005430

National Net Settlement Contacts - Canada Region

A Canada Member participating in National Net Settlement (NNS) must designate to Visa in writing a primary and back-up point of contact with respect to its organization's participation in NNS. Any change of the primary or back-up contact or its contact information must be provided to Visa in writing within 15 calendar days of the change.

ID#: 010410-010410-0005431

Final Settlement Procedure - National Net Settlement - Canada Region

Final payment of amounts due in Settlement to Canada Members participating in National Net Settlement (NNS) will **not** be initiated by Visa (unless waived by Visa at its discretion) until all of the amounts due in Settlement from Members participating in NNS have been received.

ID#: 010410-010410-0005432

Suspension of National Net Settlement - Canada Region

In the Canada Region, Visa has the right to temporarily suspend National Net Settlement (NNS) at any time in its sole discretion. When Visa suspends NNS, it will use reasonable efforts to advise Members of the suspension and the reason for doing so and will resume Settlement as soon as is practical.

ID#: 010410-010410-0005434

National Net Settlement Disputes - Canada Region

In the Canada Region, Visa is the sole and final authority for the resolution of any disputes with respect to National Net Settlement (NNS).

ID#: 010410-010410-0005436

Member Settlement Failure in National Net Settlement - Canada Region

If a Canada Member fails to settle an amount owed in National Net Settlement (NNS) in accordance with the timelines established in the *Canadian National Net Settlement Policies and Procedures Guide*, Visa will offset any shortfall from any amount owed to the Member with respect to NNS.

ID#: 160312-010410-0005435

Payment to Merchants

Payments to Merchants, Sponsored Merchants, and Payment Service Providers

Effective through 30 June 2011, an Acquirer must pay or credit its Merchant's or Internet Payment Service Provider's (IPSP) account promptly after Transaction Receipt Deposit. These payments must be the same as the Transaction totals, less any applicable discounts or Credit Transaction Receipt totals.

Effective 1 July 2011, an Acquirer may directly pay or credit its Payment Service Provider (PSP).

Effective 1 July 2011, an Acquirer that contracts with both a PSP and a Sponsored Merchant may directly pay or credit the Sponsored Merchant for its portion of the Deposit, as permitted by local law.

Effective 1 July 2011, an Acquirer must pay or credit its Merchant's, Sponsored Merchant's, or Payment Service Provider's (PSP) account promptly after Transaction Receipt Deposit. These payments must be the same as the Transaction totals, less any applicable discounts or Credit Transaction Receipt totals.

Effective 1 July 2011, a PSP must pay or credit its Sponsored Merchant's account promptly after Transaction Receipt Deposit. These payments must be the same as the Transaction totals, less any applicable discounts or Credit Transaction Receipt totals.

ID#: 111011-010410-0008850

Acquirer Obligation to Pay - U.S. Region

A U.S. Acquirer must **not** waive, release, abrogate, or otherwise assign to a non-Member its obligation to guarantee and ensure payment for all Transactions in which its Merchant honored a valid Visa Card or Visa Electron Card properly presented for payment.

ID#: 010410-010410-0005146

Requirement for Funds Held by Acquirer - U.S. Region

A U.S. Acquirer holding funds as security to ensure proper Merchant performance must hold the funds in an account in the Merchant's name.

ID#: 010410-010410-0005147

Transaction Receipt Processing

Transaction Receipt Processing Time Limits

Endorsement Date Requirements

The Endorsement Date on a Transaction Receipt entered into Interchange must comply with the table below.

In calculating the processing time limits, the Endorsement Date and Transaction Date are each counted as one day.

Transaction Receipt Processing Time Limits

For Transaction Receipts that a Merchant must deposit within:	The Endorsement Date must be within:
2 business days from the Transaction Date (Visa Electron Transactions only)	3 calendar days from the Transaction Date, excluding local non-processing days, and the same date on which the Acquirer processes the BASE II Edit Package and transmits its outgoing Interchange
3 business days from the Transaction Date	15 calendar days from the Transaction Date
21 calendar days from the Transaction Date	30 calendar days from the Transaction Date

ID#: 111011-010410-0008823

Transaction Receipt Submission Time Limits

An Acquirer must submit a Transaction Receipt no later than 2 business days from the Endorsement Date.

ID#: 010410-010410-0005550

Processing Time Limit for ATM Transactions

The Processing Date for an ATM Transaction must **not** be more than 3 calendar days from the Transaction Date.

The following are excluded in calculating the allowable number of days:

- Transaction Date
- Processing Date
- Sunday

ID#: 010410-010410-0008997

Transaction Receipt Processing Time Limits - AP Region

In the AP Region, the Endorsement Date on Transaction Receipts entered into Interchange must be within 8 business days from the Transaction Date. The 8 business days includes the Transaction Date and the Endorsement Date. This regulation does **not** apply to Visa Electron Transactions.

The Endorsement Date is one of the following dates on a Clearing Record:

- If cleared through BASE II, the Edit Package run date on which a Member submits outgoing Interchange
- If cleared through the Single Message System, the Settlement Date
- If cleared under a Private Agreement, the date on which a Member processes outgoing Interchange

For BASE II Transactions, the Endorsement Date is no later than the date on which the Member creates the BASE II Interchange File. For Transactions with indecipherable or invalid Account Numbers not cleared through BASE II, the Endorsement Date is the date on which the Transaction was first entered into Interchange and mailed.

ID#: 010410-010410-0005340

Transaction Receipt Processing Time Limits in Malaysia - AP Region

Effective 15 October 2011, in Malaysia, the Endorsement Date for a domestic Visa debit Transaction conducted at an Automated Fuel Dispenser must be within 3 calendar days from the Transaction Date, excluding local non-processing days. The 4 calendar days include the Transaction Date and the Endorsement Date.

ID#: 111011-151011-0026500

Valid Transaction Dates - U.S. Region

In the U.S. Region, the Transaction Date is the date on which a Transaction between a Cardholder and a Merchant or an Acquirer occurs. The U.S. Regional Operating Regulations recognize the valid Transaction Dates in the table below.

Transaction Dates - U.S. Region

Transaction Type	Transaction Date
Lodging Transactions, including: <ul style="list-style-type: none"> • CPS/Hotel and Car Rental Card Not Present • CPS/Hotel and Car Rental Card Present • CPS/e-Commerce Preferred Hotel and Car Rental 	Check-out or prepayment date
Cruise Line Transactions, including: <ul style="list-style-type: none"> • CPS/Hotel and Car Rental Card Not Present • CPS/Hotel and Car Rental Card Present • CPS/e-Commerce Preferred Hotel and Car Rental 	Disembarkation, prepayment, or final payment date
Car Rental Transactions, including: <ul style="list-style-type: none"> • CPS/Hotel and Car Rental Card Not Present • CPS/Hotel and Car Rental Card Present • CPS/e-Commerce Preferred Hotel and Car Rental 	Car return or prepayment date
Airline and passenger railway Transactions, including: <ul style="list-style-type: none"> • CPS/Passenger Transport • CPS/e-Commerce Preferred Passenger Transport 	Ticket-issuing date

 Visa International Operating Regulations

Transaction Type	Transaction Date
Preauthorized Health Care Transaction	Date on which the Health Care Merchant receives notice of adjudication from the Cardholder's insurance company
Mail/Phone Order Transaction (including CPS/Card Not Present Transactions) where merchandise is to be shipped	Date on which merchandise is shipped

ID#: 111011-010410-0005753

Processing Time Limits - U.S. Region

Transaction Receipt Processing Time Limits in the U.S. Region are specified in the following table. A U.S. Acquirer's Processing Date and Transaction Date are each counted as one day.

Transaction Receipt Processing Time Limits - U.S. Region

For Transaction Receipts that a Merchant must deposit within:	The Acquirer's Processing Date must be within:
Transaction Receipts (Excluding Credit Transaction Receipts)	
5 calendar days of the Transaction Date	10 calendar days from the Transaction Date
15 calendar days of the Transaction Date ¹	20 calendar days from the Transaction Date
Credit Transaction Receipts	
3 calendar days of the Transaction Date	5 calendar days from the Transaction Date
5 calendar days of the Transaction Date ¹	10 calendar days from the Transaction Date
1. T & E Merchants are normally granted this allowance.	

In the U.S. Region, additional requirements for Transaction Receipt processing time limits apply to the following Transaction types:

- Electronic Interchange Reimbursement Fee Transactions
- Payment Service Interchange Reimbursement Fee Transactions
- Preauthorized Health Care Transactions
- Supermarket Incentive Program Transactions

ID#: 111011-010410-0008888

Transaction Receipt Processing Time Limit Violations - U.S. Region

A U.S. Clearing Processor must report to Visa consistent and flagrant violations of processing time limits. Violation of these time limits does **not** automatically entitle the Issuer to a Chargeback right.

ID#: 010410-010410-0005755

Transaction Receipt Processing - Invalid or Illegible Account Number

Prohibition against Clearing Transaction Receipts with Illegible or Invalid Account Numbers

An Acquirer must **not** clear original Transaction Receipts with illegible or invalid Account Numbers through Visa until it determines the correct Account Number.

The Acquirer must not clear the Transaction Receipt through VisaNet if the Acquirer has contacted the Issuer and the Issuer cannot determine the Account Number.

ID#: 010410-010410-0008825

Transaction Receipts with Illegible or Invalid Account Numbers - Requirements for Counterfeit Losses

For a Transaction Receipt with an illegible or invalid Account Number, an Acquirer must comply with the applicable rules for counterfeit losses specified in the *Visa International Operating Regulations* if it appears that a Transaction Receipt resulted from the use of a:

- Counterfeit Card
- Misembossed or Misencoded Visa Card or Visa Electron Card

ID#: 010410-010410-0008824

Transaction Receipts with Illegible or Invalid Account Numbers - Issuer Assistance

If an Acquirer that receives a Transaction Receipt with an illegible or invalid Account Number can identify the Issuer, the Acquirer may contact the Issuer for assistance in obtaining the Account Number.

If the Acquirer contacts the Issuer for assistance in obtaining an Account Number, the Issuer:

- Must assist the Acquirer
- May require that all requests be in writing

If the Acquirer is **not** able to identify the Issuer, the Acquirer that first received the Transaction Receipt is liable, unless the Acquirer can identify the Issuer within 12 months of the Transaction Date and clear the Transaction Receipt directly with the Issuer.

ID#: 010410-010410-0008826

Chargeback Restrictions for Invalid or Illegible Account Numbers

Transaction Receipts settled under the procedures for Transaction Receipts with illegible or invalid Account Numbers are **not** subject to Chargeback reason code 74, "Late Presentment."

ID#: 010410-010410-0005546

Transaction Receipts with Illegible or Invalid Account Numbers - Sending Member Requirements

For Domestic Interchange cleared outside of VisaNet, a Sending Member must:

- Correct an illegible or invalid Account Number before clearing the Transaction Receipt
- Comply with the processing and clearing requirements for a Transaction Receipt with an illegible or invalid Account Number
- Follow the usual procedures after it determines the correct Account Number

ID#: 010410-010410-0005547

Invalid or Illegible Account Number Clearing with Issuer - U.S. Region

For a Transaction Receipt with an invalid or illegible Account Number, if a U.S. Acquirer has contacted the Issuer and the Issuer cannot determine the Account Number, the Acquirer must clear the Transaction Receipt directly with the Issuer.

ID#: 010410-010410-0005752

Original Credit

Original Credit - General

Original Credit - Compliance with Visa Requirements

A Recipient Member must comply with all Visa requirements specified in the *Visa International Operating Regulations*, *Visa Money Transfer (VMT) Global Implementation Guide*, and *Original Credits Member Requirements*.

ID#: 050411-010410-0006981

Original Credit - Deposit-Only Account Number

A Recipient Member must:

- Notify Visa that a BIN or account range is designated for Deposit-Only Account Numbers
- Ensure that a Deposit-Only Account Number is **not** used for any purpose other than Original Credit processing
- List a compromised Deposit-Only Account Number on the Exception File and, optionally, in the Card Recovery Bulletin

ID#: 010410-010410-0006983

Original Credit Transaction Authorization Request Requirements

For an Original Credit Transaction, an Originating Member may choose to send an Authorization Request.

VisaNet will respond to an Originating Member on behalf of a Recipient Member that accepts the Authorization Request if a response is **not** received within the 15-second Authorization Request response time frame.

VisaNet will respond to an Originating Member on behalf of a Recipient Member that does **not** accept an Authorization Request by sending either:

- An Approval Response, if no exception occurs
- A Decline Response, if an exception occurs, including one where a Recipient Member is prohibited from accepting an Original Credit

ID#: 050411-010410-0008698

Original Credit Transaction Authorization Message Decline Response

When an Originating Member receives a Decline Response to an Original Credit Authorization Request, it must not send the Clearing Transaction.

ID#: 080411-010410-0005575

Money Transfer Original Credit

Money Transfer Original Credit - General

Money Transfer Original Credit - Compliance with Visa Requirements

A Recipient Member must comply with all Visa requirements as, specified in the *Visa International Operating Regulations*, *Visa Money Transfer (VMT) Global Implementation Guide*, and *Original Credits Member Requirements*.

ID#: 160312-091210-0026249

Money Transfer Original Credit Transaction - Protection of Sender Data

When receiving and managing sender data for a Money Transfer Original Credit Transaction, a Recipient Member must comply with the Payment Card Industry Data Security Standard (PCI DSS).

ID#: 080411-010410-0006982

Money Transfer Original Credit Transactions - Fast Funds Processing

A Recipient Member participating in Fast Funds must register with Visa.

Unless specified otherwise in “Money Transfer Original Credits – Fast Funds Processing – AP Region and CEMEA Region,” a non-U.S. Recipient Member that supports the receipt of Online Financial Transactions (0200 messages) or Authorization Requests (0100 messages) in the enhanced format, as specified in the *Visa Money Transfer (VMT) Global Implementation Guide*, must process as Fast Funds any incoming Money Transfer Original Credit Transaction.

A U.S. Recipient Member that supports the receipt of Online Financial Transactions (0200 messages) or Authorization Requests (0100 messages) in the enhanced format, as specified in the *Visa Money Transfer (VMT) Implementation Guide*, may process as Fast Funds any incoming Money Transfer Original Credit Transaction.

ID#: 160312-091210-0026250

Money Transfer Original Credits - Fast Funds Processing – AP Region and CEMEA Region

In the AP Region and CEMEA Region, all Recipient Members must participate in Fast Fund processing of incoming Money Transfer Original Credit Transactions, as specified in the table below.

Fast Funds Participation Requirements – AP Region and CEMEA Region

Effective Date	Country	Credit	Debit	Prepaid
15 October 2011	Russia	X	X	X
1 January 2012	All new Members		X	X
14 April 2012	Armenia	X	X	X
19 April 2013	Australia ¹		X	X
14 April 2012	Azerbaijan	X	X	X
14 April 2012	Belarus	X	X	X
14 April 2012	Georgia	X	X	X
14 April 2012	Kazakhstan	X	X	X
14 April 2012	Kyrgyzstan	X	X	X
14 April 2012	Moldova	X	X	X
14 April 2012	Philippines		X	X
14 April 2012	Tajikistan	X	X	X
14 April 2012	Ukraine	X	X	X
14 April 2012	Uzbekistan	X	X	X
12 October 2012	All other Members ²		X	X
<p>1. Excluding International Transactions</p> <p>2. Excluding Members in China, Guam, Hong Kong, India, Japan, Korea, Macau, Saudi Arabia and Taiwan</p>				

ID#: 230312-131011-0026707

Money Transfer Original Credit Transaction Processing Requirements - U.S. Region

A U.S. Originating Member must:

- Originate Money Transfer Original Credit Transactions only through the Single Message System
- Comply with the Payment Card Industry Data Security Standard (PCI DSS) when sending and managing sender data for a Money Transfer Original Credit Transaction
- Include in the Online Financial Transaction message the following data:
 - The sender's Account Number used to fund the Money Transfer Original Credit Transaction or a Transaction reference number that uniquely identifies the sender if the sender's Account Number is not available
 - Additional data as specified in the "VisaNet Clearing Message Content Standards" (Exhibit NN) and "Required Data for Authorization Requests and Responses" (Exhibit OO)

When receiving and managing sender data for Money Transfer Original Credit Transactions, a U.S. Recipient or Originating Member must comply with the Payment Card Industry Data Security Standard (PCI DSS).

ID#: 160312-150210-0025766

Bill Payment

Bill Payment Requirements - AP Region

Australia Bill Payment Transaction Requirements – AP Region (Updated)

A Domestic Australia Bill Payment Transaction must meet the following requirements:

- **Effective through 14 October 2011**, the BASE I Transaction record must contain a POS Condition Code 02, "Cardholder Activated Terminal" and the BASE II message must include the Cardholder Activated Terminal indicator 3, "Cardholder-Activated Terminal Type B"
- **Effective 15 October 2011**, the BASE I Transaction record must contain a POS Condition Code 02, "Unattended Cardholder-Activated Terminal" and a BASE II message must include the Unattended Cardholder-Activated Terminal Type Indicator 3, "Unattended Cardholder-Activated Terminal - Authorization Required"
- The Transaction must be initiated at a Merchant properly assigned one of the following Merchant Category Codes:
 - 5311, "Department Stores"
 - 5310, "Discount Stores"
 - 5331, "Variety Stores"
 - 5411, "Grocery Stores and Supermarkets"
 - 5945, "Hobby, Toy and Game Shops"
- The Transaction must be subsequently processed using one of the following biller Merchant Category Codes:
 - 4900, "Utilities - Electric, Gas, Water, and Sanitary"
 - 4814, "Telecommunication Services"
 - 6012, "Financial Institutions - Merchandise and Services"
 - 5311, "Department Stores" ^[121]

ID#: 040412-060111-0026171

¹²¹ **Effective through 14 March 2012**, when the Transaction record contains an Electronic Commerce Indicator (ECI) 3, "Installment Transaction." **Effective 15 March 2012**, when the BASE I Transaction record contains a value of 3, "Installment Transaction," in the Mail/Phone/Electronic Commerce and Payment Indicator field.

Australia Bill Payment Transaction Receipt Data Requirements – AP Region (Updated)

Effective through 14 October 2011, the Transaction Receipt data for an Australia Bill Payment Transaction initiated at a Cardholder-Activated Terminal must include biller details for each payment.

Effective 15 October 2011, the Transaction Receipt for an Australia Bill Payment Transaction initiated at an Unattended Cardholder-Activated Terminal must include the biller details for each payment.

ID#: 230312-060111-0026172

Australia Bill Payment Transaction BASE II Data Requirements – AP Region

The BASE II Transaction record for an Australia Bill Payment Transaction must include the billpay descriptor (followed by name and location of the biller's agent accepting payment).

ID#: 050411-060111-0026173

Bill Payment - U.S. Region

Bill Payment - U.S. Region

Bill Payment Transaction Data Requirements - U.S. Region

A U.S. Acquirer must identify a Bill Payment Transaction in the Authorization Request and Clearing Record with required VisaNet data elements, as specified in the:

- "VisaNet Clearing Message Content Standards" (Exhibit NN)
- "Required Data for Authorization Requests and Responses" (Exhibit OO)
- Appropriate VisaNet manuals
- *U.S. Interchange Reimbursement Fee Rate Qualification Guide*

A Credit Voucher Transaction related to an original Bill Payment Transaction does not require unique identification in the VisaNet Clearing Record and may be processed according to standard procedures.

In the U.S. Region, any applicable Interchange Reimbursement Fee may apply to a Bill Payment Transaction.

ID#: 010410-010410-0008913

File Correction Service

File Correction Service - Reversals

Duplicate Interchange File - Reversals

A Member that submits a duplicate Interchange File may request Visa to reverse any of the following:

- An entire day's Interchange duplication
- Batches of previously transmitted Interchange
- Batches captured more than once on the same outgoing Interchange

ID#: 010410-010410-0005472

Request for Reversal of Interchange Items

A Clearing Processor that submits accepted Interchange items in error may request Visa to reverse any of the items specified in "Duplicate or Erroneous Data - U.S. Region."

ID#: 010410-010410-0003705

Visa Reversal of Interchange Items

Visa may independently choose to perform this service on behalf of the Sending Member, if circumstances warrant such action.

ID#: 010410-010410-0005473

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Chapter 8: Risk Management

Core Principle 8.1

Adherence to Risk and Fraud Controls

Protecting Against Inappropriate Activity

To protect against inappropriate or unauthorized activity that may damage the payment system or brand, participants in the Visa system agree to follow Visa-specified risk and fraud requirements & controls.

ID#: 010410-010410-0007789

Core Principle 8.2

Report All Fraud Activity to Visa

Reporting Fraud for Monitoring and Analysis

To allow Visa to analyze and respond to new and evolving risks and security threats, Visa requires participants in the Visa system to report all fraudulent transaction or other criminal risk activity to Visa without delay.

ID#: 010410-010410-0007790

Core Principle 8.3

Protect Visa Account and Transaction Data

Following Standards for Data Protection

To protect all parties to the Visa system, participants with access to personal Visa account information or Visa transaction information are responsible for following rigorous standards for data protection set by Visa. These standards may be consistent with or exceed industry standards. For example, the storage of magnetic stripe data is strictly prohibited.

ID#: 010410-010410-0007815

Core Principle 8.4

Protect Against Illegal Activities

Preventing Illegal Activities in the Visa System

Participants in the Visa system agree to take appropriate measures to prevent the Visa system from being used for or associated with illegal activities. These include, but are not limited to, child pornography, money laundering or financing terrorist activities. Because Visa payments can be subject to a variety of anti-money laundering laws in many countries, participants in the Visa system are also responsible for complying with these laws, including, for participants in the U.S. Region, the Bank Secrecy Act and the USA PATRIOT Act.

ID#: 010410-010410-0007816

Security and Fraud Control Requirements

General Security and Fraud Control Requirements

Risk Management and Fraud Control Standards and Compliance - AP Region

An AP Member must have a risk management/security and fraud control function.

Visa assesses a fine of US \$12,000 for initial non-compliance with "Fraud Control Contact Availability - AP Region" and "Security and Fraud Control Staff Information Access - AP Region," and for each additional 12-month cycle of non-compliance.

ID#: 010410-010410-0007739

Fraud Control Contact Availability - AP Region

An AP Member's security and fraud control contact must be available (although not necessarily on duty, on-site) 24 hours a day, 7 days a week.

ID#: 010410-010410-0000614

Security and Fraud Control Staff Information Access - AP Region

Security and fraud control staff of an AP Member must have access to at least 6 months of Cardholder and Merchant activity information, as well as the authority to provide, upon request:

- Basic Cardholder identity information and any other relevant information

- Reported or suspected fraudulent account activity
- Details about any Card loss or theft

ID#: 010410-010410-0000615

Daily Merchant Investigation - CEMEA Region

A CEMEA Acquirer must investigate, daily, any Merchant appearing on its exception reports or identified by its risk management systems.

ID#: 081010-010410-0003854

Acquirer Investigation Requirements - CEMEA Region

A CEMEA Acquirer must employ sufficient risk management staff resources and security controls to undertake the following risk and fraud detection activities on its Merchants. These activities include, but are not limited to:

- Cooperate fully with Visa in any investigation, and release all information relative to the Merchant upon request
- Terminate the Merchant agreement if it is determined that the Merchant:
 - Is a threat to the integrity of the Visa brand
 - Introduces a disproportionate level of fraud into the Visa system
- Take legal action to minimize losses, where appropriate
- Cooperate with Issuers and law enforcement agencies
- Hold funds while the Merchant is fully investigated, if possible
- Initiate criminal and civil proceedings against the Merchant, if applicable

ID#: 010410-010410-0002266

Merchant Fraud Reduction Initiatives - CEMEA Region

A CEMEA Acquirer must, where appropriate, implement fraud reduction initiatives at a CEMEA Merchant Outlet, including, but not limited to:

- Fraud awareness education at Merchant Outlets
- Reduction of Floor Limits
- Secondary Cardholder identification checks
- Code 10 calls to the Acquirer's Authorization center
- Implementation of CVV2 processing

ID#: 010410-010410-0002268

Account and Transaction Information Security

Data Security

Member Reporting of Loss or Theft of Information

As specified in *Global Visa Acquirer Fraud Control Manual*, the *Global Visa Issuer Fraud Control Manual*, and *What To Do If Compromised*, a Member must immediately report to Visa by telephone, fax, or e-mail the suspected or confirmed loss, theft, or compromise, including loss, theft, or compromise by one of its agents or Merchants, of any material or records that contain Visa account or Transaction information.

In the U.S. Region, a loss, theft, or compromise of Visa account or Transaction information may be reported on behalf of a Member by one of its agents, or by a Merchant or one of its agents. *(This only applies in the U.S. Region.)*

The report must contain, to the extent possible:

- Member and Merchant or agent name
- Format, number, and range of account information missing
- Specific Account Numbers missing
- Type or data elements of account information on missing material, e.g. Track 1 data, Track 2 data, CVV2, Cardholder name, address
- Pertinent details about the loss, theft, or compromise and ensuing investigation
- Contact name and telephone number for additional information
- Name and telephone number of person reporting the loss or theft

ID#: 050411-010410-0007999

VisaNet Processor Disclosure of Account or Visa Transaction Information

A Member, in the event of the failure, including bankruptcy, insolvency, or other suspension of business operations of one of its VisaNet Processors, must ensure that the VisaNet Processor does not sell, transfer, or disclose any materials that contain Cardholder Account Numbers, personal information, or other Visa Transaction Information to any other entity. The Member must ensure that its VisaNet Processor either:

- Returns this information to the Member
- Provides acceptable proof of secure destruction of this information to the Member

ID#: 111011-010100-0025875

VisaNet Processor Contingency Plans

A Member must have in place contingency plans for its VisaNet Processors in the event of failure, including bankruptcy, insolvency, or other suspension of business operations. The contingency plans must be provided to Visa upon request.

ID#: 111011-010100-0025877

Cardholder and Transaction Information Disclosure Limitations

Effective 1 June 2011, an Acquirer must obtain the prior written consent of the Issuer and Visa before disclosing a Cardholder's Account Number, personal information, or other Transaction Information to a third party that is not the Agent of the Acquirer for the sole purpose of completing a Transaction. The Acquirer must ensure that its Agents and the Agents' employees:

- Make no further disclosure of the information
- Treat the information as confidential

An Acquirer or Merchant may only disclose Transaction Information to third parties, approved by Visa, for the sole purpose of:

- Supporting a loyalty program
- Providing fraud control services

Procedures for approval of third parties are available from Visa, upon request.

ID#: 111011-010611-0026337

Cardholder and Transaction Information Disclosure Prohibitions

Effective 1 June 2011, except as specified in "Cardholder and Transaction Information Disclosure Limitations" a Merchant must not disclose a Cardholder Account Number, personal information, or other Transaction Information to any entity other than to a registered Third Party, the Acquirer, or the Agent of the Acquirer. Any such disclosure must be for the sole purpose of:

- Assisting the Merchant in completing the initial Merchant Transaction
- Specifically complying with local law

An Agent must not disclose a Cardholder Account Number, personal information, or other Transaction Information to third parties, other than:

- For the sole purpose of completing the initial Merchant Transaction
- As required by local law

- With the permission of the Issuer, Acquirer, or Visa, as specified in the *Visa International Operating Regulations*

ID#: 111011-010611-0026338

Merchant Disclosures

Effective 1 June 2011, an Acquirer must ensure that its Merchant, Sponsored Merchant, High-Brand Risk Merchant or High-Brand Risk Sponsored Merchant, have clearly disclosed throughout the order process all of the following:

- Terms and conditions of a promotion, if restricted
- The length of the trial period, if offered, including clear disclosure that the Cardholder will be charged unless the Cardholder expressly rejects the charge
- The date on which any charges will commence
- Cancellation policy including, clear steps to be taken by the Cardholder to cancel the Transaction prior to the end of the trial period

ID#: 111011-010611-0026339

Transaction Data Retention Prohibition - AP Region

AP Merchants, non-Member agents, and processors must **not** retain or store, not even in encrypted form, the following data subsequent to Authorization of a Transaction:

- The full contents of any track on the Magnetic Stripe
- Any Card Verification Value (e.g. CVV, CVV2, iCVV)
- The Personal Identification Number (PIN)
- The PIN verification value
- The Verified by Visa authentication data

ID#: 010410-010410-0000531

Transaction Data Retention Prohibition - LAC Region

An LAC Merchant or its agent must **not** retain sensitive authentication information after Authorization (even if information is encrypted). This information includes:

- The full contents of any of the Magnetic Stripe tracks, of a Chip, or of any other device
- The Card Verification Value 2 (CVV2)
- The PIN Verification Value (PVV)
- Passwords for the Verified by Visa Service

ID#: 010410-010410-0002299

Loss of Information at Member's Agents - U.S. Region

A U.S. Member must implement policies and procedures requiring its contractors or Agents to notify the Member if the contractor or Agent experiences a security breach or reasonably believes that Cardholder information was compromised as a result of that breach.

ID#: 010410-010410-0001799

Cardholder and Transaction Information Disclosure Limitations - U.S. Region

Effective through 31 May 2011, a U.S. Acquirer must obtain the prior written consent of the Issuer and Visa before disclosing a Cardholder's Account Number, personal information, or other Visa Transaction Information to third parties other than the Acquirer's Agents for the sole purpose of completing a Transaction. The Acquirer must ensure that its Agents and the Agents' employees:

- Make no further disclosure of the information
- Treat the information as confidential

A U.S. Acquirer or Merchant may only disclose Visa Transaction Information to third parties, approved by Visa, for the sole purpose of:

- Supporting a loyalty program
- Providing fraud control services

Procedures for approval of third parties are available from Visa upon request.

ID#: 111011-010410-0008027

Cardholder and Transaction Information Disclosure Prohibitions - U.S. Region

Effective through 31 May 2011, except as specified in "Cardholder and Transaction Information Disclosure Limitations - U.S. Region," a U.S. Merchant must **not** disclose a Cardholder Account Number, personal information, or other Visa Transaction Information to any entity other than to a registered Third Party, the Acquirer, or the Acquirer's Agent. This disclosure must be for the sole purpose of:

- Assisting the Merchant in completing the initial Merchant Transaction
- As specifically required by law

If the Merchant undertaking the initial Transaction has an agreement with another Merchant that allows the other Merchant to initiate a subsequent Transaction with the Cardholder, the subsequent Transaction (after the initial Transaction has been completed) must be initiated as a new Transaction such that:

- A separate Transaction process is initiated

- The Cardholder is required to enter their Primary Account Number separately for the subsequent Transaction
- All other Transaction requirements comply with the applicable sections of the U.S. Regional Operating Regulations

A U.S. Agent must **not** disclose a Cardholder Account Number, personal information, or other Visa Transaction Information to third parties, other than:

- For the sole purpose of completing the initial Merchant Transaction
- As required by local law
- With the permission of the Issuer, Acquirer, or Visa, as specified in the *Visa International Operating Regulations*

ID#: 111011-010410-0008029

Data Storage Requirements - U.S. Region

A U.S. Merchant or its agent must:

- Store all material containing Cardholder Account Numbers or imprints (such as Transaction Receipts, car rental agreements, and carbons) in an area limited to selected personnel
- Render all data unreadable before discarding

ID#: 010410-010410-0001730

Cardholder Verification Value 2 Prohibition - U.S. Region

A U.S. Merchant or its agent must **not** request the Card Verification Value 2 data on any paper Order Form.

ID#: 010410-010410-0001733

Security Standards for Account Information - U.S. Region

Except as specified below, if a fulfillment vendor is used to consolidate materials containing account information before delivering it to the United States Postal Service or overnight courier, a U.S. Issuer must ensure that the fulfillment vendor implements and maintains all of the security standards specified in the *Visa Global Physical Security Validation Requirements for Data Preparation, Encryption Support and Fulfillment Card Vendors*.

If a prepaid storage facility is used to consolidate materials containing account information before delivering it to the United States Postal Service or overnight courier, the U.S. Issuer must ensure that the prepaid storage facility implements and maintains all of the security standards specified in the *Visa Global Physical Security Validation Requirements for Data Preparation, Encryption Support and Fulfillment Card Vendors*.

ID#: 050411-010410-0008026

Confidential Consumer Cardholder Information

Visa Safeguards for Confidential Consumer Cardholder Information - U.S. Region

In the U.S. Region, Visa and its subsidiaries will restrict access to Confidential Consumer Cardholder Information to those employees that Visa or its subsidiaries has determined need to know that information to provide products and services to Members.

Visa and its subsidiaries will maintain physical, electronic, and procedural safeguards that are designed to:

- Maintain the security and confidentiality of Confidential Consumer Cardholder Information
- Protect against anticipated threats or hazards to the security or integrity of Confidential Consumer Cardholder Information
- Prevent unauthorized access to, or use of, such Confidential Consumer Cardholder Information that could result in substantial harm or inconvenience to Consumer Cardholders

Visa will notify a Member in the event that Visa reasonably believes that Confidential Consumer Cardholder Information about a Member's customer has been compromised due to a breach of security.

ID#: 010410-010410-0008003

Visa Use and Disclosure of Confidential Consumer Cardholder Information - U.S. Region

In the U.S. Region, Visa and its subsidiaries will **not** use or disclose Confidential Consumer Cardholder Information to third parties, other than for any one of the following:

- Use or disclosure in the ordinary course of business to provide services to a Member or a Member's designated Agent, including, but not limited to:
 - Completing a Transaction
 - Risk control
 - Dispute resolution
 - Marketing services
- Use or disclosure with the consent of the Cardholder
- Other use or disclosure that is in accordance with applicable law

ID#: 010410-010410-0000508

Destruction of Confidential Consumer Cardholder Information - U.S. Region

In the U.S. Region, Visa and its subsidiaries will use reasonable measures designed to ensure that all Confidential Consumer Cardholder Information is erased or destroyed, in accordance with regulatory guidelines, so as to render the information unreadable.

A U.S. Member must implement policies and procedures designed to ensure timely disposal or destruction of Confidential Consumer Cardholder Information, in accordance with regulatory guidelines, in a manner that makes the information unreadable.

ID#: 010410-010410-0008007

Information Security Programs

Account and Transaction Information Security Requirements VIOR 2.1.E

A Member must:

- Comply with the Account Information Security Program requirements and the validation and reporting requirements, as outlined in the *Account Information Security (AIS) Program Guide*
- Maintain all materials or records in any form that contains account or Transaction Information in a safe and secure manner with access limited to authorized personnel, as specified in the Payment Card Industry Data Security Standard (PCI DSS)
- Ensure that agreements and contracts with agents and Merchants clearly establish their responsibilities to meet Visa standards, the liabilities for failure to meet the standards, and the requirement to allow for inspections by the Member or Visa
- Ensure that all agents and Merchants with access to account or Transaction Information comply with the Payment Card Industry Data Security Standard (PCI DSS)
- Ensure that all agents and Merchants do **not** store any of the following, subsequent to Authorization:
 - Full contents of any data taken from the Magnetic Stripe (on a Card, in a Chip, or elsewhere)
 - Card Verification Value 2 used to verify Card-Absent Transactions
 - PIN or the encrypted PIN block
- Comply with, and ensure that all agents and Merchants use Payment Applications that comply with, the Payment Application Data Security Standard (PA-DSS)
- Upon request, certify to Visa that agents and Merchants are in compliance with the conditions specified in the Payment Card Industry Data Security Standard (PCI DSS)

ID#: 050411-010410-0002228

Global Fraud Information Service - AP Region

An AP Principal Member must subscribe to and participate in the Global Fraud Information Service, if available in its local market.

ID#: 111011-010410-0008047

Australia and New Zealand Acquirer Compliance Program for Payment Card Industry Data Security Standards (PCI DSS) – AP Region

In Australia and New Zealand, a Visa Level 4-Merchant Acquirer must provide to Visa a risk-based compliance program for its Level 4 Merchants that includes, at a minimum, a:

- Timeline of critical events
- Risk profiling strategy
- Merchant education strategy
- Compliance strategy
- Compliance reporting strategy

An Acquirer must provide the *Exhibit AP – 1 PCI DSS Implementation Plan Report* to Visa, by 31 March and 30 September of each year.

ID#: 111011-060111-0026177

Account Information Security - Canada Region

A Canada Member must comply, and ensure that its Merchants and agents comply, with the requirements of the *Visa Canada Account Information Security Program Guide*.

ID#: 160312-010410-0008032

Account Information Security Program - CEMEA Region

A CEMEA Member must comply with the validation thresholds outlined in the *Visa Account Information Security (AIS) Program Guide*.

ID#: 151011-010410-0002272

Account Information Security - LAC Region

An LAC Member, Merchant, or service provider that stores, processes, or transmits Cardholder information must comply with the information security standards established in the *Visa International Operating Regulations*, the LAC Account Information Security Program (AIS), and this section.

When requested, an Acquirer must provide a compliance plan from its organization, its agents, and its Merchants, according to the specifications and timing established in the LAC AIS Program.

ID#: 050411-010410-0008196

Member Monitoring of Visa Compliance - U.S. Region

In the U.S. Region, Visa and its subsidiaries will adopt policies and procedures and provide Members with appropriate reviews and reports to enable Members to monitor the compliance of Visa and its subsidiaries with these commitments.

ID#: 010410-010410-0000512

Payment Application Compliance - U.S. Region

A U.S. Member must comply, and ensure that its Merchants and Agents use Payment Applications that comply, with the Payment Application Data Security Standard (PA-DSS).

ID#: 081010-200509-0007978

Cardholder and Transaction Information Security - U.S. Region

A U.S. Member must comply, and ensure that its Merchants and Agents comply, with the requirements of the Cardholder Information Security Program, available from Visa upon request or online at <http://www.visa.com/cisp>.

A third party that supports a loyalty program or provides fraud control services, as specified in "Disclosure of Visa Transaction Information - U.S. Region" and "Cardholder and Transaction Information Disclosure Limitations - U.S. Region," must comply with the requirements of the Cardholder Information Security Program.

A U.S. Member must comply, and ensure that its Merchants and Agents comply, with the Transaction Information security requirements in the *Visa International Operating Regulations*, the Payment Card Industry Data Security Standard (PCI DSS), and the validation and reporting requirements outlined in the Cardholder Information Security Program. The Payment Card Industry Data Security Standard (PCI DSS) and the Cardholder Information Security Program requirements are available online at <http://www.visa.com/cisp>.

An Acquirer must ensure that its Merchant:

- Implements and maintains all of the security requirements, as specified in the Cardholder Information Security Program
- Immediately notifies Visa, through its Acquirer, of the use of a Third Party
- Ensures that the Third Party implements and maintains all of the security requirements, as specified in the Cardholder Information Security Program
- Immediately notifies Visa, through its Acquirer, of any suspected or confirmed loss or theft of material or records that contain account information and:

- Demonstrates its ability to prevent future loss or theft of account or Transaction information, consistent with the requirements of the Cardholder Information Security Program
- Allows Visa, or an independent third party acceptable to Visa, to verify this ability by conducting a security review, at the Acquirer's own expense

ID#: 010410-010410-0008031

Fines and Penalties

Non-Compliance with Account and Transaction Information Security Standards VIOR 2.1.E

If Visa determines that a Member, its agent, or a Merchant has been deficient or negligent in securely maintaining the account or Transaction Information or reporting or investigating the loss of this information, Visa may fine the Member, as specified in the *Visa International Operating Regulations*, or require the Member to take immediate corrective action.

ID#: 010410-010410-0001753

Account Information Security Program Fines

A Member deemed non-compliant with the Account Information Security Program is subject to a penalty, as specified in the table below and the *Account Information Security (AIS) Program Guide*.

Fines for Non-Compliance with the Account Information Security Program

Violation	Fine
First violation	Up to US \$50,000
Second violation	Up to US \$100,000
Third or any subsequent violation	Up to US \$200,000

ID#: 050411-200509-0008193

Account and Transaction Information Program Service Fee - AP Region

All Principal AP Members will be levied an annual Account and Transaction Information Security Program service fee as specified in the *Visa Asia Pacific Fee Guide*.

ID#: 081010-010410-0000530

Transaction Information Loss/Theft Notification Penalties - U.S. Region

If a U.S. Acquirer fails to immediately notify Visa of the suspected or confirmed loss or theft of any Visa Transaction Information, the Acquirer is subject to a penalty of up to US \$100,000 per incident.

ID#: 010410-010410-0003524

Cardholder Information Security Program Penalties - U.S. Region

A U.S. Member that fails to comply with the requirements of the Cardholder Information Security Program is assessed a fine, as specified in the table below and the *Account Information Security (AIS) Program Guide*.

Cardholder Information Security Program Fines - U.S. Region

Violation	Fine
First violation	Up to US \$50,000
Second violation	Up to US \$100,000
Any third or subsequent violation	Up to US \$200,000

ID#: 111011-010410-0009032

Corporate Risk Reduction

Corporate Risk Reduction - General

Member Risk Reduction Requirements

Upon receipt of instructions imposing conditions, as specified in the applicable Certificate of Incorporation and Bylaws, a Member or agent must implement risk reduction measures that may include, but are not limited to:

- Prohibiting or limiting any of the following actions:
 - Issuing new or reissued Cards
 - Signing or re-signing Merchants
 - Using any independent sales organizations
- Blocking the Authorization of Cardholder Transactions or prohibiting Acquirers from obtaining Authorization for Transactions on behalf of certain Merchants
- Terminating some or all Merchants that:

- Conduct Transactions where the Cardholder is not present or where goods or services are to be delivered after the Transaction Date
- Receive a volume of Chargebacks that substantially exceeds the system average
- Pledging collateral to secure:
 - A Member's or agent's obligations to Visa and reimbursement to Visa for any expenses incurred ensuring compliance, or
 - The liquidity impact to Visa of Settlement or other payments due to Visa of a Member, its affiliates or its Clearing Processor as approved by Visa, or
 - Reimbursement to Visa for any expenses incurred ensuring compliance.
- Consolidating into a single Funds Transfer Settlement Reporting Entity all or some of the Settlement payments in a Settlement Currency of a Member and its affiliates or of a Clearing Processor as approved by Visa for one or more Members arising from one or more Settlement systems operated by Visa or its subsidiaries or affiliates, operated privately, or by a third party, in order to reduce the liquidity impact of such Settlement payments on Visa (Settlement Payment Consolidation) or risk of Settlement Loss (as defined in the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws* and Section 9.01 of the *Visa International Certificate of Incorporation and Bylaws*).
- Redirecting Settlement funds to avoid potential losses, as specified in "Visa Rights in Calculating Settlement" including, but not limited to:
 - Rerouting Settlement funds around the financial institution that normally holds the Member's or agent's funds
 - Holding funds to ensure the correct application of Cardholder funds
 - Holding funds for the payment of Merchants
 - Holding funds for the future payment of Chargebacks
 - Withholding funds for the purpose of obtaining collateral or meeting other Member obligations
 - Prohibiting or limiting a Member's right to sponsor Participant Members
- Requiring a Member to change one or more of its designated agents

Visa is **not** obligated to take these actions to protect any Member, Merchant, Sponsored Merchant, or Cardholder from financial injury.

ID#: 230312-010410-0005057

Risk Reduction Requirements for Third Party Agents

For any violation of the Member requirements for Third Party Agents, Visa may impose corporate risk reduction measures on a Member or Agent.

ID#: 111011-010100-0025869

Visa Anti-Bribery Program (Updated)

Visa maintains an anti-bribery compliance program designed to comply with the requirements and restrictions of the *United States Foreign Corrupt Practices Act* and other anti-bribery laws. A Member must cooperate with Visa in the administration of the Visa anti-bribery program, including, but not limited to, the following:

- Complete, annually, the "Visa Anti-Bribery Policy Questionnaire/Certification" form (available on Visa Online) disclosing the level of ownership, control, and influence of any non-U.S. government, agency, or instrumentality thereof in the Member
- Notify Visa when a non-U.S. government acquires (either as one agency or collectively through different agencies or instrumentalities) an equity interest of 30% or more in the Member.

This requirement does **not** apply to U.S. Members.

ID#: 160312-130809-0008836

Independent Audit of Internal Controls - U.S. Region

A U.S. Member must obtain and review an independent audit of the internal controls that support the VisaNet interface:

- Upon designation of a VisaNet Processor
- In connecting directly to VisaNet for Interchange or Authorization services

The audit must be conducted annually, based on standards issued by the American Institute of Certified Public Accountants.

ID#: 010410-010410-0005058

Corporate Risk Reduction - Acquirer Requirements

Prohibition against Illegal Transactions

Effective through 31 May 2011, an Acquirer may be subject to corrective actions or fines, as specified in "Visa Right to Fine," if its Merchant Outlet, agent, or Internet Payment Service Provider (IPSP) processes illegal Transactions.

ID#: 111011-010410-0002465

Prohibition against Illegal Transactions and Brand Damaging Activities

Effective 1 June 2011 through 30 June 2011, an Acquirer may be subject to corrective actions or fines, as specified in "Visa Right to Fine," if its Merchant Outlet, Agent, or Internet Payment Service Provider (IPSP) processes illegal Transactions or other prohibited Transactions, as specified in "Brand Protection."

Effective 1 July 2011, an Acquirer may be subject to corrective actions or fines, as specified in "Visa Right to Fine," if its Merchant Outlet, Agent, or Payment Service Provider processes illegal Transactions or other prohibited Transactions, as specified in "Brand Protection."

ID#: 111011-010611-0026363

Prohibition against and Penalties for Illegal Cross-Border Transaction Activity

Effective through 31 May 2011, an Acquirer is subject to the penalties specified in the table below for failure to take appropriate action if a Merchant is identified by Visa as engaging in illegal cross-border Transaction activity.

Acquirer Penalties for Merchants Engaging in Illegal Cross-Border Transaction Activity

Violation	Month	Visa Action or Fine
Warning	First month in a 12-month period	Warning letter requesting response with specific date for correction
Uncorrected Violation	Second month in a 12-month period	US \$25,000 fine per Merchant, Merchant URL, Sponsored Merchant, or Sponsored Merchant URL identified
Uncorrected Violation	Third month in a 12-month period	US \$50,000 fine per Merchant, Merchant URL, Sponsored Merchant, or Sponsored Merchant URL identified
Uncorrected Violation	Fourth month in a 12-month period	Visa may permanently disqualify the Merchant, Sponsored Merchant, or IPSP from participation in the Visa Program
Uncorrected Violation	Fifth month in a 12-month period	Visa may prohibit the Acquirer from contracting with a new Merchant for a period of 1 year, or some other sanction

ID#: 111011-010410-0001294

Acquirer Responsibility for Merchants - U.S. Region

A U.S. Acquirer that receives notice, or otherwise becomes aware, of the potential or actual bankruptcy of, or any regulatory proceedings involving, one of its Merchants, must:

- Monitor those proceedings in order to ensure that no legal relief is being sought that would interfere with the Chargeback process
- If such relief is being sought, to the best of its ability, oppose that relief
- Notify Visa as soon as possible but no later than close of business on the next business day following such discovery

An Acquirer that fails to comply with the requirements of "Acquirer Responsibility for Visa Transactions - U.S. Region" is subject to a penalty X, termination of its membership, or both.

ID#: 111011-010410-0008114

Merchant Diversification Requirements - U.S. Region

A U.S. Acquirer must maintain the minimum level of Merchant diversification specified by Visa.

Visa considers a Merchant trading under a single, common Trade Name as one Merchant for purposes of determining whether the Acquirer meets the diversification requirements.

ID#: 010410-010410-0008115

Acquirer Risk Requirements - U.S. Region

A U.S. Acquirer must comply with the requirements of the *Visa Acquirer Risk Program Standards Guide*.

ID#: 050411-010410-0002107

Third Party Monitoring - U.S. Region

A U.S. Acquirer must:

- Review and monitor the performance of the activity of each of its Third Parties on a quarterly basis
- Submit to Visa an enhanced quarterly Third Party report

ID#: 010410-010410-0002109

Acquirer Responsibility for Agents and Merchants - U.S. Region

A U.S. Acquirer must:

- Provide its Agents with the training and education, as specified by Visa, and ensure that Agents are well versed on the Member's corporate policies and remain in compliance with those policies
- Hold and control reserves that are accumulated and derived from the Merchant settlement funds or used to guarantee a Merchant's payment system obligations to the Member

ID#: 010410-010410-0002110

Merchant Agreement Requirements - U.S. Region

A U.S. Acquirer must:

- Consent to the assignment and/or transfer of a Merchant Agreement to another Member
- Implement a policy and procedures for reviewing Merchant Agreements used by its Agents
- Ensure that all Merchant Agreements are approved by the Member before entering any Transaction into Interchange, as specified in the Merchant Agreement requirements in the U.S. Regional Operating Regulations
- Stipulate a clause in the Merchant Agreement that:
 - Provides for the immediate termination of a Merchant for any significant circumstances that create harm or loss of goodwill to the Visa system
 - Ensures that the Merchant acknowledges and understands the importance of compliance with Visa security requirements, such as those relating to Transaction information, storage, and disclosure
 - Requires the Merchant to notify the Acquirer of its use of any Agent that will have any access to Cardholder data

An Acquirer must ensure that each Merchant Agreement includes a disclosure page that identifies the Member and its responsibilities, when an Agent is a party to the agreement, as specified in the *Visa Acquirer Risk Program Standards Guide*.

ID#: 050411-010410-0007300

Anti-Money Laundering

Anti-Money Laundering Program Overview

Visa maintains an anti-money laundering program reasonably designed within the context of laws and regulations applicable to Visa to prevent the Visa system from being used to facilitate money laundering or the financing of terrorist activities.

ID#: 010410-010410-0003969

Anti-Money Laundering Program Implementation

Consistent with the legal and regulatory requirements applicable to a Member, a Member must implement and maintain an anti-money laundering program that is reasonably designed to prevent the use of the Visa system to facilitate money laundering or the financing of terrorist activities.

ID#: 010410-010410-0000652

Anti-Money Laundering Program - Member Requirements

A Member must cooperate with Visa in the administration of the Visa anti-money laundering program, including, but not limited to:

- Completing the *Anti-Money Laundering/Anti-Terrorist Financing Compliance Questionnaire/Certification* form when requested by Visa and returning the form within the time limit specified by Visa
- Assisting Visa in guarding against Card issuance and Merchant acquiring in circumstances that could facilitate money laundering or the financing of terrorist activities
- Identifying circumstances of heightened risk and instituting policies, procedures, controls, or other actions specified by Visa to address the heightened risk
- Providing a copy of the Member's anti-money laundering plan if requested by Visa
- Ensuring the adequacy of the applicable controls implemented by designated agents of the Member

ID#: 160312-010410-0000653

Anti-Money Laundering Compliance

Anti-Money Laundering Program Compliance

If Visa determines that a Member or the Member's designated agent has failed to comply with any of the requirements specified in "Anti-Money Laundering Program Implementation" and "Anti-Money Laundering Program - Member Requirements," Visa may, consistent with local law, impose conditions on or require additional actions of the Member or the designated agent to prevent possible money laundering or financing of terrorist activities. These actions may include, but are not limited to:

- Implementation of additional policies, procedures, or controls
- Termination of a Merchant Agreement
- Termination of a Cardholder agreement
- Termination of an agent agreement
- Termination of Visa membership
- Assessment of fines or penalties as specified in "General Fines Schedule" and "Member Failure to Return an Anti-Money Laundering/Anti-Terrorist Financing Questionnaire Penalties," as applicable

- Other action that Visa in its sole discretion determines to take with respect to the Member or the Member's designated agent

ID#: 160312-010410-0000654

Member Failure to Return an Anti-Money Laundering/Anti-Terrorist Financing Questionnaire Penalties

Visa assesses penalties for failure to return a completed *Anti-Money Laundering/Anti-Terrorist Financing Compliance Questionnaire/Certification* form, as specified in "Anti-Money Laundering Program - Member Requirements," as follows:

Penalties for Member Failure to Return a Completed Anti-Money Laundering/Anti-Terrorist Financing Questionnaire to Visa

Date	Fine Amount
Due date + 1 calendar day to 30 calendar days	US \$500
Due date + 31 calendar days to 60 calendar days	US \$2,500
Due date + 61 calendar days to 90 calendar days	US \$5,000
Due date + 91 calendar days and every 30 calendar days onward	US \$10,000

ID#: 160312-100311-0026362

Acquirer Risk Program - U.S. Region

Acquirer Risk Policies - U.S. Region

A U.S. Acquirer must implement an underwriting, monitoring, and control policy for its:

- Merchants
- VisaNet Processors
- Third Parties

The Acquirer must ensure that its policies are approved by its board of directors. Visa may grant a variance to this requirement.

The Acquirer must provide the policies to Visa upon request.

An Acquirer must implement a policy and procedures for reviewing solicitation materials used by its Agents.

ID#: 010410-010410-0007132

Acquirer Risk Program Review - U.S. Region

In the U.S. Region, as determined by Visa, a Visa-approved entity may conduct a periodic review of an Acquirer's operations at any time to ensure compliance with the Acquirer Risk Program requirements.

The U.S. Acquirer must provide a copy of the review report to Visa upon request.

The Acquirer is responsible for the cost of the periodic review.

ID#: 010410-010410-0008053

Compliance Monitoring

Member Activity Monitoring Requirements

Merchant Chargeback Activity Monitoring

An Acquirer must monitor the Chargeback-to-Transaction volume ratio of its Merchants and identify any Merchant that:

- Receives more than 100 Chargebacks per month
- Exceeds a Chargeback-to-Transaction volume ratio of 3%

ID#: 010410-010410-0002415

Merchant Weekly Activity Monitoring

An Acquirer must do all of the following for each of its Merchants:

- Retain at least the following weekly data:
 - Gross sales volume
 - Average Transaction amount
 - Number of Transaction Receipts
 - Average elapsed time between the Transaction Date of the Transaction Receipt and the Endorsement Date or Settlement Date (counting each as one day)
 - Number of Chargebacks
- Collect the data over a period of at least 1 month, beginning 30 calendar days after the Merchant Outlet's initial Deposit
- Use the data to determine the Merchant Outlet's normal weekly activity of the categories specified above

- Begin with the Merchant Outlet Deposit activity processed on the 31st calendar day from the first Deposit
- Adjust the Merchant Outlet's normal weekly activity on a monthly basis, using the previous month's activity
- Compare current related data to the normal weekly activity parameters

ID#: 010410-010410-0002416

Merchant Compliance Monitoring

An Acquirer must immediately investigate a Merchant that exceeds the parameters specified in "Member Activity Monitoring Requirements." The Acquirer must ensure Merchant compliance with the *Visa International Operating Regulations* and confirm the existence of risk control procedures by conducting:

- A physical inspection of the Merchant location
- An audit of the Merchant Website, if applicable

ID#: 010410-010410-0002418

Merchant Exception Reports

An Acquirer must generate exception reports if either the:

- Current weekly Merchant gross sales volume equals or exceeds US \$5,000, or local currency equivalent, and any of the following exceeds 150% of the normal weekly activity:
 - Number of weekly Transaction Receipt Deposits
 - Gross amount of weekly Deposits
 - Average Transaction amount
 - Number of weekly Chargebacks
- Average elapsed time between the Transaction Date and the Endorsement Date or Settlement Date for a Transaction (counting each as one day respectively) exceeds 15 calendar days

ID#: 010410-010410-0002417

Acquirer Investigation of Merchant

An Acquirer must investigate any Merchant Outlet appearing on an exception report, as specified in "Merchant Exception Reports," When the investigation reveals Merchant involvement in illegal activity, the Acquirer must:

- Cooperate fully with Visa in any investigation, and release all information relative to the Merchant upon request
- Take appropriate legal action to minimize losses if the investigation reveals illegal or fraudulent activity

- Cooperate with Issuers and law enforcement agencies
- Attempt to make the Merchant responsible for the Transaction
- Hold funds, if possible
- Initiate criminal and civil proceedings against the Merchant, if applicable

ID#: 111011-010410-0002419

Merchant Activity Monitoring Standards Fines and Penalties

An Acquirer that fails to comply with the Merchant Activity Monitoring Standards is subject to the fines and penalties specified in "General Fines Schedule."

ID#: 010410-010410-0002421

Payment Service Provider and Sponsored Merchant Activity Monitoring

Effective 1 July 2011, an Acquirer must comply with Merchant monitoring standards for each of its Payment Service Providers (PSP), as specified in "High-Risk Merchant Monitoring." Sponsored Merchants that exceed Visa thresholds for excessive Chargebacks or Fraud Activity will be subject to monitoring programs, as specified in "Compliance Monitoring."

Effective 1 July 2011, an Acquirer may delegate Sponsored Merchant underwriting and risk monitoring to its PSP if the PSP fulfills the above requirements.

ID#: 111011-010711-0026439

Acquirer Compliance Requirements - AP Region

Before accepting Visa Transactions, an AP Acquirer must comply with the *Visa International Operating Regulations*. In addition, the Acquirer must:

- Complete a self-audit questionnaire
- Submit the completed self-audit questionnaire to Visa
- Implement prudent industry practices

If a review of the self-audit questionnaire identifies areas where the *Visa International Operating Regulations* have been violated, or the AP Acquirer failed to establish and implement prudent industry practices, the Acquirer must provide Visa with an explanation of the corrective actions to be taken and an implementation schedule.

ID#: 010410-010410-0003982

Acquirer Monitoring Fee - AP Region

An AP Acquirer must pay a quarterly Acquirer monitoring fee, as specified in the *Visa Asia Pacific Fee Guide*.

ID#: 081010-010410-0006047

Central Deposit Monitoring Requirements - LAC Region

An LAC Acquirer must conduct an investigation of any Merchant Outlet appearing in a Central Deposit Monitoring report within 3 calendar days of receipt of the report. If the investigation reveals Merchant involvement in any of the following, the Acquirer must take the appropriate action, as specified in this section:

- Illegal activity
- Violation of the *Visa International Operating Regulations* or Merchant contract
- Activities likely to produce losses to Visa Members

If the Merchant is involved in any of the above activities, the Acquirer must:

- Cooperate with Visa, Issuers, and law enforcement agencies in any investigation
- Release all information regarding the Merchant upon request
- Terminate the Merchant, if appropriate
- Hold funds, if possible and legal
- Initiate criminal or civil proceedings against the Merchant, if applicable
- Take appropriate legal action to minimize losses, if the investigation discloses illegal or fraudulent activity

ID#: 010410-010410-0008119

Acquirer Monitoring Program Inspection - LAC Region

Visa may, on a quarterly basis, inspect the LAC Acquirer's and/or Agent's facilities when the quarterly amount of confirmed purchase fraud exceeds US \$100,000 and the quarterly average of confirmed fraud purchase Transactions as a percentage of purchase sales volume for its affiliated Merchants exceeds 0.30%.

ID#: 050411-010410-0000577

Acquirer Monitoring Program Inspection Costs - LAC Region

Visa will collect from the LAC Acquirer the costs and expenses incurred in connection with all inspections. The on-site inspection fee is described in the *Visa LAC Fee Guide* or applicable local fee guide.

ID#: 050411-010410-0000579

Merchant Chargeback Activity Monitoring - U.S. Region

A U.S. Acquirer must monitor the Chargeback-to-Interchange volume ratio of its Merchants and identify any Merchant that experiences the following activity levels during any month:

- 100 or more Interchange Transactions
- 100 or more Chargebacks
- A 1% or higher ratio of overall Chargeback-to-Interchange volume

ID#: 010410-010410-0002220

Merchant Weekly Activity Reporting - U.S. Region

A U.S. Acquirer must, at a minimum, do all of the following for each of its Merchants:

- Retain at least the following weekly data:
 - Gross sales volume
 - Average Transaction amount
 - Number of Transaction Receipts
 - Average elapsed time between the Transaction Date of the Transaction Receipt and the Acquirer's Processing Date (counting each as one day)
 - Number of Chargebacks
- Collect the data over a period of the month following the Merchant Outlet's initial Deposit
- Use the data to determine the Merchant Outlet's normal weekly activity of the specified categories
- Adjust the Merchant Outlet's normal weekly activity on a monthly basis, using the previous month's activity
- Compare current related data to the normal weekly activity parameters

ID#: 010410-010410-0002221

Merchant Exception Reports - U.S. Region

Beginning with the Merchant Outlet Deposit activity processed on the 31st calendar day from the first Deposit, a U.S. Acquirer must generate unusual activity reports if either of the following occurs:

- Current weekly gross sales volume equals or exceeds US \$5,000 and any of the following meets or exceeds 150% of the normal weekly activity:
 - Number of weekly Transaction Receipt Deposits
 - Gross amount of weekly Deposits
 - Average Transaction amount
 - Number of weekly Chargebacks
- Average elapsed time between the Transaction Date and the Acquirer's Processing Date for a Transaction (counting each as one day) exceeds 15 calendar days

ID#: 010410-010410-0002223

Internet Payment Service Provider and Sponsored Merchant Activity Monitoring - U.S. Region

Effective through 30 June 2011, a U.S. Acquirer must comply with Merchant monitoring standards for each Internet Payment Service Provider, as specified in "High-Risk Telemarketing Merchant Monitoring - U.S. Region."

Sponsored Merchants that exceed Visa thresholds for excessive Chargebacks, as specified in "Merchant Chargeback Monitoring Program - U.S. Region" and Fraud Activity, as specified in "Risk Identification Service Online Fines - U.S. Region," and "Excessive Fraud Activity Notification - U.S. Region," for more than three months will be subject to RIS Online and Merchant Chargeback Monitoring Programs.

ID#: 111011-010410-0003940

Chargeback Monitoring

Global Merchant Chargeback Monitoring Program Overview

Visa monitors Merchant Outlets and Acquirers that generate an excessive level of international Chargebacks through the Global Merchant Chargeback Monitoring Program as noted below. Disputes related to Chargeback Reason Code 93, "Merchant Fraud Performance Program," are excluded from program monitoring.

A Merchant Outlet is identified in the Global Merchant Chargeback Monitoring Program if it meets or exceeds **all** of the following monthly performance activity levels:

- 200 international Chargebacks
- 200 International Transactions
- 2% ratio of international Chargebacks to International Transactions

An Acquirer is identified in the Global Merchant Chargeback Monitoring Program if it meets or exceeds **all** of the following monthly performance activity levels:

- 500 international Chargebacks
- 500 International Transactions
- 1.5% ratio of international Chargebacks to International Transactions
- One or more Merchants in the program during the reporting month

Visa may modify or create new monthly performance levels to respond to different Chargeback and fraud trends that emerge.

Additional operational details regarding the program are specified in the *Visa Global Merchant Chargeback Monitoring Program (GMCMP) Program Guide*.

ID#: 111011-010410-0006039

Global Merchant Chargeback Monitoring Program Handling Fees

Visa assesses an Acquirer a Chargeback handling fee of US \$100 for each international Chargeback received for each identified Merchant Outlet once the Merchant has been placed in the Global Merchant Chargeback Monitoring Program.

Visa collects the Chargeback handling fee from the Acquirer and disburses US \$70 to the Issuer that initiated the Chargeback through the Visa Integrated Billing Statement. Visa retains the balance as an administration fee.

If the Acquirer and Merchant have not implemented procedures to reduce Chargebacks, Visa may assess the Acquirer an increased Chargeback handling fee not exceeding US \$200 for each international Chargeback received for its Merchant.

Visa may, at its discretion, assess the Acquirer Chargeback handling fees for Trailing Chargeback Activity that occurs up to 4 months after Merchant termination, regardless of sales volume.

ID#: 111011-010410-0008120

Global Merchant Chargeback Monitoring Program Fees and/or Fines - Visa Rights

Visa may assess, suspend, or waive fees and/or fines, in whole or in part, to accommodate unique or extenuating circumstances. Global Merchant Chargeback Monitoring Program fees and/or fines will no longer be assessed once the Merchant has met acceptable performance levels; however, fees and/or fines may continue to be assessed, or a Merchant may be prohibited from participating in the Visa Program, as specified in the "High-Risk Merchants in the Global Merchant Chargeback Monitoring Program - Acquirer Penalties" table or "Visa Right to Terminate Merchant, Payment Service Provider, or Sponsored Merchant," if Visa determines that the Merchant is causing undue economic hardship to the Visa system as a result of high dispute volumes.

ID#: 111011-010410-0001877

Global Merchant Chargeback Monitoring Program Penalties

Visa assesses Global Merchant Chargeback Monitoring Program penalties to the Acquirer, as described in the following tables.

Penalties for Global Merchant Chargeback Monitoring Program - Merchant-Level Thresholds

Event	Visa Action/Fee
1. Merchant Outlet meets or exceeds the Chargeback activity thresholds, as specified in "Global Merchant Chargeback Monitoring Program Overview," in months 1-3 (month 1 = initial notification)	<ul style="list-style-type: none"> • Workout Period¹ • No fee
2. Merchant Outlet meets or exceeds the Chargeback activity thresholds, as specified in "Global Merchant Chargeback Monitoring Program Overview," in months 4-9	<ul style="list-style-type: none"> • US \$100 per international Chargeback for every month the Merchant meets or exceeds the program thresholds² • If the Acquirer and Merchant have not implemented procedures to reduce Chargebacks, Visa may assess the Acquirer a fee of US \$200 for each international Chargeback received for its Merchant²
3. Merchant Outlet meets or exceeds the Chargeback activity thresholds, as specified in "Global Merchant Chargeback Monitoring Program Overview," beyond month 9	<ul style="list-style-type: none"> • US \$100 per international Chargeback for every month the Merchant meets or exceeds the program thresholds² • If the Acquirer and Merchant have not implemented procedures to reduce Chargebacks, Visa may assess the Acquirer a fee of US \$200 for each international Chargeback received for its Merchant² • Acquirer is eligible for US \$25,000 review fee • Visa may initiate Merchant disqualification processes against a Merchant Outlet and/or its principals
<p>1. Effective through 31 May 2011, the Workout period is not applicable for Acquirer-level thresholds or High-Risk Merchants, as specified in "High-Risk Merchant Category Codes." Effective 1 June 2011, the Workout Period is not applicable for Acquirer-level thresholds, High-Risk Merchants or High-Brand Risk Merchants, as specified in "High-Brand Risk Merchant Category Codes."</p> <p>2. Visa allocates US \$70 of each fee to the Issuer via a Funds Disbursement.</p>	

Penalties for Global Merchant Chargeback Monitoring Program - Acquirer-Level Thresholds

Event	Requirements/Fine
1. Acquirer meets or exceeds the Chargeback activity thresholds as specified in "Global Merchant Chargeback Monitoring Program Overview"	US \$25,000 for every month the Acquirer meets or exceeds the program thresholds
2. Acquirer meets or exceeds the Chargeback activity thresholds, as specified in "Global Merchant Chargeback Monitoring Program Overview," more than 3 times in a rolling 12-month period	US \$50,000 for every month the Acquirer meets or exceeds the program thresholds
3. Acquirer meets or exceeds the Chargeback activity thresholds, as specified in "Global Merchant Chargeback Monitoring Program Overview," more than 6 times in a rolling 12-month period	<ul style="list-style-type: none"> • US \$100,000 for each subsequent month the threshold is met or exceeded • Acquirer is eligible for the imposition of Risk Reduction Procedures as specified in "Member Risk Reduction Requirements" • Visa may apply additional fines for repetitive or willful violations, as specified in "Repetitive Violations" and "Willful Violations"

ID#: 151011-010610-0025677

Global Merchant Chargeback Monitoring Program - Revocation of Workout Period

Visa may, at its discretion, revoke the Workout Period of a Merchant in the Global Merchant Chargeback Monitoring Program if Visa deems that the Merchant's activities may cause undue harm to the goodwill of the Visa payment system.

ID#: 111011-010610-0025678

Global Merchant Chargeback Monitoring Program - Merchant Status

A Merchant that changes Acquirers while in the Global Merchant Chargeback Monitoring Program will be assigned the equivalent status in the program with the new Acquirer.

ID#: 111011-010610-0025679

Global Merchant Chargeback Monitoring Program - Data Quality Compliance

To enable valid Global Merchant Chargeback Monitoring Program identifications, an Acquirer must:

- Ensure Merchant names and Merchant data are identified in accordance with the *Visa Merchant Data Standards Manual*
- Provide complete and accurate Authorization and Settlement data

If Visa determines that an Acquirer or its Merchant changed, modified, or altered the Merchant name or Merchant data in any way to circumvent the Global Merchant Chargeback Monitoring Program, Visa may:

- Assess a fine of US \$10,000 per Merchant, per month, to the Acquirer
- Permanently disqualify the Merchant and its principals from participating in the Visa Program

For the purposes of administering Merchant compliance under the Global Merchant Chargeback Monitoring Program, if an Acquirer submits Interchange for a single Merchant Outlet under multiple names, Visa may:

- Group the Merchant activity
- Notify the Acquirer of the Interchange grouping

Effective 1 June 2011 through 30 June 2011, Visa may evaluate Internet Payment Service Provider (IPSP) performance either by aggregating all Interchange activity together or at the Sponsored Merchant level.

Effective 1 July 2011, Visa may evaluate Payment Service Provider performance either by aggregating all Interchange activity together or at the Sponsored Merchant level.

ID#: 111011-010610-0025680

Merchant Chargeback Monitoring Program - U.S. Region

Visa monitors the total volume of U.S. Domestic and International Interchange and Chargebacks for a single Merchant Outlet and identifies U.S. Merchants that experience all of the following activity levels during any month:

- 100 or more interchange transactions
- 100 or more Chargebacks
- A 1% or higher ratio of overall Chargeback-to-Interchange volume

For the purposes of the U.S. Merchant Chargeback Monitoring Programs, if an Acquirer submits Interchange for a single Merchant Outlet under multiple names, Visa:

- Groups the Merchant activity
- Notifies the respective Acquirer of the Interchange grouping

ID#: 081010-010410-0008123

Merchant Chargeback Monitoring Program - Merchant Region - U.S. Region

A Merchant Outlet that moves to the U.S. Region at the time that it is in another Visa Region's Chargeback monitoring program will be assigned the equivalent status in the U.S. Region's comparable Chargeback monitoring program.

ID#: 010410-010410-0002352

Merchant Chargeback Monitoring Program - Acquirer Requirements - U.S. Region

Within 10 calendar days of receipt of a Notification that a Merchant Outlet has met or exceeded the thresholds specified in "Merchant Chargeback Monitoring Program - U.S. Region," a U.S. Acquirer must:

- Notify the Merchant
- Provide Visa with the specific information requested

ID#: 010410-010410-0002356

Merchant Chargeback Monitoring Program Fees - U.S. Region

Visa assesses Merchant Chargeback Monitoring Program fees to a U.S. Acquirer, as described in the table below.

Merchant Chargeback Monitoring Program Fees - U.S. Region

Event	Requirements/Fee
1. U.S. Merchant Outlet meets or exceeds the Chargeback activity thresholds specified in "Merchant Chargeback Monitoring Program - US Region"	Initial Notification - month 0 <ul style="list-style-type: none"> • No fee
2. U.S. Merchant Outlet continues to meet or exceed the Chargeback activity thresholds for the month following initial Notification	Notification - month 1 <ul style="list-style-type: none"> • US \$5,000 for failure to return completed documentation within 10 calendar days of the Notification letter date • US \$1,000 per day until completed documentation is received
3. U.S. Merchant Outlet continues to meet or exceed the Chargeback activity thresholds for the second month	Notification - month 2 <ul style="list-style-type: none"> • US \$10,000 for failure to respond with an acceptable Chargeback reduction plan within 10 calendar days of the Notification letter date • US \$1,000 per day until acceptable Chargeback reduction plan is received

Event	Requirements/Fee
4. U.S. Merchant Outlet continues to meet or exceed the Chargeback activity thresholds for months 3, 4, and 5	<ul style="list-style-type: none"> US \$50 per Chargeback for every month the Merchant continues to meet or exceed the Chargeback thresholds¹
5. U.S. Merchant Outlet continues to meet or exceed the Chargeback activity thresholds for months 6 and 7	<ul style="list-style-type: none"> US \$100 per Chargeback for every month the Merchant continues to meet or exceed the Chargeback thresholds²
6. U.S. Merchant Outlet continues to meet or exceed the Chargeback activity thresholds for months 8 and 9	<ul style="list-style-type: none"> US \$25,000 review fee US \$100 per Chargeback for every month the Merchant continues to meet or exceed the Chargeback thresholds²
7. U.S. Merchant Outlet continues to meet or exceed the Chargeback activity thresholds beyond month 9	<ul style="list-style-type: none"> US \$100 per Chargeback for every month the Merchant continues to meet or exceed the Chargeback thresholds² Merchant and its principals eligible for disqualification proceedings, as specified in "Critical Chargeback Levels - U.S. Region"
<p>1. Visa allocates US \$40 of each fee to the Issuer via a Funds Disbursement.</p> <p>2. Visa allocates US \$90 of each fee to the Issuer via a Funds Disbursement.</p>	

ID#: 050411-010410-0003490

Chargeback Activity Fines - U.S. Region

Fines for Chargeback activity may continue to be assessed to a U.S. Acquirer:

- For all Trailing Chargeback Activity that occurs up to 120 calendar days after Transaction processing has ceased
- Equivalent to the penalties being assessed to the Acquirer, as specified in "Merchant Chargeback Monitoring Program Fees - U.S. Region," at the time Transaction processing ceased

ID#: 010410-010410-0002358

Merchant Chargeback Monitoring Program - Merchant Disqualification - U.S. Region

If a U.S. Merchant Outlet continues to meet or exceed the Chargeback thresholds beyond the periods specified in "Merchant Chargeback Monitoring Program Fees - U.S. Region," Visa may permanently disqualify the Merchant from participating in the Visa Program. Visa notifies both the Acquirer and Merchant of the disqualification and its effective date.

ID#: 010410-010410-0002359

Critical Chargeback Levels - U.S. Region

If a U.S. Merchant Outlet demonstrates a critical level of Chargeback-to-Interchange volume at any time during a given month, Visa may require the U.S. Acquirer to terminate the Merchant Agreement.

ID#: 010410-010410-0002360

Acquirer Chargeback Monitoring Program - U.S. Region

Visa monitors the total volume of U.S. Domestic and International Interchange and Chargebacks for any U.S. Acquirer that experiences all the following activity levels during any month:

- 500 or more interchange transactions
- 500 or more Chargebacks
- A 1% or higher ratio of overall Chargeback-to-Interchange volume

ID#: 050411-010410-0002361

Acquirer Processing Activity Review - U.S. Region

For any U.S. Acquirer that has 3 or more Merchants in the Chargeback monitoring programs for 6 consecutive months, Visa may conduct a review of the U.S. Acquirer's and/or Merchants' Visa Card-related processing activities:

- A senior officer of the Acquirer, as determined by Visa, is required to be present during the review process
- The Acquirer must take action on all recommendations resulting from the review, as directed by Visa

ID#: 010410-010410-0002368

Acquirer Chargeback Monitoring Program Penalties - U.S. Region

If Visa suspects that a U.S. Acquirer has terminated a Merchant Agreement and knowingly entered into a new Merchant Agreement with the same Merchant under a different name, with the intent to circumvent the provisions of the "Acquirer Chargeback Monitoring Program - U.S. Region," Visa:

- Assesses a fine, 60 calendar days after Acquirer Notification, as specified in "Acquirer Chargeback Monitoring Program Fees - U.S. Region" table
- May permanently disqualify the Merchant and its principals from participating in the Visa Program

The Acquirer may appeal to Visa during the 60-calendar-day period. If the Acquirer appeals, the Acquirer must provide evidence to disprove the suspected activity.

ID#: 010410-010410-0008129

Acquirer Chargeback Monitoring Program Fees - U.S. Region

Visa assesses Acquirer Chargeback Monitoring Program fees to a U.S. Acquirer, as described in the following table.

Acquirer Chargeback Monitoring Program Fees - U.S. Region

Event	Requirements/Fee
1. Acquirer knowingly attempts to circumvent the provisions of "Acquirer Chargeback Monitoring Program - U.S. Region"	US \$25,000 assessed 60 calendar days after Notification to the Acquirer
2. Acquirer meets or exceeds the Chargeback activity thresholds specified in "Acquirer Chargeback Monitoring Program - U.S. Region"	US \$25,000
3. Acquirer meets or exceeds the Chargeback activity thresholds more than 3 times in a rolling 12-month period	US \$100,000 for each subsequent month that either threshold is exceeded
4. Acquirer has had 3 or more Merchants in the Merchant Chargeback Monitoring Programs for 6 consecutive months	Daily review fee of at least US \$2,500, with a one-week minimum fee of US \$17,500, assessed while a review of the Acquirer's and/or Merchants' Visa Card-related processing activities is being conducted, as specified in "Acquirer Processing Activity Review - U.S. Region"
5. Acquirer fails to take action on recommendations resulting from a review of the Acquirer's and/or Merchants' Visa Card-related processing activities	US \$75,000 minimum

ID#: 010410-010410-0003491

Global Merchant Chargeback Monitoring Program - U.S. Region

The Acquirer of a U.S. Merchant in the Global Merchant Chargeback Monitoring Program, as specified in the *Visa International Operating Regulations*, is subject to the terms of that program for the Merchant's total volume of U.S. Domestic and International Chargebacks.

ID#: 010410-010410-0002369

Fraud Monitoring

Acquirer Monitoring Program

Visa monitors an Acquirer to determine disproportionate fraud-to-sales ratios.

An Acquirer exceeding 3 times the worldwide or regional fraud-to-sales ratio for more than one quarter will be considered non-compliant and may be subject, but not limited, to the following fines and penalties:

- Monetary fines specified in the applicable Visa Regional Operating Regulations
- Temporary suspension of contracting with new Merchants
- Termination of membership

ID#: 010410-010410-0008130

Merchant Fraud Performance Program Description

The Merchant Fraud Performance Program measures Merchant Outlet activity and identifies Merchant Outlets requiring performance improvement when fraud thresholds are met or exceeded, as specified in the *Merchant Fraud Performance Program - Program Guide*. If a Merchant Outlet continues to meet or exceed the fraud performance thresholds:

- The Acquirer will be liable under Chargeback Reason Code 93, "Merchant Fraud Performance Program," for fraudulent Transactions at Merchant Outlets in the program
- Visa will apply escalating financial penalties to the Acquirer
- Visa may ultimately disqualify the Merchant Outlet from the Visa payment system

ID#: 111011-010410-0000608

Merchant Fraud Performance Program Compliance

An Acquirer must comply with the Merchant Fraud Performance Program requirements specified in the *Merchant Fraud Performance Program - Program Guide*.

ID#: 050411-010410-0002396

Merchant Fraud Performance Program Requirements

An Acquirer must address any fraud exposure attributed to a Merchant Outlet that is identified by the Merchant Fraud Performance Program within the time period specified in the *Merchant Fraud Performance Program - Program Guide* or face possible corrective actions.

ID#: 050411-010410-0001864

Acquirer Performance Monitoring Program - AP Region

The Acquirer Performance Monitoring Program monitors AP Acquirers to determine disproportionate fraud-to-sales ratios and identifies Acquirers requiring performance improvements when fraud thresholds are met or exceeded, as specified in the *Visa Acquirer Performance Monitoring Program Guide - Asia Pacific and Central Europe, Middle East, and Africa*. If an Acquirer exceeds the limits specified in the guide, it may be subject to an on-site Acquirer performance review by Visa.

An AP Acquirer is subject to the penalties specified in the following table for failure to take appropriate action if it is identified by Visa under the Acquirer Performance Monitoring Program, as specified in the *Visa Acquirer Performance Monitoring Guide - Asia Pacific and Central Europe, Middle East, and Africa*. Visa may review and modify the program thresholds and framework on a periodic basis, based on current fraud trends.

Acquirer Performance Monitoring Program Penalty Schedule - AP Region

Violation (Based on each quarter the Acquirer exceeds the thresholds after the workout period)	Visa Action or Fine
First violation	US \$25,000
Second consecutive violation	US \$50,000
3 or more consecutive violations	US \$100,000 for every subsequent violation per quarter OR Visa may revoke or suspend the Acquirer's license

ID#: 050411-011008-0008180

Merchant Fraud Performance Program - AP Region

An AP Merchant Outlet is identified in the Merchant Fraud Performance Program if it violates the *Visa International Operating Regulations* or if it meets or exceeds monthly international fraud levels specified in the *Visa Asia Pacific Merchant Fraud Performance Program Guide*. Visa may modify or create new monthly performance levels after evaluation of the program's success in identifying Merchants that cause undue economic hardship or damage to the goodwill of the Visa system.

ID#: 010410-010410-0000612

Domestic Merchant Fraud Performance Program - Canada Region (Updated)

Canada Members must comply with the requirements of the Canada Region's Domestic Merchant Fraud Performance Program, as detailed in the *Domestic Merchant Fraud Performance User's Manual (Canada)* available at on Visa Online.

ID#: 160312-010410-0000616

Risk Reduction Assistance - CEMEA Region

Once a CEMEA Member has exceeded risk program parameters, Visa may offer the Member assistance in implementing risk reduction strategies.

Visa assistance, where deemed necessary, may consist of a CEMEA Member onsite visit and the provision of a risk reduction recommendations report.

ID#: 010410-010410-0009033

Implementation of Risk Reduction Recommendations - CEMEA Region

CEMEA Members that fail to demonstrate implementation of Visa risk reduction recommendations and/or remain in violation of Visa risk programs may be subject to a transfer of Transaction financial liability using Chargeback reason code 93, "Merchant Fraud Performance Program."

ID#: 010410-010410-0002279

Fraud Activity Advices - U.S. Region

A program advice is sent to the U.S. Acquirer for each month that Fraud Activity exceeds all of the following thresholds:

- 100 or more occurrences of Fraud Activity
- Fraud Activity amount in excess of US \$50,000 per month
- Acquirer Fraud Activity-to-sales ratio of 2 to 3 times the average U.S. Fraud Activity-to-sales ratio

ID#: 010410-010410-0002089

Critical Fraud Activity Levels - U.S. Region

Visa may impose any of the following conditions on a U.S. Acquirer whose Fraud Activity-to-sales ratio is 3 or more times the average U.S. Fraud Activity-to-sales ratio for 3 consecutive months:

- Onsite review by Visa
- Required corrective actions
- Suspension of the Acquirer program
- Termination of membership

ID#: 010410-010410-0002092

Acquirer Monitoring Program Onsite Review - U.S. Region

In the U.S. Region, if Visa determines that an onsite review is required, the U.S. Acquirer will be assessed a review fee of US \$2,500, with a one-week minimum fee of US \$17,500.

ID#: 010410-010410-0008179

Fraud Activity Alerts - U.S. Region

A program Alert is sent to a U.S. Acquirer for each month that Fraud Activity exceeds all of the following thresholds:

- 100 or more occurrences of Fraud Activity
- Fraud Activity amount in excess of US \$50,000 per month
- Acquirer Fraud Activity-to-sales ratio of 3 or more times the average U.S. Fraud Activity-to-sales ratio

Following the receipt of an Acquirer Monitoring Program Alert, the U.S. Acquirer must immediately implement a remedial plan to reduce its Fraud Activity-to-sales ratio.

Upon receipt of the third consecutive program Alert, the U.S. Acquirer will enter a 3-month Workout Period.

Visa monitors the effectiveness of the remedial plan during the Workout Period.

ID#: 010410-010410-0009027

Acquirer Monitoring Program Fines - U.S. Region

Beginning the first month after the Workout Period, Visa assesses the following fines if an Acquirer's monthly Fraud Activity-to-sales ratio exceeds the Acquirer Monitoring Program Alert thresholds:

Fines for Excessive Fraud Activity-to-Sales Ratio - U.S. Region

Month Following Workout Period	Fine
First month	US \$25,000
Second month	US \$50,000
Third month	US \$75,000
Fourth and subsequent months	US \$100,000

Until the U.S. Acquirer's Fraud Activity-to-sales ratio remains below the program Alert thresholds for 3 consecutive months, a fee will be assessed each month the ratio exceeds the program Alert thresholds.

ID#: 010410-010410-0009029

Acquirer Monitoring Circumvention - U.S. Region

Visa may:

- Impose conditions on a U.S. Acquirer that knowingly acts to circumvent monitoring
- Assess fees, as specified in "Fines for Excessive Fraud Activity-to-Sales Ratio," table to an Acquirer that knowingly acts to circumvent monitoring

ID#: 010410-010410-0003489

Excessive Fraud Activity Notification - U.S. Region

A U.S. Acquirer that receives an Excessive Fraud Activity Notification for one of its Merchants enters a 3-month Workout Period, and is subject to the requirements in the table below.

Within 10 calendar days of receipt of the Notification of fraud activity, the U.S. Acquirer must:

- Notify the Merchant
- Provide Visa with the specific information requested

Fraud Activity thresholds are available from Visa upon request.

An Identified Merchant will enter a remediation program that may last up to 10 months.

Risk Identification Service Online Workout Period - U.S. Region

Event	Requirements
U.S. Acquirer receives an Excessive Fraud Activity Notification, and enters a 3-month workout period.	Initial Excessive Fraud Activity Notification. No fee <ul style="list-style-type: none"> • Acquirer must complete a "Risk Identification Service Online Questionnaire" and submit it to Visa within 10 days of receipt of the Notification, and take further action as specified above

Event	Requirements
Workout Period U.S. Acquirer receives Excessive Fraud Activity Notification(s).	Workout Period - month 1. No fee <ul style="list-style-type: none"> • Acquirer must submit to Visa a fraud reduction plan detailing corrective actions by the 15th of the month following the month in which the initial Excessive Fraud Activity Notification was received. If an acceptable plan is not submitted, the Acquirer immediately enters the fee period, and may be subject to the fee period requirements for month 1¹ Workout Period - month 2. No fee <ul style="list-style-type: none"> • Acquirer evaluates the effectiveness of the fraud reduction plan and makes adjustments, as necessary Workout Period - month 3. No fee <ul style="list-style-type: none"> • Acquirer continues to evaluate the effectiveness of the fraud reduction plan and makes adjustments, as necessary
1. If a U.S. Acquirer bypasses the Workout Period and enters the fee period, the fee schedule progresses each subsequent month from US \$10,000 to US \$100,000, according to the increments specified in "Risk Identification Service (RIS) Online Fine Schedule - U.S. Region."	

ID#: 050411-010410-0008131

Risk Identification Service Online Merchant Name Consolidation - U.S. Region

For the purposes of Risk Identification Service (RIS) Online in the U.S. Region, if Visa determines that Transactions from a single Merchant are entered into Interchange under multiple names, Visa may:

- Consolidate the Merchant activity from all names into one
- Designate and monitor the Merchant as an Identified Merchant
- Track and report the consolidated Merchant activity under current RIS Online parameters

ID#: 010410-010410-0003483

Risk Identification Service Online Fines - U.S. Region

Visa assesses the following fines, as specified in the table below, to a U.S. Acquirer after the 3-month Workout Period, as described in "Excessive Fraud Activity Notification - U.S. Region."

Risk Identification Service (RIS) Online Fine Schedule - U.S. Region

Event	Requirements/Fine
Fine Period - month 1 ¹ Acquirer receives Excessive Fraud Activity Notification ²	US \$10,000
Fine Period - month 2 or 3 Acquirer receives Excessive Fraud Activity Notification ²	US \$25,000
Fine Period - month 4 Acquirer receives Excessive Fraud Activity Notification ²	US \$50,000
Fine Period - month 5 Acquirer receives Excessive Fraud Activity Notification ²	US \$75,000
Fine Period - month 6 Acquirer receives Excessive Fraud Activity Notification ²	US \$100,000
Fine Period - beyond month 6 Acquirer receives subsequent Excessive Fraud Activity Notification(s) ²	<ul style="list-style-type: none"> • US \$100,000 per month • Merchant and its principal(s) eligible for disqualification proceedings, as specified in "Critical Chargeback Levels - U.S. Region"
<p>1. The Risk Identification Service Online remediation process, including Notification requirements, is described in "Excessive Fraud Activity Notification - U.S. Region."</p> <p>2. An Identified Merchant must remain below RIS Online Notification thresholds that incur a fine for at least 3 consecutive months for the Acquirer to exit the fine period specified in this table.</p>	

ID#: 111011-010410-0003481

Merchant Fraud Activity Monitoring - Merchant Region - U.S. Region

A U.S. Merchant Outlet that is in a Merchant Fraud Activity monitoring program in another Visa region and moves to the U.S. Region is assigned the equivalent status in the RIS Online Fraud Activity monitoring program.

ID#: 010410-010410-0001866

Critical Merchant Fraud Activity Level - U.S. Region

In the U.S. Region, if an Identified Merchant demonstrates a critical level of Fraud Activity-to-sales ratio at any time during a given month, Visa may require the Acquirer to terminate the Merchant Agreement.

ID#: 010410-010410-0001871

Risk Identification Service Online - Merchant Data Alteration - U.S. Region

If Visa determines that a U.S. Acquirer or its Merchant changed, modified, or altered Merchant data in any way to avoid detection by Risk Identification Service (RIS) Online, Visa may assess a US \$25,000 fee to the Acquirer for each occurrence identified.

ID#: 010410-010410-0003482

Risk Identification Service Online Conditions and Fees - U.S. Region

Visa may:

- Impose conditions on a U.S. Acquirer if any of its Merchants are designated as an Identified Merchant by RIS Online
- Assess a daily review fee of at least US \$2,500, with a one-week minimum fee of US \$17,500, if an onsite review is required

ID#: 010410-010410-0003484

High-Brand Risk Merchant Monitoring

High-Brand Risk Merchant Identification

Effective 1 June 2011, Visa may revise the penalties and criteria used to identify a High-Brand Risk Merchant.

ID#: 111011-010611-0026344

High-Brand Risk Merchant Category Codes

A Merchant required to use one of the following Merchant Category Codes is considered high-risk:

- 5962, "Direct Marketing-Travel-Related Arrangement Services"
- 5966, "Direct Marketing-Outbound Telemarketing Merchants"
- 5967, "Direct Marketing-Inbound Telemarketing Merchants"

- 7995, "Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks"
- **Effective 1 June 2011**, 5912, "Drug Stores, Pharmacies"
- **Effective 1 June 2011**, 5122, "Drugs, Drug Proprietaries, Druggist Sundries"

ID#: 111011-010410-0008137

Global Merchant Chargeback Monitoring Program - High-Brand Risk Merchants - Penalties

Effective through 31 May 2011, the following table specifies the penalties per international Chargeback for Acquirers of High-Risk Merchants placed in the Global Merchant Chargeback Monitoring Program.

Effective 1 June 2011, the following table specifies the penalties per international Chargeback for Acquirers of High-Brand Risk Merchants placed in the Global Merchant Chargeback Monitoring Program.

High-Brand Risk Merchants in the Global Merchant Chargeback Monitoring Program - Acquirer Penalties

Event	Month	Visa Action or Fee/Fine
Merchant meets or exceeds the specified Chargeback ratio ¹	Months 1-3	US \$100 per Chargeback per month for each identified Merchant Outlet ²
Merchant meets or exceeds the specified Chargeback ratio ¹	Months 4-6	US \$150 per Chargeback per month for each identified Merchant Outlet ²
Merchant meets or exceeds the specified Chargeback ratio ¹	Month 7 and subsequent months	US \$150 per Chargeback per month for each identified Merchant Outlet ² and Visa may disqualify the Merchant from participation in the Visa Program
Merchant meets or exceeds the specified Chargeback ratio ¹ without an effective Chargeback reduction plan, and 2 of the following levels of Chargeback activity are reached: <ul style="list-style-type: none"> • Merchant's Chargeback ratio is 2 or more times the specified Chargeback ratio • Merchant is assessed fees for 3,000 or more Chargebacks • Merchant is assessed US \$1 million or more in Global Merchant Chargeback Monitoring Program fees 	Single month Single month When reached	Visa may disqualify the Merchant from participation in the Visa Program

Event	Month	Visa Action or Fee/Fine
<p>Effective through 31 May 2011, Acquirer does not identify a High-Risk Merchant with the correct Merchant Category Code, as specified in "High-Risk Merchant Category Codes"</p> <p>Effective 1 June 2011, Acquirer does not identify a High-Brand Risk Merchant with the correct Merchant Category Code, as specified in "High-Brand Risk Merchant Category Codes"</p>	When violation occurs	US \$25,000 per Merchant per month
<ol style="list-style-type: none"> 1. The Chargeback ratio threshold is 2%. 2. If the Acquirer and Merchant have not implemented procedures to reduce Chargebacks, Visa may assess the Acquirer a fee of US \$200 for each international Chargeback received for its Merchant. 		

ID#: 160312-010410-0001289

High-Risk Telemarketing Merchants - Acquirer Requirements

Effective through 31 May 2011, an Acquirer must do all of the following for each of its High-Risk Telemarketing Merchants:

- Retain at least the following daily data:
 - Gross sales volume
 - Average Transaction amount
 - Number of Transaction Receipts
 - Average elapsed time between the Transaction Date of the Transaction Receipt and the Settlement Date (counting each as one day)
 - Number of Chargebacks
- Collect the data over a period of at least one month, beginning after each Merchant's initial Deposit
- Use the data to determine the Merchant's normal daily activity of the categories specified in this section
- Begin the daily monitoring of the Merchant's activity processed on the 31st calendar day from the first Deposit
- Compare current related data to the normal daily activity parameters at least daily
- Review the Merchant's normal daily activity at least weekly, using the previous week's activity
- Adjust the Merchant's normal daily activity at least monthly, using the previous month's activity

ID#: 111011-010410-0002422

High-Risk Telemarketing Merchant Exception Reports

Effective through 31 May 2011, an Acquirer must generate High-Risk Telemarketing Merchant exception reports daily and report any unusual activity to Visa within 2 business days, if either:

- Current weekly gross sales volume equals or exceeds US \$5,000 or local currency equivalent, and any of the following exceeds 150% of the normal daily activity:
 - Number of daily Transaction Receipt Deposits
 - Gross amount of daily Deposits
 - Average Transaction amount
 - Number of daily Chargebacks
- Average elapsed time between the Transaction Date and the Endorsement Date or Endorsement Date and Settlement Date for a Transaction (counting each as one day respectively) exceeds 15 calendar days

ID#: 111011-010410-0002423

High-Risk Telemarketing Merchant Investigation

Effective through 31 May 2011, an Acquirer must investigate any Merchant appearing on a High-Risk Telemarketing Merchant exception report within one business day of generating the report. When the investigation reveals Merchant involvement in illegal or fraudulent activity, the Acquirer must:

- Cooperate fully with Visa in any investigation, and release all information relative to the Merchant upon request
- Take appropriate legal action to minimize losses
- Cooperate with Issuers and law enforcement agencies
- Attempt to make the Merchant responsible for the Transaction
- Hold funds, if possible
- Initiate criminal and civil proceedings against the Merchant, if applicable

ID#: 111011-010410-0002424

High-Risk Telemarketing Merchant Monitoring Standards

Effective through 31 May 2011, Visa will determine whether an Acquirer has met the High-Risk Telemarketing Merchant monitoring standards specified in the *Visa International Operating Regulations*.

At the request of Visa, the Acquirer must provide both of the following to demonstrate compliance:

- Copies of actual reports or records used to monitor the Merchant's Deposits

- Any other data requested by Visa

ID#: 111011-010410-0005860

High-Brand Risk Merchants - Acquirer Requirements

Effective 1 June 2011, for each of its High-Brand Risk Merchants an Acquirer must:

- Retain at least the following daily data:
 - Gross sales volume
 - Average Transaction amount
 - Number of Transaction Receipts
 - Average elapsed time between the Transaction Date of the Transaction Receipt and the Settlement Date (counting each as one day)
 - Number of Chargebacks
- Collect the data over a period of at least one month, beginning after each Merchant's initial Deposit
- Use the data to determine the Merchant's normal daily activity of the categories specified in this section
- Begin the daily monitoring of the Merchant's activity processed on the 31st calendar day from the first Deposit
- Compare current related data to the normal daily activity parameters at least daily
- Review the Merchant's normal daily activity at least weekly, using the previous week's activity
- Adjust the Merchant's normal daily activity at least monthly, using the previous month's activity

ID#: 111011-010611-0026340

High-Brand Risk Merchant Exception Reports

Effective 1 June 2011, an Acquirer must generate High-Brand Risk Merchant exception reports daily and report any unusual activity to Visa within 2 business days, if either:

- Current weekly gross sales volume equals or exceeds US \$5,000 or local currency equivalent, and any of the following exceeds 150% of the normal daily activity:
 - Number of daily Transaction Receipt Deposits
 - Gross amount of daily Deposits
 - Average Transaction amount
 - Number of daily Chargebacks
- Average elapsed time between the Transaction Date and the Endorsement Date or Endorsement Date and Settlement Date for a Transaction (counting each as one day respectively) exceeds 15 calendar days

ID#: 111011-010611-0026341

High-Brand Risk Merchant Investigation

Effective 1 June 2011, an Acquirer must investigate any Merchant appearing on its High-Brand Risk Merchant exception report within 1 business day of generating the report. When the investigation reveals Merchant involvement in illegal or fraudulent activity, the Acquirer must:

- Cooperate fully with Visa in any investigation, and release all information relative to the Merchant upon request
- Take appropriate legal action to minimize losses
- Cooperate with Issuers and law enforcement agencies
- Attempt to make the Merchant responsible for the Transaction
- Hold funds, if possible
- Initiate criminal and civil proceedings against the Merchant, if applicable

ID#: 111011-010611-0026342

High-Brand Risk Merchant Monitoring Standards

Effective 1 June 2011, Visa will determine whether an Acquirer has met the High-Brand Risk Merchant monitoring standards, as specified in the *Visa International Operating Regulations* and the *Visa Global Acquirer Risk Standards*.

At the request of Visa, the Acquirer must provide the following within 7 calendar days to demonstrate compliance:

- Copies of actual reports or records used to monitor the Merchant's Deposits
- Any other data requested by Visa

ID#: 111011-010611-0026343

High-Risk Electronic Commerce Authentication Requirements

Visa may impose security or authentication requirements on a Merchant considered to be a High-Risk Electronic Commerce Merchant. An Electronic Commerce Merchant is considered high-risk if it is identified by either:

- The Global Merchant Chargeback Monitoring Program or regional equivalent, and has not demonstrated a reduction in the number of disputes generated by its online business
- Other Visa risk management programs

ID#: 111011-010410-0002430

Acquirer Risk Management Review

An Acquirer causing undue economic hardship to the Visa system is subject to a risk management review. An Acquirer is deemed to cause undue economic hardship if it has 3 or more Merchants in the Global Merchant Chargeback Monitoring Program for 5 months during a consecutive 6-month period.

Before the imposition of mandatory risk control measures, Visa will allow an Acquirer at least 3 months from the date of Notification to correct the deficiencies identified during the risk management review. Mandatory risk control measures may include, but are not limited to:

- Logical or physical security controls, such as:
 - Installation of firewalls
 - Encryption of Account Number information
- Required use of the Address Verification Service, where available
- Implementation of an Authentication Method
- Required use of commercially available Transaction screening tools

ID#: 010410-010410-0008141

Acquirer Risk Control Measures

Mandatory risk control measures specified in "Acquirer Risk Management Review" must be implemented within 6 months of Notification.

If the risk control measures are not implemented, the Acquirer will be subject to a monthly fine of US \$25,000, or until either of the following occurs:

- Merchant no longer exceeds the parameters specified in "High-Risk Electronic Commerce Merchant Requirements"
- Mandatory risk control measures are implemented

ID#: 010410-010410-0005861

Electronic Commerce Requirements - Acquirer Compliance

Visa may conduct a risk management review of Acquirer practices to determine compliance with Visa electronic commerce requirements. The Acquirer is responsible for the cost of this review.

Visa may perform an additional risk management review to determine Acquirer compliance after 6 months.

ID#: 010410-010410-0005862

High-Risk Electronic Commerce Merchant Identification

Visa may revise the penalties and criteria used to identify a High-Risk Electronic Commerce Merchant.

ID#: 111011-010410-0002437

High-Risk Merchant and IPSP Registration - LAC Region

Effective through 31 May 2011, in the LAC Region, before affiliating with and accepting any Transaction from a High-Risk Merchant, High-Risk Internet Payment Service Provider, or High-Risk Sponsored Merchant, each Acquirer, in each jurisdiction, must:

- Assign an exclusive BIN and Settlement Account for the acquiring and settlement of these Transactions
- Complete and deliver to Visa a "Regional Registration Form" (Exhibit LA-2) for each entity
- Obtain written confirmation from Visa approving each registration request
- Pay a one-time registration fee for each entity as described in the *Visa LAC Fee Guide* or applicable local fee guide

ID#: 111011-010410-0008934

Member Risk Policies - Acquirer Compliance - LAC Region

Before submitting a "Regional Registration Form" (Exhibit LA-2), an LAC Acquirer must comply with the applicable Member Risk policies, which may be amended from time to time.

ID#: 010410-010410-0002291

Modifications to High-Risk Regional Registration Form - LAC Region

Effective through 31 May 2011, an LAC Acquirer must immediately notify Visa of any changes to the information on any "Regional Registration Form" (Exhibit LA-2) by submitting a revised form indicating the change.

ID#: 111011-010410-0002293

High-Risk Chargeback Monitoring Program - U.S. Region

Effective through 31 May 2011, Visa monitors the total volume of U.S. Domestic and International Interchange and Chargebacks for U.S. Merchants specified in "High-Risk Merchant Category Codes" and identifies Merchants that experience all of the following activity levels during any month:

- 100 or more interchange transactions
- 100 or more Chargebacks

- A 1.00% or higher ratio of overall Chargeback-to-Interchange volume

For the purposes of the U.S. High-Risk Chargeback Monitoring Program, if a Merchant submits Interchange under multiple names, Visa:

- Groups the Merchant activity
- Notifies the respective Acquirer of the Interchange grouping

ID#: 111011-010410-0008976

Additional Monitoring of High-Risk Merchants - U.S. Region

Effective through 31 May 2011, a U.S. Merchant identified in the Merchant Chargeback Monitoring Program may be monitored under the terms of the High-Risk Chargeback Monitoring Program if Visa determines that the Merchant's activities may cause undue harm to the goodwill of the Visa system.

ID#: 151011-010410-0001885

High-Risk Chargeback Monitoring Program - Chargeback Ratios - U.S. Region

Effective through 31 May 2011, if a U.S. Merchant specified in "High-Risk Merchant Category Codes" meets or exceeds either of the applicable Chargeback ratios specified in "High-Risk Chargeback Monitoring Program - U.S. Region," Visa sends a Notification to the appropriate U.S. Acquirer.

Within 15 calendar days of receipt of the Notification, the Acquirer must:

- Notify the Merchant
- Provide Visa with the specific information requested

ID#: 111011-010410-0009005

High-Risk Chargeback Monitoring Program Fees - U.S. Region

Effective through 31 May 2011, Visa assesses High-Risk Chargeback Monitoring Program fees to a U.S. Acquirer, from the date of Notification, as described in the following table:

High-Risk Chargeback Monitoring Program Acquirer Fees - U.S. Region (Effective through 31 May 2011)

Event	Requirements/Fee
1. During months 1-3, the Merchant meets or exceeds the Chargeback activity thresholds specified in "High-Risk Chargeback Monitoring Program - U.S. Region"	<ul style="list-style-type: none"> • US \$5,000 review fee month 1 • US \$100 per Chargeback months 1-3¹

Event	Requirements/Fee
2. During months 4-6, the Merchant meets or exceeds the applicable Chargeback ratios specified in (1) above	<ul style="list-style-type: none"> • US \$150 per Chargeback months 4-6² • US \$25,000 review fee month 6
3. After 6 months in which the Merchant has met or exceeded the Chargeback thresholds specified in "High-Risk Chargeback Monitoring Program - U.S. Region"	<ul style="list-style-type: none"> • Visa may disqualify the Merchant from participation in the Visa Program
4. Acquirer does not: <ul style="list-style-type: none"> • Identify a High-Risk Telemarketing Merchant with the correct Merchant Category Code • Register a High-Risk Telemarketing Merchant 	<ul style="list-style-type: none"> • US \$25,000 per Merchant per month • US \$100,000 after 3 violations in calendar year and/or prohibition against signing High-Risk Telemarketing Merchants³
5. Acquirer knowingly signs a disqualified Merchant or any of the disqualified Merchant's principals	<ul style="list-style-type: none"> • US \$250,000 per month until the Acquirer terminates the Merchant Agreement³
1. Visa allocates US \$90 of each fee to the Issuer via a Funds Disbursement. 2. Visa allocates US \$135 of each fee to the Issuer via a Funds Disbursement. 3. Visa may impose conditions on Acquirers for violations of the U.S. Regional Operating Regulations, up to and including termination of the Acquirer program.	

ID#: 151011-010410-0003492

High-Brand Risk Chargeback Monitoring Program - U.S. Region

Effective 1 June 2011, Visa monitors the total volume of U.S. Domestic and International Interchange and Chargebacks for U.S. Merchants specified in "High-Brand Risk Merchant Category Codes" and identifies Merchants that experience all of the following activity levels during any month:

- 100 or more interchange Transactions
- 100 or more Chargebacks
- A 1.00% or higher ratio of overall Chargeback-to-Interchange volume

For the purposes of the U.S. High-Brand-Risk Chargeback Monitoring Program, if a Merchant submits Interchange under multiple names, Visa:

- Groups the Merchant activity
- Notifies the respective Acquirer of the Interchange grouping

ID#: 111011-010611-0026367

Additional Monitoring of High-Brand Risk Merchants - U.S. Region

Effective 1 June 2011, a U.S. Merchant identified in the Merchant Chargeback Monitoring Program may be monitored under the terms of the High-Brand Risk Chargeback Monitoring Program if Visa determines that the Merchant's activities may cause undue harm to the goodwill of the Visa system.

ID#: 111011-010611-0026368

High-Brand Risk Chargeback Monitoring Program - Chargeback Ratios - U.S. Region

Effective 1 June 2011, if a U.S. Merchant specified in "High-Brand Risk Merchant Category Codes" meets or exceeds either of the applicable Chargeback ratios specified in "High-Brand Risk Chargeback Monitoring Program - U.S. Region," Visa sends a Notification to the appropriate U.S. Acquirer.

Within 15 calendar days of receipt of the Notification, the Acquirer must:

- Notify the Merchant
- Provide Visa with the specific information requested

ID#: 111011-010611-0026369

High-Brand Risk Chargeback Monitoring Program Fees - U.S. Region

Effective 1 June 2011, Visa assesses High-Brand Risk Chargeback Monitoring Program fees to a U.S. Acquirer, from the date of Notification, as described in the following table:

High-Brand -Risk Chargeback Monitoring Program Acquirer Fees - U.S. Region

Event	Requirements/Fee
1. During months 1-3, the Merchant meets or exceeds the Chargeback activity thresholds specified in "High-Brand Risk Chargeback Monitoring Program - U.S. Region"	<ul style="list-style-type: none"> • US \$ 5,000 review fee month • US 100 per Chargeback in months 1-3¹
2. During months 4-6, the Merchant meets or exceeds the applicable Chargeback ratios specified in (1) above	<ul style="list-style-type: none"> • US \$ 150 per Chargeback in months 4-6² • US \$ 25,000 review fee in month 6
3. After 6 months in which the Merchant has met or exceeded the Chargeback thresholds specified in "High-Brand Risk Chargeback Monitoring Program - U.S. Region"	<ul style="list-style-type: none"> • Visa may disqualify the Merchant from participation in the Visa Program
4. Acquirer does not: <ul style="list-style-type: none"> • Identify a High-Brand Risk Merchant with the correct Merchant Category Code • Register a High-Brand Risk Merchant 	<ul style="list-style-type: none"> • US \$25,000 per Merchant per month • US \$100,000 after 3 violations in calendar year and/or prohibition against signing High-Brand Risk Merchants³

Event	Requirements/Fee
5. Acquirer knowingly signs a disqualified Merchant or any of the disqualified Merchant's principals	<ul style="list-style-type: none"> • US \$250,000 per month until the Acquirer terminates the Merchant Agreement³
<ol style="list-style-type: none"> 1. Visa allocates US \$90 of each fee to the Issuer via a Funds Disbursement. 2. Visa allocates US \$135 of each fee to the Issuer via a Funds Disbursement. 3. Visa may impose conditions on Acquirers for violations of the U.S. Regional Operating Regulations, up to and including termination of the Acquirer program. 	

ID#: 171011-010611-0026373

High-Risk Telemarketing Merchant Registration - U.S. Region

Effective through 30 November 2011, before accepting Transactions from a High-Risk Telemarketing Merchant, a U.S. Acquirer must submit to Visa a completed "High-Risk Merchant Registration and Certification" form, which is available through Visa Online or upon request from Visa.

ID#: 111011-010410-0008166

Continuing Chargeback Activity Fines - U.S. Region

Fines for Chargeback activity may continue to be assessed to a U.S. Acquirer:

- For all Trailing Chargeback Activity that occurs up to 120 calendar days after Transaction processing has ceased
- Equivalent to the penalties being assessed to the Acquirer, as specified in "High-Risk Chargeback Monitoring Program Fees - U.S. Region," at the time Transaction processing ceased

ID#: 010410-010410-0001889

Merchant Disqualification - U.S. Region

Visa may disqualify a U.S. Merchant specified in "High-Risk Merchant Category Codes" from participating in the Visa Program if the Merchant:

- Meets or exceeds a critical level of Chargeback activity, as determined by Visa
- Acts with the intent to circumvent Visa programs
- Causes harm to the Visa system

Visa will send a Notification to the Acquirer advising:

- The date the Acquirer must stop submitting the disqualified Merchant's Transactions
- Reasons for the disqualification
- Notice of the right to appeal

The Acquirer may appeal the disqualification as follows:

- The Acquirer's appeal letter must be received by Visa within 15 days of the Acquirer's receipt of the disqualification Notification
- The Acquirer must pay a US \$5,000 non-refundable fee and include it with the appeal letter
- The evidence and arguments for the appeal must be submitted in the appeal letter
- No oral presentations are permitted

ID#: 010410-010410-0005865

High-Risk Telemarketing Merchant Monitoring - U.S. Region

Effective through 30 November 2011, a U.S. Acquirer must monitor its High-Risk Telemarketing Merchants, which are required to be registered with Visa as specified in "High-Risk Telemarketing Merchant Registration - U.S. Region." An Acquirer of a U.S. High-Risk Internet Payment Service Provider must:

- Register its High-Risk Sponsored Merchants as High-Risk Telemarketing Merchants
- Monitor its High-Risk Internet Payment Service Providers as specified in the *Visa International Operating Regulations*

ID#: 111011-010410-0003229

High-Risk Telemarketing Merchant Daily Activity Reporting - U.S. Region

Effective through 30 November 2011, a U.S. Acquirer must do all of the following for each of its High-Risk Telemarketing Merchants:

- Retain the following daily data:
 - Gross sales volume
 - Average Transaction amount
 - Number of Transactions
 - Average elapsed time between the Merchant Date of the Merchant Receipt and the Central Processing Date (counting each as one day)
 - Number of Chargebacks
- Collect the data over a period of at least 15 calendar days, beginning after each Merchant's initial Deposit
- Use the data to determine the Merchant's normal daily activity for each High-Risk Telemarketing Merchant category
- Begin daily monitoring of the Merchant's Deposit activity processed on the 15th calendar day from the first Deposit
- Compare current related data to the normal daily activity parameters at least daily

- Review and adjust the Merchant's normal daily activity at least weekly, using the previous week's activity

ID#: 111011-010410-0002097

High-Risk Telemarketing Merchant Unusual Activity Reporting - U.S. Region

Effective through 30 November 2011, for its High-Risk Telemarketing Merchants, a U.S. Acquirer must generate unusual activity reports daily, and report any unusual activity to Visa within 2 business days, if either of the following occurs:

- Current weekly gross sales volume equals or exceeds US \$5,000 and any of the following exceeds 150% of the normal daily activity:
 - Number of daily Transaction Receipt Deposits
 - Gross amount of daily Deposits
 - Average Transaction amount
 - Number of daily Chargebacks
- Average elapsed time between the Transaction Date and the Acquirer's Processing Date for a Transaction (counting each as one day) exceeds 15 calendar days

ID#: 111011-010410-0002099

High-Risk Telemarketing Merchant Fees and Charges - U.S. Region

Effective through 30 November 2011, Visa assesses registration and annual charges for High-Risk Telemarketing Merchants, as specified in the *Visa U.S.A. Fee Guide*.

Visa collects the annual charge each 1 September following the registration date.

ID#: 111011-010410-0008935

High-Brand Risk Merchant Registration - U.S. Region

Effective 1 December 2011, in the U.S. Region, before accepting Transactions from a High-Brand Risk Merchant, an Acquirer must register each High-Brand Risk Merchant using a *Visa U.S.A. High Risk Merchant Registration and Certification* form, available upon request from Visa.

An Acquirer of a Merchant assigned with either MCC 5122 or MCC 5912 that is accredited by the National Association of Boards of Pharmacy, or other legal regulatory body recognized by Visa, does not need to register that Merchant as a High-Brand Risk Merchant with Visa.

ID#: 151011-011211-0026345

High-Brand Risk Merchant Monitoring - U.S. Region

Effective 1 December 2011, an Acquirer must monitor its High-Brand Risk Merchants, which are required to be registered with Visa as specified in "High-Brand Risk Merchant Registration – U.S. Region." An Acquirer of a High-Risk Payment Service Provider must:

- Register its High-Brand Risk Sponsored Merchants as High-Brand Risk Merchants
- Monitor its High-Risk Internet Payment Service Providers as specified in the *Visa International Operating Regulations*

ID#: 151011-011211-0026346

High-Brand Risk Merchant Unusual Activity Reporting - U.S. Region

Effective 1 December 2011, for its High-Brand Risk Merchants, a U.S. Acquirer must generate unusual activity reports daily, and report any unusual activity to Visa within 2 business days, if either of the following occurs:

- Current weekly gross sales volume equals or exceeds US \$5,000 and any of the following exceeds 150% of the normal daily activity:
 - Number of daily Transaction Receipt Deposits
 - Gross amount of daily Deposits
 - Average Transaction amount
 - Number of daily Chargebacks
- Average elapsed time between the Transaction Date and the Acquirer's Processing Date for a Transaction (counting each as one day) exceeds 15 calendar days

ID#: 151011-011211-0026374

High-Brand Risk Merchant Fees and Charges - U.S. Region

Effective 1 December 2011, Visa assesses registration and annual charges for High-Brand Risk Merchants, as specified in the *Visa U.S.A. Fee Guide*.

Visa collects the annual charge each 1 September following the registration date.

ID#: 111011-011211-0026375

Electronic Commerce Monitoring

Electronic Commerce Merchant Monitoring Program - Acquirer Restrictions

Effective through 31 May 2011, an Acquirer must:

- Ensure that a Merchant, Internet Payment Service Provider, or a Sponsored Merchant does **not** accept Visa Cards for, or displays a Visa-Owned Mark on a Website that is used in relation to, the purchase or trade of photographs, video imagery, computer-generated images, cartoons, simulation, or any other media or activities including, but not limited to, activities listed under "Brand Protection"
- Within 7 calendar days of Notification from Visa, terminate a Merchant or IPSP or require an IPSP to terminate its agreement with the Sponsored Merchant that is in violation of this rule.

ID#: 111011-010410-0008101

Electronic Commerce Merchant Monitoring Program - Acquirer Penalties

Effective through 31 May 2011, an Acquirer is subject to the penalties specified in the table below if it fails to terminate a Merchant, Internet Payment Service Provider (IPSP), or Sponsored Merchant that displays a Visa-Owned Mark on its Website or accepts Cards in relation to, or for the purchase or trade of, photographs, video imagery, computer-generated images, cartoons, simulation, or any other media or activities including, but not limited to, activities listed under "Brand Protection."

Acquirer Penalties for Non-Compliance with the Electronic Commerce Merchant Monitoring Program (Effective through 31 May 2011)

Event	Visa Action or Fine
Merchant or its principals, IPSP, or Sponsored Merchant identified for 1 month in a 12-month period	Notification of violation sent to Acquirer
Merchant or its principals, IPSP, or Sponsored Merchant not terminated within 7 calendar days of Notification	US \$50,000 per Merchant URL or Sponsored Merchant URL
Same Merchant or its principals, IPSP, or Sponsored Merchant identified for any 2 months in a 12-month period	US \$50,000 per Merchant URL or Sponsored Merchant URL
Same Merchant or its principals, IPSP, or Sponsored Merchant identified for any 3 months in a 12-month period	US \$50,000 per Merchant URL or Sponsored Merchant URL, plus an additional US \$250,000 fine
Same Merchant or its principals, IPSP, or Sponsored Merchant identified for any 4 months in a 12-month period	US \$50,000 per Merchant URL or Sponsored Merchant URL, plus an additional US \$250,000 fine Visa may prohibit the Acquirer from contracting with a new Electronic Commerce Merchant or IPSP for a period of 1 year or more
Same Merchant or its principals, IPSP, or Sponsored Merchant identified for any 5 months in a 12-month period	US \$50,000 per Merchant URL or Sponsored Merchant URL, plus an additional US \$250,000 fine Visa may both: <ul style="list-style-type: none"> • Require the Acquirer to terminate all existing Electronic Commerce Merchants and IPSPs • Prohibit the Acquirer from contracting with a new Electronic Commerce Merchant or IPSP

Event	Visa Action or Fine
Same Merchant or its principals, IPSP, or Sponsored Merchant identified for any 6 months in a 12-month period	US \$50,000 per Merchant URL or Sponsored Merchant URL, plus an additional US \$250,000 fine Visa may revoke the Member's acquiring privileges

ID#: 111011-010410-0001290

Electronic Commerce Merchant Monitoring Program - Acquirer Penalties - U.S. Region

Effective through 31 May 2011, in the U.S. Region, Visa assesses Electronic Commerce Merchant Monitoring Program fines to an Acquirer, as specified in the table below.

Electronic Commerce Merchant Monitoring Program Acquirer Fines - U.S. Region (Effective through 31 May 2011)

Violation	Fine
First violation ¹	Warning letter with specific date for correction
Second violation in a rolling 12-month period	US \$50,000, assessed during each month the violation remains uncorrected
Third violation in a rolling 12-month period	US \$250,000, assessed during each month the violation remains uncorrected
Fourth violation in a rolling 12-month period	An Acquirer may be prohibited from signing new Electronic Commerce Merchants for at least one year.
Fifth violation in a rolling 12-month period	An Acquirer may be required to terminate all existing Electronic Commerce Merchants and prohibited from signing new Electronic Commerce Merchants.
Sixth violation in a rolling 12-month period	An Acquirer may have its acquiring license revoked.
1. Internet Payment Service Providers are considered Electronic Commerce Merchants for the purpose of this program.	

ID#: 160312-010410-0003691

Brand Protection

Global Brand Protection Program

Brand Protection Requirements

Effective 1 June 2011 through 30 June 2011, an Acquirer must:

- Ensure that a Merchant, Internet Payment Service Provider (IPSP), Sponsored Merchant, High-Brand Risk Merchant, High-Risk Internet Payment Service Provider or High-Brand Risk Sponsored Merchant does not accept Visa Cards for, or displays a Visa-Owned Mark on a Website that is used in relation to, the purchase or trade of photographs, video imagery, computer-generated images, cartoons, simulation, or any other media or activities including, but not limited to, activities listed under "Brand Protection"
- Within 7 calendar days of Notification from Visa, correct the violation or, if requested by Visa, terminate a Merchant, IPSP, High-Brand Risk Merchant or High-Risk Internet Payment Service Provider, or require the IPSP or High-Risk Internet Payment Service Provider to terminate its agreement with the Sponsored Merchant or High-Brand Risk Sponsored Merchant that is in violation of this rule

Effective 1 July 2011, an Acquirer must:

- Ensure that a Merchant, Payment Service Provider (PSP), Sponsored Merchant, High-Brand Risk Merchant, High-Risk Internet Payment Service Provider (High-Risk IPSP), or High-Brand Risk Sponsored Merchant does not accept Visa Cards for, or display a Visa-Owned Mark on a Website that is used in relation to, the purchase or trade of photographs, video imagery, computer-generated images, cartoons, simulation, or any other media or activities including, but not limited to, activities listed under "Brand Protection"
- Within 7 calendar days of Notification from Visa, correct the violation or, if requested by Visa, terminate a Merchant, PSP, High-Brand Risk Merchant, or High-Risk IPSP, or require the PSP or High-Risk IPSP to terminate its agreement with the Sponsored Merchant or High-Brand Risk Sponsored Merchant that is in violation of this rule

ID#: 151011-010611-0026376

High-Brand Risk Acquirer Registration

Effective 1 June 2011, Acquirers who previously did not acquire Electronic Commerce Merchants or Mail/Phone Order Merchants classified by Visa as high-brand risk must:

- Complete and submit to Visa a registration form, available in the *Visa Global Brand Protection Program Guide for Acquirers*
- Not process or enter any High-Brand Risk Transactions into Interchange, until written confirmation has been received from Visa that the Acquirer has been registered and approved by Visa
- Immediately notify Visa of any changes to information provided on the registration form by submitting a revised form indicating the change

Additionally, Visa may require the Acquirer to undergo an assessment to ensure compliance with the Global Brand Protection Program and the *Visa International Operating Regulations*.

An assessment may take the form of an onsite audit, as specified in "Visa Right to Monitor, Audit, Inspect and Investigate."

ID#: 111011-010611-0026379

High-Brand Risk Acquirer Registration Fee

Effective 1 June 2011, Visa will assess a one-time registration fee for new Acquirers of High-Brand Risk Transactions in a Card-Absent Environment, as specified in the applicable Visa regional fee guide.

ID#: 111011-010611-0026380

High-Brand Risk Acquirer Non-Registration Penalties

Effective 1 June 2011, if Visa determines that an Acquirer, that previously did not acquire High-Brand Risk Transactions in a Card-Absent Environment, has failed to comply with the registration requirements specified in “High-Brand Risk Acquirer Registration” Visa may assess a fine of US \$ 25,000 to the Acquirer per calendar month of non-compliance.

Continued non-compliance may result in Visa prohibiting that Acquirer from acquiring High-Brand Risk Merchants.

ID#: 151011-010611-0026381

High-Brand Risk Acquirer Requirements

Effective 1 December 2011, an Acquirer of High-Brand Risk Merchants, High-Risk Internet Payment Service Providers or High-Brand Risk Sponsored Merchants must:

- Comply with all applicable Visa risk policies, as specified in the *Visa International Operating Regulations*, *Regional Operating Regulations*, *Visa Global Brand Protection Program Guide for Acquirers* and the *Visa Global Acquirer Risk Standards*
- Participate in the Visa Merchant Trace System (VMTS), where available and permitted under local applicable law and both:
 - Query VMTS prior to entering into an agreement with a prospective Electronic Commerce Merchant or Mail/Phone Order Merchant or Sponsored Merchant
 - List any Electronic Commerce Merchant or Mail/Phone Order Merchant or Sponsored Merchant that has been terminated for just cause on VMTS
- For Acquirers in the U.S. Region, participate in the Terminated Merchant File, as specified in “Terminated Merchant File” (*This only applies in the U.S. Region.*)
- For Acquirers in the Canada Region, participate in the common terminated Merchant database, as specified in “Common Terminated Merchant Database - Canada Region” (*This only applies in the Canada Region.*)

- Provide Visa with a suspect violation report if a Merchant or Agent is identified by the Member as processing illegal or prohibited Transactions as specified in "Brand Protection."^[122]

ID#: 160312-011211-0026382

High-Brand Risk Acquirer Capital Requirements

Effective 1 June 2011 through 30 June 2011, an Acquirer that has not previously acquired Transactions from Electronic Commerce Merchants, Mail/Phone Order Merchants, Internet Payment Service Providers, or Sponsored Merchants classified as high-risk, as specified in "High-Brand Risk Merchant Category Codes," must:

- Be in good standing in all Visa risk management programs
- Be investment-grade, as defined by Visa, and meet a minimum equity requirement of US \$ 100 million^[123]

Effective 1 July 2011, an Acquirer that has not previously acquired Transactions from Electronic Commerce Merchants, Mail/Phone Order Merchants, or Sponsored Merchants classified as high-risk, as specified in "High-Brand Risk Merchant Category Codes," must:

- Be in good standing in all Visa risk management programs
- Be rated above-standard (a Visa Member risk rating of "A" or "B") and meet a minimum equity requirement of US \$100 million^[124]

ID#: 111011-010611-0026383

Request for Information Requirements

Effective 1 June 2011, an Acquirer must provide information relating to any request for information presented by Visa, its designees, or any regulatory agency, as required under the Global Brand Protection Program.

The required information must be provided in writing as soon as possible, but no later than 7 business days following receipt of the request for information.

ID#: 111011-010611-0026384

122 Visa may waive or suspend penalties to accommodate unique or extenuating circumstances or if violations of the *Visa International Operating Regulations* are identified and rectified prior to receipt of formal Notification from Visa that a violation has occurred.

123 **Effective through 30 June 2011**, Visa may waive this requirement in exchange for assurance and evidence of the imposition of risk controls satisfactory to Visa. This may include, but is not limited to, the pledging of additional collateral.

124 **Effective 1 July 2011**, Visa may waive these requirements in exchange for assurance and evidence of the imposition of risk controls satisfactory to Visa. This may include, but is not limited to, the pledging of additional collateral.

Annual Assessments

Effective 1 December 2011, an Acquirer will be subject to an annual assessment to ensure compliance with the requirements of the Global Brand Protection Program and the *Visa International Operating Regulations* if either:

- All of the following quarterly thresholds, as amended from time to time, are met or exceeded:
 - A minimum of 10,000 International Transactions in a Card Absent Environment classified as High-Brand Risk Transactions
 - US \$1 million International Transactions in a Card Absent Environment classified as High-Brand Risk Transactions
 - A ratio of 10% of International Transactions in a Card-Absent Environment classified as High-Brand Risk Transactions versus all International Transactions acquired in a Card Absent Environment^[125]
- One or more Merchants is identified under the Global Brand Protection Program as having been involved in illegal or prohibited Transactions

ID#: 151011-011211-0026385

Global Brand Protection Program Annual Assessment Fee

Effective 1 December 2011, an Acquirer that is subject to an annual assessment, as specified in “Annual Assessments” will be subject to an annual assessment fee, as specified in the applicable Visa regional fee guide.

ID#: 111011-011211-0026386

Fraud Reporting

Fraud Reporting Requirements

Fraud Activity Reporting

An Issuer must report Fraud Activity to Visa through VisaNet when either a:

- Fraudulent User has obtained a Card or Account Number
- Card was obtained through misrepresentation of identification or financial status

ID#: 010410-010410-0002389

¹²⁵ The ratio is calculated, based on the Transaction Date, as a percentage of International Transactions processed as High-Brand Risk Transactions versus the total International Transactions acquired in a Card-Absent Environment over the period of the calculation.

Fraud Activity Reporting Time Limit

An Issuer must report Fraud Activity upon detection, but no later than:

- 90 calendar days from the Transaction Date
- 30 calendar days following the receipt of the Cardholder's dispute notification, if the notification is not received within the 90-calendar-day period

ID#: 010410-010410-0002390

Fraud Activity Reporting Time Limit - AP Region

An AP Issuer must report all confirmed fraudulent Transactions immediately upon detection, but no later than:

- 60 calendar days from the Transaction Date
- 30 calendar days following receipt of the Cardholder's dispute notification, if the notification is not received within the 60-calendar-day period

ID#: 010410-010410-0002246

Fraud Activity Reporting Time Limit - LAC Region

An LAC Issuer must report Fraud Activity upon detection, but no later than:

- 60 calendar days from the Transaction Date except for fraud type 03, "Fraudulent Application," and type 05, "Miscellaneous, Account Take Over"
- 30 calendar days following the receipt of the Cardholder's dispute notification, if the notification is not received within the 60-calendar-day period

ID#: 081010-010609-0007054

Fraud Activity Reporting Compliance - LAC Region

An LAC Issuer must report Fraud Activity, as detailed in the *Fraud Reporting System (FRS) User's Guide*, and comply with the following:

- At least 95% of all fraud must be reported. This includes domestic and international, on-us, debit and credit, and ATM Transactions
- At least 90% of all reported fraud must be classified correctly
- No more than 5% of all reported fraud can be classified as fraud type 05, "Miscellaneous"
- In at least 90% of reported fraudulent Transactions, mandatory TCR2 fields must match with the corresponding BASE II record fields, except the Excluded Transaction Identifier Reason field

ID#: 081010-010609-0007259

Rejected Fraud Activity Reporting

An Issuer must report Fraud Activity, as detailed in the *Fraud Reporting System (FRS) User's Guide*. At least 90% of rejected Fraud Activity must be resubmitted and accepted into the Fraud Reporting System.

ID#: 010410-010410-0008051

Counterfeit Activity Reporting

An Acquirer must report:

- Counterfeit activity through VisaNet using the appropriate fraud advice transaction code in the same manner as specified for Issuers in "Fraud Activity Reporting"
- A counterfeit Transaction within 60 calendar days of a Chargeback, when no Representment or Arbitration right is available

See the *Fraud Reporting System (FRS) User's Guide*.

ID#: 010410-010410-0002395

Fraud-Related Disputes - AP Region

An AP Issuer must complete TC40 fraud reporting before initiating all fraud-related disputes.

ID#: 010410-010410-0008048

Fraud-Related Disputes - U.S. Region

In the U.S. Region, if Fraud Activity has occurred on an account and the Issuer does not list the Account Number on the Exception File with a Pickup Response for at least 30 calendar days, Chargeback rights are restricted.

ID#: 010410-010410-0008049

Fraud Activity Reporting Corrections - U.S. Region

In the U.S. Region, if further investigation determines that a Transaction or occurrence is of a different Fraud Activity type than previously reported, the Issuer must correct the activity.

ID#: 010410-010410-0002166

Cards Not Received as Issued - U.S. Region

A U.S. Member must report all U.S. Cardholder and U.S. Issuer mailing information on "Not Received as Issued" Cards, whether or not Fraud Activity has occurred.

ID#: 010410-010410-0002167

Fraud Reporting Compliance**Fraud Activity Reporting Non-Compliance**

If a Member does not comply with "Fraud Activity Reporting" and "Fraud Activity Reporting Time Limit," the Member is subject to:

- An onsite audit by Visa staff at the Member's expense
- Penalties, as specified in the table below

Penalties for Failure to Report Fraud

Occurrence	Warning Letter	Suspension of Fraud Chargeback Rights ¹	Fine (Minimum Amount)	Onsite Member Audit
First	Yes	Not applicable	US \$0	Not applicable
Second	Yes	Not applicable	US \$0	Not applicable
Third	Not applicable	90 calendar days	US \$25,000	Not applicable
Fourth	Not applicable	180 calendar days	US \$50,000	Yes
Fifth	Not applicable	Indefinite until compliance achieved	Regional decision based upon reevaluation	Not applicable

1. Chargeback reason codes will be determined by Visa, as specified in the applicable Regional Operating Regulations.

ID#: 010410-010410-0002392

Fraud Activity Reporting Compliance - AP Region

An AP Member is compliant with Visa fraud reporting requirements if it:

- Reports at least 90% of confirmed fraud activities
- Reports at least 90% of fraud within 60 calendar days of the Transaction Date
- Uses correct fraud types for at least 90% of reported fraud

- Populates all mandatory TC 40 fields

ID#: 010410-010410-0001759

Fraud Activity Reporting Non-Compliance - AP Region

Visa may require an AP Issuer that has failed to comply with the requirements specified in "Fraud Activity Reporting Compliance - AP Region" and "Fraud-Related Disputes - AP Region," or one suspected of under-reporting fraud, to undergo an onsite review. Visa will undertake an initial onsite inspection of all AP Issuers with annual Retail Sales Volume exceeding US \$650 million. The retail sales volume (RSV) threshold is designed to identify Issuers that represent 90% of total Asia-Pacific RSV and will be adjusted by Visa as necessary.

ID#: 010410-010410-0001758

Issuer Non-Compliance - AP Region

AP Issuers identified as non-compliant and that fail to resolve areas of non-compliance within a reasonable period (to be agreed between AP Members and Visa) following an onsite review will have the following fraud-related dispute rights suspended until compliant:

- Chargeback reason code 57, "Fraudulent Multiple Transactions"
- Chargeback reason code 62, "Counterfeit Transaction"
- Chargeback reason code 81, "Fraud - Card-Present Environment"
- Chargeback reason code 83, "Fraud - Card-Absent Environment"
- Chargeback reason code 93, "Merchant Fraud Performance Program"

ID#: 010410-010410-0001760

Fraud Alert Requirements - Canada Region (Updated)

A Canada Member must comply with the *CoFAS Procedures for Reporting Credit Skimming Incidents* manual available at on Visa Online.

ID#: 160312-010410-0001757

Fraud Reporting Program Audit Fees - LAC Region

Visa may audit an LAC Issuer under the Fraud Reporting Program at any time. Issuers subject to an onsite Fraud Reporting audit will be charged a fee.

ID#: 081010-010609-0007260

Fines for Failure to Report Fraud - LAC Region

An LAC Issuer that does not comply with the Fraud Reporting Program's requirements as determined by the third or higher consecutive onsite audit will be subject to a quarterly fine of US \$10,000 until found compliant by the Visa remote monitoring system and validated by an onsite audit. In addition, the Issuer will be assessed a fee as specified in the *Visa LAC Fee Guide*.

Fines for Failure to Report Fraud - LAC Region

Occurrence	Penalty
Onsite audit fee	None
First non-compliant onsite audit	US \$2,500
Second consecutive onsite audit resulting in non-compliance	US \$7,500
Third consecutive onsite audit resulting in non-compliance	US \$22,500

ID#: 090411-010410-0007267

Fraud Reporting Fines and Penalties

Fraud Reporting Non-Compliance Penalty

If a Member is deemed non-compliant with the fraud reporting requirements specified in "Fraud Activity Reporting Non-Compliance," the Member is subject to a penalty, as specified in the "Penalties for Failure to Report Fraud" table.

ID#: 010410-010410-0003682

Fraud Reporting - Non-Compliance Penalties and Monitoring

If Visa determines that a Member is not in compliance for a given quarter:

- Penalties will be assessed, as specified in the "Penalties for Failure to Report Fraud" table
- The Member will be monitored and evaluated for the following 8 quarters

ID#: 010410-010410-0002393

Fraud Losses and Investigation

Skimming at a Common Purchase Point - AP Region

An AP Issuer experiencing 3 or more incidents of skimming at a Common Purchase Point must notify the AP Acquirer and Visa.

Before notifying the AP Acquirer, the AP Issuer must:

- Confirm that Fraud Activity occurred
- Determine if a legitimate Account Number was skimmed by using the following criteria:
 - POS Entry Mode was 90
 - Card Verification Value transmitted in the Transaction matched the Card Verification Value for the compromised Account Number
 - Card was in possession of the Cardholder at the time of the Transaction
 - Possibility of other type of fraudulent activity has been eliminated

In the notification, the AP Issuer must provide the Acquirer and Visa with the following information:

- Account Number used in the Transaction
- Details of the Transaction suspected of being the point of compromise
- Status of fraud detected
- Additional information or rationale to support its suspicions

ID#: 010410-010410-0009030

Preliminary Report of Fraud at Common Purchase Point - AP Region

An AP Acquirer notified by an AP Issuer or Visa of fraud occurring at a Common Purchase Point must investigate the circumstances surrounding the fraudulent Transaction and, within 10 calendar days, provide the Issuer and Visa with a preliminary report of its investigation.

ID#: 010410-010410-0002234

Final Report of Fraud at Common Purchase Point - AP Region

An AP Acquirer must complete and forward its final investigative report to Visa within 30 calendar days of notification and include the following information:

- Plan of action including the following, if determined:
 - Individual(s) responsible for the Fraud Activity
 - If the Account Number was compromised

- How the Account Number was compromised
- Confirmation that the appropriate authorities were notified to enable proper investigation and prosecution by law enforcement agencies
- Corrective action taken to prevent similar occurrences at the same Merchant Outlet

ID#: 010410-010410-0002235

Fraud Reporting Non-Compliance - AP Region

An AP Acquirer that fails to comply with the requirements specified in "Final Report of Fraud at Common Purchase Point - AP Region" will be assessed a fine of US \$5,000.

ID#: 010410-010410-0002236

Common Point of Purchase Fine Transfer - AP Region

Visa will fine any AP Acquirer that has transferred Common Point of Purchase (CPP) fines to the AP Merchant an equivalent of 3 times the fine, and, at Visa's discretion, reimburse the Merchant the fine amount. Visa may waive CPP-related fines on a case-by-case basis based on commercial considerations.

ID#: 081010-010410-0002237

Internal Data Compromise Disclosure - AP Region

An AP Member must disclose to Visa all incidents of internal compromise of data that would facilitate the defrauding of Card or Merchant accounts of the AP Member or other Members. Visa will distribute this information and its analysis, if warranted, to other Members and relevant parties in the AP Region in order to advise them of potential corrective action, while maintaining the confidentiality of the reporting Member.

ID#: 010410-010410-0000538

Card Recovery

Return of Recovered Cards

Recovered Card Return Requirement

An Acquirer must return recovered Visa Cards and Visa Electron Cards to the Issuer.

ID#: 010410-010410-0001782

Recovered Card Return Procedures

Upon recovery of a valid or counterfeit Visa Card or Visa Electron Card, a Member must send the following to the Issuer on the Input Date of the fee collection, but no later than 5 business days after the Visa Card or Visa Electron Card is recovered:

- The recovered Card, rendered unusable as follows:
 - For a recovered Card without a Chip, the Card must be cut horizontally so as **not** to damage the Magnetic Stripe, hologram, or embossed or printed Account Number (if applicable)
 - For a recovered Chip Card, so as **not** to damage the Chip, the Member must either punch a hole through the middle of the Magnetic Stripe to make it unreadable or cut away the corner of the Card at the opposite end from the Chip
- "Recovered Card Advice" (Exhibit 1E) specifying the recovery reasons, such as:
 - Listed on Card Recovery Bulletin
 - Authorization Response to routine Authorization Request
 - Authorization Response to referral call
 - Inadvertently left by Cardholder

The requirement to return the Card does **not** apply to Non-Reloadable Cards recovered without a Pickup Response or request from the Issuer.

For a Non-Reloadable Card recovered without a Pickup Response or a specific request from the Issuer, the Member must cut the Card and render it unusable.

ID#: 050411-010410-0008090

Merchant Card Recovery Procedures

An Acquirer must ensure that its Merchants understand and comply with the requirements for recovery of a Visa Card or Visa Electron Card as specified in "Merchant Card Recovery Procedures at the Point of Sale."

A Merchant must notify its Acquirer that it has recovered a Card and ask for further instructions.

ID#: 010410-010410-0008091

Visa Lost/Stolen Card Procedures - U.S. Region

In the U.S. Region, if Visa receives a report of a lost or stolen Card, Visa will:

- Enter the Account Number of the lost or stolen Visa Card or Visa Electron Card on the Exception File with a:
 - Pickup Response code of 04
 - Region code of 0

- Purge date of the following month (See the *Card Recovery Bulletin Service (CRB) User's Guide*.)
- Advise the Issuer of the Cardholder's report of a lost or stolen Visa Card or Visa Electron Card
- Return the recovered Card to the Issuer with any supporting documentation

ID#: 050411-010410-0002148

Merchant Recovered Card Return Procedures - U.S. Region 2.3.E

A U.S. Merchant that recovers a Visa Card or Visa Electron Card must:

- Cut the Visa Card or Visa Electron Card horizontally so as not to damage the Magnetic Stripe, Chip, hologram (if applicable), and embossed or printed Account Number (if applicable)
- Immediately send it to either:
 - Its Acquirer
 - A VisaNet Interchange Center, if Visa is designated as the Merchant's Authorizing Processor

The requirement to return the Card does **not** apply to Non-Reloadable Cards recovered without a Pickup Response or request from the Issuer.

For a Non-Reloadable Card recovered without a Pickup Response or a specific request from the Issuer, the Merchant or Acquirer must cut the Card and render it unusable.

For a Non-Reloadable Card where an Issuer Pickup Response has been sent, the Merchant should attempt to recover the Card and:

- Cut the Card horizontally so as not to damage the Magnetic Stripe, Chip, hologram (if applicable), and embossed or printed Account Number (if applicable)
- Immediately send it to either:
 - Its Acquirer
 - A VisaNet Interchange Center, if Visa is designated as the Merchant's Authorizing Processor

ID#: 050411-010410-0008092

Law Enforcement Recovered Card Retention - U.S. Region

In the U.S. Region, if a recovered Visa Card or Visa Electron Card was retained by a law enforcement agency, the Merchant must provide a legible copy of the front and back of the Visa Card or Visa Electron Card to its Acquirer or a VisaNet Interchange Center, as applicable.

ID#: 010410-010410-0001766

Acquirer Recovered Card Procedures - Additional Notification Requirement - U.S. Region

A U.S. Acquirer must immediately advise the following of the recovery of a Card:

- The Issuer, if the Visa Card or Visa Electron Card is recovered because the first 4 digits of the embossed or printed Account Number (if applicable) do not match the 4 digits printed above or below the Account Number
- Visa, if the embossed or printed BIN is not assigned to a Member

An Acquirer must retain a legible copy of the front and back of the recovered Visa Card or Visa Electron Card.

ID#: 010410-010410-0008094

Recovered Card Procedures - U.S. Region

A U.S. Member must send all of the following to the Issuer using a method that supplies proof of delivery. These items must be sent on the Input Date of the fee collection, but no later than 5 business days after the Visa Card or Visa Electron Card is recovered:

- Recovered Visa Card or Visa Electron Card
- Completed "Recovered Card Advice" (Exhibit 1E) with any pertinent facts concerning the recovery
- If the recovered Card was retained by a law enforcement agency, a legible copy of its front and back

If the recovered Card was retained by a law enforcement agency, the "Recovered Card Advice" (Exhibit 1E) and copy of the front and back of the Visa Card or Visa Electron Card are **not** required to be sent by a method that supplies proof of delivery.

ID#: 151011-010410-0001770

Recovered Counterfeit Cards

Acquirer Recovered Counterfeit Card Procedures - AP Region

An AP Acquirer that receives a recovered Counterfeit Card bearing an embossed Account Number of another AP Member must advise the Issuer of the Card recovery circumstances by the end of the next business day after receiving the Card.

On the fee collection Input Date, but no later than 3 business days after the Card is recovered, the Acquirer must send all of the following to Visa:

- Card (unless it is needed as evidence by local law enforcement authorities)
- Completed "Recovered Counterfeit Card Notification" (Exhibit 1F)
- Any other supporting documentation

ID#: 010410-010410-0008097

Visa Recovered Counterfeit Card Procedures - AP Region

In the AP Region, Visa endorses the "Recovered Counterfeit Card Notification" (Exhibit 1F) and sends:

- Endorsed "Recovered Counterfeit Card Notification" (Exhibit 1F) and any other supporting documentation to the AP Issuer
- Copy of the endorsed "Recovered Counterfeit Card Notification" (Exhibit 1F) to the remitting AP Acquirer

ID#: 010410-010410-0002240

Card Recovery at the Point of Sale

Merchant Card Recovery Procedures at the Point of Sale (Updated)

A Merchant must **not** complete a Transaction and should attempt to recover a Visa Card or Visa Electron Card for any of the following reasons:

- Account Number appears on a Card Recovery Bulletin
- Acquirer requests its retention
- 4 digits printed below the embossed or printed Account Number do **not** match the first 4 digits of the embossed or printed Account Number

Effective 8 March 2012, the requirement to attempt to recover the Card does not apply to Mobile Payment Devices.

ID#: 160312-010410-0002350

Visa Prepaid Card Compromise

A Merchant that sells Visa Prepaid Cards must not sell a Visa Prepaid Card if there is evidence of potential Card compromise, such as tampered packaging. The Merchant must retain the Card and follow the recovered Card requirements as specified in the *Visa International Operating Regulations*.

ID#: 230312-010111-0025787

Merchant Card Recovery Procedures - U.S. Region (Updated)

A U.S. Merchant should attempt to recover a Visa Card or Visa Electron Card by reasonable, peaceful means and must **not** complete a Transaction if the:

- Printed 4 digits below the embossed or printed Account Number do **not** match the first 4 digits of the Account Number

- Acquirer or its Authorizing Member requests its retention
- Merchant has reasonable grounds to believe that the Visa Card or Visa Electron Card is counterfeit, fraudulent, or stolen

Effective 8 March 2012, the requirement to attempt to recover the Card does not apply to Mobile Payment Devices.

ID#: 160312-010410-0002316

Card Recovery at an ATM

Card Retention at an ATM

An ATM is **not** required to have the ability to retain Cards. If it does have this ability, it may retain a Card only upon the specific request of the Issuer.

If a Card is retained, the Acquirer must log it under dual custody immediately after removal from the terminal.

ID#: 010410-010410-0008063

ATM Card Retention and Return

If a Card is retained at the specific request of an Issuer, the Acquirer must render the Card unusable and return it to the Issuer. If the Card bears a Chip, the Chip must **not** be damaged.

ID#: 010410-010410-0002409

Accidental Card Retention at an ATM

If a hardware or software failure causes mistaken or accidental Card retention, an ATM Acquirer must return the Card to the Cardholder using the following procedures:

- Review positive Cardholder identification and compare the Cardholder's signature to that on the Card signature panel
- If the Cardholder does not request the return of the Card, the ATM Acquirer must follow the Card retention rules specified in the *Visa International Operating Regulations*

ID#: 010410-010410-0007014

Accidental Card Retention at an ATM - U.S. Region

If a hardware or software failure causes mistaken or accidental Card retention, an ATM Acquirer in the U.S. Region may return the Card to the Cardholder using the following procedures:

- Review positive Cardholder identification and compare the Cardholder's signature to that on the Card signature panel
- Obtain the Issuer's Authorization to return the Card to the Cardholder
 - If the Cardholder requests a Cash Disbursement, Authorization for the Cash Disbursement is considered as the Issuer's authorization to return the Card to the Cardholder.
 - If the Cardholder does not request a Cash Disbursement, the Acquirer must contact the Issuer's Authorizing Processor for Authorization to return the Card to the Cardholder.
- Notify the Issuer of the Card retention

ID#: 010410-010410-0004991

Recovered Card Handling Fees

Recovered Card Handling Fees

Handling fees for recovered Visa Cards and Visa Electron Cards are specified in the table below.

Handling Fees for Recovered Cards

Description	Member Charged	Amount Charged
Handling Fee for Recovered Visa Cards or Visa Electron Cards		
Card recovered at a Merchant or ATM	Issuer	US \$15
Effective through 14 October 2011 , Card recovered by an Unattended Acceptance Terminal that performs Cardholder-Activated Transactions Type C Effective 15 October 2011 , Card recovered by an Unattended Cardholder-Activated Terminal that accepts PINs for Cardholder Verification	Issuer	US \$5
Handling Fee for Recovered Cards Bearing the Plus Symbol		
Visa Card or Visa Electron Card recovered at an ATM ^{1,2}	Issuer	US \$15
1. Acquirers participating only in the Plus Program. 2. A handling fee must not be collected if the recovered Card is a Proprietary Card bearing the Plus Symbol.		

ID#: 160312-010410-0007990

ATM Recovered Card Handling Fee

An Issuer is **not** required to pay a reward to the Acquirer for a recovered Card. However, the Acquirer may collect a handling fee, as specified in "Recovered Card Handling Fees."

An ATM Acquirer participating **only** in the Plus Program may collect a handling fee only if the recovered card is a Visa Card or Visa Electron Card, as specified in "Recovered Card Handling Fees."

ID#: 010410-010410-0008064

Acquirer Collection of Recovered Card Handling Fee

An Acquirer may collect a handling fee for a recovered Card, as specified in "Recovered Card Handling Fees," whether or not the Merchant is entitled to a reward.

An AP Acquirer may collect a handling fee of US \$15, or local currency equivalent. *(This only applies in the Asia Pacific Region.)*

ID#: 010410-010410-0008065

Acquirer Recovered Card Handling Fee and Reward Collection - U.S. Region

In the U.S. Region, if a U.S. Acquirer has paid a reward for a recovered Card, the Acquirer may collect the handling fee and the reward in one Fee Collection Transaction.

The fee collection must **not** be entered into Interchange before forwarding the "Recovered Card Advice" (Exhibit 1E).

ID#: 151011-010410-0008066

Recovered Card Handling Fee and Collection - U.S. Region

A U.S. Acquirer may collect a handling fee for recovering a Visa Card or Visa Electron Card and returning it to the Issuer. The fee is US \$15 for a Card recovered at a Merchant or an ATM location.

ID#: 010410-010410-0006878

Recovered Card Rewards

Reward for Recovered Cards

An Issuer must pay a reward for a recovered Visa Card or Visa Electron Card and reimburse the Acquirer for handling the recovered Card, as specified in "Recovered Card Handling Fees."

ID#: 010410-010410-0003653

Merchant Recovered Card Reward Requirement

An Acquirer must ensure that the minimum reward is paid to the Merchant that recovered a Card, as specified in the "Rewards for Recovered Cards" table.

ID#: 010410-010410-0001784

Recovered Card Reward Limitations

An Acquirer is **not** required to pay a reward for Visa Cards or Visa Electron Cards that are:

- Expired
- **Effective through 14 October 2011**, recovered at an ATM or Cardholder-Activated Terminal
- **Effective 15 October 2011**, recovered at an ATM or Unattended Cardholder-Activated Terminal
- Inadvertently left at a Merchant Outlet
- Non-Reloadable Cards recovered without a Pickup Response or request from the Issuer

Effective through 14 October 2011, an AP Acquirer is **not** required to pay a reward for Cards recovered at an Automated Dispensing Machine. *(This only applies in the Asia Pacific Region.)*

ID#: 111011-010410-0008055

Recovered Card Rewards to Tellers and Merchants

If an Acquirer pays rewards to its tellers for the recovery of Visa Cards or Visa Electron Cards, it may collect the reward amount from the Issuer, as specified in the table below.

Rewards for Recovered Cards

Paid To	Amount
Merchant	US \$25-\$150

Paid To	Amount
Teller/Disbursing Member	US \$0-\$150

ID#: 111011-010410-0001786

Recovered Counterfeit Card Rewards - AP Region

If an AP Disbursing Member pays rewards to its tellers for Counterfeit Card recovery, the Disbursing Member may collect the local reward, **not** to exceed US \$150 or local currency equivalent, from the Issuer.

ID#: 010410-010410-0001777

Recovered Card Rewards in Australia – AP Region

In Australia, an Acquirer must ensure that the minimum reward paid to a Merchant that recovers a Card is as specified in the following table:

Rewards for Recovered Cards in Australia - AP Region

Type of Recovery	Amount
For retention of a Card where the Merchant is suspicious of the Cardholder or Transaction	AUD 200
For retention of a Card as a result of an Authorization Response	AUD 50
For retention of a Card in the course of an attempted EFTPOS Transaction	AUD 50

The Acquirer is not required to pay a reward for Visa Cards or Visa Electron Cards that are:

- Expired
- Recovered at an ATM or Cardholder-Activated Terminal
- Inadvertently left at a Merchant Outlet

An Australia Issuer is not required to reimburse a reward paid by an Australia Acquirer to a person who is not a Merchant or a staff member of a Merchant, such as law enforcement personnel or employees of the Acquirer.

ID#: 111011-060111-0026174

Recovered Card Rewards - Canada Region

In the Canada Region, for each Card that is recovered, the Issuer must pay a reward to the Merchant making the recovery, as specified in the table below.

Rewards for Recovered Cards - Canada Region

Card Recovered as a Result of:	Minimum Reward Amount
Issuer request, including when the Account Number was listed on the Exception File	CAD \$50
Merchant suspicion and initiative when the Card was not listed on the Exception File	CAD \$100
Merchant suspicion and initiative leading to arrest and conviction of individual attempting to use the lost/stolen or Counterfeit Card	CAD \$1,000

Rewards for Card pick-up do **not** apply to Non-Reloadable Cards recovered without a Pickup Response or request from the Issuer.

ID#: 111011-010410-0001754

Recovered Card Rewards - U.S. Region

If a U.S. Acquirer pays rewards to its tellers or other individuals for Visa Card or Visa Electron Card recovery, it may collect this amount from the Issuer.

ID#: 010410-010410-0001774

Recovered Card Rewards - Special Circumstances - U.S. Region

A U.S. Acquirer must pay an individual that recovered a Card a reward of at least US \$50 for each Visa Card or Visa Electron Card that was recovered under any of the following circumstances:

- Account Number was listed on the National Card Recovery File
- Acquirer received a Pickup Response from an Authorization or Account Number Verification request
- At the Issuer's request

If the recovered Visa Card or Visa Electron Card was retained by a law enforcement agency, the Acquirer must pay the reward upon receipt of a legible copy of the front and back of the recovered Visa Card or Visa Electron Card.

ID#: 010410-010410-0001772

Recovered Card Reward Limitations - Issuer

An Issuer is **not** required to reimburse the Acquirer for a reward for a Visa Card or a Visa Electron Card that is:

- **Effective through 14 October 2011**, recovered at an ATM, Automated Dispensing Machine, or Self-Service Terminal

- **Effective 15 October 2011**, recovered at an ATM or Unattended Cardholder-Activated Terminal
- Inadvertently left at a Merchant Outlet
- A Non-Reloadable Visa Prepaid Card recovered without an Issuer's request or in the absence of a Pickup Response

ID#: 111011-010410-0002192

Recovered Card Rewards - Suspicious Circumstances - U.S. Region

A U.S. Acquirer must pay the Merchant a reward of at least US \$100 if a recovered Visa Card or Visa Electron Card was **not** listed in the Exception File with a Pickup Response and the Merchant's request for Authorization was due to either:

- Suspicious circumstances (Code 10 Authorization)
- Presentation of a Visa Card or Visa Electron Card on which the first 4 digits of the embossed or printed Account Number (if applicable) do not match the 4 digits printed above or below the Account Number

ID#: 010410-010410-0001773

Reimbursement of Recovered Card Rewards - U.S. Region

A U.S. Issuer must reimburse the Acquirer for the amount of a reward paid for Card recovery, up to US \$100.

Reimbursement of a reward payment must not exceed US \$250 per instance of multiple Visa Card or Visa Electron Card recovery.

ID#: 010410-010410-0008056

Counterfeit Losses

Counterfeit Transaction Liability

Assignment of Liability for Counterfeit Transactions

Visa assigns liability to the Issuer or Acquirer for counterfeit Transactions, based on the following priorities in the order shown:

- The Acquirer, if the Merchant identified on a Risk Identification Service Chargeback Exception Report contributed to the origination of the Counterfeit Transaction Receipt ^[126]
- The Acquirer first receiving the Counterfeit Transaction Receipt, if the BIN is **not** assigned to a Member

- The Acquirer that submitted the Transaction into Interchange, if an Authorization was required and **not** obtained or the Account Number encoded on the Magnetic Stripe of a Visa Card or Visa Electron Card was authorized but was different than the embossed or printed Account Number submitted into Interchange ^[127]
- The Issuer identified by the manufacturer product information printed on the reverse side of the Visa Card or Visa Electron Card, if the counterfeit Visa Card or Visa Electron Card was recovered and resulted from either the loss or theft of an unembossed and unencoded Visa Card or unencoded Visa Electron Card bearing the Visa Program Marks ^[128]
- The Issuer, if its BIN appears on the Counterfeit Transaction Receipt or the BASE II Clearing Record for the counterfeit Transaction ^[129]

ID#: 050411-010410-0001812

Issuer Identification on Card

Visa identifies the Issuer that ordered the manufacture of a Visa Card or Visa Electron Card by either the name printed on the Visa Card or Visa Electron Card or the manufacturer product information printed on the back of the Visa Card or Visa Electron Card.

There is no time limit on a Member's right to reassign liability to the Issuer under this section.

ID#: 010410-010410-0008158

Counterfeit Card Transaction Reporting

If a Member discovers Counterfeit Card activity, the Member must immediately report the Account Number to Visa.

ID#: 010410-010410-0001816

126 For qualifying Transactions, the EMV Liability Shift, as specified in "EMV Liability Shift Participation," takes precedence over this section to assess liability in the event of a conflict.

127 For qualifying Transactions, the EMV Liability Shift, as specified in "EMV Liability Shift Participation," takes precedence over this section to assess liability in the event of a conflict.

128 For qualifying Transactions, the EMV Liability Shift, as specified in "EMV Liability Shift Participation," takes precedence over this section to assess liability in the event of a conflict.

129 For qualifying Transactions, the EMV Liability Shift, as specified in "EMV Liability Shift Participation," takes precedence over this section to assess liability in the event of a conflict.

Global Compromised Account Recovery (GCAR)

Global Compromised Account Recovery Program Overview (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, an Issuer in Visa International or Visa Europe may recover a portion of its Incremental Counterfeit Fraud losses and operating expenses resulting from an Account Data Compromise Event involving a compromise of Magnetic-Stripe Data, and PIN data for events that also involve PIN compromise, under the Global Compromised Account Recovery (GCAR) program from an Acquirer(s) to whom liability for such loss has been assigned under the GCAR program.

GCAR allows Visa to determine the monetary scope of an Account Data Compromise Event, collect from the responsible Acquirer(s), and reimburse Issuers that have incurred losses as a result of the event.

GCAR allows recovery of counterfeit transaction losses across all Visa-owned brands (i.e., Visa, Interlink, Plus, and Visa Electron) when a violation, attributed to another Visa Member, could have allowed Magnetic-Stripe Data (and PIN data, if applicable) to be compromised and the subsequent financial loss was associated with **any** of the following:

- A Visa Transaction
- An Interlink transaction
- A Plus Transaction
- A Visa Electron Transaction

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, the GCAR program is only available when:

- There has been a violation involving non-compliance with one or more of the following:
 - *Payment Card Industry Data Security Standard*
 - PIN Management Requirements Documents
 - *PIN Security Program Guide*
- The violation could allow a compromise of contents of any track on the Magnetic Stripe (and PIN data, if applicable) for a Visa Transaction, a Plus Transaction, an Interlink transaction, or a Visa Electron Transaction

ID#: 160312-150512-0026564

GCAR Qualification (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, Visa will determine Account Data Compromise Event qualification, Counterfeit Fraud Recovery and Operating Expense Recovery amounts, Issuer eligibility, and Acquirer liability under the Global Compromised Account Recovery (GCAR) program in accordance with the *Visa Global Compromised Account Recovery (GCAR) Guide*.

To qualify an Account Data Compromise Event under GCAR, Visa must determine that **all** of the following criteria have been met:

- A *Payment Card Industry Data Security Standard*, PIN Management Requirements Documents, or *PIN Security Program Guide* violation has occurred that could have allowed a compromise of Account Number and Card Verification Value (CVV) Magnetic-Stripe Data, and PIN data for events also involving PIN compromise
- Account Number and CVV Magnetic-Stripe Data has been exposed to a compromise
- 15,000 or more eligible accounts were sent in CAMS Internet Compromise (IC) and/or Research and Analysis (RA) alerts indicating Account Number and CVV Magnetic-Stripe Data is potentially at risk
- A combined total of US \$150,000 or more Counterfeit Fraud Recovery and Operating Expense Recovery for all Issuers involved in the event
- Elevated Magnetic-Stripe counterfeit fraud was observed in the population of eligible accounts sent in the CAMS Alert(s) associated with the Account Data Compromise Event

ID#: 160312-150512-0026565

GCAR - Preliminary Determination of Event Qualification (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, following preliminary fraud analysis and investigation of an Account Data Compromise Event, Visa will provide the Acquirer(s) with:

- Findings in support of the preliminary determination that the event is qualified for the Global Compromised Account Recovery (GCAR) program
- A preliminary estimate of counterfeit fraud and operating expense liability amounts

ID#: 160312-150512-0026566

GCAR - Appeal Rights (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, an Acquirer may appeal a Global Compromised Account Recovery (GCAR) preliminary determination of Account Data Compromise Event qualification to Visa by submitting an appeal letter. The appeal letter must:

- Be received by Visa within 30 calendar days of the Acquirer's receipt of the preliminary Notification of qualification and estimated liability
- Include written arguments and supporting information for the appeal

Visa will notify the Acquirer of the final disposition of the appeal. The decision on the appeal is final and not subject to any challenge or any other appeal rights.

The appeal rights as specified in "Enforcement Appeals" are not applicable to GCAR.

ID#: 160312-150512-0026567

GCAR - Appeal Fee (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, Visa will collect from the Acquirer a Global Compromised Account Recovery (GCAR) appeal fee, as specified in the applicable regional fee guide, through the Global Member Billing System.

ID#: 160312-150512-0026568

GCAR - Notification of Final Liability and Recovery Amounts (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, Visa will notify the Acquirer(s) deemed responsible for an Account Data Compromise Event of its final counterfeit fraud and operating expense liability amounts under Global Compromised Account Recovery (GCAR).

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, Visa will notify the affected Issuers that an Account Data Compromise Event qualifies for Operating Expense Recovery and Counterfeit Fraud Recovery under GCAR, and advise them of their recovery amounts.

ID#: 160312-150512-0026569

GCAR - Debits, Credits, and Fees (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, Visa will submit debits to the Acquirer(s) responsible for an Account Data Compromise Event and credits, less administrative fees, to eligible Issuers through the Global Member Billing System. Visa retains a Global Compromised Account Recovery (GCAR) program administration fee as specified in the applicable regional fee guide. The debit and credit amounts as determined by Visa are final and not subject to any appeal or other challenge.

ID#: 160312-150512-0026570

GCAR - Non-Cooperation Analysis Fee (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, Visa assesses a Global Compromised Account Recovery (GCAR) program non-cooperation analysis fee to the Acquirer, as specified in the applicable regional fee guide, through the Global Member Billing System, if the Acquirer, its Merchant, or other Compromised Entity refuses to allow a forensics investigation.

ID#: 160312-150512-0026571

GCAR - Conditions for Reimbursement (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, reimbursements under the Global Compromised Account Recovery (GCAR) program to affected Issuers are based solely upon the ability of Visa to collect the counterfeit fraud and operating expense liability amounts from the responsible Acquirer(s).

ID#: 160312-150512-0026572

GCAR - Catastrophic Loss (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, if an Account Data Compromise Event is deemed catastrophic, Visa reserves the right to implement an alternative process to the Global Compromised Account Recovery (GCAR) program.

ID#: 160312-150512-0026573

GCAR Program Compliance (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, a Member must comply with the requirements specified in the *Visa Global Compromised Account Recovery (GCAR) Guide*.

ID#: 160312-150512-0026749

GCAR Incremental Fraud Recovery (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, to determine Incremental Fraud Recovery, the Global Compromised Account Recovery (GCAR) program:

- Uses an Incremental Counterfeit Fraud calculation that is based on actual counterfeit fraud reported in excess of the Issuer's baseline counterfeit fraud during an alert's Fraud Window. The Issuer baseline is determined at the BIN level and calculated for each alert based on a set methodology.

- Uses an Issuer Counterfeit Fraud Recovery limit to incent effective management of fraud. Issuer counterfeit fraud reported in excess of US \$3,000 per account will be excluded from Incremental Counterfeit Fraud recovery calculations.
- Excludes from the Issuer recovery calculation Transactions that have been successfully charged back by the Issuer and for which the Acquirer has not submitted a successful Representation at the time of the calculation
- Includes in the Issuer recovery calculation fraud Transactions that occurred up to 12 months prior to and one month following the CAMS date

Counterfeit fraud Transactions must have been authorized through VisaNet to be eligible for GCAR recovery. The only exception to this rule is that on-us^[130] ATM counterfeit fraud Transactions on Plus accounts will be eligible for GCAR recovery if the Issuer is in a country where at least 95% of domestic volume of Visa-owned brands (excluding on-us ATM) is authorized through VisaNet.

ID#: 160312-150512-0026751

GCAR Operating Expense Recovery (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, Operating Expense Recovery under the Global Compromised Account Recovery (GCAR) program is US \$2.50 per eligible account on Internet Compromise (IC) and/or Research and Analysis (RA) CAMS-alerted accounts that were not identified as expired at the time of the CAMS Alert.

ID#: 160312-150512-0026752

GCAR General Calculation Rules (New)

Effective for Qualifying CAMS Events or VAB Events in which the first or only alert is sent on or after 15 May 2012, the following general rules are applicable for Global Compromised Account Recovery (GCAR) calculations:

- Issuers must use CAMS to be eligible for recovery
- Accounts must have been authorized through VisaNet in a Transaction processed through the Compromised Entity during the Account Data Compromise Event timeframe to be included in Acquirer liability and Issuer recovery calculations
- Accounts included in a different CAMS Alert in the prior 12 months are excluded from the Acquirer liability and Issuer recovery calculations
- Visa reserves the right to adjust an Acquirer's total liability for an Account Data Compromise Event

ID#: 160312-150512-0026753

130 An On-Us Transaction is a Transaction where the Issuer and the Acquirer are the same Member.

Account Data Compromise Recovery (ADCR) - U.S. Region

Account Data Compromise Recovery Process - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, in the U.S. Region, the Account Data Compromise Recovery (ADCR) process allows Visa to determine the monetary scope of an account compromise event, collect from the responsible Member, and reimburse Members that have incurred losses as a result of the event.

ADCR allows the recovery of counterfeit transaction losses across all Visa-owned brands (i.e., Visa, Interlink, and Plus) when a violation attributed to another Visa Member could have allowed data to be compromised and the subsequent financial loss was associated with any of the following:

- A Visa Transaction
- An Interlink transaction
- A Plus transaction

This process is only available when there has been a violation of at least one of the following:

- Operating Regulations involving electronic storage of the full contents of any track on the Magnetic Stripe subsequent to Authorization of a Transaction
- Operating Regulations involving non-compliance with the Payment Card Industry Data Security Standard (PCI DSS) that could allow a compromise of the full contents of any track on the Magnetic Stripe
- Operating Regulations involving the PIN Management Requirements Documents that could allow a compromise of PIN data for a Visa Transaction, a Plus transaction, or an Interlink transaction subsequent to Authorization

The Account Data Compromise Recovery process includes:

- Counterfeit Fraud Recovery
- Operating Expense Recovery

ID#: 160312-010410-0000877

Transactions Excluded from ADCR Process - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, in the U.S. Region, violations of the *Visa International Operating Regulations* not involving storage of Magnetic-Stripe Data are excluded from this process.

Effective for Qualifying CAMS Events sent on or before 14 May 2012, in the U.S. Region, violations not involving non-compliance with the Payment Card Industry Data Security Standard (PCI DSS) that could allow a compromise of the full contents of any track on the Magnetic Stripe are excluded from this process.

Effective for Qualifying CAMS Events sent on or before 14 May 2012, violations not involving a Transaction are resolved as specified in "Visa Right to Fine" and as deemed appropriate by Visa.

ID#: 160312-010410-0000878

Determination of ADCR Eligibility - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, following the fraud analysis and investigation of the compromise event, the U.S. Member is provided with:

- Findings in support of the preliminary determination that the event is eligible for the ADCR process
- Any estimated counterfeit fraud and operating expense liability amounts

ID#: 160312-010410-0009035

Counterfeit Fraud Recovery Process - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, a U.S. Member is compensated for a portion of its counterfeit fraud losses incurred as the result of a Magnetic-Stripe Data account compromise event. The Counterfeit Fraud Recovery process is initiated by Visa when:

- An account compromise event occurs
- A Compromised Account Management System (CAMS) Alert, or multiple CAMS Alerts for the same account compromise event, is sent to affected Members
- The account compromise event involves at least 10,000 Account Numbers **and** a combined total of US \$100,000 or more recovery for all Issuers involved in the event
- At least one of the following:
 - The full contents of any track on the Magnetic Stripe was stored subsequent to Authorization of a Transaction
 - A violation of the Payment Card Industry Data Security Standard (PCI DSS) could have allowed a compromise of the full contents of any track on the Magnetic Stripe
 - A violation of the PIN Management Requirements Documents could have allowed a compromise of PIN data for a Visa Transaction, a Plus transaction, or an Interlink transaction subsequent to Authorization
- Incremental fraud is attributed to the particular account compromise event

ID#: 160312-010410-0000880

Counterfeit Fraud Reimbursement Conditions - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, in the U.S. Region, only counterfeit fraud properly reported as specified in the *Visa International Operating Regulations* is considered when determining any reimbursement due.

ID#: 160312-010410-0000881

Baseline Counterfeit Fraud Level Determination - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, in the U.S. Region, Visa determines a baseline counterfeit fraud level by analyzing reported Magnetic-Stripe-read counterfeit fraud losses that occurred up to 12 months before a Qualifying CAMS Event date and one month after the Qualifying CAMS Event date.

ID#: 160312-010410-0000882

Counterfeit Fraud Recovery Eligibility - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, U.S. Members are eligible for Counterfeit Fraud Recovery when there is incremental counterfeit fraud activity above the baseline counterfeit fraud level, as determined by Visa.

ID#: 160312-010410-0000883

Counterfeit Fraud Recovery Process - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, the U.S. Member deemed responsible for an account compromise event is notified of its estimated counterfeit fraud liability.

After the deadline for fraud reporting has passed, a Member communication broadcast is used to notify affected U.S. Members that an account compromise event qualifies for Counterfeit Fraud Recovery and advises them of their recovery amount.

The U.S. Member deemed responsible for the account compromise event is then notified of its actual counterfeit fraud liability.

ID#: 160312-010410-0008117

ADCR Reimbursement Guidelines - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, the following rules are related to the recovery process in the U.S. Region:

- Only recovery amounts of US \$25 or more are collected and distributed to affected U.S. Members.
- Only U.S. Members that were registered to receive CAMS Alerts at the time of the first CAMS Alert for the event that is the subject of the ADCR proceeding are eligible to receive counterfeit fraud reimbursement.
- Counterfeit fraud losses on Account Numbers that were included in a different Qualifying CAMS Event within the 12 months before the Qualifying CAMS Event date are excluded.

- If 2 or more Qualifying CAMS Events occur within 30 days of each other, and the events each involve a minimum of 100,000 Account Numbers, the responsible U.S. Members share liability for the counterfeit fraud amount attributed to the accounts in common.

ID#: 160312-010410-0000887

Counterfeit Fraud Liability Collection and Distribution - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, counterfeit fraud liability is collected from the responsible U.S. Member(s) through the Global Member Billing Solution. Funds are distributed the following month, at the Business ID level, through the Global Member Billing Solution, to affected Members.

ID#: 160312-010410-0000888

ADCR Administrative Fees - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, in the U.S. Region, an administrative fee is charged to the Issuer for each reimbursement issued, as specified in the *Visa U.S.A. Fee Guide*.

ID#: 160312-010410-0000889

Operating Expense Recovery Process - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, a U.S. Member enrolled in the Operating Expense Recovery process is compensated for a portion of its operating expenses incurred as a result of a Magnetic-Stripe Data account compromise event. The Operating Expense Recovery process is initiated by Visa when:

- An account compromise event occurs
- A CAMS Alert, or multiple CAMS Alerts for the same account compromise event, is sent to affected Members
- The account compromise event involves at least 10,000 Account Numbers **and** a combined total of US \$100,000 or more recovery for all Issuers involved in the event
- At least one of the following:
 - The full contents of any track on the Magnetic Stripe were stored subsequent to Authorization of a Transaction
 - A violation of the Payment Card Industry Data Security Standard (PCI DSS) could have allowed a compromise of the full contents of any track on the Magnetic Stripe
 - A violation of the PIN Management Requirements Documents could have allowed a compromise of PIN data for a Visa Transaction, a Plus transaction, or an Interlink transaction subsequent to Authorization

ID#: 160312-010410-0000890

Operating Expense Recovery Enrollment - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, U.S. Members must complete the one-time Operating Expense Recovery enrollment process to be eligible to receive operating expense reimbursement. Members may enroll at any time but are only eligible for operating expense reimbursement for Qualifying CAMS Events that occur after enrollment is complete. Members not enrolled prior to a Qualifying CAMS Event date are **not** eligible to receive operating expense reimbursement.

ID#: 160312-010410-0000891

Operating Expense Liability Notification - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, the U.S. Member deemed responsible for an account compromise event is notified of its estimated operating expense liability.

A Member communication broadcast is used to notify affected U.S. Members enrolled in the Operating Expense Recovery process that an account compromise event qualifies for Operating Expense Recovery and advises them of their recovery amount.

The U.S. Member deemed responsible for the account compromise event is then notified of its actual operating expense liability.

ID#: 160312-010410-0008116

Operating Expense Recovery Conditions - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, the following rules are related to the recovery process in the U.S. Region:

- Only recovery amounts of US \$25 or more are collected and distributed to affected U.S. Members enrolled in the Operating Expense Recovery process.
- Only U.S. Members that were registered to receive CAMS Alerts at the time of the first CAMS Alert for the event that is the subject of the ADCR proceeding are eligible to receive operating expense reimbursement.
- Operating expenses for Account Numbers that were included in a different Qualifying CAMS Event within the 12 months before the CAMS Event date are excluded.
- If 2 or more Qualifying CAMS Events occur within 30 days of each other, and the events each involve a minimum of 100,000 Account Numbers, the responsible U.S. Members share liability for the operating expense attributed to the accounts in common.

ID#: 160312-010410-0000895

Operating Expense Liability Collection and Distribution - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, operating expense liability is collected from the responsible U.S. Member(s) through the Global Member Billing Solution. Funds are distributed the following month, at the Business ID level, through the Global Member Billing Solution to affected Members enrolled in the Operating Expense Recovery process.

ID#: 160312-010410-0000896

Operating Expense Recovery Administration Fee - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, in the U.S. Region, an administrative fee is charged to the Issuer for each reimbursement issued, as specified in the *Visa U.S.A. Fee Guide*.

ID#: 160312-010410-0000897

Operating Expense Reimbursement Conditions - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, reimbursements to affected U.S. Members are based solely upon the ability of Visa to collect the counterfeit fraud and operating expense liability amounts from the responsible Member.

ID#: 160312-010410-0000898

Catastrophic Account Compromise Event - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, in the U.S. Region, if an account compromise event is deemed catastrophic, Visa reserves the right to implement an alternative process.

ID#: 160312-010410-0000899

ADCR Appeal - U.S. Region (Updated)

Effective for Qualifying CAMS Events sent on or before 14 May 2012, a U.S. Member may appeal a determination of eligibility to Visa by submitting an appeal letter. The appeal letter must:

- Be received by Visa within 30 calendar days of the Member's receipt of the Notification of eligibility and estimated liability
- Include written arguments and supporting information for the appeal

Effective for Qualifying CAMS Events sent on or before 14 May 2012, in the U.S. Region, the appeal rights, as specified in "Enforcement Appeals - U.S. Region," are **not** applicable to ADCR.

Effective for Qualifying CAMS Events sent on or before 14 May 2012, Visa will notify the U.S. Member of the final disposition of the appeal.

Effective for Qualifying CAMS Events sent on or before 14 May 2012, in the U.S. Region, the decision on any appeal is final and **not** subject to any challenge.

Effective for Qualifying CAMS Events sent on or before 14 May 2012, Visa will collect from the U.S. Member an appeal fee, as specified in the *Visa U.S.A. Fee Guide*, through the Global Member Billing Solution. For a data compromise event that qualifies under both the ADCR process and the international Data Compromise Recovery solution, Visa will collect only one appeal fee from the Member, as specified in the *Visa U.S.A. Fee Guide*.

ID#: 160312-010410-0009036

Data Compromise Recovery Solution (DCRS)

Data Compromise Recovery Solution Overview (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, an Issuer of Visa International or Visa Europe may recover incremental counterfeit fraud losses resulting from a Data Compromise event involving theft of full Magnetic-Stripe Data under the Data Compromise Recovery solution from Member(s) to whom liability for such loss has been assigned pursuant to the Data Compromise Recovery solution.

ID#: 160312-010410-0003334

Data Compromise Recovery Solution Eligibility (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Visa will determine a data compromise event, fraud, and Issuer eligibility under the Data Compromise Recovery Solution.

ID#: 160312-010410-0003335

Data Compromise Event Eligibility (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Visa will determine data compromise event eligibility based on:

- Forensic confirmation or preponderance of evidence that a breach exists
- A violation of the Payment Card Industry Data Security Standard (PCI DSS) occurred that could allow a compromise of account data
- Full Magnetic Stripe counterfeit fraud occurred on a portion of exposed Account Numbers
- **Effective for a determined data compromise event occurring on or before 8 December 2010**, a minimum of 10,000 Account Numbers were exposed and a minimum of US \$100,000 in Magnetic Stripe counterfeit fraud occurred during the data compromise event time period

- **Effective for a determined data compromise event occurring on or after 9 December 2010**, a minimum of 10,000 Account Numbers were exposed and there is a combined total of US \$100,000 or more in recovery for all Issuers involved in the event

ID#: 160312-010410-0000867

Data Compromise Fraud Eligibility Criteria (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Visa will determine fraud eligibility based on all of the following:

- Counterfeit fraud was reported to Visa
- Authorized counterfeit fraud Transactions with full Magnetic-Stripe Data occurred, including Card Verification Value
- Counterfeit fraud Transactions occurred after the Magnetic-Stripe Data was exposed

ID#: 160312-010410-0000868

Unrecovered Counterfeit Fraud Losses (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Visa will determine Issuer eligibility for unrecovered counterfeit fraud losses, based on the Issuer being:

- Capable of receiving Visa data compromise fraud alerts
- In compliance with regional Issuer fraud control programs

ID#: 160312-010410-0000869

Data Compromise Recovery Liability Time Limit (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, an Acquirer's liability under the Data Compromise Recovery solution is limited to a maximum time period of 13 months and is associated with a single data compromise event.

ID#: 160312-010410-0000870

Data Compromise Event Time Period (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, the data compromise event time period begins with the earliest known data exposure, not to exceed 12 months before the data compromise event alert and concludes 30 calendar days following the data compromise event alert.

ID#: 160312-010410-0000871

Data Compromise Fraud Loss Recovery (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Issuers' total fraud loss recovery is limited to the:

- Maximum liability assigned to the Acquirer by Visa
- Amount recoverable from the Acquirer

ID#: 160312-010410-0000872

Visa Liability for Data Compromise Recovery Amount (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Visa has no liability for an Acquirer's or any other party's inability to pay any amount owed during Data Compromise Recovery.

ID#: 160312-010410-0000873

Acquirer Liability for Data Compromise Event (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Acquirers deemed liable for a data compromise event will be obligated to bear the assigned liability as determined by Visa.

ID#: 160312-010410-0000874

Visa Rights Pertaining to Data Compromise Event Liability (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Visa reserves the right to adjust an Acquirer's total liability for a data compromise event.

ID#: 160312-010410-0000875

Data Compromise Recovery Debits, Credits, and Fees (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Visa will submit debits to the Acquirer responsible for the data compromise event and credits, less administrative fees, to eligible Issuers through the Global Member Billing Solution. Visa will retain an administration fee, as specified in the applicable regional fee guide.

The debit and credit amounts as determined by Visa are final and **not** subject to any appeal or other challenge.

ID#: 160312-010410-0009031

Data Compromise Event Appeal (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, an Acquirer may appeal a determination of eligibility to Visa by submitting an appeal letter. The appeal letter must:

- Be received by Visa within 30 calendar days of the Acquirer's receipt of the Notification of eligibility and estimated liability
- Include written arguments and supporting information for the appeal

ID#: 160312-310309-0006892

Data Compromise Event Appeal Fee (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Visa will collect from the Acquirer an appeal fee, as specified in the applicable regional fee guide, through the Global Member Billing Solution.

For a data compromise event that qualifies under both the Data Compromise Recovery solution and any other Visa Region-specific data compromise recovery program, Visa will collect only one appeal fee from the Acquirer, as specified in the applicable regional fee guide.

ID#: 160312-310309-0006893

Data Compromise Event Appeal Decision (Updated)

Effective for Qualifying CAMS Events or VAB Events sent on or before 14 May 2012, Visa will notify the Acquirer of the final disposition of the appeal. The decision on any appeal is final and **not** subject to any challenge.

ID#: 160312-310309-0006894

POS Entry Mode Compliance Liability - AP Region

Acquirer Liability for Counterfeit Transactions - AP Region

An AP Acquirer is liable for counterfeit loss, as specified in "Compliance Rights for Counterfeit Transactions - AP Region":

- When a key-entered Transaction occurs at a Merchant Outlet in a Face-to-Face Environment
- For a POS Entry Mode Code 00 Transaction, unless the Acquirer demonstrates that the Authorization Request was submitted by fax or telephone from a Merchant that does not have a Magnetic-Stripe Terminal

Visa will require an Acquirer to install a Magnetic-Stripe Terminal at a Merchant with excessive counterfeit Transactions that were processed with a POS Entry Mode Code 00 and 01.

ID#: 050411-010410-0008175

Compliance Rights for Counterfeit Transactions - AP Region

An AP Issuer may file Compliance to recover the value of a key-entered or POS Entry Mode Code 00, "Unknown," Transaction when the:

- Cardholder disputes the Transaction in writing
- Issuer certifies the Account Number is counterfeit
- Account Number was blocked on the Exception File before or on the pre-Compliance filing date
- Transaction Receipt proves that the Cardholder did **not** participate in the Transaction
- Issuer is certified as a Card Verification Value participant and is referring or declining Transactions when the Card Verification Value fails
- Transaction occurred at a Merchant Outlet in a Face-to-Face Environment

ID#: 010410-010410-0008011

Authentication Requirements

PIN Requirements

PIN Security Requirements

An Acquirer must ensure the security of a PIN when used to identify the Cardholder in a Transaction, as specified in the *PCI PIN Security Requirements* manual.

An Issuer or its agent receiving a non-secure PIN block format from Visa must convert to a secure PIN block format, as specified in the *PCI PIN Security Requirements* manual.

ID#: 010410-010410-0005291

PIN Security Compliance VIOR 2.1.E

An Acquirer or its agent processing PINs for Visa Transactions must comply with the security requirements specified in the *PCI PIN Security Requirements* manual, including the requirement to perform a "PIN Security Requirements Self-Audit." Failure to comply with the security requirements specified in the manual may subject the Acquirer to the fines specified in "PIN Security Non-Compliance Penalties."

ID#: 010410-010410-0001790

PIN Verification Requirements

PIN Verification is required for all ATM Transactions.

An Issuer may provide PIN Verification for each Transaction itself or using the Visa PIN Verification Service.

- If the Issuer performs PIN Verification, it must:
 - Install a direct computer interface to the V.I.P. System
 - Comply with requirements for PIN processing specified in the VisaNet manuals
- If the Issuer uses the PIN Verification Service, it must comply with the Key Management Service procedures specified in the *Payment Technology Standards Manual*.

ID#: 081010-010210-0008138

PIN Verification Service Description

The PIN Verification Service is an optional Visa service that verifies the Cardholder's PIN in an Authorization Request. An Issuer may choose to use this service by submitting a written request to Visa at least 90 calendar days before implementation. An Issuer may choose to use the PIN Verification Service either:

- As a full-time service for all Authorization Requests that include a PIN
- On a limited basis, if the Issuer is unavailable or unable to respond within the time required by the assured Transaction response parameters

ID#: 111011-010410-0001856

PIN as Cardholder Verification Method in Australia – Acquirer Requirements – AP Region

Effective 1 April 2012, in Australia an Acquirer and its Merchants must:

- Activate their PIN pads at devices to enable PIN Transactions that are conducted in a Card-Present Environment ^[131]
- Provide PIN bypass facilities for all Domestic Transactions conducted in a Card-Present Environment. The Transaction must be sent Online to the Issuer or the Issuer's Agent

Chip-initiated PIN-bypass Transactions must be verified in accordance with the Card's Cardholder Verification Method List, be completed in accordance with EMV and VIS specifications and follow the correct Card acceptance procedures as defined in the *Visa International Operating Regulations*.

131 Unattended Cardholder-Activated Terminals are excluded from this requirement.

An Acquirer must ensure that appropriate training of its Merchants takes place in advance of the above requirement coming into effect.

ID#: 230312-210611-0026175

PIN as Cardholder Verification Method in New Zealand – Acquirer Requirements – AP Region

Effective 1 April 2012, in New Zealand an Acquirer and its Merchants must:

- Activate their PIN pads at devices to enable PIN Transactions that are conducted in a Card-Present Environment ^[132]
- Provide PIN bypass facilities for all Domestic Transactions conducted in a Card-Present Environment. The Transaction must be sent Online to the Issuer or the Issuer's Agent

Chip-Initiated PIN-bypass Transactions must be verified in accordance with the Card's Cardholder Verification Method List, be completed in accordance with EMV and VIS specifications and follow the correct Card acceptance procedures as defined in the *Visa International Operating Regulations*

Acquirers must ensure that appropriate training of Merchants takes place prior to the above regulations coming into effect.

ID#: 160312-210611-0026143

Issuer PIN Security Requirements - Canada Region (Updated)

A Canada Issuer or its agent issuing PINs for Visa Chip Cards must comply with the security requirements specified in the *Issuer PCI PIN Security Requirements* manual at on Visa Online and which may be changed from time to time by Visa management in its sole discretion. Canada Members will be provided reasonable advance notice of all such changes.

ID#: 160312-010410-0001795

PIN Verification Service - Issuer Requirements - U.S. Region

If a U.S. Issuer uses the PIN Verification Service, the Issuer must either:

- Encode the PIN Verification Field on the Magnetic Stripe, and for Cards containing a Chip, both the Magnetic Stripe and Chip
- Ensure that the PIN Verification Value resides on the PIN Verification Value File

If the U.S. Issuer does not require Stand-In Processing to verify PINs, the Issuer is **not** required to encode PIN Verification data on the Magnetic Stripe or Chip.

ID#: 010410-010410-0007045

132 Unattended Cardholder-Activated Terminals are excluded from this requirement.

PIN Security Requirements - U.S. Region

A U.S. Acquirer or its agent processing PINs for Visa Transactions must comply with the security requirements specified in the PIN Management Requirements Documents.

Each year, on a predetermined due date, a U.S. Acquirer or its agent must complete and return to Visa:

- The "PIN Security Requirements Self-Audit Compliance Statement"
- If required, the "PIN Security Requirements Self-Audit Exception Form"

In addition, every 36 months, on the same predetermined due date, a U.S. Acquirer must complete and return the "PIN Security Requirements Self-Audit" form.

See "PIN Security Non-Compliance Penalties - U.S. Region" for penalties for failure to comply.

ID#: 010410-010410-0007046

Triple DES

Triple Data Encryption Standard Requirements - AP Region

An AP Issuer must be certified to receive and process Triple Data Encryption Standard (DES) Transactions.

An AP Acquirer must ensure that:

- All ATMs must support Triple DES
- All PIN-based point-of-sale (POS) acceptance devices must support Triple DES
- All transactions initiated at Triple DES-capable devices must be Triple DES-encrypted from point of acceptance to Visa

ID#: 010410-010410-0008139

ATM Triple Data Encryption Standard Requirements - Canada Region

All ATMs in the Canada Region must be Triple Data Encryption Standard (Triple DES) capable and all online PIN-based Transactions initiated at ATMs must be Triple DES encrypted end-to-end using double-length keys.

ID#: 111011-010710-0004709

Card Verification Value (CVV)

Card Verification Service Participation

All Members must participate in the Card Verification Service.

ID#: 111011-010410-0003234

Card Verification Value Requirements

An Issuer must be capable of receiving the POS Entry Mode code and processing the Card Verification Value according to the procedures specified in the VisaNet manuals.

All Cards must be encoded with the Card Verification Value, as specified in the *Payment Technology Standards Manual*.

Subject to the rule below, at the Issuer's option, the Cardholder Verification Value contained in the Magnetic-Stripe Image (track 2 equivalent data) on the Chip (Chip Card Verification Value-iCVV) may differ from the Card Verification Value encoded on the Card's Magnetic Stripe.

All newly issued EMV Chip Cards and existing EMV Chip Cards on renewal must use Chip Card Verification Value-iCVV as part of the Magnetic-Stripe Image, as defined in the *Payment Technology Standards Manual*.

ID#: 050411-010410-0008133

Card Acceptance Terminal Requirements

An Acquirer must ensure that its Merchant Card acceptance terminal transmits the entire unaltered contents of the Magnetic Stripe or be subject to a Chargeback.

ID#: 010410-010410-0000666

Card Verification Value Encoding Requirements

All Cards, including Emergency Card Replacements, must be encoded with the Card Verification Value, as specified in the *Card Verification Value Specifications Guide* and the *Payment Technology Standards Manual*.

ID#: 081010-010210-0003604

Authorized Transactions with Failed CVV - AP Region

An AP Issuer is prohibited from initiating a Chargeback if the Transaction failed CVV, but was authorized by the Issuer or Stand-In Processing.

ID#: 010410-010410-0000613

Integrated Circuit Card Verification Value (iCVV) Requirements - AP Region

All new AP Chip Card Issuers must certify support for Integrated Circuit Card Verification Value (iCVV) in the Magnetic Stripe data encoded on the Chip.

All AP Visa Smart Debit and Credit (VSDC) Card Issuers must certify support for Integrated Circuit Card Verification Value (iCVV) in the Magnetic Stripe data encoded on the Chip.

All newly issued AP Visa Smart Debit and Credit (VSDC) Cards must contain an Integrated Circuit Card Verification Value (iCVV) in the Magnetic Stripe data encoded on the Chip.

The Card Verification Value (CVV) encoded on other (non-Magnetic Stripe) technologies must differ from the CVV value encoded on the physical Magnetic Stripe.

ID#: 010410-010410-0004087

dCVV for Contactless Payment Program - U.S. Region

A U.S. Issuer must support Dynamic Card Verification Value (dCVV) authentication for its Contactless Payment Program, as specified in the *Visa U.S.A. Contactless Payment Program Technical Implementation Guide*.

ID#: 010410-010410-0000671

Card Verification Value 2 (CVV2)

CVV2 on Visa Cards (Updated)

All Visa Cards must bear a Card Verification Value 2 (CVV2), as specified in the:

- *Card Verification Value Specifications Guide*
- *Payment Technology Standards Manual*
- *Visa Product Brand Standards*

CVV2 is optional for a Proprietary Card bearing the Plus Symbol.

Effective 8 March 2012, this requirement does not apply to Mobile Payment Devices.

ID#: 160312-010210-0000676

CVV2 on Visa Electron Cards

If the full Account Number is used, an Issuer must indent-print a Card Verification Value 2 on the back of a Visa Electron Card, as specified in the:

- *Card Verification Value Specifications Guide*
- *Payment Technology Standards Manual*
- *Visa Product Brand Standards*

ID#: 010410-010210-0000677

CVV2 for Card-Absent Transactions - AP Region

In a Card-Absent transaction where the CVV2 was supplied by the AP Acquirer as part of the Authorization message, an AP Issuer will be liable for Transactions approved showing a CVV2 result code of N.

ID#: 010410-010410-0000674

Card Verification Value 2 (CVV2) Requirements in Australia – AP Region

Effective 1 April 2012, all Electronic Commerce Merchants must capture CVV2 and include it in the Authorization record.

This requirement does not apply to:

- Merchants who participate in Verified By Visa
- Transactions involving Visa Commercial Card Virtual Accounts

Effective 1 April 2012, all Acquirers must correctly process CVV2 response codes.

ID#: 111011-140411-0026176

Card Verification Value 2 (CVV2) Requirements in Hong Kong – AP Region

Effective 1 October 2011, all Electronic Commerce Merchants in Hong Kong must capture CVV2 and include it in the Authorization Request. Transactions involving Visa Commercial Card Virtual Accounts are excluded from this mandate.

Effective 1 October 2011, all Acquirers in Hong Kong must correctly process CVV2 response codes.

ID#: 151011-011011-0026538

Card Verification Value 2 (CVV2) Requirements in New Zealand – AP Region

Effective 1 April 2012, all Electronic Commerce Merchants must capture CVV2. Visa Commercial Card Virtual Accounts are excluded from this requirement.

Effective 1 April 2012, all Acquirers must correctly process CVV2 response codes.

ID#: 050411-060111-0026144

CVV2 Requirements - Canada Region

A Canada Acquirer participating in the Card Verification Value 2 (CVV2) service must populate the CVV2 results code received in the Authorization Response in a Transaction's corresponding Clearing Record.

ID#: 010410-010410-0000675

CVV2 Issuer Requirements - U.S. Region

All U.S. Issuers must:

- Be certified as able to receive and respond to Authorization Requests containing the values for Card Verification Value 2 (CVV2), as specified in the applicable VisaNet manual
- Provide Visa with valid CVV2 encryption keys and test account numbers with CVV2 values and expiration dates

ID#: 010410-010410-0000672

CVV2 Acquirer Requirements - U.S. Region

All U.S. Acquirers must be certified as able to send, and receive responses to, Authorization Requests containing the values for Card Verification Value 2, as specified in the applicable VisaNet manual.

ID#: 010410-010410-0003845

CVV2 Validation - U.S. Region

Effective through 14 October 2011, a U.S. Merchant certified by Visa may validate the Card Verification Value 2 (CVV2) on the Card when the Magnetic Stripe on a Visa Card cannot be read. A CVV2 result code M, "Fully Matched," is considered an Imprint for the purposes of Chargeback Reason Code 81, "Fraudulent Transaction - Card-Present Environment."

ID#: 111011-010410-0002849

CVV2 Submission in a Face-to-Face Environment - U.S. Region

Effective 15 October 2011, in the U.S. Region, for a Transaction in a Face-to-Face Environment, if the Magnetic Stripe cannot be read, the Card Verification Value 2 (CVV2) is an Imprint if the:

- Transaction is key-entered
- CVV2 is included in the Authorization Request
- Merchant is not assigned Merchant Category Code 7995, "Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks"
- Transaction is not a:
 - Quasi-Cash Transaction
 - Cash-Back Transaction
 - Manual Cash Disbursement
- Authorization was obtained

ID#: 111011-151011-0026370

CVV2 in Lieu of Imprint - U.S. Region

Effective through 14 October 2011, a U.S. Acquirer whose Merchant meets the following criteria may request certification from Visa for its Merchant to qualify for the CVV2 in lieu of Imprint program:

- Cardholder Information Security Program Level 1-compliant, with a complete Report on Compliance filed with the Acquirer
- A key-entered Transaction rate below 3.5% of total Transactions
- A face-to-face fraud-related Chargeback rate below 0.02%^[133]

U.S. Acquirers of Merchants qualifying for the CVV2 in lieu of Imprint program will receive written certification from Visa.

ID#: 111011-010410-0008173

Authentication Fines and Penalties

PIN Security Non-Compliance Penalties

A Member is subject to the fines specified in the table below if it fails to comply with "PIN Security Compliance" and:

- Complete and return the "PIN Security Requirements Self-Audit" form

133 The face-to-face fraud-related Chargeback rate is the U.S. dollar amount of Chargebacks processed with Chargeback Reason Code 81, "Fraud - Card Present Environment," as a percentage of all face-to-face Transaction U.S. sales dollars.

- Complete and return the "PIN Security Requirements Self-Audit Compliance Statement"
- Respond to a non-compliance Notification

Fines for Failure to Complete the PIN Security Requirements Self-Audit or Self-Audit Compliance Statement, or Respond to Non-Compliance Notification

Calendar Days	Fine
Annual due date + 29 calendar days	No fine
Due date + 30 calendar days to 59 calendar days	US \$10,000 fine
Due date + 60 calendar days to 89 calendar days	US \$10,000 fine
Due date + 90 calendar days to 119 calendar days	US \$10,000 fine
Due date + 120 calendar days and every 30 calendar days onward	US \$25,000 fine

ID#: 010410-010410-0001288

PIN Security Violation Penalties

An Acquirer that fails to respond within 30 calendar days of receipt of a non-compliance Notification, following an onsite inspection for PIN security violations, may be fined or have its certification suspended until the response has been received and acknowledged by Visa.

An Acquirer that provides an action plan in response to a Notification but does not perform its commitments must post a performance bond or escrow of US \$100,000 until either:

- Compliance is confirmed by Visa
- Acquirer certification is suspended

If Acquirer certification is suspended, the Acquirer may forfeit the posted or escrowed amount.

ID#: 010410-010410-0005872

PIN Security Review Fee - AP Region

As specified in the *Visa Asia Pacific Fee Guide*, a fee will be assessed for each initial AP PIN Security review performed. If, after a PIN review, Visa determines that an AP Member fails to demonstrate full compliance with the *PCI PIN Security Requirements*, the Member is responsible for:

- Follow-up review fee dependent on the level of non-compliance identified
- Cost associated with additional reviews until compliant

ID#: 081010-010410-0001794

PIN Security Non-Compliance Penalties - U.S. Region

If a U.S. Member fails to complete and return the "PIN Security Requirements Self-Audit" form or the "PIN Security Requirements Self-Audit Compliance Statement," the Member is assessed a fine, as specified in the table below.

Fines for Failure to Complete PIN Security Requirements Self-Audit or Compliance Statement - U.S. Region

Calendar Days	Fine
Annual due date + 29 calendar days	No fine
Due date + 30 calendar days to 59 calendar days	US \$10,000 fine
Due date + 60 calendar days to 89 calendar days	US \$10,000 fine
Due date + 90 calendar days to 119 calendar days	US \$10,000 fine
Due date + 120 calendar days and each subsequent 30-calendar-day period	US \$25,000 fine

ID#: 111011-010410-0003708

Contesting of PIN Requirement Non-Compliance Penalty - U.S. Region (Updated)

A U.S. Issuer may contest an assessed PIN requirements penalty by submitting evidence to Visa that the penalty was **not** warranted.

If an Issuer contests an assessed penalty because it may be eligible for a Variance or Waiver, Visa will consider the opposition as a request for a Variance or Waiver.

If Visa grants a Variance or Waiver, the assessed penalty will be waived.

ID#: 230312-010410-0008152

Terminated Merchant File

Terminated Merchants

Required Use of Visa Merchant Trace System - AP Region (Updated)

Effective 1 March 2011 through 31 January 2012, in the AP Region all Acquirers located in Australia, Cambodia, Hong Kong, India, Indonesia, Macau, Malaysia, New Zealand, Philippines, Sri Lanka and Thailand must:

- Enter terminated Merchant details into the Visa Merchant Trace System database within one business day after terminating a Merchant Agreement due to one of the reasons specified in the “Terminated Merchant Listing Reasons” in the *Visa Merchant Trace System Participation Requirements*
- Comply with all requirements specified in the *Visa Merchant Trace System Service Participation Requirements*

Effective 1 February 2012 through 30 April 2012, in the AP Region all Acquirers located in Australia, Cambodia, Hong Kong, India, Indonesia, Macau, Malaysia, New Zealand, Philippines, Sri Lanka, Thailand, Singapore and Vietnam must:

- Enter terminated Merchant details into the Visa Merchant Trace System database within one business day after terminating a Merchant Agreement due to one of the reasons specified in the “Terminated Merchant Listing Reasons” in the *Visa Merchant Trace System Participation Requirements*
- Comply with all requirements specified in the *Visa Merchant Trace System Service Participation Requirements*

Effective 1 May 2012, in the AP Region all Acquirers located in Australia, Cambodia, Hong Kong, India, Indonesia, Macau, Malaysia, New Zealand, Philippines, Sri Lanka, Thailand, Singapore, Vietnam and China must:

- Enter terminated Merchant details into the Visa Merchant Trace System database within one business day after terminating a Merchant Agreement due to one of the reasons specified in the “Terminated Merchant Listing Reasons” in the *Visa Merchant Trace System Participation Requirements*
- Comply with all requirements specified in the *Visa Merchant Trace System Service Participation Requirements*

ID#: 060412-010311-0026131

Common Terminated Merchant Database - Canada Region

All Canada Acquirers in Canada must participate in a common terminated Merchant database. The database must be an automated Merchant risk database that Acquirers within Canada may use to determine if a Merchant's contract has been terminated for cause by another Acquirer. An Acquirer must use either:

- An externally managed common terminated Merchant database
- Visa National Merchant Alert Service

ID#: 010410-010410-0007377

National Merchant Alert Service - Canada Region

Canada Acquirers must:

- Concurrent with the closure of a Merchant Outlet, list the Merchant on a common terminated merchant database or the National Merchant Alert Service file for a period of 3 years if the Merchant violated the Merchant Agreement and was subsequently terminated for cause
- Retain Merchant Agreement termination information for all Merchants listed on a common terminated merchant database or the National Merchant Alert Service file for a period of 3 years

ID#: 010410-010410-0007378

National Merchant Alert Service Fee - Canada Region

Canada Acquirers must pay Visa a National Merchant Alert Service fee to be collected through VisaNet if the service is utilized.

ID#: 010410-010410-0007380

Terminated Merchant Non-Compliance Fines - Canada Region

If a Canada Acquirer fails to comply with the requirements of "Common Terminated Merchant Database - Canada Region," Visa may assess a fine of CAD \$2,500 per violation.

ID#: 010410-010410-0007381

Terminated Merchant File Listing Requirements - U.S. Region 2.2.C.2.a

A U.S. Acquirer must add a terminated Merchant to the file as soon as possible, but no later than close of business on the day following the date the Merchant is notified of the intent to terminate the agreement. An Acquirer must list the Merchant if terminated for one or more of the following reasons:

- Merchant was convicted of credit or debit card fraud
- Merchant deposited excessive Counterfeit Transaction Receipts
- Merchant deposited excessive Transaction Receipts unauthorized by Cardholders
- Merchant deposited Transaction Receipts representing sales of goods or services generated by another Merchant (laundering)
- Acquirer received an excessive number of Chargebacks due to Merchant's business practices or procedures

ID#: 010410-010410-0007386

Terminated Merchant File Information Requirements - U.S. Region

A U.S. Acquirer must add a Merchant to the Terminated Merchant File within 24 hours of determining that:

- The Merchant was terminated for reasons other than those listed in "Terminated Merchant File Listing Requirements - U.S. Region"

- Within 90 calendar days of the termination date, the Acquirer determines that the Merchant should have qualified for the listing

The Merchant listing must include the:

- Business name
- Names and identification of principals of terminated Merchants

The Acquirer must report terminated Merchants, as specified .

ID#: 111011-010410-0007969

Terminated Merchant File Deletion - U.S. Region

Only the U.S. Member that added the Merchant to the Terminated Merchant File may request deletion of the Merchant name or information.

A Member that incorrectly adds a Merchant to the file must request correction of the file immediately upon recognition of an error.

ID#: 010410-010410-0007963

Terminated Merchant File Compliance Reasons - U.S. Region

A U.S. Member that fails to comply with the Terminated Merchant File requirements specified in the U.S. Regional Operating Regulations may be subject to Compliance, including liability for losses incurred by another Member as a result of the failure to comply.

ID#: 010410-010410-0008174

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Chapter 9: Dispute Resolution

Core Principle 9.1

Attempt to Honor/Post all Transactions

Issuer Transaction Acceptance

Participating issuers are responsible for accepting and attempting to honor all transactions, but they may have rights to return transactions for reasons specified by Visa. These reasons can include events such as inadvertent processing errors, some types of fraud and certain cardholder disputes.

ID#: 171009-171009-0025563

Core Principle 9.2

Offer Mutual Assistance to Other Participants

Assisting in the Resolution of Disputes

Participants in the Visa system agree to attempt to offer mutual assistance to other participants to resolve transaction disputes prior to escalating the dispute to Visa for final resolution.

ID#: 171009-171009-0025564

Core Principle 9.3

Prevent Unjust Enrichment

Unjust Enrichment

Visa participants agree to take appropriate action to prevent unjust enrichment to themselves or their customers by failing to credit a customer for a transaction that is charged back, or by taking multiple credits for a single transaction.

ID#: 171009-171009-0025565

Core Principle 9.4

Visa Acts as Arbitrator

Arbitrating Unresolved Disputes

For unresolved transaction disputes, Visa acts essentially as an arbitrator between participants.

ID#: 171009-171009-0025566

Dispute Resolution Process

Cardholder Disputes

Introduction to Dispute Resolution - U.S. Region (Updated)

Effective for Transactions completed through 30 June 2015, for a U.S. Domestic Transaction, an Issuer must resolve Cardholder disputes under the Operating Regulations by extending to Cardholders all protections provided on any Visa Card under Federal law or regulation and by utilizing the Issuer's customary practices to resolve Cardholder disputes, regardless of which type of Visa Card was used. Thus, the resolution of such Cardholder disputes will be the same in similar circumstances regardless of which type of Visa Card was used. The foregoing applies only with respect to Transactions on Cards using the Visa Brand Mark, not to Transactions using any other payment card brand even if such brand is on the Visa Card. By way of example, a purchase made with a Visa Check Card that is not a Visa Check Card II and is processed as another brand network transaction, such as a domestic PIN network, is not governed by this rule because the purchase is not a Transaction made using the Visa Brand Mark.

Effective for Transactions completed on or after 1 July 2015, for a U.S. Domestic Transaction, an Issuer must resolve Cardholder disputes under the Operating Regulations by extending to Cardholders all protections provided on any Visa Card under Federal law or regulation and by utilizing the Issuer's customary practices to resolve Cardholder disputes, regardless of which type of Visa Card was used. Thus, the resolution of such Cardholder disputes will be the same in similar circumstances regardless of which type of Visa Card was used. The foregoing applies only with respect to Transactions on Cards using the Visa Brand Mark, not to Transactions using any other payment card brand even if such brand is on the Visa Card. By way of example, a purchase made with a Visa Check Card that is processed as another brand network transaction, such as a domestic PIN network, is not governed by this rule because the purchase is not a Transaction made using the Visa Brand Mark.

ID#: 160312-171009-0003557

Mutual Assistance

Mutual Assistance Between Members

A Member must attempt to offer mutual assistance to other Members to resolve disputes between both:

- Its Cardholder and another Member's Merchant
- Its Merchant and another Member's Cardholder

If a Cardholder or Merchant accepts financial liability for a Transaction, its Member must reimburse the other Member directly.

ID#: 171009-171009-0003250

Transaction Receipt

Request for Transaction Receipt Copy

Transaction Receipt Request

An Issuer may request a Transaction Receipt from an Acquirer.

ID#: 171009-171009-0003257

Request for Transaction Receipt Copy and Substitute Transaction Receipt

An Issuer may request a Transaction Receipt copy from an Acquirer only for the reasons specified in the following table. The Issuer must accept a Substitute Transaction Receipt for certain Transactions, as applicable. For Transactions conducted in a Card-Present Environment, Substitute Transaction Receipts are considered invalid Transaction Receipts.

Transaction Receipt Retrieval Request Reasons

Request Reason for Copy BASE II Transaction Code 52 (Field 63.3 in Single Message System)	BASE II Request Code	Single Message System Request Code
Request for copy bearing signature ¹	28	0028
T&E Document request	29	0029
Cardholder request due to dispute	30	0030
Fraud analysis request	33	0033

Request Reason for Copy BASE II Transaction Code 52 (Field 63.3 in Single Message System)	BASE II Request Code	Single Message System Request Code
Legal process request	34	0034
1. Not applicable to a Vehicle-Specific Fleet Card Transaction.		

ID#: 160312-171009-0003255

Minimum Data Requirements for Retrieval Requests

Each Retrieval Request must contain at least the following data:

- Acquirer Reference Number
- Account Number
- Transaction Date of original Presentment
- Merchant Category Code
- Either the Transaction amount in the Transaction Currency or a complete Merchant description
- Applicable Retrieval Request reason code from the Transaction Receipt Retrieval Request Reasons table
- The following provisions apply to U.S. Domestic Transactions: *(This only applies in the U.S. Region.)*
 - Merchant city and state *(This only applies in the U.S. Region.)*
 - Acquirer's Business I.D. *(This only applies in the U.S. Region.)*
 - Transaction Identifier, if present in the original Presentment *(This only applies in the U.S. Region.)*
 - **Effective through 14 October 2011**, Cardholder-Activated Terminal indicator, if present in the original Presentment *(This only applies in the U.S. Region.)*
 - Visa Prepaid Card indicator, if present in the original Presentment *(This only applies in the U.S. Region.)*
 - Transaction amount *(This only applies in the U.S. Region.)*

ID#: 111011-171009-0000314

Transaction Receipt Retrieval Request Reasons - LAC Region

For an Intraregional Transaction in the LAC Region, the following table lists the reason for requesting copies of the Transaction Receipt and H&C Document, and their corresponding BASE II request and confirmation codes. *(This only applies in the Latin America & Caribbean Region.)*

Transaction Receipt Retrieval Request Reason - LAC Region

Copy Request Reason for Base II Transaction Code 52	Base II Request Code
Cardholder requests copy bearing signature and/or H&C Document	28

ID#: 111011-171009-0003426

Request for Easy Pay Transaction Receipt Copy - LAC Region

For an Intraregional Transaction in the LAC Region, to fulfill a request for a BASE II Copy Request code for an Easy Pay Transaction, the LAC Acquirer must provide a copy of the "Cardholder Participation Request and Consent Form," including all of the following:

- Cardholder name
- Account Number
- Card expiration date (if available)
- Cardholder signature
- Merchant name and location
- Description of good(s) or service(s)
- Detail of services charged

ID#: 160312-171009-0003655

Retention**Transaction Receipt Retention Periods 7.3.B**

If requested, an Acquirer must provide an Issuer with a legible Transaction Receipt copy during the required retention period, as specified in the following table.

Transaction Receipt Retention Periods

Document	Retention Period
Original Transaction Receipt	According to applicable law
Transaction Receipt copy or substitute	Effective through 14 October 2011 , 12 months from Processing Date Effective 15 October 2011 , 13 months from Processing Date For Intraregional Transactions in the LAC Region, refer to Document Retention Period - LAC Region.
T&E Document	6 months from Processing Date

Document	Retention Period
Recurring Transaction Receipt	<p>Effective through 14 October 2011, 12 months from Processing Date of latest Transaction</p> <p>Effective 15 October 2011, 13 months from Processing Date of latest Transaction</p>

ID#: 111011-171009-0003258

Document Retention Period - LAC Region

For an Intraregional Transaction in the LAC Region, if requested, an Acquirer must provide an Issuer with legible Transaction Receipt copies during the required retention period, as specified in the following table.

Document Retention Period - LAC Region

Document	Retention Period
Copy of Transaction Receipt or substitute	12 months from the Endorsement Date or Settlement Date
H&C Document	6 months from Endorsement Date or Settlement Date
Easy Pay Transaction	12 months from the Endorsement Date or Settlement Date of the latest Transaction

ID#: 160312-171009-0003427

Request and Fulfillment

Transaction Receipt Fulfillment Documents - Data Requirements

The following tables specify the Substitute Transaction Receipt data requirements, excluding Domestic Transactions in Brazil and U.S. Domestic Transactions. For U.S. Domestic Transactions, refer to "Substitute Transaction Receipt Data Requirements - U.S. Region." For Domestic Transactions in Brazil, refer to "Substitute Transaction Receipt Data Requirements for Brazil - LAC Region."

**Substitute Transaction Receipt Fulfillment Documents - Unattended Acceptance
Terminals (Effective for Transactions Completed through 14 October 2011)**

Transaction Type		
	Cardholder-Activated Transaction Type A (Not applicable for Magnetic-Stripe Telephone Transactions)	Cardholder-Activated Transaction Type B or Type C (Not applicable for Magnetic-Stripe Telephone Transactions)
Requested Document	Transaction log	Transaction log
Required Data on Document		
Account Number	X	
Transaction Date	X	X
Transaction Time		X
Transaction Amount	X	
Authorization Code		X
Evidence of electronic Card Imprint		X

**Substitute Transaction Receipt Fulfillment Documents - Recurring,
Mail/Phone Order, Retail, and Electronic Commerce Transactions**

Transaction Type			
	Recurring or Mail Order (Excludes Phone Order)	Recurring, Mail/Phone Order, or Retail as permitted in Retrieval Request Reason Code 30 Fulfillment (Effective through 15 October 2010)	Electronic Commerce
Requested Document	Cardholder written permission	Substitute Transaction Receipt	Substitute Transaction Receipt
Required Data on Document			
Account Number	X	X	X
Cardholder Name (Effective through 15 October 2010)	X	X	X
Transaction Date	X	X	X
Transaction Amount	X	X	X
Transaction Currency	Not applicable	Not applicable	X
Authorization Code	If any	If any	X
Cardholder Signature	X ¹	Not applicable	Not applicable

 Visa International Operating Regulations

Transaction Type			
	Recurring or Mail Order (Excludes Phone Order)	Recurring, Mail/Phone Order, or Retail as permitted in Retrieval Request Reason Code 30 Fulfillment (Effective through 15 October 2010)	Electronic Commerce
Merchant Name	X	X	X
Merchant Location	X	X	Online address
Description	Merchandise or services	Merchandise or services	Merchandise or services ²
Itemized Charges	X	Not applicable	Not applicable
1. The Recurring Services Merchant must retain the Cardholder's permission in a format such as an e-mail, other electronic record, or in paper form, for the duration of the Recurring Transactions and provide it upon Issuer request. 2. To remedy a Retrieval Request or use Reason Code 75, "Transaction Not Recognized" for an Aggregated Transaction, an Electronic Commerce Merchant must provide the details for the individual purchases that have been aggregated.			

Substitute Transaction Receipt Fulfillment Documents - T&E Transactions

Document Type	Transaction Type			
	Car Rental	Airline	Hotel	Cruise Line
Copy	Copy	Copy	Copy	Copy
Substitute Transaction Receipt	X	X	X	X
T&E Document	X ¹		X ¹	X ¹
Required Data on Document				
Account Number	X	X	X	X
Cardholder Name	X	If applicable	X	X
Passenger or Guest Name, if different than Cardholder Name		X	X	X
Cardholder Address	X			
Address where tickets were sent		If available and applicable		
Transaction Date		X		

 Visa International Operating Regulations

Document Type	Transaction Type			
	Car Rental	Airline	Hotel	Cruise Line
Rental and Return Dates	X			
Transaction Code	If any			
Transaction Amount	X	X	X	X
Authorization Code	If any	If any	If any	If any
Merchant Name	X	X	X	X
Merchant Location			X	X
Rental and Return location	X			
Travel Agent Name and Address		If applicable		
Rental Agreement Number	X			
Description	X ²	Airline flight information	Dates of stay, check-in, and check-out	Dates of cruise embarkation and disembarkation
Itemized Charges			X ³	X ³
<ol style="list-style-type: none"> 1. Must include a copy of all documents pertaining to a T&E Transaction, including the Transaction Receipt, car rental agreement, or if one was created, a Guest Folio, as applicable. The Card Imprint and Cardholder signature must also be included if either or both were obtained. 2. Includes type of car, mileage, rental rates, actual rate, refueling and insurance charges, adjustments, tax, cash received, billing method, and rental agent ID number. 3. Includes room rate, tax, and food, beverage, and incidental charges. 				

ID#: 160312-171009-0003260

Retrieval Request Requirements

To satisfy a Retrieval Request, the Acquirer must either:

- Provide a Transaction Receipt copy
- Provide a Substitute Transaction Receipt containing the required data for a Transaction conducted in a Card-Absent Environment.

ID#: 160312-171009-0003540

Substitute Transaction Receipt Requirements

To satisfy a Retrieval Request resulting from a Transaction conducted in a Card-Absent Environment, the Acquirer may provide a Substitute Transaction Receipt, containing the following:

- Account Number
- Transaction Date
- Transaction amount
- Authorization Code (if any)
- Merchant name and location
- Description of the merchandise or services
- "Ship to" address (if applicable)

ID#: 160312-171009-0003543

T&E Document Retrieval Request

To satisfy a Retrieval Request for a T&E Document, excluding an Intraregional Transaction in the AP Region, a Domestic Transaction in Brazil, and a Canada Domestic Transaction, the Acquirer must provide a copy of all documents pertinent to the Transaction, including the Transaction Receipt, car rental agreement, or Guest Folio, if created. The Card Imprint and Cardholder signature must be included if either or both was obtained.

ID#: 111011-171009-0003544

Substitute Transaction Receipt Data Requirements - U.S. Region

Effective through 14 October 2011, these provisions apply to U.S. Domestic Transactions. For Substitute Transaction Receipt data requirements (Transactions conducted in a Card-Absent Environment only) for International Transactions, refer to "Transaction Receipt Fulfillment Documents - Data Requirements."

Substitute Transaction Receipt Data Requirements - Data-Captured Retail Transactions (May be used only to satisfy Retrieval Request Reason Code 30, "Request Due to Cardholder Inquiry") - U.S. Region (Effective through 14 October 2011)

Required Data	Data-Captured Retail Transactions
Account Number	X
Transaction Date	X
Transaction Time	Optional
Authorization Code	X

Required Data	Data-Captured Retail Transactions
Merchant Name	X
Merchant Location	X
Description	Merchandise or service
Store Department	Optional
"Ship to" Address	If applicable

ID#: 230312-171009-0003545

Substitute Transaction Receipt Data Requirements for Brazil - LAC Region

For Domestic Transactions in Brazil, Substitute Transaction Receipts must contain the elements listed below. For Substitute Transaction Receipt data requirements for International Transactions, refer to "Transaction Receipt Fulfillment Documents - Data Requirements."

For car rental, Airline, passenger railway, lodging, or Cruise Line Transactions:

- Product type
- Account Number
- Transaction Date
- Transaction time
- Transaction amount
- Sales type
- Authorization Code
- POS Entry Mode code
- Merchant name
- Merchant location
- Merchant ID
- Terminal ID
- Chip Cryptogram code, if applicable
- Transaction with PIN, if applicable

For Recurring Transactions, Mail/Phone Order Transactions, retail Transactions, or Electronic Commerce Transactions:

- Product type
- Account Number
- Transaction Date
- Transaction time

- Transaction amount
- Sales type
- Authorization Code
- POS Entry Mode
- Merchant name
- Merchant location
- Merchant ID
- Terminal ID
- TC Chip Cryptogram code, if applicable
- Transaction Receipt Fulfillment Documents

ID#: 111011-010710-0025769

Transaction Receipt Fulfillment Documents - H&C Transaction Data Requirements - LAC Region

For Intraregional H&C Transactions in the LAC Region, the following table details the requirements an Acquirer has to comply with in order to fulfill the Transaction Receipt Retrieval Request for H&C Transactions. *(This only applies in the Latin America & Caribbean Region.)*

Transaction Receipt Fulfillment Documents - H&C Documents - LAC Region

Public and Private Hospitals (H&C)	
Type of Document	
Original or Copy	Copy
Substitute Transaction Receipt	X
H&C Document	X ¹
Required Data on Document	
Account Number	X
Cardholder name	X
Patient name	X
Cardholder address	X
Check-in and check-out dates	X
Transaction code	If any
Transaction Amount	X
Authorization Code	If any
Merchant name	X

Public and Private Hospitals (H&C)	
Public and private hospital location	X
Itemized charges	X ²
<ol style="list-style-type: none"> 1. Must include a copy of all documents pertaining to an H&C Transaction, including the Transaction Receipt and hospitalization agreement, if any. The Card Imprint and Cardholder signature must also be included, if either or both were obtained. 2. Includes doctors' fees (if applicable), the room rate, taxes and charges for medications and supplies. 	

ID#: 111011-171009-0003428

Transaction Receipt Fulfillment Documents - Easy Pay Transaction Data Requirements - LAC Region

For Intraregional Easy Pay Transactions in the LAC Region, the following table details the requirements that an Acquirer must comply with in order to fulfill Copy Requests for Easy Pay Transactions. *(This only applies in the Latin America & Caribbean Region.)*

Transaction Receipt Fulfillment Documents - Easy Pay - LAC Region

Easy Pay Transaction	
Type of Document	
Original or Copy	Original or copy
Document requested	Cardholder's written permission
Required Data on Document	
Account Number	X
Card expiration date	If available
Cardholder name	X
Transaction date	X
Transaction amount	X
Authorization Code	If any
Cardholder signature	X ¹
Merchant name	X
Merchant location	X
Description	Goods or services
Itemized charges	X ²

1. A Merchant that accepts Easy Pay Transactions must retain the written permission signed by the Cardholder in a format such as e-mail, other electronic record, or in paper form, for the duration of the period agreed upon by the Cardholder for Easy Pay Transactions with said Merchant and provide it at the request of the Issuer.
2. Includes doctors' fees (if applicable), taxes and charges for medicines and supplies.

ID#: 171009-171009-0003654

VisaNet Copy Request and Fulfillment Service

VisaNet Copy Request and Fulfillment Service Participation

All Issuers and Acquirers must participate in the VisaNet Copy Request and Fulfillment Service when initiating or responding to a Retrieval Request.

ID#: 171009-171009-0007035

Acquirer Response to Retrieval Request

An Acquirer must respond within 30 calendar days of the Retrieval Request Processing Date with one of the following:

- Fulfillment
- Nonfulfillment Message
- Interchange log indicating that full credit for the original Transaction amount was processed to the Cardholder Account Number

ID#: 171009-171009-0000571

Truncated or Disguised Account Number

The Acquirer may provide the Issuer with a Transaction Receipt that contains a truncated or disguised Account Number.

ID#: 171009-171009-0000542

Transaction Receipt Fulfillment Exceptions (Updated)

The Acquirer is not required to provide a Transaction Receipt for any of the following:

- ATM Cash Disbursement
- **Effective for Transactions completed through 14 October 2011**, Magnetic-Stripe Telephone Transaction
- **Effective for Transactions completed through 12 October 2012**, EMV PIN Transaction, excluding:

- Retrieval Request Reason Code 29, “T&E Document Request”
- Retrieval Request for a Manual Cash Disbursement or Quasi-Cash Transaction
- **Effective for Transactions completed on or after 13 October 2012**, EMV PIN Transaction or Proximity Payment Transaction in which a PIN or Consumer Device Cardholder Verification Method (CDCVM) was used, excluding:
 - Retrieval Request Reason Code 29, “T&E Document Request”
 - Retrieval Request for a Manual Cash Disbursement^[134] or Quasi-Cash Transaction^[135]
- Visa Easy Payment Service Transaction
- **Effective for Transactions completed on or after 15 October 2011**, Unattended Transaction

Effective for Transactions completed on or after 14 April 2012, for U.S. Domestic Transactions, the Acquirer is not required to provide a Transaction Receipt for a Visa Debit with PIN Transaction. *(This only applies in the U.S. Region.)*

For Canada Domestic Transactions, the Acquirer is not required to provide a Transaction Receipt for fully-Compliant Chip Card Transactions. *(This only applies in the Canada Region.)*

For Domestic Transactions in Brazil, the Acquirer is not required to provide a Transaction Receipt for any of the following: *(This only applies in the Latin America & Caribbean Region.)*

- Chip-initiated Transaction with PIN Verification *(This only applies in the Latin America & Caribbean Region.)*
- Chip-initiated Transaction with no PIN Verification *(This only applies in the Latin America & Caribbean Region.)*
- Magnetic-Stripe-read Transaction with PIN Verification *(This only applies in the Latin America & Caribbean Region.)*
- Magnetic-Stripe-read Transaction at a Chip-Reading Device *(This only applies in the Latin America & Caribbean Region.)*
- Brazil Domestic Installment Transaction - Excluding the first Installment Transaction *(This only applies in the Latin America & Caribbean Region.)*
- Proximity Payment Transaction *(This only applies in the Latin America & Caribbean Region.)*
- Card-Absent Environment Transaction *(This only applies in the Latin America & Caribbean Region.)*
- Manual or key-entered Transaction (POS Entry Mode code value of "01") *(This only applies in the Latin America & Caribbean Region.)*
- Transaction under R \$15 *(This only applies in the Latin America & Caribbean Region.)*

ID#: 040412-171009-0000543

134 Not applicable for Mobile Payment Devices

135 Not applicable for Mobile Payment Devices

Fulfillment Requirements

A Fulfillment must comply with all of the following:

- Be legible enough for the Cardholder to read or for the Issuer to identify the Account Number
- Include the unique 12-digit Copy Request Identifier assigned by VisaNet
- For a U.S. Domestic Transaction, include a unique nine-digit control number assigned by the Issuer to identify the internal source of the request. *(This only applies in the U.S. Region.)*

These requirements do not apply to Copy Requests for Intraregional Healthcare Auto-Substantiation Transactions in the U.S. Region. Refer to the *Visa Healthcare Auto-Substantiation Transactions Retrieval of SIGIS Receipt Detail Implementation Guide* for additional information on handling such requests. *(This only applies in the U.S. Region.)*

ID#: 050411-171009-0003341

Issuer Rights

An Issuer may exercise a Chargeback right for the Chargeback reason code applicable to the dispute, if one of the following applies:

- Acquirer did not respond to a Retrieval Request within 30 calendar days of the request
- Acquirer sent a Nonfulfillment Message
- Acquirer did not send a valid or correct Fulfillment

For Intraregional Transactions in the LAC Region, Members in Venezuela must not process a domestic T&E Chargeback for an amount less than US \$5, or local currency equivalent. *(This only applies in the Latin America & Caribbean Region.)*

ID#: 010410-171009-0003264

Nonfulfillment Message Requirements

A Nonfulfillment Message must include the Copy Request Identifier and one of the message codes listed in the following table.

VisaNet Copy Request and Fulfillment Service - Nonfulfillment Message Codes

Message Code	Description
01	Invalid Request: Incorrect Account Number
02	Invalid Request: Not a valid Acquirer Reference Number
03	Item could not be located-Charge back
04	Acquirer will not fulfill-Charge back

05	Transaction Receipt not required or previously fulfilled
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ID#: 111011-171009-0003262

Retrieval Fees

Retrieval Request Fees

Visa charges the Issuer and reimburses the Acquirer for a Retrieval Request.

ID#: 171009-171009-0003343

Retrieval Request Fee Recovery

The Issuer may recover fees for Retrieval Requests for any of the following reasons:

- Acquirer did not properly supply the requested Transaction Receipt
- Substitute Transaction Receipt does not include the required data
- Request resulted from an incorrect Merchant description or a zero-filled or incorrect Transaction Date in the VisaNet transmission

For U.S. Domestic Transactions, one of the following: *(This only applies in the U.S. Region.)*

- Requested copy was illegible *(This only applies in the U.S. Region.)*
- Acquirer did not properly supply the required Healthcare Auto-Substantiation Transaction detail *(This only applies in the U.S. Region.)*
- The Acquirer may collect a US \$25 handling fee from the Issuer if the original Clearing Record contained one of the following: *(This only applies in the U.S. Region.)*
 - Airline/Railway Passenger Itinerary Data *(This only applies in the U.S. Region.)*
 - A "1" in the Lodging/Car Rental No Show Indicator *(This only applies in the U.S. Region.)*

ID#: 171009-171009-0003345

VisaNet Copy Request and Fulfillment Service Fees - U.S. Region

A U.S. Member participating in the VisaNet Copy Request and Fulfillment Service is assessed service charges.

ID#: 111011-010410-0007987

Healthcare Auto-Substantiation Transaction Retrieval Request Fees - U.S. Region

A U.S. Issuer must pay a fee of X to the Acquirer per request for Copy for retrieval of line item detail for a Healthcare Auto-Substantiation Transaction.

ID#: 111011-041008-0007988

Chargebacks and Representments

Chargeback and Representation Process

Chargeback and Representation for a Transaction

A Member must process a Chargeback or Representation for a Transaction through VisaNet in accordance with the VisaNet manuals. A Member may also transmit a Chargeback for a Domestic Transaction through an Interchange tape or by other means under a Private Agreement.

ID#: 171009-171009-0003271

Chargeback or Representation Documentation Submission Time Limit

A Member sending Chargeback or Representation documentation must do so within 5 calendar days of the Chargeback or Representation Processing Date, using Visa Resolve Online.

ID#: 160312-171009-0003272

Non-Automated Submission of Chargeback or Representation Documentation

The Member must **not** send Chargeback or Representation documentation by mail, fax, or any other non-automated method.

ID#: 171009-171009-0003273

Chargeback and Representation Process VIOR 7.4.A USOR 1.3

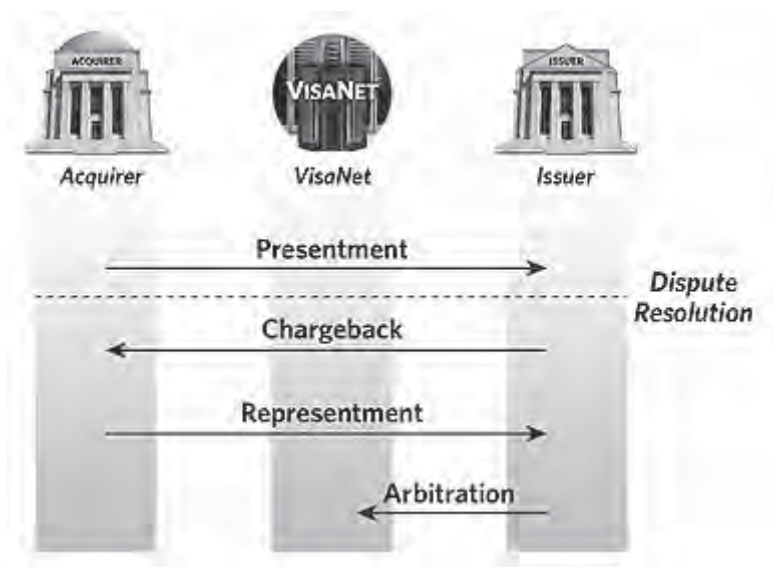
After receiving a Presentment, an Issuer may charge back a Transaction to the Acquirer under the conditions specified beginning in Reason Codes. Similarly, the Acquirer may represent the Transaction to the Issuer.

The Issuer must **not** charge back the Transaction a second time, with the exception of Reason Code 93, "Merchant Fraud Performance Program," and the Acquirer must not represent the Transaction a second time. The Chargeback and Representation Process Through VisaNet figure illustrates this process.

The following provisions apply to U.S. Domestic Transactions: *(This only applies in the U.S. Region.)*

- If requested by the Acquirer, and permitted under applicable law, the Issuer should provide the Cardholder's address *(This only applies in the U.S. Region.)*
- An Acquirer must not process a Transaction as a first Presentment if the Transaction has been previously charged back *(This only applies in the U.S. Region.)*
- A Transaction is considered to take place within the U.S. Region if it occurs at a U.S. military base or U.S. embassy or consulate outside the U.S. and is both: *(This only applies in the U.S. Region.)*
 - Deposited with a U.S. Member by the U.S. government *(This only applies in the U.S. Region.)*
 - Completed with a Card issued by a U.S. Member governed by these Operating Regulations *(This only applies in the U.S. Region.)*

Chargeback and Representment Process Through VisaNet



A Member may have the right to file for Arbitration after completing the Chargeback/Representment cycle (see Arbitration). In some instances, Compliance may be available.

ID#: 090411-171009-0003277

Intercompany Chargeback Process for Visa Easy Payment Service (VEPS) and Visa Europe Small Ticket Transactions

A process exists for Visa Easy Payment Service Transaction Chargebacks that are not valid in Visa International Regions but are valid in Visa Europe.

Visa will pay in lieu of an Acquirer in the Visa International Region for a Chargeback received from a Visa Europe Issuer if all of the following occur:

- The Transaction qualifies as a Visa Easy Payment Service Transaction in the Visa International Region
- The Merchant Category Code does not qualify for a Small Ticket Transaction in Visa Europe as specified in the *Visa Europe Operating Regulations*
- The Transaction is confirmed by Visa as being eligible for Chargeback in accordance with the requirements specified in the *Visa Europe Operating Regulations*

ID#: 160312-161010-0025699

Attempt to Settle

Before exercising a Chargeback right, the Issuer must attempt to honor the Transaction.

If this fails and the Issuer has already billed the Transaction to the Cardholder, the Issuer must credit the Cardholder for the Chargeback amount.

An Issuer must credit its Cardholder's account for the amount in dispute, whether or not a Chargeback was initiated, if the dispute involves an Electronic Commerce Transaction and the conditions are met for any of the following Chargebacks:

- Reason Code 30, "Services Not Provided or Merchandise Not Received"
- Reason Code 41, "Cancelled Recurring Transaction"
- Reason Code 53, "Not as Described or Defective Merchandise"
- Reason Code 83, "Fraud-Card-Absent Environment"
- Reason Code 85, "Credit Not Processed"

The Issuer must **not** be reimbursed twice for the same Transaction.

A Cardholder must not be credited twice as a result of both a:

- Chargeback
- Credit processed by a Merchant

ID#: 171009-171009-0003287

Calculation of Chargeback Time Limit

The Chargeback time limit is calculated from the Transaction Processing Date.

ID#: 171009-171009-0003288

Transaction Chargeback Method (Updated)

An Issuer must charge back each Transaction separately. The Issuer must not combine Transactions and charge them back as a single Transaction.

Effective for Transactions completed through 14 October 2011, this rule does not apply to a Magnetic-Stripe Telephone or Telephone Service Transaction for which the Cardholder did not give permission or when a Fictitious Account Number was used or no valid Card was outstanding. This provision does not apply to U.S. Domestic Transactions.

Effective for Transactions completed on or after 15 October 2011, this rule does not apply to a Telephone Service Transaction where the Cardholder did not give permission or when a Fictitious Account Number was used or no valid Card was outstanding. This provision does not apply to U.S. Domestic Transactions completed in a Card-Absent Environment.

ID#: 160312-171009-0003570

Start of Chargeback Time Limit

The Chargeback time limit begins on the calendar day following the Transaction Processing Date.

ID#: 171009-171009-0003291

Minimum Cardholder Certification Requirements

If an Issuer is required by the Operating Regulations to provide an Acquirer with a signed Cardholder certification denying participation in the Transaction for asserted fraudulent use of a Card or Account Number, at a minimum the signed Cardholder certification must include all of the following:

- Cardholder's Account Number (complete or partial Account Number is acceptable)
- Merchant name(s), as set out in BASE II Record Requirements (Exhibit 2L)
- Transaction Amount(s)
- The following provisions apply to U.S. Domestic Transactions: *(This only applies in the U.S. Region.)*
 - For a Vehicle-Specific Fleet Card Transaction, a signed certification, or statement to the Issuer, from the individual that engaged in the Transaction with the Merchant *(This only applies in the U.S. Region.)*
 - For all other non-fraud related Commercial Visa Product Transactions, a letter or statement from an individual representing the Issuer's commercial customer, in lieu of the Cardholder or individual that engaged in the Transaction with the Merchant *(This only applies in the U.S. Region.)*

The signed Cardholder certification may include a signature received in a secure online banking environment maintained by the Issuer. Each fraudulent Transaction does not require a separate certification. When a signed Cardholder certification is received in an online banking environment, the Issuer must certify with the Chargeback that the unique identity represents the Cardholder signature.

If an Acquirer provides sufficient evidence that a Cardholder letter is required for legal proceedings, for a law enforcement investigation, or if required by local law, the Issuer must supply a Cardholder letter to the Acquirer. This requirement does not apply to Transactions involving Issuers or Acquirers in Visa Europe.

All documentation that must be provided by an Issuer as required for each Chargeback reason in the Dispute Resolution Rules must be provided in English.

ID#: 160312-171009-0004139

Chargeback Amount

The Issuer must charge back for either:

- Actual billed amount in the Billing Currency
- Partial Transaction amount equal to the disputed amount

ID#: 171009-171009-0003297

Currency Conversion

Visa converts the Billing Currency to the Acquirer's Settlement Currency using the Basic Currency Conversion Rate.

ID#: 171009-171009-0003298

Representment Documentation

The Acquirer must return the same reason code that was received in the Chargeback Clearing Record.

An Acquirer must provide the Issuer with the following Representment documentation, if required:

- Documentation to remedy the Chargeback
- Completed appropriate Visa Resolve Online Dispute Questionnaire or exhibit, including the Chargeback reference number, if used. See the Visa Resolve Online Dispute Questionnaire or BASE II Record Requirements (Exhibit 2L).
- Translations of any non-English documentation
- For U.S. Domestic Transactions, any of the following: *(This only applies in the U.S. Region.)*
 - When a Member message text is not available, documentation, Acquirer certification, or information on the Visa Resolve Online Dispute Resolution Questionnaire to support a Representment *(This only applies in the U.S. Region.)*
 - For non-fraud related disputes, the Acquirer may also provide documentation or Acquirer certification, in lieu of a Merchant letter, to convey the required information for a Representment right *(This only applies in the U.S. Region.)*

A Member sending Representment documentation must do so within 5 calendar days of the Representment Processing Date, using Visa Resolve Online.

ID#: 160312-171009-0003304

Representation Amount Field Requirements

For a Representation, the Representation amount field must contain one of the following:

- Same amount in the same Transaction Currency as in the original Presentment
- Partial Transaction amount to remedy the Chargeback
- Same or corrected amount in the Settlement Currency as received by the Acquirer for the Chargeback

ID#: 171009-171009-0003305

Currency Conversion Difference

If the Transaction Currency and the Billing Currency are denominated in the euro or one of its national currency units, VisaNet converts the Transaction amount to the Billing Currency using the Basic Currency Conversion Rate. For all other Transactions, VisaNet converts the Transaction amount to the Billing Currency using the Currency Conversion Rate.

- The Acquirer is liable for any difference between the Chargeback amount and the Representation amount
- The Issuer is liable for any difference between the amount originally presented and the Representation amount

ID#: 171009-171009-0003306

Representation Reasons and Conditions

An Acquirer may represent a Transaction to the Issuer for one of the reasons listed in the following table within 45 calendar days. The Representation time limit is calculated from the Chargeback Processing Date. Representation information in the following table appears in more detail in the Reason Codes section.

Representation Reason and Time Limits

Representation Reason	Conditions	Time Limit ¹ (Calendar Days)
Missing or incomplete substantiating Chargeback documentation	<p>Effective through 15 October 2010, Acquirer must allow 8 calendar days from the Central Processing Date of the Chargeback for document receipt and then must exercise its Representation right within the next 37 calendar days.</p> <p>Effective 16 October 2010, Acquirer must allow 5 calendar days from the Central Processing Date of the Chargeback for document receipt and then must exercise its Representation right within the next 40 calendar days.</p>	45

Representation Reason	Conditions	Time Limit¹(Calendar Days)
Invalid Acquirer Reference Number and/or Account Number	None	45
Improper Chargeback	See each Chargeback listed in Reason Codes.	45
Additional information available to remedy the Chargeback	See each Chargeback listed in Reason Codes	45
Chargeback Reason Code 60 - illegible fulfillment can be remedied	Send legible copy of requested item.	45
All Representments	See each Chargeback listed in Reason Codes	45
1. Time limit is calculated from the Processing Date of the Chargeback. The Processing Date of the Chargeback is not counted as one day. The Processing Date of the Representation is counted as one day.		

ID#: 050411-171009-0004110

Reason Codes

Reason Code 30 Services Not Provided or Merchandise Not Received

Overview - Reason Code 30

Time Limit: 120 calendar days

Merchant was unable or unwilling to provide services (including Visa Prepaid Load Services), or Cardholder or authorized person did not receive the ordered merchandise at the agreed upon location or by the agreed upon date.

ID#: 081010-171009-0007460

Chargeback Conditions - Reason Code 30

One of the following:

1. Cardholder or authorized person participated in the Transaction and did not receive purchased services, including Visa Prepaid Load Services, because the Merchant or Prepaid Partner was unwilling or unable to provide the services.

2. Cardholder or authorized person participated in the Transaction and did not receive ordered merchandise.

ID#: 081010-171009-0007461

Chargeback Rights and Limitations - Reason Code 30

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
 - c. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 *(This only applies in the Latin America & Caribbean Region.)*
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 *(This only applies in the Latin America & Caribbean Region.)*
2. Prior to exercising the Chargeback right, Cardholder must attempt to resolve the dispute with the Merchant or the Merchant's liquidator, if applicable. (Not applicable if prohibited by local law.)
3. If date services were expected or delivery date for the goods is not specified, Issuer must wait 15 calendar days from the Transaction Date before exercising the Chargeback right. Does not apply if the waiting period causes Chargeback to exceed Chargeback time frame.
4. Chargeback amount is limited to the portion of services or merchandise not received.
5. For disputes involving merchandise:
 - a. Prior to exercising the Chargeback right, if merchandise was delivered after the agreed upon delivery date, Cardholder must attempt to return the merchandise
 - b. If merchandise was returned due to late delivery, the Issuer must wait at least 15 calendar days from the date the Cardholder returned or attempted to return the merchandise prior to exercising the Chargeback right. Does not apply if the waiting period causes Chargeback to exceed Chargeback time frame or if the Chargeback was already processed prior to the goods being received.

ID#: 160312-171009-0007462

Invalid Chargebacks - Reason Code 30

Chargeback is invalid for any of the following:

1. If the Cardholder cancelled merchandise or service prior to the expected delivery or service date
2. If merchandise is being held by the customs agency of the Cardholder's country
3. When the Cardholder states that the Transaction was fraudulent
4. For disputes regarding the quality of merchandise or service rendered
5. For a No-Show Transaction

6. For the initial payment of a Delayed Delivery Transaction when the remaining balance was not paid and Merchant is willing and able to provide services or merchandise
7. For ATM Cash Disbursements
8. For any Cash-Back portion of a Visa Cash-Back Transaction

ID#: 160312-171009-0007463

Chargeback Time Limit - Reason Code 30

1. 120 calendar days from Transaction Processing Date.
2. If the services were to be provided after the Transaction Processing Date, the 120 calendar-day time frame is calculated from the date that the Cardholder expected to receive the service or when the Cardholder was first made aware that the service would not be provided, not to exceed 540 calendar days from the Transaction Central Processing Date.
3. If the merchandise was to be provided after the Transaction Processing Date, the 120 calendar day time frame is calculated from the last date that the Cardholder expected to receive the merchandise or when the Cardholder was first made aware that the merchandise would not be provided, not to exceed 540 calendar days from the Transaction Central Processing Date.

ID#: 111011-171009-0007464

Chargeback Processing Requirements - Reason Code 30

Member Message Text:

1. SERVICES NOT RENDERED MMDDYY
2. MERCH NOT RECEIVED MMDDYY

ID#: 171009-171009-0007465

Documentation - Reason Code 30

Visa Resolve Online Dispute Questionnaire or Exhibit 2E-6 Issuer stating any of the following, as applicable:

1. Services not rendered by expected date
2. Merchandise was not received
3. Expected arrival date of the merchandise
4. Merchandise not received at agreed-upon location (Issuer must specify)
5. Cardholder attempt to resolve with Merchant
6. Merchandise returned MMDDYY
7. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter. *(This only applies in the Latin America & Caribbean Region.)*

ID#: 160312-171009-0007466

Representment Time Limit - Reason Code 30

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007467

Representment Processing Requirements - Reason Code 30

Member Message Text:

1. Credit or Reversal was processed.
 - a. Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: None required.
 - b. Documentation: Both:
 - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-6 Acquirer
 - ii. Documentation to prove that Cardholder or authorized person received services or merchandise was received by Cardholder or authorized person on agreed-upon date or at agreed-upon location

ID#: 081010-171009-0007468

Additional Information - Reason Code 30

1. Proof of shipping does not constitute proof of receipt.
2. Merchant is responsible for goods held within its own country's customs agency.
3. Acquirer Right of Assignment requirements may apply to certain chargebacks involving specific bankrupt merchants (such as an airline) where Visa Canada has formally notified Members of same. This provision applies to Canada Domestic Transactions. *(This only applies in the Canada Region.)*

ID#: 171009-171009-0007469

Reason Code 41 Cancelled Recurring Transaction

Overview - Reason Code 41

Time Limit: 120 calendar days

The Merchant continued to charge a Cardholder for a Recurring Transaction despite notification of cancellation.

ID#: 171009-171009-0007470

Chargeback Conditions - Reason Code 41

One of the following:

1. Cardholder withdrew permission to charge the account for a Recurring Transaction.
2. Acquirer or Merchant received notification that the Cardholder's account was closed before the Transaction was processed.
3. An initial membership Transaction was previously charged back and the Cardholder did not expressly renew the membership.
4. For a U.S. Domestic Transaction, Transaction amount was not within the preauthorized range of amounts or Merchant was to notify the Cardholder prior to processing each Recurring Transaction, and Merchant either: *(This only applies in the U.S. Region.)*
 - a. Did not notify Cardholder in writing within 10 calendar days of the Transaction Date *(This only applies in the U.S. Region.)*
 - b. Notified Cardholder within 10 calendar days of the Transaction Date and Cardholder did not consent to the charge *(This only applies in the U.S. Region.)*
5. For a LAC Easy Pay Transaction, Transaction occurred and both: *(This only applies in the Latin America & Caribbean Region.)*
 - a. The Transaction amount was not within the range of amounts approved by the Cardholder *(This only applies in the Latin America & Caribbean Region.)*
 - b. Merchant, either: *(This only applies in the Latin America & Caribbean Region.)*
 - i. Did not notify the Cardholder in writing at least 5 calendar days prior to the Transaction Date *(This only applies in the Latin America & Caribbean Region.)*
 - ii. Notified the Cardholder at least 5 calendar days prior to the Transaction Date and the Cardholder declined the charge in writing *(This only applies in the Latin America & Caribbean Region.)*

ID#: 171009-171009-0007471

Chargeback Rights and Limitations - Reason Code 41

1. Minimum Chargeback amount:
-

- a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
 - c. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 *(This only applies in the Latin America & Caribbean Region.)*
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 *(This only applies in the Latin America & Caribbean Region.)*
2. Chargeback amount is limited to the unused portion of the service or merchandise.
 3. Issuer must determine that the Cardholder attempted to resolve the dispute with the Merchant. (Not applicable if prohibited by local law.)
 4. For Chargeback Condition 3, cancellation of a membership Transaction purchased via the mail, telephone, or electronic commerce may occur before or during the membership period

ID#: 111011-171009-0007472

Invalid Chargebacks - Reason Code 41

Chargeback is invalid for any of the following:

1. For Chargeback Condition 1, any of the following:
 - a. If Cardholder did not withdraw permission to charge the account
 - b. For Installment Transactions

ID#: 171009-171009-0007473

Chargeback Time Limit - Reason Code 41

120 calendar days from Transaction Processing Date

ID#: 171009-171009-0007474

Chargeback Processing Requirements - Reason Code 41

Member Message Text: Any of the following that apply:

1. CH CANCELLED MMDDYY
2. NOTIFICATION ACCT CLOSED MMDDYY
3. PREVIOUS CB MMDDYY ARN X...X (23 or 24 digits)
4. CARDHOLDER NOT RENEWED
5. For a U.S. Domestic Transaction, TX AMT EXCEEDS CH PREAUTHD RANGE *(This only applies in the U.S. Region.)*

6. For an Intraregional Transaction in the LAC Region, TX AMT EXCEEDS CH PREAUTHD RANGE *(This only applies in the Latin America & Caribbean Region.)*

ID#: 171009-171009-0007475

Documentation - Reason Code 41

1. For Easy Pay Transactions in the LAC Region, both: *(This only applies in the Latin America & Caribbean Region.)*
 - a. Cardholder letter stating that the Transaction exceeds the maximum amount approved by the Cardholder for Easy Pay *(This only applies in the Latin America & Caribbean Region.)*
 - b. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-6 Issuer stating Merchant either: *(This only applies in the Latin America & Caribbean Region.)*
 - i. Did not provide a written communication at least 5 calendar days prior to the Transaction Date. *(This only applies in the Latin America & Caribbean Region.)*
 - ii. Provided a written communication at least 5 calendar days prior to the Transaction Date, but the Cardholder declined the charge in writing. *(This only applies in the Latin America & Caribbean Region.)*
2. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter *(This only applies in the Latin America & Caribbean Region.)*

ID#: 111011-171009-0007476

Representment Time Limit - Reason Code 41

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007477

Representment Processing Requirements - Reason Code 41

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text:
 - i. X...X (Specify the reason)
 - ii. For an Intraregional Transaction in the LAC Region, SUPPORTING DOCUMENTATION NOT RECEIVED *(This only applies in the Latin America & Caribbean Region.)*
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback

- a. Member Message Text: None required.
- b. Documentation: Visa Resolve Online Dispute Questionnaire or Exhibit 2E-5 Acquirer and any of the following, as applicable:
 - i. Documentation to prove that service was not cancelled
 - ii. Documents to prove Acquirer or Merchant not notified that account was closed
 - iii. Documents to prove Transaction was not previously charged back
 - iv. The Transaction was not within the range of amounts approved by the Cardholder and, both: This provision applies to Intraregional Transactions in the LAC Region (*This only applies in the Latin America & Caribbean Region.*)
 - Cardholder was notified at least 5 calendar days prior to the Transaction Date (*This only applies in the Latin America & Caribbean Region.*)
 - Cardholder did not reply (*This only applies in the Latin America & Caribbean Region.*)

ID#: 171009-171009-0007478

Additional Information - Reason Code 41

1. Issuer may supply a copy of the cancellation notice to the Acquirer or Merchant if available.
2. Proper disclosure of the Merchant's cancellation/refund policy has no bearing

ID#: 171009-171009-0007479

Reason Code 53 Not as Described or Defective Merchandise

Overview - Reason Code 53 (Updated)

Time Limit: 120 calendar days

The Cardholder received damaged or defective merchandise, or the merchandise or service did not match what was described on the Transaction Receipt or other documentation presented at the time of purchase.

Effective for Chargebacks processed through 29 June 2012, the Cardholder received damaged or defective merchandise, or the merchandise or service did not match what was described on the Transaction Receipt or other documentation presented at the time of purchase or the merchandise was otherwise unsuitable for the purpose sold. This provision applies to U.S. Domestic Transactions. (*This only applies in the U.S. Region.*)

Effective for Chargebacks processed on or after 30 June 2012, the Cardholder received damaged or defective merchandise, or the merchandise or service did not match what was described on the Transaction Receipt or other documentation presented at the time of purchase or the merchandise was otherwise unsuitable for the purpose sold. This provision applies to Canada Domestic Transactions, U.S. Domestic Transactions, and Interregional Transactions between the Canada Region and the U.S. Region. *(This only applies in the Canada Region., This only applies in the U.S. Region.)*

ID#: 160312-171009-0007480

Chargeback Conditions - Reason Code 53 (Updated)

One of the following:

1. Cardholder returned merchandise or cancelled services that did not match what was described on the Transaction Receipt or other documentation presented at the time of purchase.
2. **Effective for Chargebacks processed through 29 June 2012**, for a U.S. Domestic Transaction, Cardholder returned, or attempted to return, merchandise or cancelled services that did not match what was described on the Transaction Receipt or other documentation presented at the time of purchase. For a Card-Absent Environment Transaction, not the same as the Merchant's verbal description. *(This only applies in the U.S. Region.)*
3. **Effective for Chargebacks processed on or after 30 June 2012**, for a Canada Domestic Transaction, a U.S. Domestic Transaction, or an Interregional Transaction between the Canada Region and the U.S. Region, Cardholder returned, or attempted to return, merchandise or cancelled services that did not match either what was described on the Transaction Receipt or other documentation presented at the time of purchase, or, for a Card-Absent Environment Transaction, the Merchant's verbal description. *(This only applies in the U.S. Region., This only applies in the Canada Region.)*
4. Merchandise received by the Cardholder was damaged or defective, and Cardholder returned the merchandise to the Merchant.

ID#: 160312-171009-0007481

Chargeback Rights and Limitations - Reason Code 53 (Updated)

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
 - c. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 *(This only applies in the Latin America & Caribbean Region.)*
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 *(This only applies in the Latin America & Caribbean Region.)*

2. Chargeback amount is limited to the unused portion of the service or value of the returned merchandise.
3. Chargeback amount must not exceed original Transaction amount.
4. Issuer must wait 15 calendar days from the date the merchandise was returned or the service was cancelled, prior to exercising the Chargeback right. Does not apply if the waiting period causes Chargeback to exceed Chargeback time frame.
5. For merchandise or services provided after the Transaction Processing Date, Chargeback time frame is calculated from the date the Cardholder received the merchandise or services.
6. Chargeback is valid if returned merchandise is refused by the Merchant and Issuer can certify details of the refusal. The right to certify does not apply to Transactions involving Issuers or Acquirers in Visa Europe.
7. For Transactions involving Issuers or Acquirers in Visa Europe, Chargeback is valid if returned merchandise is refused by the Merchant and Issuer can provide evidence of refusal. *(This only applies in Visa Europe.)*
8. Issuer must determine that the Cardholder attempted to resolve the dispute with the Merchant. (Not applicable if prohibited by local law.)
9. An Issuer must not initiate a Chargeback for disputes regarding Value-Added Tax (VAT).
10. For a U.S. Domestic Transaction, Chargeback is valid if any of the following: *(This only applies in the U.S. Region.)*
 - a. Issuer must wait 15 calendar days from the date the Cardholder returned, or attempted to return, the merchandise or cancelled the services prior to exercising the Chargeback right. *(This only applies in the U.S. Region.)*
 - b. Chargeback is valid if returned merchandise is refused by the merchant. *(This only applies in the U.S. Region.)*
 - c. **Effective for Chargebacks processed through 29 June 2012**, if goods or services did not match, Chargeback Condition 2, Chargeback may apply to disputes relating to the quality of goods or services received for the following Transaction types: *(This only applies in the U.S. Region.)*
 - i. Card-Present Environment Transaction, where the merchandise or services did not match the Merchant's written description provided to the Cardholder at the time of the purchase, or *(This only applies in the U.S. Region.)*
 - ii. Card-Absent Environment Transaction, where the merchandise or services did not match the Merchant's verbal description provided to the Cardholder at the time of purchase *(This only applies in the U.S. Region.)*
11. **Effective for Chargebacks processed on or after 30 June 2012**, for a Canada Domestic Transaction, a U.S. Domestic Transaction, or an Interregional Transaction between the Canada Region and the U.S. Region, Chargeback Condition 3 may apply to disputes relating to the quality of goods or services received for the following Transaction types: *(This only applies in the Canada Region., This only applies in the U.S. Region.)*
 - a. Card-Present Environment Transaction, where the merchandise or services did not match the Merchant's written description provided to the Cardholder at the time of the purchase, or *(This only applies in the Canada Region., This only applies in the U.S. Region.)*

- b. Card-Absent Environment Transaction, where the merchandise or services did not match the Merchant's verbal description provided to the Cardholder at the time of purchase (*This only applies in the Canada Region., This only applies in the U.S. Region.*)

ID#: 160312-171009-0007482

Invalid Chargebacks - Reason Code 53

Chargeback is invalid for any of the following:

1. For a U.S. Domestic ATM Cash Disbursement Transaction (*This only applies in the U.S. Region.*)
2. For any Cash-Back portion of a Visa Cash-Back Transaction
3. . (*This only applies in the U.S. Region.*)

ID#: 160312-171009-0007483

Chargeback Time Limit - Reason Code 53 (Updated)

One of the following:

1. 120 calendar days from one of the following:
 - a. Central Processing Date of the Transaction
 - b. For merchandise or services purchased on or before the Central Processing Date, the date Cardholder received the merchandise or services
 - c. For a Delayed Delivery Transaction, 120 calendar days from the Central Processing Date of the balance portion of the Transaction
2. **Effective for Chargebacks processed through 29 June 2012**, for a U.S. Domestic Transaction, 60 calendar days from receipt date of the first Cardholder notification to the Issuer of the dispute, if there is evidence in the notification of previous negotiations between the Cardholder and the Merchant to resolve the dispute. The negotiations must have occurred within 120 days from the Processing Date. (*This only applies in the U.S. Region.*)
3. **Effective for Chargebacks processed on or after 30 June 2012**, for a Canada Domestic Transaction, a U.S. Domestic Transaction, or an Interregional Transaction between the Canada Region and the U.S. Region, 60 calendar days from receipt date of the first Cardholder notification to the Issuer of the dispute, if there is evidence in the notification of previous negotiations between the Cardholder and the Merchant to resolve the dispute. The negotiations must have occurred within 120 days from the Processing Date. (*This only applies in the U.S. Region., This only applies in the Canada Region.*)

ID#: 160312-171009-0007484

Chargeback Processing Requirements - Reason Code 53 (Updated)

Member Message Text:

1. NOT AS DESCRIBED
-

2. DEFECTIVE MERCHANDISE

Documentation:

1. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-5 Issuer stating all of the following, as applicable:
 - a. Date merchandise was returned or service was cancelled
 - b. Name of shipping company
 - c. Invoice/tracking number (if available)
 - d. Date Merchant received the merchandise
 - e. In lieu of documentation, Issuer certification that Merchant either refused to provide a return merchandise authorization or informed the Cardholder not to return the merchandise, if applicable. The right to certify does not apply to Transactions involving Issuers or Acquirers in Visa Europe.
 - f. Cardholder attempted to resolve the dispute with the Merchant
 - g. Explanation of what was not as described or defective
 - h. Date Cardholder received merchandise or services, if Chargeback time frame is calculated from date of receipt
 - i. **Effective for Chargebacks processed through 29 June 2012**, for a U.S. Domestic Transaction, Date merchandise was returned, or attempted to be returned, or service was cancelled (*This only applies in the U.S. Region.*)
 - j. **Effective for Chargebacks processed on or after 30 June 2012**, for a Canada Domestic Transaction, a U.S. Domestic Transaction, or an Interregional Transaction between the Canada Region and the U.S. Region, date merchandise was returned, or attempted to be returned, or service was cancelled (*This only applies in the U.S. Region., This only applies in the Canada Region.*)
2. For Transactions involving Issuers or Acquirers in Visa Europe, proof that Merchant refused the return of merchandise, refused to provide a return merchandise authorization, or informed the Cardholder not to return the merchandise, if applicable (*This only applies in Visa Europe.*)
3. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter (*This only applies in the Latin America & Caribbean Region.*)

ID#: 160312-171009-0007485

Representation Time Limit - Reason Code 53

45 calendar days from Central Processing Date of Chargeback

ID#: 171009-171009-0007486

Representation Processing Requirements - Reason Code 53

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:

- i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
- b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text:
 - i. X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: RETURNED MDSE NOT RECEIVED (if applicable)
 - b. Documentation:
 - i. . (This only applies in the U.S. Region.)
 - ii. For all other Transactions, both:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-5 Acquirer
 - Documents to prove that the service or merchandise was correctly described or the merchandise was not defective

ID#: 230312-171009-0007487

Additional Information - Reason Code 53 (Updated)

1. For Chargeback Condition 1, the Issuer may provide a copy of the Transaction Receipt or other documentation containing a written description of the merchandise or services purchased, if available.
2. Proof of shipping does not constitute proof of receipt.
3. Merchant is responsible for goods held within its own country's customs agency.
4. A neutral 3rd party opinion is not required, but is recommended, to help the Member support its claim.
5. For Chargeback Condition 1 and 4, the Issuer may be required to provide proof of shipping of returned merchandise.
6. For a U.S. Domestic Transaction, the return of merchandise condition is met if the Merchant refuses to provide a return merchandise authorization or return address and the Issuer can provide evidence of the refusal. (This only applies in the U.S. Region.)

ID#: 230312-171009-0007488

Reason Code 57 Fraudulent Multiple Transactions

Overview - Reason Code 57

Time Limit: 120 calendar days

Multiple Transactions occurred on a single Card at the same Merchant Outlet without the Cardholder's permission.

ID#: 171009-171009-0007489

Chargeback Conditions - Reason Code 57

All of the following:

1. All disputed Transactions occurred at the same Merchant Outlet.
2. Cardholder acknowledges participating in at least one Transaction at the same Merchant Outlet.
3. Cardholder denies authorizing or participating in the disputed Transaction.
4. Card was in Cardholder's possession at the time of the disputed Transaction.

ID#: 171009-171009-0007490

Chargeback Rights and Limitations - Reason Code 57

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)
 - c. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. Issuer must make a Retrieval Request for disputed Transactions, excluding Visa Easy Payment Service Transactions. For Transactions between Visa Inc. and Visa Europe, an Issuer must make a Retrieval Request for disputed Transactions unless the Transaction is one of the following:
 - a. A Magnetic Stripe or contact Chip (Visa Europe) Small Ticket Transaction conducted at Merchant Category Codes 4111, 4121, 4131, 4784, 5331, 5499, 5812, 5814, 5912, 5993, 5994, 7211, 7216, 7338, 7523, 7542, 7832, and 7841.
 - b. A qualifying Contactless Transaction

ID#: 160312-171009-0007491

Invalid Chargebacks - Reason Code 57 (Updated)

Chargeback is invalid for any of the following:

1. Card-Absent Environment Transactions

2. EMV PIN Transactions
3. T&E delayed or amended charges
4. ATM Cash Disbursement
5. Emergency Cash Disbursement
6. **Effective for Transactions completed on or after 13 October 2012**, Proximity Payment Transactions, in which a PIN or Consumer Device Cardholder Verification Method (CDCVM) was used
7. **Effective for Transactions completed on or after 14 April 2012**, Visa Debit with PIN Transactions (*This only applies in the U.S. Region.*)

ID#: 160312-171009-0007492

Chargeback Time Limit - Reason Code 57

120 calendar days from Transaction Processing Date

ID#: 171009-171009-0007493

Chargeback Processing Requirements - Reason Code 57

Member Message Text:

RR DATE MMDDYY, if requested Transaction Receipt not fulfilled.

Documentation:

All of the following:

1. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-2 Issuer
2. In lieu of documentation, Issuer certification (the right to certify does not apply to Transactions involving Issuers or Acquirers in Visa Europe)
3. For Transactions involving Issuers or Acquirers in Visa Europe, Cardholder letter
4. In lieu of documentation, Issuer certification that acknowledged Transaction was not processed. The right to certify does not apply to Transactions involving Issuers or Acquirers in Visa Europe.
5. For Transactions involving Issuers or Acquirers in Visa Europe, if acknowledged Transaction was not processed, Issuer must supply the Cardholder copy of the Transaction Receipt.

ID#: 160312-171009-0007494

Representment Time Limit - Reason Code 57

45 calendar days from the Central Processing Date of the Chargeback

ID#: 171009-171009-0007495

Representation Rights and Limitations - Reason Code 57

1. Representation is invalid if Acquirer failed to respond to Retrieval Request or responded with a Nonfulfillment Message code "03" or "04." This condition does not apply to Visa Easy Payment Service Transactions.

ID#: 160312-171009-0007496

Representation Processing Requirements - Reason Code 57

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text:
 - i. X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: None required.
 - b. Documentation: All of the following:
 - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-2 Acquirer
 - ii. Irrefutable evidence to demonstrate the Cardholder participated in the disputed Transactions
 - iii. Evidence that Transactions were Card-Absent Environment (if applicable)
 - iv. Evidence that Transactions were EMV PIN Transactions (if applicable)
 - v. Evidence that Transactions represent valid delayed or amended charges for a T&E Transaction

ID#: 171011-171009-0007497

Additional Information - Reason Code 57

1. The Transaction Receipts may contain different Transaction Dates and amount.
2. Visa may consider a Chargeback invalid for POS Entry Mode "90," "91," "05," or "07" Transactions completed more than x apart; however, Visa may take other factors into consideration when determining whether multiple unauthorized Transactions occurred.

ID#: 111011-171009-0007498

Reason Code 60 Illegible Fulfillment

Overview - Reason Code 60

Time Limit: 120 calendar days

The Fulfillment supplied in response to a Retrieval Request is illegible.

ID#: 171009-171009-0007499

Chargeback Conditions - Reason Code 60

Issuer requested and received a Transaction Receipt or Substitute Transaction Receipt and the Account Number or amount is illegible.

ID#: 010410-171009-0007500

Chargeback Rights and Limitations - Reason Code 60

1. Minimum Chargeback amount:
 - a. For a Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
 - b. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
 - c. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 *(This only applies in the Latin America & Caribbean Region.)*
 - d. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 *(This only applies in the Latin America & Caribbean Region.)*
2. Chargeback is valid if the truncated or disguised Account Number is illegible
3. For an Intraregional Transaction in the LAC Region, Chargeback is valid if Request for Copy bearing Signature and Public and Private H&C Document is illegible *(This only applies in the Latin America & Caribbean Region.)*

ID#: 111011-171009-0007501

Invalid Chargebacks - Reason Code 60 (Updated)

Chargeback is invalid for any of the following:

1. Telephone Service Transactions excluding U.S. Domestic Transactions
2. ATM Cash Disbursements
3. Visa Easy Payment Service Transactions. (This provision does not apply to Transactions involving Issuers or Acquirers in Visa Europe).^[136]

4. If the embossed six-digit BIN of the Account Number and the embossed Cardholder name are legible
5. If the Acquirer provides the VisaNet record in response to a Retrieval Request to demonstrate that a Credit Transaction Receipt was processed
6. EMV PIN Transactions, excluding Manual Cash Disbursements, Quasi-Cash Transactions, and T&E Transactions
7. **Effective for Transactions completed on or after 13 October 2012**, Proximity Payment Transactions in which a PIN or Consumer Device Cardholder Verification Method (CDCVM) was used, excluding Manual Cash Disbursements, Quasi-Cash Transactions, and T&E Transactions
8. **Effective for Transactions completed on or after 14 April 2012**, Visa Debit with PIN Transactions (*This only applies in the U.S. Region.*)

ID#: 160312-171009-0007502

Chargeback Time Limit - Reason Code 60

120 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007503

Chargeback Processing Requirements - Reason Code 60

Member Message Text: RR DATE MMDDYY

Documentation: None required.

ID#: 171009-171009-0007504

Representment Time Limit - Reason Code 60

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007505

Representment Conditions - Reason Code 60

Representment is invalid if a Fulfillment was not transmitted electronically through a Visa-approved method.

ID#: 171011-171009-0007506

136 For Transactions between Visa Inc. and Visa Europe, Chargeback is invalid for: (1) Magnetic Stripe or contact Chip Transactions conducted at Merchant Category Codes 4111, 4121, 4131, 4784, 5331, 5499, 5812, 5814, 5912, 5993, 5994, 7211, 7216, 7338, 7523, 7542, 7832, and 7841. (2) Proximity Payment Transactions that qualify as (Visa Europe) Small Ticket Transactions or Visa Inc. Visa Easy Payment Service Transactions

Representation Processing Requirements - Reason Code 60

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text:
 - i. X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: None required.
 - b. Documentation: Both:
 - i. Visa Resolve Online Questionnaire or Exhibit 2E-1 Acquirer
 - ii. Legible copy of the Transaction Receipt

ID#: 171009-171009-0007507

Reason Code 62 Counterfeit Transaction**Overview - Reason Code 62**

Time Limit: 120 calendar days

A Counterfeit Card was used for a Magnetic-Stripe or Chip-initiated Transaction that received Authorization but the Authorization Request did not include the required data, or contained altered data or a Counterfeit Transaction occurred at a Merchant or Member location where required risk control procedures were not followed.

ID#: 171009-171009-0007508

Chargeback Conditions - Reason Code 62 (Updated)

Transaction was completed with a Counterfeit Card and any of the following:

1. All of the following:
 - a. Cardholder denies authorizing or participating in the disputed Transaction
 - b. One of the following:

- i. Card Verification Value (CVV) was encoded on the Magnetic Stripe of the Card in question
 - ii. Integrated Circuit Card Verification Value (iCVV) was on the Magnetic-Stripe Data (MSI) of the Chip of the Card in question
 - iii. Dynamic Card Verification Value (dCVV) can be produced by the Chip of the Card in question
 - c. Online Authorization was obtained without transmission of the entire unaltered data on track 1 or 2
 - d. Issuer reported this Transaction as counterfeit Fraud Activity through VisaNet
2. Cardholder denies authorizing or participating in the disputed Transaction and all of the following (for qualifying Transactions and effective dates, refer to "EMV Liability Shift Participation"):
 - a. Card is a Chip Card containing a Visa or Visa Electron Smart Payment Application or an EMV and VIS-Compliant Plus application
 - b. Card-Present Transaction did not take place at a Chip-Reading Device and was not a Fallback Transaction completed following correct acceptance procedures as defined in the *Visa International Operating Regulations*
 - c. **Effective for Transactions completed on or after 1 May 2012**, if Online Authorization was obtained, the Authorization record indicates that the CVV passed verification
3. Both:
 - a. Cardholder denies authorizing or participating in the disputed Transaction
 - b. Transaction was completed with a Counterfeit Card and was a Manual Cash Disbursement or Quasi-Cash Transaction completed in a Face-to-Face Environment and the Merchant or Member failed to both:
 - i. Compare the first four digits of the embossed or printed Account Number to the four digits printed below the embossed or printed Account Number
 - ii. Record the printed digits on the Transaction Receipt

ID#: 230312-171009-0007509

Chargeback Rights and Limitations - Reason Code 62

1. Minimum Chargeback amount:
 - a. For a Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)
 - b. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)
 - c. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - d. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. The Issuer must meet all of the following conditions on or before the Chargeback Processing Date:

- a. Close the Cardholder account
- b. For Chargeback Condition 1 and 3, both of the following:
 - i. List the Account Number on the Exception File with a Pickup Response, for a minimum of 30 calendar days
 - ii. Report the Fraud Activity through VisaNet using Fraud Type Code 4
- c. For Chargeback Condition 2, both of the following:
 - i. List the Account Number on the Exception File with a Pickup Response, for a minimum of 60 calendar days
 - ii. Report the Fraud Activity through VisaNet using Fraud Type Code 4

ID#: 111011-171009-0007510

Invalid Chargebacks - Reason Code 62 (Updated)

Chargeback is invalid for any of the following:

1. For Chargeback Condition 1, if either:
 - a. The V.I.P. System Authorization Record POS Entry Mode code value is "05," "07," "90," or "91"
 - b. All data elements that create the EMV Online Card Authentication Cryptogram are contained in the message
2. For Chargeback Condition 1, if any of the following:
 - a. Transaction is key-entered
 - b. Transaction is Chip-initiated and offline-authorized
 - c. The Issuer was not a Card Verification Service participant at the time the Transaction occurred
 - d. The Card Verification Value was not encoded on the Magnetic Stripe or the Chip of the Card in question.
3. For Chargeback Condition 2, if any of the following:
 - a. Transaction is a Chip-initiated Transaction
 - b. The Authorization record contains a POS Entry Mode code value of "90" and the Service Code encoded on the Magnetic Stripe of the Card does not indicate the presence of a Chip
 - c. **Effective for Transactions completed on or after 1 May 2012**, CVV verification was not performed or the Authorization record indicates that the CVV failed verification
4. **Effective for Transactions completed through 12 October 2012**, for Chargeback Condition 3, an ATM Transaction
5. **Effective for Transactions completed on or after 13 October 2012**, for Chargeback Condition 3:
 - a. An ATM Transaction
 - b. A Transaction conducted using a Mobile Payment Device

6. An Emergency Cash Disbursement
7. For Chargeback Condition 1 and 3, Transactions completed with a Proprietary Card bearing the Plus Symbol. For U.S. Domestic Plus Transactions, refer to the *Plus System Inc. Operating Regulations*.

ID#: 160312-171009-0007511

Chargeback Time Limit - Reason Code 62

120 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007512

Chargeback Processing Requirements - Reason Code 62

Member Message Text:

1. For Chargeback Condition 1
 - a. For an ATM Transaction: CH DISP, CVV ENCODED, FRD RPT, ISS CVS PARTICIPANT
 - b. Documentation: For an ATM Transaction, none required.
For all other Transactions: All of the following:
 - i. Visa Resolve Online Questionnaire or Exhibit 2E-2 Issuer certifying:
 - Card Verification Value was encoded on the Card in question
 - Issuer was a participant in the Card Verification Service at the time of Authorization
 - ii. For Transactions involving Issuers or Acquirers in Visa Europe, Cardholder letter denying authorization or participation in the Transaction (*This only applies in Visa Europe.*)
 - iii. **Effective for Chargebacks processed between 16 April 2011 and 14 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe, either Cardholder letter denying authorization or participation in the Transaction, or:
 - Certification that the Cardholder denies authorization or participation in the Transaction
 - Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - Certification of the date Fraud Activity was reported through VisaNet using Fraud Type Code 4, "Issuer-Reported Counterfeit"
 - Certification of the date Account Number was listed on the Exception File
 - iv. **Effective for Chargebacks processed on or after 15 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe:
 - Cardholder letter denying authorization or participation in the Transaction, or certification that the Cardholder denies authorization or participation in the Transaction
 - Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)

- Certification of the date Fraud Activity was reported through VisaNet using Fraud Type Code 4, "Issuer-Reported Counterfeit"
 - Certification of the date Account Number was listed on the Exception File
 - v. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter. *(This only applies in the Latin America & Caribbean Region.)*
2. For Chargeback Condition 2:
- a. Member Message Text: EMV CARD, NON EMV DEVICE
 - b. Documentation or certification using Visa Resolve Online Questionnaire or Exhibit 2E-2
Issuer: All of the following:
 - i. For Transactions involving Issuers or Acquirers in Visa Europe, Cardholder letter denying authorization or participation in the Transaction *(This only applies in Visa Europe.)*
 - ii. **Effective for Chargebacks processed between 16 April 2011 and 14 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe, either Cardholder letter denying authorization or participation in the Transaction, or:
 - Certification that the Cardholder denies authorization or participation in the Transaction
 - Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - Certification of the date Fraud Activity was reported through VisaNet using Fraud Type Code 4, "Issuer-Reported Counterfeit"
 - Certification of the date Account Number was listed on the Exception File
 - iii. **Effective for Chargebacks processed on or after 15 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe:
 - Cardholder letter denying authorization or participation in the Transaction, or certification that Cardholder denies authorization or participation in the Transaction
 - Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - Certification of the date Fraud Activity was reported through VisaNet using Fraud Type Code 4, "Issuer-Reported Counterfeit"
 - Certification of the date Account Number was listed on the Exception File
 - iv. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter. *(This only applies in the Latin America & Caribbean Region.)*
3. For Chargeback Condition 3:
- a. Member Message Text: For a Manual Cash Disbursement or Quasi-Cash Transaction: EMBOSSSED/PRINTED DIGITS NOT COMPARED
 - b. Documentation or certification using Visa Resolve Online Questionnaire or Exhibit 2E-2
Issuer: All of the following:
 - i. Legible Transaction Receipt copy
 - ii. For Transactions involving Issuers or Acquirers in Visa Europe, Cardholder letter denying authorization or participation in the Transaction *(This only applies in Visa Europe.)*
 - iii. **Effective for Chargebacks processed between 16 April 2011 and 14 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe, either Cardholder letter denying authorization or participation in the Transaction, or:

- Certification that the Cardholder denies authorization or participation in the Transaction
 - Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - Certification of the date Fraud Activity was reported through VisaNet using Fraud Type Code 4, "Issuer-Reported Counterfeit"
 - Certification of the date Account Number was listed on the Exception File
- iv. **Effective for Chargebacks processed on or after 15 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe:
- Cardholder letter denying authorization or participation in the Transaction, or certification that Cardholder denies authorization or participation in the Transaction
 - Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - Certification of the date Fraud Activity was reported through VisaNet using Fraud Type Code 4, "Issuer-Reported Counterfeit"
 - Certification of the date Account Number was listed on the Exception File
- v. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter. *(This only applies in the Latin America & Caribbean Region.)*

ID#: 160312-171009-0007513

Representment Time Limit - Reason Code 62

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007514

Representment Rights and Limitations - Reason Code 62

1. **Effective through 31 December 2013**, for Chargeback Condition 1 and 2, the Acquirer or Load Acquirer must have been certified as a Card Verification Service participant at the time the Authorization occurred.
2. **Effective 1 January 2014**, for Chargeback Condition 1 and 2, the Acquirer must have been certified as a Card Verification Service participant at the time the Authorization occurred.
3. For a Representment due to an Issuer failing to meet the requirements specified in Chargeback Rights and Limitations 2, the Acquirer must provide information/documentation to support this claim such as evidence indicating Card Account number was not listed on the Exception File or account was not closed or Transaction was not reported as fraud.
4. The Acquirer must not represent a Transaction because of the failure by the Issuer to certify the following: (The right to certify does not apply to Transactions involving Issuers or Acquirers in Visa Europe.)
 - a. Card status at the time of the Transaction (lost, stolen, counterfeit)
 - b. Date Fraud Activity was reported through VisaNet

- c. Date Account Number was listed on the Exception File

ID#: 160312-171009-0007515

Representation Processing Requirements - Reason Code 62

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. For Chargeback Condition 1:
 - i. Member Message Text:
 - AUTH DATE MMDDYY CODE X...X
 - POS XX (Specify POS Entry Mode code value)
 - AUTHENTICATION CRYPT IN AUTH
 - ii. Documentation: As applicable
 - b. For Chargeback Condition 2:
 - i. Member Message Text (for qualifying Transactions and effective dates, refer to "EMV Liability Shift Participation"):
 - X...X (Specify the reason)
 - EMV DEVICE, POS 90, NON CHIP SVCE CODE
 - EXCP FILE NOT LSTD, FRD NOT RPT, ACC NOT CLSD
 - ii. Documentation: As applicable.
 - c. For Chargeback Condition 3:
 - i. Member Message Text:
 - X...X (Specify the reason)
 - EXCP FILE NOT LSTD, FRD NOT RPT, ACC NOT CLSD
 - ii. Documentation: As applicable.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text:
 - i. X...X (Specify the reason)

ID#: 050411-171009-0007516

Additional Information - Reason Code 62 (New)

Effective 1 May 2012, for Chargeback Condition 2 only, use VIP Field 44.5, "CVV Results Code," to determine if the CVV passed verification.

ID#: 160312-010512-0026537

Reason Code 70 Card Recovery Bulletin or Exception File**Overview - Reason Code 70**

Time Limit: 75 calendar days

A Merchant did not check the Card Recovery Bulletin or Exception File for a Transaction with an amount that was below the Floor Limit, excluding U.S. Domestic Transactions.

ID#: 171009-171009-0007518

Chargeback Conditions - Reason Code 70

1. All of the following:
 - a. Transaction was below the Merchant's Floor Limit
 - b. Merchant did not obtain Authorization
 - c. Account Number was listed in the Card Recovery Bulletin in the jurisdiction of the Merchant's Visa Regional Office on the Transaction Date
2. All of the following:
 - a. Transaction was below the Merchant's Floor Limit
 - b. Merchant did not obtain Authorization
 - c. Merchant did not perform Account Number Verification
 - d. Both:
 - i. Transaction originated at a U.S. Merchant Outlet
 - ii. Account Number was listed on the Exception File with a Pickup Response by 4 a.m. Greenwich Mean Time on the date preceding the Transaction Date

ID#: 171009-171009-0007519

Chargeback Rights and Limitations - Reason Code 70

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent

- b. For a Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
 - c. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 *(This only applies in the Latin America & Caribbean Region.)*
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 *(This only applies in the Latin America & Caribbean Region.)*
2. If the Transaction Date was not transmitted in the Clearing Record, Chargeback is valid if one of the following:
 - a. For Chargeback Condition 1, Account Number was listed on the Card Recovery Bulletin within 10 calendar days prior to the Transaction Processing Date
 - b. For Chargeback Condition 2, Account Number Verification was performed or the Account Number was listed on the Exception File within 10 calendar days prior to the Transaction Processing Date

ID#: 111011-171009-0007520

Invalid Chargebacks - Reason Code 70

Chargeback is invalid for any of the following:

1. For Chargeback Condition 1, Transactions occurred at a Chip-Reading Device (for qualifying Transactions and effective dates, refer to "EMV Liability Shift Participation")
2. Transactions authorized through Emergency Payment Authorization Service
3. T&E Transaction if Account Number was not listed on the Exception File with a negative response on the Chargeback Processing Date
4. **Effective 13 October 2011**, Transaction completed at a Proximity Payment-Only Terminal, as specified in "Deployment of Proximity Payment-Only Terminals"

ID#: 160312-171009-0007521

Chargeback Time Limit - Reason Code 70

75 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007522

Chargeback Processing Requirements - Reason Code 70

1. For Chargeback Condition 1:
 - a. Member Message Text:
 - i. LISTED CRB DATE MMDDYY CRB REGION XX
 - b. Documentation: None required.

2. For Chargeback Condition 2:
 - a. Member Message Text:
 - i. LISTED EXCEPT FILE MMDDYY
 - b. Documentation: None required.

ID#: 171009-171009-0007523

Representation Time Limit - Reason Code 70

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007524

Representation Processing Requirements - Reason Code 70

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X(23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text:
 - i. X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. For Chargeback Condition 1:
 - i. Member Message Text: As applicable:
 - ACCT NUM NOT ON CRB TRAN DATE MMDDYY
 - CHECK-IN DATE MMDDYY
 - RENTAL DATE MMDDYY
 - EMBARK DATE MMDDYY
 - AUTH DATE MMDDYY CODE X...X
 - ii. Documentation: Evidence that the Transaction was Chip-initiated and offline-authorized, if applicable.
 - b. For Chargeback Condition 2:
 - i. Member Message Text: As applicable:
 - ACCT NUM NOT ON EXCPT FILE TRAN DATE MMDDYY

ID#: 111011-171009-0007525

Additional Information - Reason Code 70

1. Chargeback is valid whether or not a specific Account Number in a blocked BIN appears in the Card Recovery Bulletin or Exception File.
2. For a T&E Transaction, the Transaction date is the check-in, car rental, or embarkation date.
3. If the Member's Authorization records conflicts, the V.I.P System Authorization record will prevail at Arbitration.

ID#: 111011-171009-0007526

Reason Code 71 Declined Authorization**Overview - Reason Code 71**

Time Limit: 75 calendar days

A Merchant completed a Transaction after an Authorization Request received a Decline Response.

ID#: 171009-171009-0007528

Chargeback Conditions - Reason Code 71

One of the following:

1. Authorization Request received a Decline or Pickup Response and a Merchant completed the Transaction.
2. Both:
 - a. Authorization Request for a Magnetic-Stripe read or Chip-initiated Transaction received a Decline, Pickup, or Referral Response and subsequent Authorization was obtained by a means other than Voice Authorization and Merchant completed the Transaction
 - b. Transaction is Counterfeit
3. All of the following:
 - a. Chip-Reading Device transmitted all data elements that create the EMV-Online Card Authentication Cryptogram with a POS Entry Mode value of "05"
 - b. Authorization Response was a Referral Response
 - c. Authorization Request was approved by means other than Voice Authorization
 - d. Approved Transaction is fraudulent
 - e. Issuer reported the Transaction as Fraud Activity through VisaNet

- f. Account Number was resident on the Exception File with a Pickup Response on the Processing Date of the Chargeback, and was on the Exception File for a total period of at least 60 calendar days from the date of listing

ID#: 171009-171009-0007529

Chargeback Rights and Limitations - Reason Code 71

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
 - c. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 *(This only applies in the Latin America & Caribbean Region.)*
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 *(This only applies in the Latin America & Caribbean Region.)*
2. For Hotels, Car Rental Companies, and Cruise Lines that rendered services, Chargeback is limited to the amount over the Floor Limit if the Account Number was not listed in the Card Recovery Bulletin on the rental, check-in, or embarkation date, excluding U.S. Domestic Transactions.
3. For a U.S. Domestic T&E Transaction, Account Number must also be listed on the Exception File with a Negative Response on the Chargeback Central Processing Date and remain on the Exception file with a Negative Response for at least 90 calendar days. *(This only applies in the U.S. Region.)*
4. For a U.S. Domestic lodging Transaction where services were rendered, Chargeback is limited to the amount over the Chargeback Protection Limit if the Account Number was not listed on the Exception File with a Pickup Response at 8 p.m. Pacific Time on the date preceding the Transaction initiation date. *(This only applies in the U.S. Region.)*
5. Chargeback is valid if **both** of the following apply:
 - a. Authorization Request was processed through the International Automated Referral Service
 - b. Decline Response was provided
6. For an Intraregional Transaction in the LAC Region, a H&C Merchant that provided services, the Chargeback amount is the amount above the Floor Limit if the Account Number was not listed in the Card Recovery Bulletin on the patient's check-in date. *(This only applies in the Latin America & Caribbean Region.)*

ID#: 111011-171009-0007530

Invalid Chargebacks - Reason Code 71

Chargeback is invalid for any of the following:

1. If Authorization was obtained as a result of Visa Stand-In Processing

2. For a T&E Transaction if the Account Number was not listed on the Exception File with a negative response on the Chargeback Processing Date
3. For Transaction authorized through the Emergency Payment Authorization Service
4. For a U.S. Domestic Transaction, Chargeback is invalid for any of the following: *(This only applies in the U.S. Region.)*
 - a. CPS Transaction *(This only applies in the U.S. Region.)*
 - b. ATM Cash Disbursement *(This only applies in the U.S. Region.)*
 - c. Transactions processed according to assured Transaction Response procedures *(This only applies in the U.S. Region.)*
 - d. Transactions that are Chip-initiated and authorized offline *(This only applies in the U.S. Region.)*
 - e. For a T&E Transaction if the Account Number was not listed on the Exception File with a negative response for at least 90 calendar days from the Chargeback Processing Date *(This only applies in the U.S. Region.)*
 - f. For a Transaction where Authorization was not required and both: *(This only applies in the U.S. Region.)*
 - i. Merchant initiated an Authorization Request because it was suspicious *(This only applies in the U.S. Region.)*
 - ii. Merchandise or services were expended prior to receiving a Negative Response *(This only applies in the U.S. Region.)*
 - g. **Effective for Transactions completed on or after 14 April 2012**, for a resubmission of a Visa Debit with PIN Transaction if: *(This only applies in the U.S. Region.)*
 - i. The Decline Response is one of the following: *(This only applies in the U.S. Region.)*
 - Response code 51, "Insufficient Funds" *(This only applies in the U.S. Region.) (This only applies in the U.S. Region.)*
 - Response code 61, "Exceeds Approval Amount Limit" *(This only applies in the U.S. Region.)*
 - Response code 65, "Exceeds Withdrawal Frequency Limit" *(This only applies in the U.S. Region.)*
 - ii. Authorization was obtained within 9 calendar days after the original Transaction Date *(This only applies in the U.S. Region.)*
5. For Chargeback Condition 1, if Authorization was obtained after a Decline or Referral Response was received for the same purchase^[137]

ID#: 151011-171009-0007532

137 This provision does not include Transactions that receive an Authorization Pickup Response of "04," "07," "41," or "43" or Authorization Requests submitted more than 12 hours after the submission of the first Authorization Request.

Chargeback Time Limit - Reason Code 71

75 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007534

Chargeback Processing Requirements - Reason Code 71

1. For Chargeback Condition 1 or 3:
 - a. Member Message Text:
 - i. AUTH DECLINED MMDDYY
2. For Chargeback Condition 2:
 - a. Member Message Text:
 - i. ISS CERT TX COUNTERFEIT

ID#: 171009-171009-0007535

Documentation - Reason Code 71

Any of the following, as applicable:

For Chargeback Condition 2, either of the following:

1. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-3 Issuer stating all of the following:
 - a. Date and time the call was received from the International Automated Referral Service
 - b. Account Number
 - c. Transaction amount
 - d. Issuer response
2. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-3 Issuer with Issuer certification that the approved Transaction was Counterfeit and both the initial and subsequent Authorization Requests contained the following identical data:
 - a. Account Number
 - b. Transaction Date
 - c. Transaction amount
 - d. Merchant identification

For Chargeback Condition 3:

1. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-3 Issuer with Issuer certification of all of the following:
 - a. The approved Transaction was fraudulent

- b. Both the initial and subsequent Authorization Requests contained the following identical data:
 - i. Account Number
 - ii. Transaction Date
 - iii. Transaction amount
 - iv. Merchant identification
- c. The Account Number was resident on the Exception File with a Pickup Response on the Processing Date of the Chargeback, and was on the Exception File for a total period of at least 60 calendar days from the date of listing.

ID#: 171009-171009-0007531

Representment Time Limit - Reason Code 71

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007536

Representment Processing Requirements - Reason Code 71

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text:
 - i. X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text:
 - i. AUTH DATE MMDDYY CODE X...X
 - ii. TRAN IS MMDDYY NOT MMDDYY
 - b. Documentation:
 - i. For a dispute involving special Authorization procedures, both:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-3 Acquirer
 - Visa Resolve Online Dispute Questionnaire or Certification of Special Authorization Representment Amount Exhibit 3C), excluding U.S. Domestic Transactions
 - ii. Evidence that the Transaction was Chip-initiated and offline-authorized, if applicable

- iii. For a Intraregional Transaction in the LAC Region, Chargeback Condition 3, Supporting Documents to Issuer, *Certification of Authorization Representment Amount for Public and Private Hospitals (This only applies in the Latin America & Caribbean Region.)*

ID#: 171009-171009-0007537

Additional Information - Reason Code 71 (Updated)

1. Chargeback is valid for Transactions above or below the Floor Limit when a Decline Response was received.
2. For Chargeback Condition 2, the Issuer may provide a copy of either:
 - a. International Automated Referral Service log reflecting the Issuer's Decline Response
 - b. Issuer's internal Authorization log containing the following elements:
 - i. Date and time the call was received from the International Automated Referral Service
 - ii. Account Number
 - iii. Transaction amount
 - iv. Issuer response
3. Special Authorization procedures are allowed for Lodging Merchants, Cruise Line Merchants, and Car Rental Merchants, and, **effective 14 November 2011**, for Aggregated Transactions.
4. If the Member's Authorization records conflict, the V.I.P. System Authorization record will prevail at Arbitration.

ID#: 160312-171009-0007538

Reason Code 72 No Authorization

Overview - Reason Code 72

Time Limit: 75 calendar days

Authorization was required for a Transaction, but the Merchant did not obtain proper Authorization.

ID#: 171009-171009-0007540

Chargeback Conditions - Reason Code 72

1. Transaction exceeded the Floor Limit and Authorization was not obtained on the Transaction Date.
2. Authorization was obtained using invalid or incorrect data, or Merchant Category Code used in the V.I.P. System Authorization Request does not match the Merchant Category Code in the Clearing Record of the first Presentment for the same Transaction.

ID#: 171009-171009-0007541

Chargeback Rights and Limitations - Reason Code 72 (Updated)

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
 - c. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 *(This only applies in the Latin America & Caribbean Region.)*
 - e. For all other Domestic Transaction in Brazil, excluding airport tax Transactions, R\$15 *(This only applies in the Latin America & Caribbean Region.)*
2. Chargeback is valid for any of the following:
 - a. Only for the amount of the Transaction that exceeds the Floor Limit if **both**:
 - i. Services were rendered for a Hotel, Car Rental Company, or Cruise Line
 - ii. Account Number was **not** on the Card Recovery Bulletin on the Transaction Date
 - b. For a U.S. Lodging Merchant, Chargeback is valid for the amount over the Merchant's Chargeback Protection Limit of 15% *(This only applies in the U.S. Region.)*
 - c. **Effective for Transactions completed through 13 April 2012**, for Hotels, Car Rental Companies, and Cruise Lines where the Transaction amount exceeds the total of all estimated authorized amounts, Chargeback is valid only for the amount that exceeds the authorized amount by 15%
 - d. **Effective for Transactions completed on or after 14 April 2012**, for Hotels and Cruise Lines where the Transaction amount exceeds the total of all estimated authorized amounts, Chargeback is valid only for the amount that exceeds the authorized amount by 15%
 - e. **Effective for Transactions completed on or after 14 April 2012**, for a car rental Merchant, Chargeback is valid only for the amount that exceeds the sum the greater of:
 - i. Sum of authorized amounts plus 15%
 - ii. Sum of authorized amounts plus US \$75 or local currency equivalent *(This provision does not apply to Transactions involving Issuers and Acquirers in Visa Europe.)*
 - f. A Chip-initiated, Offline Authorized Transaction for an amount exceeding the Merchant's Chip Floor Limit
 - g. A Chip-initiated Transaction that was cleared with an Authorization Request Cryptogram (ARQC) that did not receive an approval response to an Online Authorization request from the Issuer or the Issuer's agent
 - h. For an Automated Fuel Dispenser, for the amount exceeding one of the following:
 - i. Amount authorized by the Issuer
 - ii. For an EMV PIN Transaction, US \$100, or local currency equivalent, if a Status Check Authorization was obtained

- iii. For all other Transactions, US \$75 or local currency equivalent, if a Status Check Authorization was obtained
 - iv. For a U.S. Domestic Visa Fleet Card Transaction, US \$150, if a Status Check Authorization was obtained (*This only applies in the U.S. Region.*)
 - i. For a Mail/Phone Order or Electronic Commerce Transaction, Authorization is valid if either:
 - i. Transaction amount is within 15% of the authorized amount, if the additional amount represents shipping cost
 - ii. Authorization was obtained within 7 calendar days of the Transaction Date
3. For a restaurant, excluding Domestic Transactions in Brazil , if the Transaction amount is more than 20% greater than the authorized amount, Issuer may charge back only the amount that exceeds the additional 20%.
4. If Authorization was obtained for an amount less than the Transaction amount, Chargeback is limited only to the amount that was not authorized.
5. If a Partial Authorization was obtained for an amount less than the Transaction amount, Chargeback is limited only to the amount that was not authorized if the Clearing Record includes the Authorization Code.
6. Chargeback is valid if the Transaction required Authorization and the Authorization was obtained, but subsequently reversed.
7. Authorization is invalid for Fallback Transactions where the appropriate values identifying the Transaction as a Fallback Transaction are not included in the Authorization message. For Fallback Transactions, the Merchant Floor Limit is zero. Appropriate values to indicate a Fallback Transaction must include but are not limited to the following:
 - a. VIP Field 22 - POS Entry Mode Code: Values 01, 02 or 90
 - b. VIP Field 60, Position 2 - Terminal Entry Capability:
 - c. Where VIP Field 22 Value = , Field 35 - Service Code,
 - d. Where VIP Field 22 Value = , Field 25 - POS Condition Code:
8. For Chargeback Condition 2, all of the following:
 - a. Chargeback is valid for the entire Transaction amount
 - b. Chargeback applies when the Authorization Request and Clearing Record are processed by either the same or different Acquirers
 - c. Chargeback does not apply to Transactions Authorized with Merchant Category Codes 9701 or 9702
 - d. Authorization is invalid if Merchant used invalid or incorrect Transaction data, as specified in the VisaNet manuals, such as one of the following:
 - i. Incorrect Transaction Date
 - ii. Incorrect Merchant Category Code
 - iii. Incorrect indicator for the Merchant or Transaction type
 - iv. Incorrect country code/state or special condition indicator

9. For an Intraregional Transaction in the LAC Region, a H&C Merchant that provided services, the Chargeback is valid only for the amount above the Floor Limit if the Account Number was not listed in the Card Recovery Bulletin on the date the Transaction was initiated *(This only applies in the Latin America & Caribbean Region.)*
10. For U.S. Domestic Transactions, Chargeback is valid as follows: *(This only applies in the U.S. Region.)*
 - a. For a Transaction with one of the following Merchant Category Codes: *(This only applies in the U.S. Region.)*
 - i. Taxicabs and Limousines (4121) *(This only applies in the U.S. Region.)*
 - ii. Bars and Taverns (5813) *(This only applies in the U.S. Region.)*
 - iii. Beauty and Barber Shops (7230) *(This only applies in the U.S. Region.)*
 - iv. Health and Beauty Spas (7298) *(This only applies in the U.S. Region.)*
 - b. If the Merchant received a Partial Authorization, only the amount exceeding the Partial Authorization amount. *(This only applies in the U.S. Region.)*
 - c. For a Transaction completed by a Merchant accepting Partial Authorizations, if the Transaction amount is greater than the amount approved in the Partial Authorization, Issuer may charge back the amount exceeding the Partial Authorization amount. *(This only applies in the U.S. Region.)*
 - d. For a Transaction that received an Electronic Interchange Reimbursement Fee, Chargeback is valid if Transaction amount is below the Issuer Limit and both: *(This only applies in the U.S. Region.)*
 - i. Account Number was listed on the Exception File on or before 8 p.m. Pacific Time on the calendar day preceding the Transaction Date *(This only applies in the U.S. Region.)*
 - ii. Exception File response indicated that Card was invalid *(This only applies in the U.S. Region.)*
 - e. Chargeback is valid if the Transaction required Authorization and the Authorization was obtained, but subsequently reversed for the full amount. *(This only applies in the U.S. Region.)*
 - f. Issuer must verify that Transaction was not authorized and that every possibility of honoring the Transaction Receipt has been explored *(This only applies in the U.S. Region.)*
 - g. For T&E Transactions, Account Number must also be listed on the Exception File with a Negative Response on the Chargeback Central Processing Date and remain on the Exception file with a Negative Response for at least 90 calendar days from the Chargeback Central Processing Date. *(This only applies in the U.S. Region.)*

ID#: 040412-171009-0007542

Invalid Chargebacks - Reason Code 72 (Updated)

Chargeback is invalid for any of the following:

1. **Effective for Transactions completed through 14 October 2011**, for Cardholder-Activated Transaction Type A

2. For any ATM Cash Disbursement
3. For Transactions authorized through the Emergency Payment Authorization Services
4. For a T&E Transaction if the Account Number was not listed on the Exception File with a negative response on the Chargeback Processing Date
5. If any of the following apply:
 - a. Authorization was processed through the International Automated Referral Service
 - b. Transaction was authorized by Stand-In Processing
 - c. Authorized amount is greater than the Transaction amount
6. For an Automated Fuel Dispenser, excluding Transactions involving Issuers and Acquirers in Visa Europe, if both:
 - a. Status Check Authorization was obtained
 - b. Transaction amount is one of the following:
 - i. For an EMV PIN Transaction, US \$100 or less, or local currency equivalent
 - ii. For all other Transactions, US \$75 or less, or local currency equivalent
 - iii. For a U.S. Domestic Visa Fleet Card Transaction, US \$150 or less, or local currency equivalent (*This only applies in the U.S. Region.*)
7. If the Transaction and Billing Currencies are different, and the Transaction amount is within 10% of the Authorization amount (to allow for currency fluctuation), excluding U.S. Domestic Transactions
8. If the Cardholder Authentication Verification Value was not validated during Authorization of an Electronic Commerce Transaction
9. For a U.S. Domestic Transaction, Chargeback is invalid for any of the following: (*This only applies in the U.S. Region.*)
 - a. **Effective for Transactions completed through 14 October 2011**, for any Limited-Amount Terminal Transaction (*This only applies in the U.S. Region.*)
 - b. If a Transaction where a Partial Authorization was obtained and both: (*This only applies in the U.S. Region.*)
 - i. Partial Authorization indicator was present in the Authorization Request (*This only applies in the U.S. Region.*)
 - ii. Transaction amount does not exceed the amount in the Partial Authorization Response (*This only applies in the U.S. Region.*)
 - c. **Effective for Transactions completed through 30 June 2015**, an Online Check Card Transaction completed at an Automated Fuel Dispenser, if all of the following: (*This only applies in the U.S. Region.*)
 - i. Estimated Transaction amount did not exceed US \$75 (*This only applies in the U.S. Region.*)
 - ii. Authorization was obtained for an amount based on the estimated Transaction amount (*This only applies in the U.S. Region.*)
 - iii. Transaction amount did not exceed the estimated amount (*This only applies in the U.S. Region.*)

- d. **Effective for Transactions completed through 30 June 2015**, an Online Check Card Transaction completed at an Automated Fuel Dispenser if the final Transaction amount was processed within X X of either the Status Check or the estimated Transaction amount Approval (*This only applies in the U.S. Region.*)
- e. For Manual Cash Disbursements that exceed US \$5,000 (*This only applies in the U.S. Region.*)

ID#: 060412-171009-0007543

Chargeback Time Limit - Reason Code 72

75 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007544

Chargeback Processing Requirements - Reason Code 72

- 1. For Chargeback Condition 1:
 - a. Member Message Text, as applicable:
 - i. NO AUTHORIZATION
 - ii. EMV CARD, NO AUTH, EXCD CHIP FLOOR LIMIT
 - iii. EMV CARD, INVALID FALLBACK DATA
 - iv. TRAN EXCEEDS AUTH AMOUNT
 - b. Documentation: None required.
- 2. For Chargeback Condition 2
 - a. Member Message Text:
 - i. AUTH OBTAINED USING INVALID DATA
 - b. Documentation:
 - i. Completed Visa Resolve Online Questionnaire or Issuer Chargeback/Acquirer Representment Form - Non-Matching Merchant Category Code including the Chargeback Reference Number, if used.
 - ii. In lieu of documentation, Issuer certification that the Transaction would have been declined if Transaction data had been provided in the Authorization Request. The right to certify does not apply to Transactions involving Issuers or Acquirers in Visa Europe.
 - iii. For Transactions involving Issuers or Acquirers in Visa Europe, documentation to support the Issuer's claim that the Transaction would have been declined if Transaction data had been provided in the Authorization Request. (*This only applies in Visa Europe.*)

ID#: 160312-171009-0007545

Representment Time Limit - Reason Code 72

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007546

Representment Conditions - Reason Code 72 (Updated)

1. **Effective for Transactions completed through 13 April 2012**, for a T&E Transaction where special Authorization procedures were followed, Representment is limited to the sum of the Authorization amounts plus 15%. This total must not exceed the Transaction amount.
2. **Effective for Transactions completed on or after 14 April 2012**, for Hotels or Cruise Lines where special Authorization procedures were followed, Representment is limited to the sum of the Authorization amounts plus 15%. This total must not exceed the Transaction amount.
3. **Effective for Transactions completed on or after 14 April 2012**, for Car Rental Companies where special Authorization procedures were followed, Representment is limited to the greater of:
 - a. Sum of authorized amounts plus 15%
 - b. Sum of authorized amounts plus US \$75 or local currency equivalent. *(This provision does not apply to Transactions involving Issuers and Acquirers in Visa Europe.)* This total must not exceed the Transaction amount.
4. One of the following:
 - a. Chargeback is improper or invalid or credit was processed
 - b. Merchant obtained Authorization on the Transaction Date
 - c. Merchant obtained Authorization for a Mail/Phone Order or Electronic Commerce Transaction within 7 calendar days prior to the Transaction Date and merchandise was shipped or delivered
 - d. Restaurant Transaction amount exceeds Authorization amount by 20% or less, excluding Domestic Transactions in Brazil
 - e. For a T&E Transaction, Merchant obtained valid Authorization between the dates that the Transaction was initiated and completed, using special Authorization procedures
 - f. Transaction authorized, except for Transactions authorized using V.I.P. System emergency procedures
 - g. Merchant obtained Authorization using correct Transaction data
 - h. For a U.S. Domestic Transaction, Merchant obtained an Approval Response for a Store and Forward Transaction within 9 calendar days of the Transaction Date. *(This only applies in the U.S. Region.)*

ID#: 100412-171009-0007547

Representment Rights and Limitations - Reason Code 72 (Updated)

1. **Effective for Transactions completed through 13 April 2012**, if special Authorization procedures used, Representment Condition 4e, Representment is limited to the sum of the Authorization amounts plus 15%. This total must not exceed the Transaction amount.
2. **Effective for Transactions completed on or after 14 April 2012**, for Hotels or Cruise Lines, if special Authorization procedures are used, Representment is limited to the amount that exceeds the sum of the Authorization amounts by 15%. This total must not exceed the Transaction amount.
3. **Effective for Transactions completed on or after 14 April 2012**, for Car Rental Companies, if special Authorization procedures are used, Representment is limited to the greater of:
 - a. Sum of the authorized amounts plus 15%
 - b. Sum of authorized amounts plus US \$75 or local currency equivalent. *(This provision does not apply to Transactions involving Issuers and Acquirers in Visa Europe.)*
This total must not exceed the Transaction Amount.
4. If special Authorization procedures used, and if internal Authorization records conflict, the Acquirer must provide Transaction Receipt or Substitute Transaction Receipt.
5. For a U.S. Domestic Transaction, if an Electronic Interchange Reimbursement Fee was not processed as specified, Acquirer must not represent the Transaction at the Standard Interchange Reimbursement Fee rate. Acquirer is liable for the Transaction. *(This only applies in the U.S. Region.)*

ID#: 040412-171009-0007549

Representment Processing Requirements - Reason Code 72 (Updated)

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text:
 - i. X...X (Specify the reason)
 - ii. EMV CARD, VALID FALLBACK DATA
 - iii. NOT AN EMV CARD, NON EMV DEVICE
 - b. Documentation: As applicable.
3. Acquirer can remedy the Chargeback.
 - a. For Chargeback Condition 1:
 - i. Member Message Text:

- AUTH DATE MMDDYY CODE X...X AMT \$XXX
 - TRAN DATE IS MMDDYY NOT MMDDYY
 - If a U.S. Domestic Mail/Phone Order or Electronic Commerce Transaction, Representment Condition 2c: MO/TO (or EC) ORDER DATE MMDDYY CODE XXXXX AMT \$XXXXX *(This only applies in the U.S. Region.)*
 - For a U.S. Domestic Transaction, if Representment Condition 2d: MERCHANT IS RESTAURANT MMDDYY CODE XXXXX AMT \$XXXXX *(This only applies in the U.S. Region.)*
- ii. Documentation: For a dispute involving special Authorization procedures, both:
- Visa Resolve Online Dispute Questionnaire or Exhibit 2E-3 Acquirer
 - Certification of Special Authorization Representment Amount (Exhibit 3C)
 - Any of the following, as applicable:
 - For a U.S. Domestic Transaction, if necessary, documentation or information on the Visa Resolve Online Dispute Resolution Questionnaire to prove *(This only applies in the U.S. Region.)*
 - For a U.S. Domestic Transaction, if special Authorization procedures used, Representment Condition 4e, Acquirer certification that Merchant used special Authorization procedures. *(This only applies in the U.S. Region.)*
 - For a U.S. Domestic Transaction, if special Authorization procedures used and Authorization records conflict, Representment Rights and Limitations 2, Transaction Receipt or Substitute Transaction Receipt to prove no conflict with internal *(This only applies in the U.S. Region.)*
 - For Intraregional H&C Transactions in the LAC Region, Certification of Authorization Representment Amount for Public and Private Hospitals (Exhibit LA-3) *(This only applies in the Latin America & Caribbean Region.)*
- b. For Chargeback Condition 2:
- i. Member Message Text:
- None
- ii. Documentation:
- Visa Resolve Online Questionnaire
 - V.I.P Transaction Research Service Transaction Detail Report (available from Visa) and the Clearing Record of the First Presentment

ID#: 100412-171009-0007548

Additional Information - Reason Code 72 (Updated)

1. A 20% variance is allowed to restaurants in consideration of a gratuity, excluding Domestic Transactions in Brazil
2. For Chargeback Condition 2, an Issuer must include documentation supporting the Issuer's claim that the Transaction would have been declined if correct Transaction data had been provided in the Authorization Request.

3. Special Authorization procedures are allowed for Lodging, Cruise Line, Car Rental, and, **effective 14 November 2011**, Aggregated Transactions. Any Authorization obtained for these Transactions between the Transaction initiation and completion dates is valid.
4. When an Issuer's and Acquirer's Authorization records differ, the Visa System records will prevail.

ID#: 230312-171009-0007550

Reason Code 73 Expired Card

Overview - Reason Code 73

Time Limit: 75 calendar days

A Merchant completed a Transaction with a Card that expired prior to the Transaction Date, and the Merchant did not obtain Authorization.

ID#: 171009-171009-0007551

Chargeback Conditions - Reason Code 73

Both:

1. Card expired prior to the Transaction Date
2. Merchant did not obtain Authorization

ID#: 171009-171009-0007552

Chargeback Rights and Limitations - Reason Code 73

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)
 - c. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. Transaction Date is as follows:
 - a. Hotel: Check-in date
 - b. Car Rental Company: Date the car was rented
 - c. Cruise Line: Embarkation date

- d. For an Intraregional H&C Transaction in the LAC Region: Check-in date (*This only applies in the Latin America & Caribbean Region.*)
3. For a Mail/Phone Order or Electronic Commerce Transaction, the expiration date provided by the Cardholder is assumed to be correct.

ID#: 111011-171009-0007553

Invalid Chargebacks - Reason Code 73

Chargeback is invalid for any of the following:

1. Transaction authorized through the Emergency Payment Authorization Service
2. Chip-initiated Transactions
3. T&E Transaction if the Account Number was not listed on the Exception File with a negative response on the Chargeback Processing Date
4. For a U.S. Domestic T&E Transaction, if the Account Number was not listed on the Exception File with a Negative Response on the Chargeback Central Processing Date and did not remain on the Exception File with a Negative Response for at least 90 calendar days from the Chargeback Central Processing Date (*This only applies in the U.S. Region.*)

ID#: 010410-171009-0007554

Chargeback Time Limits - Reason Code 73

75 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007555

Chargeback Processing Requirements - Reason Code 73

Member Message Text: CARD EXPIRED MMDDYY

Documentation: None required.

ID#: 171009-171009-0007556

Representment Time Limits - Reason Code 73

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007557

Representment Processing Requirements - Reason Code 73

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:

- i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
- b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text:
 - i. AUTH DATE MMDDYY
 - ii. CARD NOT EXPIRED ON TRAN DATE
 - iii. CHECK-IN DATE MMDDYY
 - iv. RENTAL DATE MMDDYY
 - v. EMBARK DATE MMDDYY
 - b. Documentation:
 - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-3 Acquirer and one of the following:
 - ii. Merchant's Authorization log
 - iii. Documentation to prove the Card was not expired on the Transaction Date
 - iv. Evidence that the Transaction was Chip-initiated and offline-authorized, if applicable

ID#: 010410-171009-0007558

Additional Information - Reason Code 73

1. The Card expiration date is the last day of the month.
2. If the Member's Authorization records conflicts, the V.I.P System Authorization record will prevail at Arbitration
3. Prior to initiating a Chargeback, an Issuer should verify that an Authorization was not obtained.

ID#: 010410-171009-0007559

Reason Code 74 Late Presentment

Overview - Reason Code 74

Time Limit: 120 calendar days

Transaction was not processed within the required time limits and the account was not in good standing on the Processing Date, or the Transaction was processed more than 180 calendar days from the Transaction Date.

ID#: 171009-171009-0007560

Chargeback Conditions - Reason Code 74

One of the following:

1. Both:
 - a. Transaction was not processed within the required time limit
 - b. Account Number was not in good standing on the Chargeback Processing Date
2. Transaction Date is more than 180 calendar days prior to the Processing Date.

ID#: 171009-171009-0007561

Chargeback Rights and Limitations - Reason Code 74

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)
 - c. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - e. For all other Domestic Transaction in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. For Chargeback Condition 1, for a Visa Electron Card, Transaction Date is more than 6 calendar days prior to the Processing Date, excluding U.S. Domestic Transactions.
3. For Chargeback Condition 1, for an ATM or Load Transaction, Transaction Date is more than 10 calendar days prior to the Processing Date.
4. For a T&E Transaction, Transaction Date is as follows:
 - a. Hotel: Check-out date
 - b. Car Rental Company: Return date
 - c. Cruise Line: Disembarkation date
5. For Chargeback Condition 1, for all other Transactions, Transaction Date is more than 30 calendar days prior to the Processing Date.
6. **Effective for Chargebacks processed on or after 18 May 2011**, for Chargeback Condition 1, for a U.S. Domestic Transaction, Transaction Date is more than: (*This only applies in the U.S. Region.*)

- a. 10 calendar days prior to the Processing Date for any of the following: *(This only applies in the U.S. Region.)*
 - i. Account that is not in good standing, including "not sufficient funds" *(This only applies in the U.S. Region.)*
 - ii. **Effective for Transactions completed through 30 June 2015**, ATM, Load, or Online Check Card Transaction *(This only applies in the U.S. Region.)*
 - iii. **Effective for Transactions completed on or after 1 July 2015**, ATM or Load Transaction *(This only applies in the U.S. Region.)*
- b. **Effective for Visa Debit with PIN Transactions completed on or after 14 April 2012**, 10 calendar days from the Transaction Date *(This only applies in the U.S. Region.)*
- c. For Merchants with multiple Merchant Outlets, 20 calendar days prior to the Processing Date for an account that is not in good standing, including "not sufficient funds" *(This only applies in the U.S. Region.)*
7. For an Intraregional H&C Transaction in the LAC Region, Transaction Date is the patient's check-out date *(This only applies in the Latin America & Caribbean Region.)*
8. **Effective for Chargebacks processed through 17 May 2011**, for a U.S. Domestic ATM, Load, or Online Check Card Transaction, Transaction Date is more than 10 calendar days prior to the Processing Date. *(This only applies in the U.S. Region.)*
9. For Chargeback Condition 1, for a T&E Transaction, Issuer must list the Account Number on the Exception File with a negative response on the Chargeback Processing Date.
10. For Chargeback Condition 1, for a U.S. Domestic T&E Transaction, Issuer must list the Account Number on the Exception File with a Negative Response on the Chargeback Central Processing Date. The Account Number must remain on the Exception File with a Negative Response for at least 90 calendar days from the Central Processing Date. *(This only applies in the U.S. Region.)*
11. **Effective for Transactions processed on or after 15 October 2011**, for Chargeback condition 1, for a Malaysia Domestic Visa debit Transaction conducted at an Automated Fuel Dispenser, Transaction Date is more than 6 calendar days prior to the Processing Date. *(This only applies in the Asia Pacific Region.)*

ID#: 171011-171009-0007562

Chargeback Time Limit - Reason Code 74

One of the following:

1. 120 calendar days from the Central Processing Date of the Presentment
2. **Effective for Transactions completed through 30 June 2015**, for Chargeback Rights and Limitations 6, if ATM, Visa TravelMoney, or Online Check Card Transaction, 20 calendar days from the Central Processing Date of the Adjustment. *(This only applies in the U.S. Region.)*
3. **Effective for Transactions completed on or after 1 July 2015**, for Chargeback Rights and Limitations 6, if ATM or Visa TravelMoney Transaction, 20 calendar days from the Central Processing Date of the Adjustment. *(This only applies in the U.S. Region.)*

ID#: 160312-171009-0007572

Chargeback Processing Requirements - Reason Code 74

1. For Chargeback Condition 1:
 - a. Member Message Text:
 - i. ACCOUNT STATUS CODE (Supply the appropriate code in the last position of the text)
 - X=Counterfeit
 - O=Account Closed
 - C=Account Problem
 - ii. **Effective for Chargebacks processed on or after 18 May 2011**, for a U.S. Domestic Transaction, C=Account Problem (including NSF) *(This only applies in the U.S. Region.)*
 - iii. F=Other Fraud (e.g., lost, stolen, not received)
 - b. Documentation: None required.
2. For Chargeback Condition 2:
 - a. Member Message Text: MORE THAN 180 DAYS LATE
 - b. Documentation: None required.
3. **Effective for Transactions completed on or after 14 April 2012**, for a U.S. Domestic Visa Debit with PIN Transaction: *(This only applies in the U.S. Region.)*
 - a. Member Message Text: *(This only applies in the U.S. Region.)*
 - i. Contact name and fax number (10 digits) followed by: *(This only applies in the U.S. Region.)*
 - ii. TRAN MORE THAN 10 DAYS LATE *(This only applies in the U.S. Region.)*
4. **Effective for Transactions completed through 30 June 2015**, for a U.S. Domestic ATM, Load, or Online Check Card Transaction: *(This only applies in the U.S. Region.)*
 - a. Member Message Text: *(This only applies in the U.S. Region.)*
 - i. Contact name and fax number (10 digits) followed by: *(This only applies in the U.S. Region.)*
 - ACCOUNT STATUS CODE __ (supply the appropriate code in the last position in the text) *(This only applies in the U.S. Region.)*
 - C = Credit Problem (Also NSF for ATM Transactions, Load Transactions, or Online Check Card Transaction Adjustments) *(This only applies in the U.S. Region.)*
 - F = Other Fraud (lost, stolen, not received) *(This only applies in the U.S. Region.)*
 - X = Counterfeit *(This only applies in the U.S. Region.)*
 - O = Account Closed *(This only applies in the U.S. Region.)*
5. **Effective for Transactions completed on or after 1 July 2015**, for a U.S. Domestic ATM Transaction or Load Transaction: *(This only applies in the U.S. Region.)*
 - a. Member Message Text: *(This only applies in the U.S. Region.)*

- i. Contact name and fax number (10 digits) followed by: *(This only applies in the U.S. Region.)*
 - ACCOUNT STATUS CODE __ (supply the appropriate code in the last position in the text) *(This only applies in the U.S. Region.)*
 - C = Credit Problem (Also NSF for ATM Transactions or Load Transaction Adjustments) *(This only applies in the U.S. Region.) (This only applies in the U.S. Region.)*
 - F = Other Fraud (lost, stolen, not received) *(This only applies in the U.S. Region.)*
 - X = Counterfeit *(This only applies in the U.S. Region.)*
 - O = Account Closed *(This only applies in the U.S. Region.)*

ID#: 171011-171009-0007573

Representment Time Limit - Reason Code 74

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007574

Representment Processing Requirements - Reason Code 74

1. For Chargeback Condition 1 or 2:
 - a. Credit or Reversal was processed.
 - i. Member Message Text: Either that applies:
 - CRED MMDDYY ARN X...X (23 or 24 digits)
 - REVERSAL MMDDYY
 - ii. Documentation: None required.
 - b. Issuer did not meet the applicable Chargeback conditions.
 - i. Member Message Text: X...X (Specify the reason)
 - ii. Documentation: None required.
 - c. Acquirer can remedy the Chargeback.
 - i. Member Message Text: CORRECT TRAN DATE MMDDYY
 - ii. Documentation: Both:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Acquirer
 - Transaction Receipt with Transaction Date that disproves late Presentment

ID#: 171009-171009-0007575

Additional Information - Reason Code 74

For a T&E delayed or amended charge, the Transaction Date is the date of the Transaction Receipt representing the charge, not the return or check-out date. For additional information refer to "T&E Delayed or Amended Charges" and "Delayed or Amended Charges" for Car Rental Merchants.

ID#: 081010-010100-0025745

Reason Code 75 Transaction Not Recognized

Overview - Reason Code 75

Time Limit: 120 calendar days

The Cardholder does not recognize the Transaction and additional information beyond the data required in the Clearing Record is needed to determine Transaction validity.

ID#: 171009-171009-0007576

Chargeback Conditions - Reason Code 75

1. The Cardholder does not recognize the Transaction and additional information beyond the data required in the Clearing Record is needed to assist the Cardholder in identifying the Transaction.

ID#: 171009-171009-0007577

Chargeback Rights and Limitations - Reason Code 75 (Updated)

1. Minimum Chargeback amount:
 - a. For a U.S. Domestic T&E Transaction, US \$25 (*This only applies in the U.S. Region.*)
 - b. For a Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)
 - c. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. Issuer must retrieve a copy of the Transaction Receipt prior to exercising the Chargeback right unless the Transaction is one of the following:
 - a. Mail/Phone Order
 - b. Electronic Commerce Transaction
 - c. Recurring Transaction

- d. EMV PIN Transaction, excluding Manual Cash Disbursement and Quasi-Cash Transactions and requests for T&E Documents
 - e. U.S. Domestic Preauthorized Health Care Transaction *(This only applies in the U.S. Region.)*
 - f. **Effective for Transactions completed on or after 15 October 2011**, Unattended Transaction
 - g. **Effective for Transactions completed on or after 13 October 2012**, Proximity Payment Transaction in which a PIN or Consumer Device Cardholder Verification Method (CDCVM) was used, excluding Manual Cash Disbursement and Quasi-Cash Transactions and requests for T&E Documents
3. For a U.S. Domestic Transaction, Issuer must make a good-faith effort to assist the Cardholder in identifying the Transaction and the Cardholder Account must be in good standing. *(This only applies in the U.S. Region.)*
 4. If a Retrieval Request is required, Issuer must wait 30 calendar days from the Retrieval Request Processing Date to receive the Fulfillment or Nonfulfillment Message code prior to exercising the Chargeback right. The waiting period does not apply if a Fulfillment or Nonfulfillment Message is received.
 5. For a U.S. Domestic Transaction Chargeback is valid, regardless of Electronic Commerce Indicator value, for Electronic Commerce Transactions conducted by Merchants in the following Merchant categories: *(This only applies in the U.S. Region.)*
 - a. Wire Transfer Money Orders (4829) *(This only applies in the U.S. Region.)*
 - b. Direct Marketing - Inbound Teleservices Merchant (5967) *(This only applies in the U.S. Region.)*
 - c. Non-Financial Institutions - Foreign Currency, Money Orders (not Wire Transfer), Travelers' Cheques (6051) *(This only applies in the U.S. Region.)*
 - d. Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks (7995) *(This only applies in the U.S. Region.)*
 6. For Domestic Electronic Commerce Transactions in Brazil, Chargeback is valid if the Transaction was processed with Electronic Commerce Indicator value 6. *(This only applies in the Latin America & Caribbean Region.)*

ID#: 160312-171009-0007578

Invalid Chargebacks - Reason Code 75 (Updated)

Chargeback is invalid if any of the following:

1. Issuer used Retrieval Request reason code 33, "Fraud Analysis Request" or Retrieval Request reason code 34, "Legal Process Request"
2. Acquirer supplies a Fulfillment with all required data specified in the "Transaction Receipt Fulfillment Documents - Data Requirements" section
3. Lodging/Car Rental No-Show indicator in the Clearing Record is "1"
4. **Effective for Transactions completed through 12 October 2012**, Acquirer provided evidence of an Imprint and signature or PIN. Does not apply to EMV PIN Transactions that are Manual Cash Disbursements, Quasi-Cash Transactions, or T&E Transactions.

5. **Effective for Transactions completed on or after 13 October 2012**, Acquirer provided evidence of an Imprint and either signature, PIN, or Consumer Device Cardholder Verification Method (CDCVM). Does not apply to:
 - a. EMV PIN Transactions that are Manual Cash Disbursements, Quasi-Cash Transactions, or T&E Transactions
 - b. Proximity Payment Transactions that are Manual Cash Disbursements, Quasi-Cash Transactions, or T&E Transactions
6. When Cardholder states Transaction was fraudulent
7. ATM Cash Disbursement
8. Telephone Service Transaction
9. Excluding U.S. Domestic Transactions, Electronic Commerce Transaction that was processed with Electronic Commerce Indicator value "5" or "6"
10. Excluding Domestic Transactions in Brazil, Electronic Commerce Transaction that was processed with Electronic Commerce Indicator value "6" (*This only applies in the Latin America & Caribbean Region.*)
11. Canada Domestic Proximity Payment Transactions (*This only applies in the Canada Region.*)
12. For a U.S. Domestic Transaction, Chargeback is invalid for any of the following: (*This only applies in the U.S. Region.*)
 - a. CPS/Passenger Transport Transaction (*This only applies in the U.S. Region.*)
 - b. CPS/Automated Fuel Dispenser Transaction (*This only applies in the U.S. Region.*)
13. For a Visa Easy Payment Service Transaction (This provision does not apply to Transactions involving Issuers or Acquirers in Visa Europe).
14. **Effective through 14 March 2012**, an Electronic Commerce Transaction as follows: ^[138] (*This only applies in the U.S. Region.*)
 - a. For a Secure Electronic Commerce Transaction processed with electronic Commerce indicator value "5" in the Authorization Request, if both: (*This only applies in the U.S. Region.*)
 - i. The Issuer responded to an Authentication Request with an Authentication Confirmation using 3-D Secure (*This only applies in the U.S. Region.*)
 - ii. A Cardholder Authentication Verification Value was included in the Authorization Request (*This only applies in the U.S. Region.*)
 - b. For Non-Authenticate Security Transactions ^[139] processed with Electronic Commerce indicator value "6" in the Authorization Request, if both: ^[140] (*This only applies in the U.S. Region.*)
 - i. The Issuer, or Visa on behalf of an Issuer, responded to an Authentication Request with an Attempt Response using 3-D Secure (*This only applies in the U.S. Region.*)
 - ii. Either: (*This only applies in the U.S. Region.*)
 - A Cardholder Authentication Verification Value was included in the Authorization Request (*This only applies in the U.S. Region.*)

- A Cardholder Authentication Verification Value was not included in the Authorization Request and the Verified Enrollment Response is "N" *(This only applies in the U.S. Region.)*
15. **Effective 15 March 2012**, Transaction is a U.S. Domestic Electronic Commerce Transaction as follows: *(This only applies in the U.S. Region.)*
- a. A Secure Electronic Commerce Transaction processed with Electronic Commerce Indicator value "5" in the Authorization Request, if both: *(This only applies in the U.S. Region.)*
 - i. The Issuer responded to an Authentication Request with an Authentication Confirmation using Verified by Visa *(This only applies in the U.S. Region.)*
 - ii. A Cardholder Authentication Verification Value was included in the Authorization Request *(This only applies in the U.S. Region.)*
 - b. A Non-Authenticated Security Transaction processed with Electronic Commerce Indicator value "6" in the Authorization Request, if all of the following: *(This only applies in the U.S. Region.)*
 - i. The Issuer, or Visa on behalf of the Issuer, responded to an Authentication Request with an Attempt Response using Verified by Visa *(This only applies in the U.S. Region.)*
 - ii. Either: *(This only applies in the U.S. Region.)*
 - A Cardholder Authentication Verification Value was included in the Authorization Request *(This only applies in the U.S. Region.)*
 - A Cardholder Authentication Verification Value was not included in the Authorization Request and the Verified Enrollment Response is "N" *(This only applies in the U.S. Region.)*
 - iii. Transaction is not an anonymous Visa Prepaid Card Transaction or a Commercial Card Transaction *(This only applies in the U.S. Region.)*
16. **Effective for Transactions completed on or after 14 April 2012**, Visa Debit with PIN Transactions *(This only applies in the U.S. Region.)*

ID#: 230312-171009-0007579

Chargeback Time Limits - Reason Code 75

120 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007580

138 An Electronic Commerce Merchant identified by the U.S. Merchant Chargeback Monitoring Program or Risk Identification Service (RIS) Online must include Electronic Commerce Indicator value of "7," and is subject to this Chargeback for the period of time it remains in the Merchant Chargeback Monitoring Program or RIS Online, plus 4 additional months.

139 **Effective through 14 March 2012**, exceptions apply to anonymous Visa Prepaid Card Transactions, Commercial Visa Product Card Transactions, and Transactions conducted in New Channels.

140 An Electronic Commerce Merchant identified by the U.S. Merchant Chargeback Monitoring Program or Risk Identification Service (RIS) Online must include Electronic Commerce Indicator value of "7," and is subject to this Chargeback for the period of time it remains in the Merchant Chargeback Monitoring Program or RIS Online, plus 4 additional months.

Chargeback Processing Requirements - Reason Code 75

Member Message Text: Both:

1. XX CH DOES NOT RECOGNIZE
 - a. "XX" must be one of the following codes
 - i. 01=Merchant Name
 - ii. 02=Merchant Location
 - iii. 03=Transaction amount
 - iv. 04=Transaction Date
 - v. 05=Other (must specify)
2. RR DATE MMDDYY, (if requested Transaction Receipt not fulfilled)

ID#: 171009-171009-0007581

Additional Member Message Text Requirements - Reason Code 75

Additional Member Message Text Requirements for U.S. Domestic Transactions: *(This only applies in the U.S. Region.)*

1. UNABLE TO AUTHENTICATE RESPONSE *(This only applies in the U.S. Region.)*
2. AUTHENTICATION DENIAL *(This only applies in the U.S. Region.)*
3. SEE 3D SECURE RESPONSE SENT MMDDYY *(This only applies in the U.S. Region.)*
4. CAVV MISSING IN AUTH *(This only applies in the U.S. Region.)*

ID#: 171009-171009-0007582

Documentation - Reason Code 75

None required.

For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter. *(This only applies in the Latin America & Caribbean Region.)*

ID#: 111011-171009-0007583

Representation Time Limit - Reason Code 75

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007584

Representation Rights and Limitations - Reason Code 75 (Updated)

1. Representation is invalid if:
 - a. **Effective for Chargebacks processed through 12 October 2012**, for non-EMV PIN Transactions, Representation is invalid if Acquirer failed to respond to Retrieval Request or responded with a Nonfulfillment Message code "03" or "04," or provided a Fulfillment which does not contain all the required data elements
 - b. **Effective for Chargebacks processed on or after 13 October 2012**, for Transactions that are not EMV PIN Transactions and are not Proximity Payment Transactions in which a PIN or Consumer Device Cardholder Verification Method (CDCVM) was used, Acquirer failed to respond to Retrieval Request or responded with Nonfulfillment Message code "03" or "04," or provided a Fulfillment that does not contain all the required data elements
 - c. **Effective for Chargebacks processed through 12 October 2012**, for EMV PIN Transactions, Representation is invalid if Acquirer failed to respond to Retrieval Request or responded with a Nonfulfillment Message code "03" or "04" and any of the following:
 - i. Transaction was a Manual Cash Disbursement or a Quasi-Cash Transaction
 - ii. **Effective through 14 October 2011**, Retrieval Request reason code was "29"
 - iii. For Transactions involving Issuers or Acquirers in Visa Europe, Retrieval Request reason code was "29" (*This only applies in Visa Europe.*)
 - d. **Effective for Chargebacks processed on or after 13 October 2012**, for EMV PIN Transactions or Proximity Payment Transactions in which a PIN or Consumer Device Cardholder Verification Method (CDCVM) was used, Acquirer failed to respond to Retrieval Request or responded with a Nonfulfillment Message code "03" or "04" and any of the following:
 - i. Transaction was a Manual Cash Disbursement or a Quasi-Cash Transaction
 - ii. For Transactions involving Issuers or Acquirers in Visa Europe, Retrieval Request reason code was "29"
 - e. Acquirer failed to include additional information or Transaction data that was not required in the Clearing Record.

ID#: 160312-171009-0007585

Representation Processing Requirements - Reason Code 75

1. Member Message Text:
2. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
3. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)

- b. Documentation:
 - i. For all other Transactions, none required.
- 4. Acquirer can remedy the Chargeback.
 - a. Member Message Text: None required.
 - b. Documentation: Visa Resolve Online Dispute Questionnaire or Exhibit 2E-1 Acquirer and one of the following:
 - i. Copy of Transaction Receipt or other document with additional information or Transaction data that was not required on the Clearing Record, if applicable
 - ii. Representment for an Aggregated Transaction must include details of the individual purchases that have been aggregated, if applicable
 - iii. For Domestic Transactions in Brazil conducted by Merchants in the following Merchant Category Codes:
 - 3000-3299, "Airlines, Air Carriers"
 - 4511, "Airlines and Air Carriers (Not Elsewhere Classified)"
 - 4722, "Travel Agencies and Tour Operators"
 - All of the following is required:
 - Copy of the front of the Card
 - Copy of the front and back of a legal document that identifies the Cardholder
 - Copy of a voucher or ticket with passenger's name issued by travel agency and/or airline
 - Copy of the debit authorization form with all of the following:
 - Primary Cardholder's name
 - Passengers names
 - Account number
 - Card expiration date
 - Primary Cardholder's phone number
 - Airline name
 - Authorization Code
 - Transaction amount
 - Installment Transaction count
 - Installment Transaction amount
 - Airport tax amount
 - Date of the debit authorization form
 - Cardholder signature (must match Cardholder's signature on the signature panel)
(This only applies in the Latin America & Caribbean Region.)
 - iv. For Domestic Transactions in Brazil conducted by Merchants in the following Merchant Category Codes:
 - 5814 "Fast Food Restaurants"
 - 7922 "Theatrical Producers (Except Motion Pictures) and Ticket Agencies"

The following is required:

- Documentation signed by the Cardholder to prove that Cardholder received services or merchandise at agreed-upon location
(*This only applies in the Latin America & Caribbean Region.*)

ID#: 160312-171009-0007586

Additional Information - Reason Code 75 (Updated)

1. Visa recommends that the Acquirer supply all available Transaction details when responding to Chargeback Reason Code 75, "Transaction Not Recognized," if a Representment right exists. The Acquirer should provide additional details, such as:
 - a. Detailed description of goods or services that were provided
 - b. Description of how Merchant confirmed the Cardholder's participation, e.g., Cardholder signature, PIN, or other verification method
 - c. Description of how delivery address was confirmed, if applicable, e.g., use of an address verification method
2. Excluding U.S. Domestic Transactions and Domestic Transactions in Brazil, the Issuer may have a Compliance right for an Electronic Commerce Transaction that was coded with an Electronic Commerce Indicator value "6" if both:
 - a. Acquirer failed to respond to the Issuer's Retrieval Request or responded with a Nonfulfillment Message code "03" or "04"
 - b. Cardholder required more information about the Transaction
3. In the U.S. Region, the Acquirer may collect a US \$25 handling fee from the Issuer if the original Clearing Record contained: (*This only applies in the U.S. Region.*)
 - a. Airline/Railway Passenger Itinerary Data or (*This only applies in the U.S. Region.*)
 - b. "1" in the Lodging/Car Rental No Show Indicator (*This only applies in the U.S. Region.*)
4. For Chargeback Rights and Limitations 2, use the Mail/Phone Order or Electronic Commerce Indicator or the Merchant Category Code to determine Transaction type.

ID#: 230312-171009-0007587

Reason Code 76 Incorrect Currency or Transaction Code or Domestic Transaction Processing Violation

Overview - Reason Code 76

Time Limit: 120 calendar days

Transaction was processed with an incorrect Transaction code, or an incorrect currency code, or the Merchant did not deposit a Transaction Receipt in the country where the Transaction occurred, or the Cardholder was not advised that Dynamic Currency Conversion would occur or was refused the choice of paying in the Merchant's local currency, or the Merchant processed a credit refund and did not process a Reversal or Adjustment within 30 days for a Transaction Receipt processed in error.

ID#: 160312-171009-0007588

Chargeback Conditions - Reason Code 76

One of the following:

1. Transaction code is incorrect.
2. Transaction Currency is different than the currency transmitted through VisaNet
3. A Domestic Transaction Receipt was not deposited in the country where the Transaction occurred and was processed with an incorrect Transaction Country code and was not one of the following:
 - a. International Airline Transaction
 - b. Result of a Transaction occurring at a military base, embassy, or consulate. Visa considers these Merchant Outlets to be within the Merchant's Country and Region of Domicile.
4. Cardholder was not advised that Dynamic Currency Conversion would occur or was refused the choice of paying in the Merchant's local currency.
5. Merchant processed a credit refund and did not process a Reversal or an Adjustment within 30 calendar days for a Transaction Receipt processed in error.

ID#: 160312-171009-0007589

Chargeback Rights and Limitations - Reason Code 76

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)
 - c. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. For Chargeback Condition 1, for a Transaction processed with an incorrect Transaction code, Chargeback amount is double the Transaction amount when either:
 - a. Credit was processed as a debit
 - b. Debit was processed as a credit

3. For Chargeback Condition 2, 3, & 4, Chargeback is valid for the entire Transaction amount.
4. For Chargeback Condition 5, excluding U.S. Domestic Transactions and Canada Domestic Transactions, the Chargeback must be limited to the difference between the Credit Transaction and original debit.

ID#: 160312-171009-0007590

Invalid Chargebacks - Reason Code 76

Chargeback is invalid for:

1. Chargeback Condition 2, for a Transaction originating at a non-US ATM connected to the Plus System, Inc. and settled in US dollars
2. Chargeback Condition 3, if a Transaction was processed as allowed under Country of Domicile rules.
3. ATM Cash Disbursement. This provision applies to U.S. Domestic Transactions. *(This only applies in the U.S. Region.)*

ID#: 171009-171009-0007591

Chargeback Time Limits - Reason Code 76

120 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007592

Chargeback Processing Requirements - Reason Code 76

Member Message Text:

1. For Chargeback Condition 1:
 - a. CREDIT POSTED AS DEBIT
 - b. DEBIT POSTED AS CREDIT
 - c. PURCHASE POSTED AS CASH
 - d. CASH POSTED AS PURCHASE
2. For Chargeback Condition 2:
 - a. TRAN CURRENCY IS XXX NOT XXX (XXX = numeric Currency Code value as specified in the VisaNet manuals)
3. For Chargeback Condition 3:
 - a. TRAN OCCURRED IN X...X
4. For Chargeback Condition 4, either that applies:
 - a. DCC -- CARDHOLDER NOT ADVISED

- b. DCC -- CARDHOLDER REFUSED OPTION OF LOCAL CURRENCY
5. For Chargeback Condition 5:
- a. CREDIT INSTEAD OF REVERSAL

Documentation:

1. For Chargeback Conditions 1, 2, and 3: None Required
2. For Chargeback Condition 4: All of the following:
 - a. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Issuer
 - b. For Transactions involving Issuers or Acquirers in Visa Europe, Cardholder letter stating the Cardholder was not advised that Dynamic Currency Conversion would occur or was not offered a choice to pay in the Merchant's local currency *(This only applies in Visa Europe.)*
 - c. For Transactions involving Issuers or Acquirers in Visa Europe, copy of the Cardholder's Transaction Receipt (if available) *(This only applies in Visa Europe.)*
3. For Chargeback Condition 5:
 - a. Visa Resolve Online Questionnaire or "Issuer Chargeback Form - Processing Error" (Exhibit 2E-4)
 - i. Explanation of why the Credit Transaction was processed in error
 - ii. Information to support the original Transaction and credit transaction
 - b. For Transactions involving Issuers or Acquirers in Visa Europe, if the credit transaction resulted from a Transaction where the Cardholder asserts fraud, a copy of the signed Cardholder letter *(This only applies in Visa Europe.)*

ID#: 160312-171009-0007593

Representation Time Limit - Reason Code 76

45 calendar days from Processing Date of the Chargeback

ID#: 171009-171009-0007594

Representation Conditions - Reason Code 76

Chargeback is improper or invalid.

ID#: 171009-171009-0007595

Representation Rights and Limitations - Reason Code 76

1. For Chargeback Condition 4, if the Chargeback is valid, the Acquirer may only represent the Transaction in the Merchant's local currency for the Transaction Amount prior to Dynamic Currency Conversion. The Representation must:
 - a. Exclude fees or commission charges directly related to Dynamic Currency Conversion that were applied to the Transaction

- b. Include a copy of the Dynamic Currency Conversion Transaction Receipt

ID#: 171009-171009-0007596

Representation Processing Requirements - Reason Code 76

1. Reversal or Adjustment was processed.
 - a. Member Message Text: Either that applies:
 - i. ADJUSTMENT MMDDYY
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)
 - b. Documentation: None required
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: None Required
 - b. For Chargeback Condition 5:
Documentation:
 - i. Visa Resolve Online Questionnaire or "Acquirer Representation Form - Processing Error" (Exhibit 2E-4)
 - ii. Explanation of why a credit transaction was processed instead of a Reversal or an Adjustment

ID#: 160312-171009-0007597

Documentation - Reason Code 76

1. Credit or Reversal was processed.
 - a. None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. None required.
3. Acquirer can remedy the Chargeback.
 - a. For Chargeback Condition 1:
 - i. For an ATM Transaction, none required.
 - b. For all other Transactions, both:
 - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Acquirer
 - ii. Transaction Receipt or other record that proves that either:
 - For Chargeback Condition 1, the Transaction code was correct
 - For Chargeback Condition 2, Transaction currency was correct

- For Chargeback Condition 3, Transaction was deposited properly and processed with the correct Transaction Country code or Transaction occurred at a military base, embassy, consulate, or is an International Airline Transaction
- For Chargeback Condition 4, Acquirer certification that the Merchant is registered to offer Dynamic Currency Conversion

ID#: 171009-171009-0007598

Additional Information - Reason Code 76

1. For Chargeback Condition 2:
 - a. Transaction Currency appearing on the Transaction Receipt may be any currency agreed upon by the Merchant and Cardholder.
 - b. If not specified, the Transaction Currency is the domestic currency of the Transaction Country.
 - c. The currency and amount in the total box on a Transaction Receipt is considered the agreed upon currency. Currency and amounts noted elsewhere will not be considered.
2. For Chargeback Condition 3, an Acquirer must not contract with a Merchant Outlet that is outside its Country of Domicile, unless any of the following is true:
 - a. Visa has approved this arrangement, and the country or territory is either:
 - i. Not any other Principal's Country of Domicile
 - ii. One where the Acquirer has a Branch
 - b. Merchant is an International Airline and the Acquirer maintains the relationship as specified in the International Airline Program regulations.
 - c. Merchant Outlet is a military base, embassy, or consulate on foreign territory. The currency used to complete the Transaction must be disclosed on the Transaction Receipt.
3. For Chargeback Condition 4:
 - a. Transaction Currency appearing on the Transaction Receipt must be the currency approved by the Cardholder.
 - b. If Dynamic Currency Conversion is not approved at the Point-of-Transaction the Transaction Currency must be in the Merchant's local currency.
 - c. If the Acquirer processes through the Single Message System, it may process the Transaction as a first Presentment instead of representing.

ID#: 050411-171009-0007599

Reason Code 77 Non-Matching Account Number

Overview - Reason Code 77

Time Limit: 75 calendar days

Transaction did not receive Authorization and was processed using an Account Number that does not match any on the Issuer's master file or an Original Credit (including a Money Transfer Original Credit) was processed using an Account Number that does not match any on the Issuer's master file.

ID#: 050411-171009-0007600

Chargeback Conditions - Reason Code 77

1. Merchant or Acquirer processed a Transaction for an Account Number not matching any on the Issuer's master file and did not receive an Authorization.
2. Originating Member processed an Original Credit for an Account Number not matching any on the Issuer's master file.
3. For Intraregional Transactions in the AP Region, Transaction occurring on a non-matching Account Number, the Chargeback is valid only when the Transaction was authorized by Visa Stand-In Processing and is within the Issuer T&E minimum limit levels. *(This only applies in the Asia Pacific Region.)*

ID#: 111011-171009-0007601

Chargeback Rights and Limitations - Reason Code 77

Any of the following that apply:

1. Minimum Chargeback amount:
 - a. For T&E Transaction, US \$25 or equivalent
 - b. For Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
 - c. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
2. For Intraregional Transactions in the AP Region, for Chargeback Condition 3, Chargeback is invalid if a non-matching Account Number was used on a T&E Transaction that is above the Issuer T&E minimum limits, and was authorized by the Issuer or Stand-In Processing *(This only applies in the Asia Pacific Region.)*

ID#: 160312-171009-0007602

Invalid Chargebacks - Reason Code 77

1. For Chargeback Condition 1, Chargeback is invalid for Transactions that received an Authorization (either Online or Offline Authorization).

ID#: 111011-171009-0007603

Chargeback Time Limit - Reason Code 77

75 calendar days from the Central Processing Date of the Transaction

ID#: 171009-171009-0007604

Chargeback Processing Requirements - Reason Code 77

1. For Chargeback Condition 1 and 3:
 - a. Member Message Text: NO SUCH ACCT NUMBER
 - b. Documentation: None required.
2. For Chargeback Condition 2:
 - a. Member Message Text for Original Credit:
 - i. ACCOUNT CLOSED
 - ii. ACCOUNT NOT ON FILE
 - b. Documentation: None required.

ID#: 111011-171009-0007605

Representment Time Limits - Reason Code 77

45 calendar days from the Central Processing Date of the Chargeback

ID#: 171009-171009-0007606

Representment Processing Requirements - Reason Code 77

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - b. CRED MMDDYY ARN X...X (23 or 24 digits)
 - c. REVERSAL MMDDYY
 - d. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. For Chargeback Condition 1 & 3:
 - i. Member Message Text: AUTH DATE MMDDYY CODE X...X (if applicable)
 - ii. Documentation: All of the following:

- Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Acquirer
 - Legible Transaction Receipt to prove that the Account Number was processed correctly
 - Evidence that the Transaction was Chip-initiated and offline authorized (if applicable) *(This only applies in the U.S. Region.)*
- b. For Chargeback Condition 2:
- i. Member Message Text: X...X (Specify the reason)
 - ii. Documentation: None required.

ID#: 111011-171009-0007607

Additional Information - Reason Code 77

1. An incorrectly entered Account Number must be processed as an original Presentment. Acquirer may be responsible for any late Presentment.

ID#: 171009-171009-0007608

Reason Code 78 Service Code Violation

Overview - Reason Code 78

Time Limit: 75 calendar days

Authorization was not obtained for a Magnetic-Stripe read Transaction on a Visa Electron Card or on a Visa Card in a registered mandatory positive Authorization (Service Code) account range, excluding U.S. Domestic Transactions.

ID#: 111011-171009-0007609

Chargeback Conditions - Reason Code 78

Both:

1. A Merchant completed a Magnetic-Stripe read Transaction on a Visa Electron Card or a Visa Card in a registered positive Authorization (Service Code) account range ^[141]
2. Merchant did not obtain Authorization

ID#: 161111-171009-0007610

Chargeback Rights and Limitations - Reason Code 78

1. Minimum Chargeback amount:

¹⁴¹ All Visa Electron Cards must be issued with positive Authorization (Service Code) therefore registration is not required for a Visa Electron account range.

- a. For T&E Transaction, US \$25 or equivalent
- b. For Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
- c. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
- d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 *(This only applies in the Latin America & Caribbean Region.)*
- e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 *(This only applies in the Latin America & Caribbean Region.)*

ID#: 111011-171009-0007611

Invalid Chargebacks - Reason Code 78

1. Chargeback is invalid for Transactions authorized through the Emergency Payment Authorization Service

ID#: 171009-171009-0007612

Chargeback Time Limit - Reason Code 78

75 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007613

Chargeback Processing Requirements - Reason Code 78

1. Member Message Text:
 - a. None required.
2. Documentation:
 - a. None required.

ID#: 171009-171009-0007614

Representment Time Limit - Reason Code 78

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007615

Representment Processing Requirements - Reason Code 78

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - b. CRED MMDDYY ARN X...X (23 or 24 digits)

- c. REVERSAL MMDDYY
 - d. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)
 - b. Documentation: None required.
 3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: AUTH DATE MMDDYY
 - b. Documentation: Visa Resolve Online Dispute Questionnaire or Exhibit 2E-3 Acquirer and one of the following:
 - i. Documentation to prove that either:
 - Service Code was valid for Transaction
 - Authorization was obtained
 - ii. Account was not in a registered positive Authorization (Service Code) account range. All Visa Electron Cards must be issued with positive Authorization (Service Code) therefore, registration is not required for a Visa Electron account range.

ID#: 111011-171009-0007616

Reason Code 80 Incorrect Transaction Amount or Account Number

Overview - Reason Code 80

Time Limit: 120 calendar days

Transaction amount is incorrect, or an addition or transposition error was made when calculating the Transaction amount, or Merchant altered the Transaction amount after the Transaction was completed without the consent of the Cardholder, or a Transaction was processed using an incorrect Account Number.

ID#: 171009-171009-0007617

Chargeback Conditions - Reason Code 80

One of the following:

1. Transaction amount is incorrect or addition or transposition error occurred.
2. For Transactions involving Issuers or Acquirers in Visa Europe, Merchant altered the Transaction amount after the Transaction was completed without the consent of the Cardholder. (*This only applies in Visa Europe.*)
3. Account Number processed through VisaNet does not match the Account Number on the Transaction Receipt.

4. **Effective for Transactions completed through 13 April 2012**, for a U.S. Domestic Transaction, Acquirer processed an Adjustment of an ATM Cash Disbursement Transaction and one of the following: *(This only applies in the U.S. Region.)*
- a. Adjustment contains either: *(This only applies in the U.S. Region.)*
 - i. Incorrect Account *(This only applies in the U.S. Region.)*
 - ii. Non-matching Account Number *(This only applies in the U.S. Region.)*
 - b. Adjustment posted to a “closed” or “non-sufficient funds” account and the Adjustment was processed more than 10 days from the Transaction date *(This only applies in the U.S. Region.)*
 - c. Adjustment was processed more than 45 days from Transaction Date *(This only applies in the U.S. Region.)*
 - d. Adjustment was processed more than once for the same Transaction *(This only applies in the U.S. Region.)*
 - e. Cardholder disputes validity of Adjustment due to amount of Adjustment, or original Transaction was cancelled or reversed *(This only applies in the U.S. Region.)*
5. **Effective for Transactions completed on or after 14 April 2012**, for a U.S. Domestic Transaction, Acquirer processed an Adjustment of an ATM Cash Disbursement Transaction or a Visa Debit with PIN Transaction and one of the following: *(This only applies in the U.S. Region.)*
- a. Adjustment contains either: *(This only applies in the U.S. Region.)*
 - i. Incorrect Account *(This only applies in the U.S. Region.)*
 - ii. Non-matching Account Number *(This only applies in the U.S. Region.)*
 - b. Adjustment posted to a “closed” or “non-sufficient funds” account and the Adjustment was processed more than 10 days from the Transaction Date *(This only applies in the U.S. Region.)*
 - c. Adjustment was processed more than 45 days from Transaction Date *(This only applies in the U.S. Region.)*
 - d. Adjustment was processed more than once for the same Transaction *(This only applies in the U.S. Region.)*
 - e. Cardholder disputes validity of Adjustment due to amount of Adjustment, or original Transaction was cancelled or reversed *(This only applies in the U.S. Region.)*

ID#: 160312-171009-0007618

Chargeback Rights and Limitations - Reason Code 80

- 1. Minimum Chargeback amount:
 - a. For T&E Transaction, US \$25 or equivalent
 - b. For Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
 - c. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 *(This only applies in the Latin America & Caribbean Region.)*

- e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. For Chargeback Condition 1:
 - a. For a T&E Transaction, Chargeback is valid only when the difference in the amounts exceeds US \$25 or local currency equivalent
 - b. For incorrect Transaction amount, if the written Transaction amount differs from the imprinted amount, the handwritten amount must be used to determine the processing error
3. For Chargeback Condition 1 & 2, Chargeback amount is limited to the difference in the amounts.

ID#: 111011-171009-0007631

Invalid Chargebacks - Reason Code 80

Chargeback is invalid for any of the following:

1. For Chargeback Condition 1, the difference between the quoted price and the actual charges made by the T&E Merchant
2. For Chargeback Condition 1 and 2, a No-Show or Advance Deposit Transaction completed in a Card-Absent Environment
3. For Chargeback Condition 2, if Merchant has the right to alter the Transaction Receipt
4. For Chargeback Condition 1 and 3, Chip-initiated Transactions containing a valid Cryptogram
5. For Chargeback Condition 2, EMV PIN Transactions containing a valid Cryptogram
6. ATM Cash Disbursements, excluding U.S. Domestic Transactions

ID#: 160312-171009-0007632

Chargeback Time Limit - Reason Code 80

Either:

1. 120 calendar days from the Transaction Processing Date
2. For a U.S. Domestic Transaction, 120 calendar days from the Transaction Date of the Adjustment (*This only applies in the U.S. Region.*)

ID#: 171009-171009-0007633

Chargeback Processing Requirements - Reason Code 80

Member Message Text:

1. For Chargeback Condition 1:
 - a. TRAN AMT XXXX NOT XXXX
 - b. ERROR IN AMOUNT
2. For Chargeback Condition 2:

- a. For Transactions involving Issuers or Acquirers in Visa Europe, ALTERED FROM XXXX AMT TO XXXX AMT *(This only applies in Visa Europe.)*
3. For Chargeback Condition 3:
 - a. INCORRECT ACCT NUMBER
4. For invalid Adjustment, one of the following, as appropriate: *(This only applies in the U.S. Region.)*
 - a. INCORRECT ACCT NO *(This only applies in the U.S. Region.)*
 - b. NON-MATCHING ACCT NO *(This only applies in the U.S. Region.)*
 - c. INVALID (Specify Reason) *(This only applies in the U.S. Region.)*
 - d. ACCT CLOSED *(This only applies in the U.S. Region.)*
 - e. NSF *(This only applies in the U.S. Region.)*
 - f. ADJ PROCESSED PAST 45 DAYS *(This only applies in the U.S. Region.)*
 - g. FIRST ADJ DATED MMDDYY *(This only applies in the U.S. Region.)*
 - h. ADJ AMT \$XXXX NOT \$XXXX *(This only applies in the U.S. Region.)*
 - i. ORIG TRANS CNCLD OR REVERSED *(This only applies in the U.S. Region.)*

Documentation:

1. For Chargeback Condition 2, both:
 - a. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Issuer
 - b. For Transactions involving Issuers or Acquirers in Visa Europe, copy of the Cardholder's Transaction Receipt showing different Transaction amounts *(This only applies in Visa Europe.)*

ID#: 160312-171009-0007634

Representment Time Limits - Reason Code 80

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007635

Representment Rights and Limitations - Reason Code 80

1. For Chargeback Condition 3, if the Account Number was incorrectly transmitted, Acquirer must process the Transaction as a new Presentment. Acquirer may be responsible for a Late Presentment Chargeback.
2. For U.S. Domestic Mail/Phone Order Transaction, if the Account Number is correct, Authorization for a Mail/Phone Order Transaction where the merchandise was shipped or delivered is considered valid if it was obtained. *(This only applies in the U.S. Region.)*

ID#: 171009-171009-0007636

Representation Processing Requirements - Reason Code 80

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - b. CRED MMDDYY ARN X...X (23 or 24 digits)
 - c. REVERSAL MMDDYY
 - d. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. For Chargeback Condition 1:
 - i. Member Message Text: None required.
 - ii. Documentation: Both:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Acquirer
 - Transaction Receipt or other record to prove that Transaction Amount was correct
 - b. For Chargeback Condition 2:
 - i. Member Message Text: None required.
 - ii. Documentation:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Acquirer and either:
 - Documents to prove one of the following:
 - Transaction Receipt was not altered
 - Cardholder agreed to the altered amount
 - Merchant is permitted or required to alter the Transaction amount
 - c. For Chargeback Condition 3:
 - i. Member Message Text: None required.
 - ii. Documentation: Both:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Acquirer
 - Transaction Receipt or other record to prove that the Account Number is correct
 - d. For Chargeback Condition 4, U.S. Domestic Transactions: *(This only applies in the U.S. Region.)*
 - i. Member Message Text: ORIG TRAN DATE MMDDYY TRACE NUMBER XXXXXX *(This only applies in the U.S. Region.)*
 - ii. Documentation: None required. *(This only applies in the U.S. Region.)*

ID#: 050411-171009-0007637

Additional Information - Reason Code 80

1. For Chargeback Condition 1, Visa recommends that the Issuer provide documentation to demonstrate that the Transaction amount is incorrect.

ID#: 010410-171009-0007638

Reason Code 81 Fraud – Card-Present Environment**Overview - Reason Code 81 (Updated)**

Time Limit: 120 calendar days

A Merchant did not obtain an Imprint and either a signature, a PIN, or, **effective 13 October 2012**, a Consumer Device Cardholder Verification Method (CDCVM) in a Card-Present Environment, and the Merchant completed the Transaction without the Cardholder's permission, or a Transaction was processed with a Fictitious Account Number, or no valid Card was outstanding bearing the Account Number on the Transaction Receipt.

ID#: 160312-171009-0007639

Chargeback Conditions - Reason Code 81

One of the following:

1. Cardholder did not authorize or participate in a Card-Present Environment Transaction.
2. Fraudulent Transaction was completed in a Card-Present Environment using a Fictitious Account Number or no valid Card was issued or outstanding that bears the Account Number and no Authorization was obtained.
3. Cardholder did not authorize or participate in a Card-Present Environment Transaction and Card is a PIN-Preferring Chip Card and either (for qualifying Transactions and effective dates, refer to "EMV Liability Shift Participation"):
 - a. Card-Present Environment Transaction did not take place at a Chip-Reading Device and was not a Fallback Transaction completed following correct acceptance procedures, as specified in the Visa International Operating Regulations
 - b. Chip-initiated Transaction took place at a device that was not EMV PIN-compliant

ID#: 111011-171009-0007640

Chargeback Rights and Limitations - Reason Code 81 (Updated)

1. Minimum Chargeback amount:
 - a. For T&E Transaction, US \$25 or equivalent
 - b. For Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)

- c. For Chargeback Condition 1 and 2, Canada Domestic Fuel Transactions with MCC 5541 or MCC 5542, CAD \$50 (*This only applies in the Canada Region.*)
 - d. **Effective for Transactions completed on or after 1 December 2011 through 30 September 2013**, for Chargeback Condition 1 and 2, Canada Domestic Proximity Payment Transactions with MCC 5542, CAD \$100.01 (*This only applies in the Canada Region.*)
 - e. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)
 - f. For U.S. Domestic Automated Fuel Dispenser Transaction, US \$10 (*This only applies in the U.S. Region.*)
 - g. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - h. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. For Chargeback Condition 1 and 2, Issuer must request a copy of the Transaction Receipt prior to exercising the Chargeback right unless Transaction is one of the following:
 - a. **Effective for Transactions completed through 14 October 2011**, Magnetic-Stripe Telephone Transaction
 - b. **Effective for Transactions completed through 14 October 2011**, Cardholder-Activated Transaction Type B. This provision does not apply to U.S. Domestic Transactions
 - c. **Effective for Transactions completed on or after 15 October 2011**, Unattended Transaction
 - d. **Effective for Transactions completed through 14 October 2011**, a Self-Service Terminal Transaction (*This only applies in the U.S. Region.*)
 - e. A Visa Easy Payment Service Transaction
 3. For Chargeback Condition 1 and 3, the Issuer must meet all of the following conditions on or before the Chargeback Processing Date:
 - a. Close the Cardholder account
 - b. List the Account Number on the Exception File with a Pickup Response for a minimum of:
 - i. 30 calendar days for Chargeback Condition 1
 - ii. 60 calendar days for Chargeback Condition 3
 - c. Report the Fraud Activity through VisaNet. For Chargeback Condition 3, fraud must be reported using Fraud Type codes 0, 1, or 2
 4. **Effective for Transactions completed through 14 October 2011**, for Chargeback Condition 1 and 2, for a Cardholder Activated Transaction Type B or Self-Service Terminal Transaction, Account Number must both:
 - a. Be listed on the Exception File with a Pickup Response on or before the Chargeback Processing Date
 - b. Remain on the Exception File for a minimum of X calendar days For Domestic Transactions in the jurisdiction of the U.S. Region, the Account Number must remain on the Exception File for a minimum of X days.
 5. **Effective for Transactions completed on or after 15 October 2011**, for Chargeback Condition 1 and 2, for an Unattended Transaction, Account Number must both:

- a. Be listed on the Exception File with a Pickup Response on or before the Chargeback Processing Date
 - b. Remain on the Exception File for a minimum of X calendar days^[142]
6. **Effective for Chargebacks processed on or after 13 October 2012**, for Chargeback Condition 2, for Transactions not involving Issuers or Acquirers in Visa Europe, the Issuer must meet both of the following conditions on or before the Chargeback Processing Date:
- a. List the Account Number on the Exception File with a Pickup Response for a minimum of X calendar days
 - b. Report the Fraud Activity through VisaNet
7. **Effective for Transactions completed through 14 October 2011**, for Chargeback Condition 1 and 2, one Chargeback may contain up to 25 Magnetic-Stripe Telephone Transactions if all of the following are true: This provision does not apply to U.S. Domestic Transactions.
- a. Each Transaction amount is less than US \$40
 - b. All of the Transactions appear on "Summary of Unauthorized Telephone Service Transactions" (Exhibit 2F)
 - c. Chargeback uses the Acquirer Reference Number/Tracing Data of the earliest Transaction
8. **Effective for Transactions completed on or after 15 October 2011**, for Chargeback Condition 1 or 2, one Chargeback may contain up to 25 Telephone Service Transactions if all of the following are true:
- a. Each Transaction amount is less than US \$40
 - b. All of the Transactions appear on "Summary of Unauthorized Telephone Service Transactions" (Exhibit 2F)
 - c. Chargeback uses the Acquirer Reference Number/Tracing Data of the earliest Transaction

ID#: 160312-171009-0007641

Invalid Chargebacks - Reason Code 81 (Updated)

Chargeback is invalid for:

1. A Card-Absent Environment Transaction
2. An ATM Transaction
3. An Emergency Cash Disbursement Transaction
4. **Effective for Transactions completed on or after 13 October 2012**, for Chargeback Condition 3, a Proximity Payment Transaction
5. For Chargeback Condition 1 and 2, a Transaction where all of the following were obtained:
 - a. A legible Imprint
 - b. **Effective for Transactions completed through 12 October 2012**, signature or PIN

142 For Domestic Transactions in the U.S. Region, the Account Number must remain on the Exception File for a minimum of X days.

- c. **Effective for Transactions completed on or after 13 October 2012**, signature, PIN, or Consumer Device Cardholder Verification Method (CDCVM)
6. For Chargeback Condition 3, a Transaction where both of the following were obtained:
 - a. A legible Imprint for the Transaction in question
 - b. PIN
7. For Chargeback Condition 1 and 2, a Visa Easy Payment Service Transaction. (This provision does not apply to Transactions involving Issuers or Acquirers in Visa Europe) ^[143]
8. **Effective for Transactions completed through 14 October 2011**, Chargeback Condition 1, for a Cardholder-Activated Transaction Type B that both: ^[144]
 - a. Originated with a Counterfeit Card
 - b. Received an Approval Response that included a "90", "91," "05," or "07" in the POS Entry Mode Code field
9. **Effective for Transactions completed on or after 15 October 2011**, Chargeback condition 1, for an Unattended Transaction that both:
 - a. Originated with a Counterfeit Card
 - b. Received an Approval Response that included a "90," "91," "05," or "07" in the POS Entry Mode Code field
10. Chargeback Condition 2, if one of the following:
 - a. If the Transaction received an Authorization
 - b. For an Intraregional Transaction in the AP Region, Automated Fuel Dispenser Transaction (*This only applies in the Asia Pacific Region.*)
11. Chargeback Condition 3, if the Device is EMV PIN-Compliant and the Transaction was correctly processed to completion in accordance with EMV and VIS using the Chip Card data.
12. **Effective for Transactions completed through 14 October 2011**, Chargeback Condition 1 and 2, for a Cardholder-Activated Transaction Type A (excluding Magnetic-Stripe Telephone Transactions.) This provision does not apply to U.S. Domestic Transactions.
13. **Effective for Transactions completed on or after 15 October 2011**, Chargeback Condition 1 and 2, for a below-Floor Limit Transaction completed at an Unattended Cardholder-Activated Terminal assigned one of the following Merchant Category Codes:
 - a. 4111, "Local and Suburban Passenger Transportation, including Ferries"
 - b. 4112, "Passenger Railways"
 - c. 4131, "Bus Lines"
 - d. 4784, "Tolls and Bridge Fees"
 - e. 7523, "Parking Lots and Garages"
14. **Effective for Transactions completed through 14 October 2011**, for a U.S. Domestic Transaction completed by a Merchant certified to use Card Verification Value 2 in lieu of an Imprint and all of the following: (*This only applies in the U.S. Region.*)
 - a. An Imprint is missing from the draft (*This only applies in the U.S. Region.*)
 - b. A result code of "M" (fully matched) or "U" (unsupported) is received in response to Card Verification Value 2 data in the Authorization Request (*This only applies in the U.S. Region.*)

- c. The Acquirer fulfilled the Retrieval Request by also providing a copy of the certification provided by Visa to the Acquirer for that Merchant *(This only applies in the U.S. Region.)*
15. **Effective for Transactions completed on or after 15 October 2011**, for a U.S. Domestic Transaction, for Chargeback Condition 1, both: *(This only applies in the U.S. Region.)*
- a. The Transaction meets the following requirements: *(This only applies in the U.S. Region.)*^[145]
- i. Transaction is key-entered *(This only applies in the U.S. Region.)*
 - ii. CVV2 is included in the Authorization Request *(This only applies in the U.S. Region.)*
 - iii. Merchant is not assigned Merchant Category Code 7995, "Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks" *(This only applies in the U.S. Region.)*
 - iv. Transaction is not a: *(This only applies in the U.S. Region.)*
 - Quasi-Cash Transaction *(This only applies in the U.S. Region.)*
 - Cash-Back Transaction *(This only applies in the U.S. Region.)*
 - Manual Cash Disbursement *(This only applies in the U.S. Region.)*
 - v. Authorization was obtained *(This only applies in the U.S. Region.)*
- b. A signature was obtained *(This only applies in the U.S. Region.)*
16. For a U.S. Domestic Transaction, any of the following Card-Present Environment Transaction types: *(This only applies in the U.S. Region.)*
- a. CPS/Retail, unless no signature or PIN was obtained *(This only applies in the U.S. Region.)*
 - b. **Effective for Transactions completed through 14 October 2011**, Limited-Amount Terminal, unless Magnetic-Stripe Telephone *(This only applies in the U.S. Region.)*
 - c. **Effective for Transactions completed through 14 October 2011**, Self-Service Terminal Transaction that was completed with a Counterfeit Card and received an Approval Response to a request that included a "05," "07," "90," or "91" in the POS Entry Mode code field *(This only applies in the U.S. Region.)*
 - d. Vehicle-Specific Fleet Card Transaction, if Imprint obtained *(This only applies in the U.S. Region.)*

ID#: 230312-171009-0007642

Chargeback Time Limit - Reason Code 81

120 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007644

143 For Transactions between Visa Inc. and Visa Europe, Chargeback is invalid for: (1) Magnetic Stripe or contact Chip Transactions conducted at Merchant Category Codes 4111, 4121, 4131, 4784, 5331, 5499, 5812, 5814, 5912, 5993, 5994, 7211, 7216, 7338, 7523, 7542, 7832, and 7841; (2) Proximity Payment Transactions that qualify as (Visa Europe) Small Ticket Transactions or Visa Inc. Visa Easy Payment Service Transactions.

144 This provision does not apply to U.S. Domestic Transactions.

145 As specified in "CVV2 Submission in a Face-to-Face Environment - U.S. Region."

Chargeback Processing Requirements - Reason Code 81 (Updated)

Member Message Text:

1. For Chargeback Condition 1: RR DATE MMDDYY, if requested Transaction Receipts not fulfilled
2. For Chargeback Condition 2: One of the following, as applicable:
 - a. NO SUCH CARD
 - b. FICTITIOUS ACCOUNT NUMBER
 - c. RR DATE MMDDYY, if requested Transaction Receipt not fulfilled
3. For Chargeback Condition 3, either that applies:
 - a. PIN PREFERRING CHIP CARD, DEVICE NON PIN COMP
 - b. EMV CARD, NON EMV DEVICE

Documentation or certification using Visa Resolve Online Questionnaire or Exhibit 2E-2 Issuer:

1. For Chargeback Condition 1: All of the following:
 - a. The information required on the "Summary of Unauthorized Telephone Service Transactions" (Exhibit 2F) if applicable
 - b. For Transactions involving Issuers or Acquirers in Visa Europe, Cardholder letter denying authorization or participation in the Transaction (*This only applies in Visa Europe.*)
 - c. **Effective for Chargebacks processed between 16 April 2011 and 14 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe, either the Cardholder letter denying authorization or participation in the Transaction, or:
 - i. Certification that the Cardholder denies authorization or participation in the Transaction
 - ii. Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - iii. Certification of the date Fraud Activity was reported through VisaNet
 - iv. Certification of the date Account Number was listed on the Exception File
 - d. **Effective for Chargebacks processed on or after 15 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe:
 - i. Cardholder letter denying authorization or participation in the Transaction, or certification that Cardholder denies authorization or participation in the Transaction
 - ii. Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - iii. Certification of the date Fraud Activity was reported through VisaNet
 - iv. Certification of the date Account Number was listed on the Exception File
 - e. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter. (*This only applies in the Latin America & Caribbean Region.*)
2. **Effective for Chargebacks processed on or after 13 October 2012**, for Chargeback Condition 2, for Transactions not involving Issuers or Acquirers in Visa Europe, both:
 - a. Certification of the date Fraud Activity was reported through VisaNet

- b. Certification of the date Account Number was listed on the Exception File
- 3. For Chargeback Condition 3: All of the following:
 - a. Issuer certification that the Card was a PIN-Preferring Chip Card
 - b. For Transactions involving Issuers or Acquirers in Visa Europe, Cardholder letter denying authorization or participation in the Transaction (*This only applies in Visa Europe.*)
 - c. **Effective for Chargebacks processed between 16 April 2011 and 14 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe, Cardholder letter denying authorization or participation in the Transaction, or:
 - i. Certification that the Cardholder denies authorization or participation in the Transaction
 - ii. Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - iii. Certification of the date Fraud Activity was reported through VisaNet using Fraud Type Codes 0, "Lost," 1, "Stolen," or 2, "Card not Received as Issued (NRI)"
 - iv. Certification of the date Account Number was listed on the Exception File
 - d. **Effective for Chargebacks processed on or after 15 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe:
 - i. Cardholder letter denying authorization or participation in the Transaction, or certification that Cardholder denies authorization or participation in the Transaction
 - ii. Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - iii. Certification of the date Fraud Activity was reported through VisaNet using Fraud Type Codes 0, "Lost," 1, "Stolen," or 2, "Card not Received as Issued (NRI)"
 - iv. Certification of the date Account Number was listed on the Exception File
 - e. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter. (*This only applies in the Latin America & Caribbean Region.*)

ID#: 160312-171009-0007645

Representment Time Limits - Reason Code 81

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007646

Representment Rights and Limitations - Reason Code 81

- 1. For Chargeback Condition 1, any of the following:
 - a. Account was not closed
 - b. Account Number was not listed on the Exception File
 - c. Transaction was not reported as fraud
 - d. For a Self-Serve Terminal Transaction, Transaction was reported as counterfeit fraud type 4
- 2. **Effective for Chargebacks processed on or after 13 October 2012**, for Chargeback Condition 2, for Transactions not involving Issuers or Acquirers in Visa Europe, either:

- a. Account Number was not listed on the Exception File
- b. Transaction was not reported as fraud
3. For Chargeback Condition 3, any of the following:
 - a. Account was not closed
 - b. Account Number was not listed on the Exception File
 - c. Transaction was not reported as fraud
 - d. Transaction was reported as counterfeit fraud type 4
4. For Chargeback Condition 1 and 2, Representment is invalid if Acquirer failed to respond to Retrieval Request or responded with a Nonfulfillment Message code "03" or "04," or provided a Fulfillment which does not contain all the required data elements, as specified in "Transaction Receipt Fulfillment Documents - Data Requirements."
5. **Effective for Transactions completed through 14 October 2011**, for a U.S. Domestic Transaction, a certified Merchant included the Card Verification Value 2 in the Authorization Request and received a result code of "M" (fully matched) or "U" (unsupported) *(This only applies in the U.S. Region.)*
6. **Effective for Chargebacks processed on or after 15 October 2011**, for a U.S. Domestic Transaction, for Chargeback Condition 1, both: *(This only applies in the U.S. Region.)*
 - a. The Transaction meets the following requirements: *(This only applies in the U.S. Region.)*
[146]
 - i. Transaction is key-entered *(This only applies in the U.S. Region.)*
 - ii. CVV2 is included in the Authorization Request *(This only applies in the U.S. Region.)*
 - iii. Merchant is not assigned Merchant Category Code 7995, "Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks" *(This only applies in the U.S. Region.)*
 - iv. Transaction is not a: *(This only applies in the U.S. Region.)*
 - Quasi-Cash Transaction *(This only applies in the U.S. Region.)*
 - Cash-Back Transaction *(This only applies in the U.S. Region.)*
 - Manual Cash Disbursement *(This only applies in the U.S. Region.)*
 - v. Authorization was obtained *(This only applies in the U.S. Region.)*
 - b. A signature was obtained *(This only applies in the U.S. Region.)*
7. For a LAC Easy Pay Transaction, the Acquirer can provide information or documentation to support the claim *(This only applies in the Latin America & Caribbean Region.)*
8. The Acquirer must not represent a Transaction because of the failure by the Issuer to certify the following: (The right to certify does not apply to Transactions involving Issuers or Acquirers in Visa Europe.)
 - a. Card status at the time of the Transaction (lost, stolen, counterfeit)
 - b. Date Fraud Activity was reported through VisaNet

- c. Date Account Number was listed on the Exception File

ID#: 160312-171009-0007647

Representation Processing Requirements - Reason Code 81

Member Message Text:

1. Credit or Reversal was processed.
 - a. Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
2. Issuer did not meet the applicable Chargeback conditions.
 - a. For Chargeback Condition 1 and 2: X...X (Specify the reason)
 - b. For Chargeback Condition 3: As applicable:
 - i. X...X (Specify the reasons)
 - ii. EMV PIN COMPL DVCE, NON PIN PREF CD
 - iii. NO PED, MAG STRIPE READ
 - iv. PIN BYPASS, CVM/IAC FOLLOWED
 - v. EXCP FILE NOT LSTD, FRD NOT RPT, ACC NOT CLSD
3. Acquirer can remedy the Chargeback.
 - a. For Chargeback Condition 1: CVV2, POS XX, ISSUER AUTHD (indicate 00 or 01) (if applicable)
 - b. For Chargeback Condition 2: AUTH DATE MMDDYY CODE X...X (if applicable)

ID#: 111011-171009-0007648

Documentation - Reason Code 81 (Updated)

1. Issuer did not meet the applicable Chargeback conditions.
 - a. For a Representation due to an Issuer failing to meet the requirements specified in Chargeback Rights and Limitations 3, the Acquirer must provide information/documentation to support this claim, such as evidence indicating Account Number was not listed on the Exception File, or account was not closed or Transaction was not reported as fraud through VisaNet or Transaction was reported as counterfeit fraud type 4
 - b. **Effective for Chargebacks processed on or after 13 October 2012**, for a Representation due to an Issuer failing to meet the requirements specified in Chargeback Rights and Limitations 6, the Acquirer must provide information/documentation to support this claim, such as evidence indicating Account Number was not listed on the Exception File or Transaction was not reported as fraud through VisaNet
 - c. As applicable

146 As specified in "CVV2 Submission in a Face-to-Face Environment - U.S. Region"

2. Acquirer can remedy the Chargeback.
 - a. For Chargeback Condition 1 and 2: Visa Resolve Online Dispute Questionnaire or Exhibit 2E-2 Acquirer and one of the following:
 - i. Evidence of the following:
 - A legible Imprint for the Transaction in question^[147]
 - **Effective for Transactions completed through 12 October 2012**, a signature or PIN
 - **Effective for Transactions completed on or after 13 October 2012**, signature, PIN, or Consumer Device Cardholder Verification Method (CDCVM)
 - ii. **Effective for Transactions completed through 12 October 2012**, for a below-Floor Limit Transaction, evidence of signature or PIN and internal record or log proving Magnetic-Stripe read or Chip-initiated, with explanation of fields
 - iii. **Effective for Transactions completed on or after 13 October 2012**, for a below-Floor Limit Transaction, both:
 - Evidence of signature, PIN, or Consumer Device Cardholder Verification Method (CDCVM), if applicable
 - Internal record or log with explanation of fields proving that the Transaction was a Magnetic-Stripe-read Transaction, a Chip-initiated Transaction, or a Proximity Payment Transaction
 - iv. For an above-Floor Limit Transaction (excluding U.S. Domestic Transactions) that was key-entered following a Referral Response, all of the following:
 - Referral Authorization record proving Magnetic-Stripe read or Chip-initiated within 24 hours of the Transaction
 - International Automated Referral Service log
 - Evidence of signature or PIN
 - v. For an Airline Transaction only (excluding U.S. Domestic Transactions) for Chargeback Condition 1, compelling evidence that the Cardholder participated in the Airline Transaction
 - b. For Chargeback Condition 3: Visa Resolve Online Dispute Questionnaire or Exhibit 2E-2 Acquirer and one of the following:
 - i. Evidence of both:
 - A valid Imprint for the Transaction in question
 - PIN
 - ii. **Effective for Transactions completed on or after 13 October 2012**, evidence that the Transaction was a Proximity Payment Transaction

- c. For a LAC Easy Pay Transaction, "Participation Request and Consent Form" with Card Imprint and Cardholder Signature (*This only applies in the Latin America & Caribbean Region.*)

ID#: 160312-171009-0007649

Additional Information - Reason Code 81

1. Validity of the Chargeback is not dependent on Authorization.
2. **Effective for Transactions completed on or after 15 October 2011**, for a key-entered U.S. Domestic Transaction in a Face-to-Face Environment, validity of the Chargeback is not dependent on Authorization, unless the Card Verification Value 2 was present in the Authorization Request.
3. "Signature on file" notation is not an acceptable signature.
4. Pencil rubbing of Card or photocopy of Card is not considered proof of a valid Imprint.

ID#: 111011-171009-0007650

Reason Code 82 Duplicate Processing

Overview - Reason Code 82

Time Limit: 120 calendar days

A single Transaction was processed more than once.

ID#: 171009-171009-0007658

Chargeback Conditions - Reason Code 82

A single Transaction was processed more than once.

ID#: 171009-171009-0007659

Chargeback Rights and Limitations - Reason Code 82

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)
 - c. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)

147 **Effective for Chargebacks processed on or after 15 October 2011**, for Chargeback Condition 1, for U.S. Domestic Transactions, for Transactions processed as specified in "CVV2 Submission in a Face-to-Face Environment - U.S. Region"

- d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. If the Transaction was processed by different Acquirers or Originating Members, the Acquirer or Originating Member that processed the second Transaction is responsible for the Chargeback.

ID#: 160312-171009-0007660

Invalid Chargebacks - Reason Code 82

Chargeback is invalid for any of the following:

1. **Effective for Transactions completed through 14 October 2011**, Magnetic-Stripe Telephone Transaction for an individual call charge, if the following information is not identical to a previously submitted Transaction (excluding U.S. Domestic Transactions):
 - a. Date of call
 - b. Number of minutes of the call
 - c. Telephone number called
 - d. Transaction amount in the Transaction Currency
2. **Effective for Transactions completed on or after 15 October 2011**, a Telephone Service Transaction completed at an Unattended Cardholder-Activated Terminal, if the following information is not identical to a previously submitted Transaction (excluding U.S. Domestic Transactions):
 - a. Date of call
 - b. Number of minutes of the call
 - c. Telephone number called
 - d. Transaction amount in the Transaction Currency
3. Chip-initiated Transactions with differing application Transaction counter values
4. **Effective for Transactions completed on or after 14 April 2012**, Adjustments of Visa Debit with PIN Transactions (*This only applies in the U.S. Region.*)

ID#: 160312-171009-0007661

Chargeback Time Limit - Reason Code 82

120 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007662

Chargeback Processing Requirements - Reason Code 82

Member Message Text:

TRAN DATE MMDDYY, REF X...X (23- or 24-digit Acquirer Reference Number or applicable Tracing Data)

Documentation: None required.

ID#: 111011-171009-0007663

Representation Time Limit and Conditions - Reason Code 82

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007664

Representation Processing Requirements - Reason Code 82

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions, either that applies:
 - a. Member Message Text:
 - i. X...X (Specify the reason)
 - ii. DIFF. APPL. TRXN. COUNTERS
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: For an ATM Transaction processed more than once, either that applies:
 - i. CASH DISPNS SEQ #XXXXX AND SEQ #XXXXX
 - ii. ACQR CERTS ATM IN BALANCE ON MMDDYY
 - b. Documentation:
 - i. For an ATM Transaction, none required.
 - ii. For all other Transactions, both:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Acquirer
 - Either:
 - Submit 2 separate signed or imprinted Transaction Receipts or other record to prove separate Transactions were processed
 - **Effective for Transactions completed through 14 October 2011**, for a Magnetic-Stripe Telephone Transaction, documentation to demonstrate that the time of the call is different for each Transaction

- **Effective for Transactions completed on or after 15 October 2011**, for a Telephone Service Transaction completed at an Unattended Cardholder-Activated Terminal, documentation to demonstrate that the time of the call is different for each Transaction

ID#: 160312-171009-0007665

Additional Information - Reason Code 82

1. For a Representment, if two separate signed or imprinted Transaction Receipts are not provided, evidence should be proof that the Transactions were not for the same service or merchandise.
2. Chargeback is available if Transaction amounts or dates are different.

ID#: 171009-171009-0007666

Reason Code 83 Fraud—Card-Absent Environment

Overview - Reason Code 83

Time Limit: 120 calendar days

Cardholder did not authorize or participate in a Card-Absent Transaction or Transaction was processed with a Fictitious Account Number or no valid Card was outstanding bearing the Account Number on the Transaction Receipt.

ID#: 171009-171009-0007668

Chargeback Conditions - Reason Code 83

1. Cardholder did not authorize or participate in a Card-Absent Environment Transaction.
2. No valid Card was issued or outstanding that bears the Account Number used in a Card-Absent Environment, or a fraudulent Transaction was completed in a Card-Absent Environment using a Fictitious Account Number and no Authorization was obtained.

ID#: 171009-171009-0007669

Chargeback Rights and Limitations - Reason Code 83 (Updated)

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)
 - c. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)

- e. For all other Domestic transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. Issuer must retrieve a copy of the Transaction Receipt prior to exercising the Chargeback right unless Transaction is one of the following:
 - a. Mail/Phone Order Transaction
 - b. Electronic Commerce Transaction
 - c. Recurring Transaction
 - d. For a U.S. Domestic Preauthorized Health Care Transaction (*This only applies in the U.S. Region.*)
 - e. For a U.S. Domestic Transaction where the Merchant city field of the Clearing Record of an Airline or passenger railway Transaction contains the words "ticket mailed" (*This only applies in the U.S. Region.*)
3. For Chargeback Condition 1, on or before the Chargeback Processing Date, the Issuer must complete all of the following:
 - a. Close the Cardholder account ^[148]
 - b. List the Account Number on the Exception File with a Pickup Response, for a minimum of X calendar days ^[149]
 - c. Report the Fraud Activity through VisaNet
4. **Effective for Chargebacks processed on or after 13 October 2012**, for Chargeback Condition 2, for Transactions not involving Issuers or Acquirers in Visa Europe, the Issuer must meet both of the following conditions on or before the Chargeback Processing Date:
 - a. List the Account Number on the Exception File with a Pickup Response for a minimum of X calendar days
 - b. Report the Fraud Activity through VisaNet
5. For Chargeback Condition 1 or 2, prior to processing the Chargeback, the Account Number must be listed on the Exception File with a negative response. This provision applies to Intraregional Transactions in the AP Region. (*This only applies in the Asia Pacific Region.*)
6. One Chargeback may contain up to 25 Telephone Service Transactions if all of the following are true (excluding U.S. Domestic Transactions):
 - a. Amount of each Transaction is less than US \$40
 - b. All Transactions appear on the "Summary of Unauthorized Telephone Service Transactions" (Exhibit 2F)
 - c. Chargeback uses the Acquirer Reference Number/Tracing Data of the earliest Transaction
7. For Chargeback Condition 1, Chargeback is valid for an Electronic Commerce Transaction where the Issuer responded to an Authentication Request (PAReq) with either:
 - a. An Unable-to-Authenticate Response (PARes value "U") or Authentication Denial (PARes value "N")
 - b. A Cardholder Authentication Verification Value and Authentication Identifier, but either the:
 - i. Acquirer did not provide a Cardholder Authentication Verification Value in the Authorization Request

- ii. Cardholder Authentication Verification Value results code is "0"
8. For Domestic Transactions in the U.S. Region, Chargeback is valid, regardless of the Electronic Commerce Indicator value, for Electronic Commerce Transactions conducted by Merchants in the following Merchant categories: *(This only applies in the U.S. Region.)*
 - a. Wire Transfer Money Orders (4829) *(This only applies in the U.S. Region.)*
 - b. Direct Marketing - Inbound Teleservices Merchant (5967) *(This only applies in the U.S. Region.)*
 - c. Non-Financial Institutions - Foreign Currency, Money Orders (not Wire Transfer), Travelers' Cheques (6051) *(This only applies in the U.S. Region.)*
 - d. Betting, including Lottery Tickets, Casino Gaming Chips, Off-Track Betting, and Wagers at Race Tracks (7995) *(This only applies in the U.S. Region.)*
9. For Domestic Transactions in the U.S. Region, Chargeback is valid for Advance Payment Services. *(This only applies in the U.S. Region.)*
10. For a LAC Easy Pay Transaction, Issuer does not have to obtain a copy of the Transaction Receipt from the Acquirer to verify a Chargeback right. *(This only applies in the Latin America & Caribbean Region.)*
11. For a Domestic Electronic Commerce Transaction in Brazil, Chargeback is valid if the Transaction was processed with Electronic Commerce Indicator value "6." *(This only applies in the Latin America & Caribbean Region.)*

ID#: 160312-171009-0007670

Invalid Chargebacks - Reason Code 83 (Updated)

Chargeback is invalid for any of the following:

1. Emergency Cash Disbursement
2. Chargeback Condition 2, for a Transaction where an Authorization was obtained
3. Chargeback Condition 2, for a Transaction where a Fictitious Account Number was used and was authorized by the Issuer or Stand-In Processing This provision applies to Intraregional Transactions in the AP Region. *(This only applies in the Asia Pacific Region.)*
4. Chargeback Condition 1 for Intraregional Electronic Commerce Transactions in the AP Region processed with an Electronic Commerce Indicator value "5" or "6," all of the following: *(This only applies in the Asia Pacific Region.)*
 - a. The Card Verification Value 2 presence indicator in the Authorization Request is "1 - CVV2 value is present" *(This only applies in the Asia Pacific Region.)*
 - b. The Card Verification Value 2 results code in the Authorization message is "N - No Match" *(This only applies in the Asia Pacific Region.)*
 - c. The Authorization Request was approved *(This only applies in the Asia Pacific Region.)*

148 This provision does not apply to Domestic Merchant Proximity Payment Device (MPPD) Transactions in the Canada Region.

149 This provision does not apply to Domestic Merchant Proximity Payment Device (MPPD) Transactions in the Canada Region.

5. For Intraregional Transactions in the CEMEA Region (excluding Recurring Transactions) all of the following: ^[150] *(This only applies in the CEMEA Region.)*
 - a. The Card Verification Value 2 results code in the Authorization message is "N - No Match" *(This only applies in the CEMEA Region.)*
 - b. The Authorization Request was approved *(This only applies in the CEMEA Region.)*
6. Transactions authorized through the Emergency Payment Authorization Service, excluding U.S. Domestic Transactions
7. Mail/Phone Order or Electronic Commerce Transactions, if the Issuer was unable to respond to Address Verification Service Authorization Request because Transaction was attempted with a Visa Commercial Card or a Card type where the Cardholder is anonymous. This provision applies to Canada Domestic Transactions. *(This only applies in the Canada Region.)*
8. Mail/Phone Order or Electronic Commerce Transactions, if both: This provision applies to U.S. Domestic Transactions *(This only applies in the U.S. Region.)*
 - a. Merchandise was shipped or delivered, or services were purchased *(This only applies in the U.S. Region.)*
 - b. Issuer was not a participant in the Address Verification Service on the Transaction Date and Acquirer received an Address Verification Service response code "U" *(This only applies in the U.S. Region.)*
9. Airline ticket purchase, if either of the following: This provision applies to U.S. Domestic Transactions *(This only applies in the U.S. Region.)*
 - a. Issuer response to an Address Verification Service inquiry was "Y" and tickets were mailed to the Cardholder billing address on the Issuer file *(This only applies in the U.S. Region.)*
 - b. Issuer was not a participant in the Address Verification Service on the Transaction Date *(This only applies in the U.S. Region.)*
10. Transactions where both:
 - a. The Card Verification Value 2 results code in the Authorization message is "U - Issuer not participating in CVV2 program"
 - b. The Card Verification Value 2 presence indicator in the Authorization Request is one of the following:
 - i. "1 - CVV2 value is present"
 - ii. "2 - CVV2 value is on the Card but is illegible"
 - iii. "9 - Cardholder states CVV2 is not present on the Card"
11. The following Electronic Commerce Transactions (excluding U.S. Domestic Transactions): ^[151]
 - a. **Effective through 14 March 2012**, Secure Electronic Commerce Transaction, if **both**:
 - i. Issuer responded to an Authentication Request with an Authentication Confirmation using 3-D Secure
 - ii. **Both** of the following were included in the Authorization Request:
 - Cardholder Authentication Verification Value
 - Authentication Identifier

- b. **Effective 15 March 2012**, Secure Electronic Commerce Transaction processed with Electronic Commerce Indicator value "5" in the Authorization Request, if both:
 - i. Issuer responded to an Authentication Request with an Authentication Confirmation (PARes value "Y") using Verified by Visa
 - ii. The Cardholder Authentication Verification Value was included in the Authorization Request
 - c. Non-Authenticated Security Transaction, excluding Domestic Transactions in Brazil, processed with Electronic Commerce Indicator value "6" if **either**:
 - i. Issuer, or Visa on behalf of an Issuer, responded to an Authentication Request with a Non-Participation Message (VERes value "N")
 - ii. **Effective through 14 March 2012**, all of the following:
 - Issuer, or Visa on behalf of an Issuer, responded to an Authentication Request with an Attempt Response using 3-D Secure
 - A Cardholder Authentication Verification Value and Authentication Identifier were included in the Authorization Request
 - An exception applies to anonymous Visa Prepaid Card Transactions, Visa Commercial Card Transactions and Transactions conducted in New Channels. The exclusion of Visa Commercial Cards does not apply to the Intraregional Transactions in the jurisdiction of the Asia-Pacific Region.
 - iii. **Effective 15 March 2012**, the following:
 - Issuer, or Visa on behalf of the Issuer, responded to an Authentication Request with an Attempt Response (PARes value "A") using Verified by Visa
 - Either:
 - A Cardholder Authentication Verification Value was included in the Authorization Request
 - A Cardholder Authentication Verification Value was not included in the Authorization Request and the Verified Enrollment Response (VERes) was "N"
 - The Transaction is not an anonymous Visa Prepaid Card Transaction
 - The Transaction is not a Visa Commercial Card Transaction. (This provision does not apply to an Intraregional or Domestic Visa Commercial Card Transaction in the Asia-Pacific Region.)
12. U.S Domestic Electronic Commerce Transactions, as follows: *(This only applies in the U.S. Region.)*
- a. **Effective through 14 March 2012**, for a Secure Electronic Commerce Transaction processed with Electronic Commerce indicator value "5" in the Authorization Request, if both: *(This only applies in the U.S. Region.)*
 - i. The Issuer responded to an Authentication Request with an Authentication Confirmation using 3-D Secure *(This only applies in the U.S. Region.)*
 - ii. A Cardholder Authentication Verification Value was included in the Authorization Request *(This only applies in the U.S. Region.)*
 - b. **Effective 15 March 2012**, a Secure Electronic Commerce Transaction processed with Electronic Commerce Indicator value "5" in the Authorization Request, if both: *(This only applies in the U.S. Region.)*
-

- i. The Issuer responded to an Authentication Request (PAReq) with an Authentication Confirmation (PARes value "Y") using Verified by Visa (*This only applies in the U.S. Region.*)
- ii. A Cardholder Authentication Verification Value was included in the Authorization Request (*This only applies in the U.S. Region.*)
- c. Non-Authenticated Security Transaction processed with Electronic Commerce indicator value "6" in the Authorization Request, if both: (*This only applies in the U.S. Region.*)
 - i. **Effective through 14 March 2012**, the Issuer, or Visa on behalf of an Issuer, responded to an Authentication Request with an Attempt Response using 3-D Secure (*This only applies in the U.S. Region.*)
 - ii. **Effective through 14 March 2012**, any of the following: (*This only applies in the U.S. Region.*)
 - A Cardholder Authentication Verification Value was included in the Authorization Request or (*This only applies in the U.S. Region.*)
 - A Cardholder Authentication Verification Value was not included in the Authorization Request and the Verified Enrollment Response is "N" (*This only applies in the U.S. Region.*)
 - An exception applies to anonymous Visa Prepaid Card Transactions, Commercial Visa Product Transactions, and Transactions conducted in New Channels. (*This only applies in the U.S. Region.*)
 - iii. **Effective 15 March 2012**, the Issuer, or Visa on behalf of the Issuer, responded to an Authentication Request with an Attempt Response (PARes value "A") using Verified by Visa (*This only applies in the U.S. Region.*)
 - iv. **Effective 15 March 2012**, the Transaction is not an anonymous Visa Prepaid Card Transaction or a Commercial Visa Product Transaction, and either: (*This only applies in the U.S. Region.*)
 - A Cardholder Authentication Verification Value was included in the Authorization Request (*This only applies in the U.S. Region.*)
 - A Cardholder Authentication Verification Value was not included in the Authorization Request and the Verified Enrollment Response was "N" (*This only applies in the U.S. Region.*)

ID#: 040412-171009-0007671

Chargeback Time Limit - Reason Code 83

120 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007672

150 An Electronic Commerce Merchant identified by the U.S. Merchant Chargeback Monitoring Program or Risk Identification Service (RIS) Online must include an Electronic Commerce indicator value of "7," and is subject to this Chargeback for the period of time it remains in the Merchant Chargeback Monitoring Program or RIS Online, plus 4 additional months.

151 An Electronic Commerce Merchant identified by the Global Merchant Chargeback Monitoring Program must include Electronic Commerce Indicator value "7" and is subject to this Chargeback for the period of time it remains in the Global Merchant Chargeback Monitoring Program, plus 3 additional months

Chargeback Processing Requirements - Reason Code 83 (Updated)

Member Message Text:

For Chargeback Condition 1:

1. RR DATE MMDDYY, if requested Transaction Receipts not fulfilled
2. One of the following, as applicable:
 - a. UNABLE TO AUTHENTICATE RESPONSE
 - b. AUTHENTICATION DENIAL
 - c. CAVV AND AUTHENTICATION IDENTIFIER MISSING IN AUTH
 - d. SEE 3-D SECURE RESPONSE SENT MMDDYY

Documentation or certification using Visa Resolve Online Questionnaire or Exhibit 2E-2 Issuer: All of the following:

1. The information required on the "Summary of Unauthorized Telephone Service Transactions" (Exhibit 2F), if applicable
2. For Transactions involving Issuers or Acquirers in Visa Europe, Cardholder letter denying authorization or participation in the Transaction (*This only applies in Visa Europe.*)
3. **Effective for Chargebacks processed between 16 April 2011 and 14 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe, Cardholder letter denying authorization or participation in the Transaction, or:
 - a. Certification that the Cardholder denies authorization or participation in the Transaction
 - b. Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - c. Certification of the date Fraud Activity was reported through VisaNet
 - d. Certification of the date Account Number was listed on the Exception File
4. **Effective for Chargebacks processed on or after 15 October 2011**, for Transactions not involving Issuers or Acquirers in Visa Europe:
 - a. Cardholder letter denying authorization or participation in the Transaction, or certification that Cardholder denies authorization or participation in the Transaction
 - b. Certification of the Card status at the time of the Transaction (lost, stolen, counterfeit)
 - c. Certification of the date Fraud Activity was reported through VisaNet
 - d. Certification of the date Account Number was listed on the Exception File
5. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter. (*This only applies in the Latin America & Caribbean Region.*)

For Chargeback Condition 2:

1. NO SUCH CARD
2. FICTITIOUS ACCOUNT NUMBER

3. RR DATE MMDDYY (if requested Transaction Receipt not fulfilled)

Documentation or certification using Visa Resolve Online Questionnaire or Exhibit 2E-2 Issuer:

1. **Effective for Chargebacks processed through 12 October 2012**, none required
2. **Effective for Chargebacks processed on or after 13 October 2012:**
 - a. For Transactions involving Issuers or Acquirers in Visa Europe, none required
 - b. For Transactions not involving Issuers or Acquirers in Visa Europe, both:
 - i. Certification of the date Fraud Activity was reported through VisaNet
 - ii. Certification of the date Account Number was listed on the Exception File

ID#: 160312-171009-0007673

Representment Time Limits - Reason Code 83

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007674

Representment Conditions - Reason Code 83 (Updated)

1. Chargeback is improper or invalid or credit was processed.
2. Representment is invalid if Acquirer failed to respond to Retrieval Request or responded with a Nonfulfillment Message code "03" or "04," or provided a Fulfillment which does not contain all the required data elements as specified in the *Transaction Receipt Fulfillment Documents - Data Requirements* section
3. For a LAC Easy Pay Transaction, the Acquirer can provide information or documentation to support the claim. *(This only applies in the Latin America & Caribbean Region.)*
4. Transaction Receipt contains both a signature (or PIN was obtained) and an Electronic Imprint (use of POS entry code of "02," "90," "05," or "07") or a Manual Imprint for the disputed Transaction in question
5. **Effective for Transactions processed through 14 March 2012**, Merchant attempted to authenticate the Cardholder using the 3-D Secure Specification but the Cardholder was not participating.
6. **Effective for Transactions processed on or after 15 March 2012**, Merchant attempted to authenticate the Cardholder using Verified by Visa but the Cardholder was not participating.
7. Acquirer must not re-present a No-Show Transaction related to a Peak-Time car rental reservation. This provision applies to U.S. Domestic Transactions. *(This only applies in the U.S. Region.)*
8. Transaction was Chip-Initiated and contained a valid Cryptogram. This provision applies to Intra-regional Transactions in the CEMEA Region. *(This only applies in the CEMEA Region.)*

ID#: 160312-171009-0007675

Representation Rights and Limitations - Reason Code 83

1. The Acquirer must not represent a Transaction because of the failure by the Issuer to certify the following: (The right to certify does not apply to Transactions involving Issuers or Acquirers in Visa Europe.)
 - a. Card status at the time of the Transaction (lost, stolen, counterfeit)
 - b. Date Fraud Activity was reported through VisaNet
 - c. Date Account Number was listed on the Exception File

ID#: 160312-010100-0026107

Representation Processing Requirements - Reason Code 83 (Updated)

Member Message Text:

1. Credit or Reversal was processed.
 - a. Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
2. Issuer did not meet the applicable Chargeback conditions
 - a. X...X (Specify the reason)
3. Acquirer can remedy the Chargeback.
 - a. For Chargeback Condition 1, none required.
 - b. For Chargeback Condition 2, AUTH MMDDYY CODE X...X (if applicable)
 - c. Chargeback Condition 1 and 2 - CVV2 NON MATCH; ISSR AUTH'D; CVV2 CHECKED This provision applies to Intraregional Transactions in the CEMEA Region (*This only applies in the CEMEA Region.*)

Documentation:

1. If Credit or Reversal was processed, none required.
2. Issuer did not meet the applicable Chargeback conditions
 - a. For a Representation due to an Issuer failing to meet the requirements specified in Chargeback Rights and Limitations 3, the Acquirer must provide information/documentation to support this claim such as evidence indicating Account Number was not listed on the Exception File, or account was not closed, or Transaction was not reported as fraud through VisaNet
 - b. **Effective for Chargebacks processed on or after 13 October 2012**, for a Representation due to an Issuer failing to meet the requirements specified in Chargeback Rights and Limitations 4, the Acquirer must provide information/documentation to support this claim such as evidence indicating Account Number was not listed on the Exception File or Transaction was not reported as fraud through VisaNet

3. If Acquirer can remedy the Chargeback, as follows:
- a. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-2 Acquirer
 - b. Evidence of Imprint and signature or PIN
 - c. **Effective through 14 March 2012**, if a Secure Electronic Commerce or Non-Authenticated Security Transaction has an Electronic Commerce indicator value "6," proof that Issuer responded to the Authentication Request with a Cardholder Authentication Verification Value and Authentication Identifier (if applicable)
 - d. **Effective 15 March 2012**, if a Non-Authenticated Security Transaction was processed with an Electronic Commerce Indicator value "6" in the Authorization Request, proof that the Issuer responded to the Authentication Request with a Cardholder Authentication Verification Value (if applicable)
 - e. For Chargeback Condition 1, compelling evidence that the Cardholder participated in the Transaction, excluding U.S. Domestic Transactions
 - f. For a LAC Easy Pay Transactions, "The Participation Request and Consent Form" with Card Imprint and Cardholder signature *(This only applies in the Latin America & Caribbean Region.)*
 - g. Completed Visa Resolve Online Questionnaire, and for Representment Condition 7, documents to prove. This provision applies to Intraregional Transactions in the CEMEA Region *(This only applies in the CEMEA Region.)*
 - h. The following provisions apply to U.S. Domestic Transactions: *(This only applies in the U.S. Region.)*
 - i. For a Fictitious Account Number properly authorized information to prove. *(This only applies in the U.S. Region.)*
 - ii. For a Chip-initiated Transaction, documents to prove valid PIN (offline or online). *(This only applies in the U.S. Region.)*
 - iii. **Effective through 14 March 2012**, for a Secure Electronic Commerce Transaction, 3-D Secure Authentication History log to prove authentication. *(This only applies in the U.S. Region.)*
 - iv. **Effective 15 March 2012**, for a Secure Electronic Commerce Transaction, Verified by Visa Authentication history log to prove authentication. *(This only applies in the U.S. Region.)*
 - v. Documents to prove No-Show Transaction was processed properly, including all of the following: *(This only applies in the U.S. Region.)*
 - Cardholder telephone number and mailing address *(This only applies in the U.S. Region.)*
 - Scheduled check-in date *(This only applies in the U.S. Region.)*
 - Confirmation code *(This only applies in the U.S. Region.)*
 - vi. Acquirer's log showing the Address Verification Service response of "Y" and carrier certification that merchandise was delivered to the address indicated in the Address Verification Service. *(This only applies in the U.S. Region.)*
 - vii. Address Verification Service log and Substitute Transaction Receipt or other record proving Airline ticket sent to Cardholder billing address. *(This only applies in the U.S. Region.)*

- viii. For a CPS/Passenger Transport, Card-Not-Present Transaction, copy of Cardholder signed agreement. *(This only applies in the U.S. Region.)*
- ix. For a Preauthorized Health Care Transaction, Preauthorized Health Care Transaction Form that contains a signature and Imprint. *(This only applies in the U.S. Region.)*
- x. For an Advance Payment Service Transaction, all of the following: *(This only applies in the U.S. Region.)*
 - Cardholder telephone number *(This only applies in the U.S. Region.)*
 - Cardholder mailing address *(This only applies in the U.S. Region.)*
 - Confirmation code provided to Cardholder *(This only applies in the U.S. Region.)*
- xi. For Domestic Transactions in Brazil conducted by Merchants in the following Merchant Category Codes: *(This only applies in the Latin America & Caribbean Region.)*
 - 3000-3299, “Airlines, Air Carriers” *(This only applies in the Latin America & Caribbean Region.)*
 - 4511, “Airlines and Air Carriers (Not Elsewhere Classified)” *(This only applies in the Latin America & Caribbean Region.)*
 - 4722, “Travel Agencies and Tour Operators” *(This only applies in the Latin America & Caribbean Region.)*
 - All of the following is required: *(This only applies in the Latin America & Caribbean Region.)*
 - Copy of the front of the Card *(This only applies in the Latin America & Caribbean Region.)*
 - Copy of the front and back of a legal document that identifies the Cardholder *(This only applies in the Latin America & Caribbean Region.)*
 - Copy of a voucher or ticket with passenger's name issued by travel agency and/or airline *(This only applies in the Latin America & Caribbean Region.)*
 - Copy of the debit authorization form with all of the following: *(This only applies in the Latin America & Caribbean Region.)*
 - Primary Cardholder's name *(This only applies in the Latin America & Caribbean Region.)*
 - Passengers names *(This only applies in the Latin America & Caribbean Region.)*
 - Account number *(This only applies in the Latin America & Caribbean Region.)*
 - Card expiration date *(This only applies in the Latin America & Caribbean Region.)*
 - Primary Cardholder's phone number *(This only applies in the Latin America & Caribbean Region.)*
 - Airline name *(This only applies in the Latin America & Caribbean Region.)*
 - Authorization Code *(This only applies in the Latin America & Caribbean Region.)*
 - Transaction amount *(This only applies in the Latin America & Caribbean Region.)*
 - Installment Transaction count *(This only applies in the Latin America & Caribbean Region.)*
 - Installment Transaction amount *(This only applies in the Latin America & Caribbean Region.)*

- Airport tax amount *(This only applies in the Latin America & Caribbean Region.)*
 - Date of the debit authorization form *(This only applies in the Latin America & Caribbean Region.)*
 - Cardholder signature (must match Cardholder's signature on the signature panel) *(This only applies in the Latin America & Caribbean Region.)*
- xii. For Domestic Transactions in Brazil conducted by Merchants in the following Merchant Category Codes:
- 5814 "Fast Food Restaurants"
 - 7922 "Theatrical Producers (Except Motion Pictures) and Ticket Agencies"
The following is required:
 - Documentation signed by the Cardholder to prove that Cardholder received services or merchandise at agreed-upon location
(This only applies in the Latin America & Caribbean Region.)

ID#: 160312-171009-0007676

Additional Information - Reason Code 83

1. "Signature on file" notation is not an acceptable signature.
2. Pencil rubbing of the Card or a photocopy of the Card is not considered proof of a valid Imprint.
3. For Chargeback Rights and Limitations 2, use the MOTO or ECI indicator or the Merchant Category Code to determine Transaction type.

ID#: 171009-171009-0007677

Reason Code 85 Credit Not Processed

Overview - Reason Code 85

Time Limit: 120 calendar days

A Merchant did not process a Credit Transaction Receipt as required.

ID#: 171009-171009-0007678

Chargeback Conditions - Reason Code 85

1. For Transactions involving Issuers or Acquirers in Visa Europe, Cardholder received a Credit or voided Transaction Receipt that was not processed.
2. All of the following:
 - a. Cardholder returned merchandise, cancelled merchandise, or cancelled services
 - b. Merchant did not issue or process a Credit or voided Transaction Receipt
 - c. For Transactions involving Issuers or Acquirers in Visa Europe, Merchant did not issue or process a Credit Transaction Receipt

- d. Merchant did not properly disclose or did disclose, but did not apply a limited return or cancellation policy at the time of the Transaction
3. All of the following:
 - a. Cardholder cancelled a Timeshare Transaction
 - b. Cancellation was within 14 calendar days from the contract date or receipt date of the contract or related documents
 - c. Merchant did not issue a Credit Transaction Receipt
 4. Any of the following:
 - a. Cardholder properly cancelled the guaranteed reservation
 - b. Cardholder was billed a No-Show Transaction and properly cancelled
 - c. Cardholder provides cancellation code provided by a Hotel or third party booking agent. A Hotel using a third party booking agent must accept the cancellation code provided by the third party booking agent.
 - d. Merchant or third party booking agent failed to accept cancellation or provide a cancellation code
 - e. Cardholder attempted to cancel before 6:00 p.m. Merchant Outlet time and the reservation was made within 72 hours of the scheduled arrival date but was billed for a No-Show Transaction
 - f. A Hotel Merchant or third party booking agent billed for a No-Show Transaction for more than one night's stay and applicable taxes when reservation was cancelled or unclaimed
 5. For an Advance Deposit Transaction, one of the following:
 - a. Cardholder properly cancelled the Advance Deposit Transaction but Merchant did not issue a Credit Transaction Receipt
 - b. Merchant provided alternate accommodations but did not issue a Credit Transaction Receipt
 - c. For a U.S. Domestic Transaction, Merchant provided alternate accommodations or an alternate vehicle but did not issue a Credit Transaction Receipt *(This only applies in the U.S. Region.)*
 - d. Merchant did not inform Cardholder of the Hotel or Cruise Line cancellation policy
 6. An Original Credit Transaction (including a Money Transfer Original Credit Transaction) was not accepted because either:
 - a. Recipient refused the Original Credit
 - b. Original Credit is prohibited by local law
 7. For a U.S. Domestic Advance Payment Service Transaction, Cardholder properly cancelled the Advance Payment Service Transaction but Merchant did not issue a Credit Transaction Receipt *(This only applies in the U.S. Region.)*

ID#: 160312-171009-0007679

Chargeback Rights and Limitations - Reason Code 85

1. For Chargeback Condition 1, 2, 3, 4, and 5:

- a. Minimum Chargeback amount for a T&E Transaction is US \$25 or equivalent
 - b. Minimum Chargeback amount for a Canada Domestic T&E Transaction is CAD \$25 (*This only applies in the Canada Region.*)
 - c. Minimum Chargeback amount for all other Canada Domestic Transactions is CAD \$10 (*This only applies in the Canada Region.*)
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
 - f. Issuer must determine that the Cardholder attempted to resolve the dispute with the Merchant. (Not applicable if prohibited by local law.)
 - g. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter. (*This only applies in the Latin America & Caribbean Region.*)
2. For Condition 1, Issuer must wait 15 calendar days from date on the Credit Transaction Receipt before initiating a Chargeback.
 3. For Chargeback Condition 2, any of the following:
 - a. For a dispute involving returned merchandise, Chargeback amount is limited to the unused portion of the returned merchandise
 - b. Chargeback is valid if returned merchandise is refused by the Merchant
 - c. Issuer must wait 15 calendar days from the date the merchandise was returned prior to exercising the Chargeback right. Does not apply if waiting period causes Chargeback to exceed Chargeback time frame.
 4. For Chargeback Condition 3, Chargeback is valid for a Timeshare Transaction not processed with the correct Merchant Category Code.
 5. If the Credit Transaction Receipt is undated, the 15-calendar day waiting period does not apply.
 6. Chargeback is valid if a "void" or "cancelled" notation appears on the Transaction Receipt.

ID#: 160312-171009-0007680

Invalid Chargebacks - Reason Code 85

1. Chargeback is invalid for disputes regarding the quality of the service rendered or the quality of merchandise.
2. ATM Cash Disbursement
3. For any Cash-Back portion of a Visa Cash-Back Transaction

ID#: 160312-171009-0007681

Chargeback Time Limit - Reason Code 85

The 120 calendar-day Chargeback time limit is calculated from either the Central Processing Date of the Transaction or one of the following dates as applicable:

1. For Chargeback Condition 1, any of the following:
 - a. Date on the Credit Transaction Receipt
 - b. Date of the Cardholder letter, if Credit Transaction Receipt is undated
 - c. Date the Issuer received the Cardholder letter, if both the Credit Transaction Receipt and Cardholder letter are undated
2. For Chargeback Condition 2, date the merchandise was received or the expected date to receive services
3. For Chargeback Condition 5a, date of the Cardholder cancellation
4. For Chargeback Condition 5b and 5c, date of Cardholder's scheduled arrival
5. For Chargeback Condition 6, Processing Date of the Original Credit, excluding a U.S. Domestic Transaction

ID#: 160312-171009-0007682

Chargeback Processing Requirements - Reason Code 85

If multiple Member Message Text are used, a Member may submit the Visa Resolve Online Dispute Questionnaire.

1. For Chargeback Condition 1:
 - a. Member Message Text: CREDIT NOT PROCESSED
 - b. Documentation: Both:
 - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-5 Issuer stating Cardholder attempted to resolve the dispute with the Merchant
 - ii. Copy of credit or voided Transaction Receipt
2. For Chargeback Condition 2:
 - a. Member Message Text:
 - i. MERCHANDISE RETURNED MMDDYY
 - ii. MERCHANDISE CANCELLED MMDDYY
 - iii. SERVICE CANCELLED MMDDYY
 - b. Documentation:
 - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-5 Issuer stating all of the following:
 - Date merchandise was cancelled or returned or service cancelled
 - Name of shipping company, if applicable
 - Invoice/tracking number, if available
 - Date Merchant received merchandise, if available
 - Cardholder attempted to resolve the dispute with the Merchant

- ii. In lieu of documentation, Issuer certification that Merchant refused the return of merchandise, refused to provide a return merchandise authorization, or informed the Cardholder not to return the merchandise, if applicable. The right to certify does not apply to Transactions involving Issuers or Acquirers in Visa Europe.
 - iii. For Transactions involving Issuers or Acquirers in Visa Europe, proof that Merchant refused the return of merchandise, refused to provide a return merchandise authorization, or informed the Cardholder not to return the merchandise, if applicable (*This only applies in Visa Europe.*)
3. For Chargeback Condition 3:
 - a. Member Message Text:
 - i. TIMESHARE CANC MMDDYY & CONTRACT RECEIPT MMDDYY (contract receipt date if applicable)
 - ii. CH ATTEMPT TO RESOLVE
 - b. Documentation: None required.
4. For Chargeback Condition 4:
 - a. Member Message Text:
 - i. CANC MMDDYY CODE XXXX
 - ii. CH ATTEMPT TO RESOLVE
 - iii. **Effective 15 October 2011**, CH NOT ADVISED OF CANC POLICY
 - b. Documentation:
 - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-5 Issuer stating any of the following:
 - ii. Cardholder properly cancelled the guaranteed reservation and one of the following:
 - Merchant billed a No-Show Transaction
 - Merchant failed to accept cancellation or provide a cancellation code
 - Reservation was made within 72 hours of arrival date and canceled prior to 6 p.m.
 - iii. A Hotel Merchant or third party booking agent billed a No-Show Transaction for more than one night's stay
 - iv. Cancellation code, if available
5. For Chargeback Condition 5 and 7:
 - a. Member Message Text:
 - i. For Chargeback Condition 5a or 5b, any of the following:
 - ii. CANC MMDDYY CODE XXXX
 - iii. ALT ACCOMM PROVIDED NO CREDIT ISSUED
 - iv. CH NOT ADVISED OF CANC POLICY
 - v. CH ATTEMPT TO RESOLVE
 - vi. For a U.S. Domestic Transaction, for Chargeback Condition 5b or 5c, either that applies: (*This only applies in the U.S. Region.*)

- DATE CANC MMDDYY *(This only applies in the U.S. Region.)*
 - ALT ACCOMM/VEHICLE PROVIDED NO CREDIT ISSUED *(This only applies in the U.S. Region.)*
- b. Documentation: None required.
6. For Chargeback Condition 6:
- a. Member Message Text:
- i. RECIPIENT REFUSES CREDIT
 - ii. NOT ALLOWED BY LOCAL LAW
- b. Documentation: None required.

ID#: 160312-171009-0007683

Representation Time Limit - Reason Code 85

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007684

Representation Processing Requirements - Reason Code 85

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: Either that applies:
 - i. X...X (Specify the reason)
 - ii. For Chargeback Condition 2, RETURNED MDSE NOT RECEIVED (if applicable)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. For Chargeback Condition 1:
 - i. Member Message Text: X...X (Specify the reason)
 - ii. Documentation: None required.
 - b. For Chargeback Condition 2:
 - i. Member Message Text: None required
 - ii. Documentation: Both:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-5 Acquirer

- Transaction Receipt or other records to prove Merchant properly disclosed a limited return or cancellation policy at the time of the Transaction, as applicable
- c. For Chargeback Condition 3:
 - i. Member Message Text: None required.
 - ii. Documentation:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-5 Acquirer
 - Documents to prove that Transaction was not cancelled within 14 calendar days of the contract receipt date
- d. For Chargeback Condition 4:
 - i. Member Message Text: None required.
 - ii. Documentation:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-5 Acquirer
 - Explanation of why the cancellation code was invalid, if applicable
- e. For Chargeback Condition 5:
 - i. Member Message Text: None required.
 - ii. Documentation: Both:
 - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-5 Acquirer
 - Documents to prove that Cardholder was informed about cancellation policy (if applicable)
- f. For Chargeback Condition 7, Originating Member can remedy the Chargeback.
 - i. Member Message Text: X...X (Specify the reason)
 - ii. Documentation: None required.

ID#: 160312-171009-0007685

Additional Information - Reason Code 85

1. If merchandise was shipped prior to cancellation the Cardholder must return the merchandise, if received.
2. If the Issuer provides a valid Credit or voided Transaction Receipt to support a cancellation or return:
 - a. Proper disclosure of the Merchant's refund policy will not be considered
 - b. Cardholder attempt to resolve with Merchant is not required
3. For Chargeback Condition 1, any of the following:
 - a. Refund acknowledgments and credit letters do not qualify as Credit Transaction Receipts unless they contain all required data.
 - b. A lost ticket application or refund application is not considered a Credit Transaction Receipt
 - c. An Issuer must not initiate a Chargeback regarding Value-Added Tax (VAT) unless the Cardholder provides a Credit Transaction Receipt

4. For Chargeback Condition 2, any of the following:
 - a. Proof of shipping does not constitute proof of receipt
 - b. Merchant is responsible for goods held within its own country's customs agency
5. For Chargeback Condition 3, Visa recommends that the Issuer provide a copy of the cancellation notification to the Merchant.
6. For Representment of Chargeback Condition 4, an explanation of why a cancellation code was not provided, if applicable.

ID#: 160312-171009-0007686

Reason Code 86 Paid by Other Means

Overview - Reason Code 86

Time Limit: 120 calendar days

Merchandise or service was received but paid by other means.

ID#: 171009-171009-0007687

Chargeback Conditions - Reason Code 86

Cardholder paid for the same merchandise or service by other means.

ID#: 171009-171009-0007688

Chargeback Rights and Limitations - Reason Code 86

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)
 - c. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)
 - d. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - e. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)
2. Prior to exercising the Chargeback right, Cardholder must attempt to resolve with Merchant, unless prohibited by local law.

3. Chargeback is valid when the contract reflects that the Merchant accepted a voucher issued by a third party as payment of goods or services rendered, and subsequently bills the Cardholder because the Merchant is unable to collect payment from the third party.

ID#: 111011-171009-0007689

Invalid Chargebacks - Reason Code 86

Chargeback invalid for any of the following:

1. Initial payment of a Delayed Delivery Transaction if the balance payment is not authorized and the balance was not paid by alternate means
2. If payment for services made to two different Merchants, e.g., payment to travel agent and T&E Merchant, unless there is evidence that the payment was passed from the travel agent to the T&E Merchant

ID#: 010410-171009-0007690

Chargeback Time Limit - Reason Code 86

120 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007691

Chargeback Processing Requirements - Reason Code 86

Member Message Text: None required.

Documentation:

All of the following:

1. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Issuer
2. Proof that Merchant received payment by other means
 - a. Supply Visa Acquirer Reference Number or Transaction information, if paid by a Visa Card, or supply statement, if paid by other card. This requirement does not apply to Transactions involving Issuers or Acquirers in Visa Europe.
 - b. Cash receipt or copy of front and back of check. This requirement does not apply to Transactions involving Issuers or Acquirers in Visa Europe.
3. For Chargeback Rights and Limitations 3, evidence that the Merchant accepted the voucher for payment towards merchandise or service (e.g., rental contract showing that voucher was accepted by Merchant)
4. Cardholder attempted to resolve the dispute with the Merchant

5. For Domestic Transactions in Brazil, the Issuer may provide certification in lieu of the Cardholder letter. *(This only applies in the Latin America & Caribbean Region.)*

ID#: 111011-171009-0007692

Representation Time Limit - Reason Code 86

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007693

Representation Processing Requirements - Reason Code 86

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: None required.
 - b. Documentation: Both:
 - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Acquirer
 - ii. Documents (other than Transaction Receipts) to prove that Merchant did not receive payment by other means for the same merchandise or service

ID#: 171009-171009-0007694

Reason Code 90 Non-Receipt of Cash or Load Transaction Value at ATM or Load Device

Overview - Reason Code 90

Time Limit: 120 calendar days

Cardholder participated in the Transaction, and did not receive, or received only a portion of cash or Load Transaction value

ID#: 171009-171009-0007695

Chargeback Conditions - Reason Code 90

1. Cardholder participated in the Transaction and did not receive cash or Load Transaction value or received a partial amount.

ID#: 171009-171009-0007696

Chargeback Rights and Limitations - Reason Code 90

1. Chargeback is limited to:
 - a. Amount not received
 - b. For Canada Domestic Transactions, Transactions over CAD \$10 (*This only applies in the Canada Region.*)
 - c. For all Domestic Transactions in Brazil, Transactions over R \$15 (*This only applies in the Latin America & Caribbean Region.*)

ID#: 111011-171009-0007697

Invalid Chargebacks - Reason Code 90

1. Chargeback is invalid when Cardholder states that the Transaction was fraudulent or the Transaction was posted twice.

ID#: 171009-171009-0007698

Chargeback Time Limit - Reason Code 90

120 calendar days from the Transaction Processing Date

ID#: 171009-171009-0007699

Chargeback Processing Requirements - Reason Code 90

Member Message Text:

1. CASH/VALUE NOT RECEIVED
2. CASH/VALUE AMT \$XXXX RECD \$XXXX

Documentation: None required.

ID#: 171009-171009-0007700

Representation Time Limit - Reason Code 90

45 calendar days from the Chargeback Processing Date

ID#: 171009-171009-0007701

Representation Processing Requirements - Reason Code 90

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: Either that applies:
 - i. TX TIME HH:MM, SEQ #XXXXX, AMT DISPNS \$XXX.XX
 - ii. ACQR CERTS ATM IN BALANCE ON MMDDYY
 - b. Documentation: None required.

ID#: 171009-171009-0007702

Reason Code 93 Merchant Fraud Performance Program**Overview - Reason Code 93**

Time Limit: 120 calendar days

Visa notified the Issuer that the Transaction is identified by the Merchant Fraud Performance Program. This provision does not apply to U.S. Domestic Transactions.

ID#: 171009-171009-0007703

Chargeback Conditions - Reason Code 93

Both:

1. Visa notified the Issuer that the Transaction is identified by the Merchant Fraud Performance Program

2. Issuer has not successfully charged back the Transaction for another reason

ID#: 171009-171009-0007704

Chargeback Rights and Limitations - Reason Code 93

1. Minimum Chargeback amount:
 - a. For a Canada Domestic T&E Transaction, CAD \$25 (*This only applies in the Canada Region.*)
 - b. For all other Canada Domestic Transactions, CAD \$10 (*This only applies in the Canada Region.*)
 - c. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 (*This only applies in the Latin America & Caribbean Region.*)
 - d. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 (*This only applies in the Latin America & Caribbean Region.*)

ID#: 111011-171009-0007705

Invalid Chargebacks - Reason Code 93

Chargeback is invalid for Emergency Cash Disbursements.

ID#: 171009-171009-0007706

Chargeback Time Limit - Reason Code 93

120 calendar days from the date of the identification by the Merchant Fraud Performance Program

ID#: 171009-171009-0007707

Chargeback Processing Requirements - Reason Code 93

Member Message Text: MFP RPT DT MMDDYY

Documentation: One of the following:

1. None required.
2. For Intraregional counterfeit Transactions in the AP Region, the Issuer's Center manager must provide the Acquirer with written certification of all of the following: (*This only applies in the Asia Pacific Region.*)
 - a. Issuer was a participant in the Card Verification Service at the time of the Transaction (*This only applies in the Asia Pacific Region.*)
 - b. Card was encoded with the Card Verification Value (*This only applies in the Asia Pacific Region.*)

- c. Issuer did not approve an invalid or failed Card Verification Value-qualified Authorization Request *(This only applies in the Asia Pacific Region.)*

ID#: 171009-171009-0007708

Representation Time Limit and Conditions - Reason Code 93

45 calendar days from the Chargeback Processing Date.

ID#: 171009-171009-0007709

Representation Rights and Limitations - Reason Code 93

1. For an Intraregional Transaction in the AP Region, an Acquirer may represent the Transaction if all of the following occurred: *(This only applies in the Asia Pacific Region.)*
 - a. Transaction originated at a Zero Floor Limit Merchant Outlet through a Magnetic-Stripe Terminal capable of reading the Card Verification Value *(This only applies in the Asia Pacific Region.)*
 - b. Value of "90" was present in field 22 of the Transaction generation method indicator field *(This only applies in the Asia Pacific Region.)*
 - c. Issuer approved an invalid Card Verification Value response *(This only applies in the Asia Pacific Region.)*

ID#: 171009-171009-0007710

Representation Processing Requirements - Reason Code 93

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - b. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: PREV CB MMDDYY RC XX
 - b. Documentation:
 - i. One of the following:
 - None required.

- For an Intraregional Transaction in the AP Region, Acquirer must provide the Issuer with a copy of the Authorization log documenting the invalid Card Verification Value response (*This only applies in the Asia Pacific Region.*).

ID#: 171009-171009-0007711

Additional Information - Reason Code 93

1. If an Issuer has charged back the Transaction using another reason code and the Acquirer successfully represented, the Issuer may charge back the Transaction as a second first Chargeback only when Notification is received that the Merchant is identified by the Merchant Fraud Performance Program. The time limit for the second Chargeback begins with the date the Notification is received.

ID#: 171009-171009-0007712

Reason Code 96 Transaction Exceeds Limited Amount

Overview - Reason Code 96

Effective for Transactions completed through 14 October 2011:

Time Limit: 75 calendar days

An Unattended Acceptance Terminal that performs Cardholder-Activated Transaction Type A or Cardholder-Activated Transaction Type B exceeded the allowed amount.

ID#: 160312-171009-0007713

Chargeback Conditions - Reason Code 96

Effective for Transactions completed through 14 October 2011:

1. A Cardholder-Activated Transaction Type A or Cardholder-Activated Transaction Type B exceeds the permitted amount, excluding a U.S. Domestic Transaction.
2. For a U.S. Domestic Transaction, one of the following: (*This only applies in the U.S. Region.*)
 - a. Limited-Amount Terminal Transaction exceeded US \$25 (*This only applies in the U.S. Region.*)
 - b. Self-Service Terminal Transaction exceeded US \$50, excluding a Transaction at an Automated Fuel Dispenser (*This only applies in the U.S. Region.*)
 - c. For an Automated Fuel Dispenser Transaction, excluding a Real-Time Clearing Transaction, one of the following: (*This only applies in the U.S. Region.*)
 - i. For a Visa Fleet Card, Transaction exceeded US \$150 (*This only applies in the U.S. Region.*)
 - ii. For all other Cards, Transaction exceeded US \$75 (*This only applies in the U.S. Region.*)

- iii. For a Real-Time Clearing Transaction, Transaction exceeded US \$500 *(This only applies in the U.S. Region.)*

ID#: 160312-171009-0007714

Chargeback Rights and Limitations - Reason Code 96

Effective for Transactions completed through 14 October 2011:

1. Minimum Chargeback amount:
 - a. For a T&E Transaction, US \$25 or equivalent
 - b. For a Canada Domestic T&E Transaction, CAD \$25 *(This only applies in the Canada Region.)*
 - c. For all other Canada Domestic Transactions, CAD \$10 *(This only applies in the Canada Region.)*
 - d. For a Canada Domestic Limited-Amount Terminal Transaction, Chargeback amount must exceed CAD X *(This only applies in the Canada Region.)*
 - e. For a Domestic T&E Transaction in Brazil, excluding airport tax Transactions, R\$25 *(This only applies in the Latin America & Caribbean Region.)*
 - f. For all other Domestic Transactions in Brazil, excluding airport tax Transactions, R\$15 *(This only applies in the Latin America & Caribbean Region.)*
2. Either of the following, excluding U.S. Domestic Transactions:
 - a. For a Cardholder-Activated Transaction Type A, Chargeback is valid for the entire Transaction amount
 - b. For a Cardholder-Activated Transaction Type B, Chargeback is valid only for the amount exceeding US \$100, excluding a Real-Time Clearing Transaction.
3. For a Real-Time Clearing Transaction, Chargeback is valid only for the amount exceeding the authorized amount. ^[152]
4. For a U.S. Domestic Transaction, any of the following that apply: *(This only applies in the U.S. Region.)*
 - a. One of the following: *(This only applies in the U.S. Region.)*
 - i. For a Limited-Amount Terminal Transaction, Chargeback is valid for the entire Transaction amount *(This only applies in the U.S. Region.)*
 - ii. For a Self-Service Terminal Transaction, excluding an Automated Fuel Dispenser, Chargeback is valid only for the amount exceeding US \$50 *(This only applies in the U.S. Region.)*
 - b. For an Automated Fuel Dispenser Transaction, Chargeback is valid only for the amount exceeding one of the following amounts: *(This only applies in the U.S. Region.)*
 - i. For Visa Fleet Card, US \$150 *(This only applies in the U.S. Region.)*

- ii. For all other Cards, US \$75 (*This only applies in the U.S. Region.*)

ID#: 160312-171009-0007715

Invalid Chargebacks - Reason Code 96

Effective for Transactions completed through 14 October 2011, Chargeback is invalid for any of the following:

1. In-Transit Service Transaction, excluding U.S. Domestic Transactions
2. For a U.S. Domestic Transaction, ATM Cash Disbursement (*This only applies in the U.S. Region.*)
3. In the AP Region, a domestic Australia Bill Payment Transaction (*This only applies in the Asia Pacific Region.*)

ID#: 160312-171009-0007716

Chargeback Time Limit - Reason Code 96

Effective for Transactions completed through 14 October 2011, 75 calendar days from the Transaction Processing Date

ID#: 160312-171009-0007717

Chargeback Processing Requirements - Reason Code 96

Effective for Transactions completed through 14 October 2011, Member Message Text:

1. None required.
2. For a U.S. Domestic Transaction, one of the following: (*This only applies in the U.S. Region.*)
 - a. LIMIT-AMT TERM TRANS EXCEEDS \$25 (*This only applies in the U.S. Region.*)
 - b. SELF-SERV TERM TRANS EXCEEDS \$XXX (50, 75, 150) (*This only applies in the U.S. Region.*)

ID#: 160312-171009-0007718

Documentation - Reason Code 96

Effective for Transactions completed through 14 October 2011, none required.

ID#: 160312-171009-0007719

152 Provisions related to Real-Time Clearing are not applicable to Transactions involving Issuers or Acquirers in the jurisdiction of Visa Europe.

Representation Time Limit - Reason Code 96

Effective for Transactions completed through 14 October 2011, 45 calendar days from the Chargeback Processing Date

ID#: 160312-171009-0007720

Representation Rights and Limitations - Reason Code 96

1. **Effective for Transactions completed through 14 October 2011**, for a U.S. Domestic Transaction, Transaction type was not for a Self-Service or Limited-Amount Terminal (*This only applies in the U.S. Region.*)

ID#: 160312-171009-0007721

Representation Processing Requirements - Reason Code 96

Effective for Transactions completed through 14 October 2011:

1. Credit or Reversal was processed.
 - a. Member Message Text: Either that applies:
 - i. CRED MMDDYY ARN X...X (23 or 24 digits)
 - ii. REVERSAL MMDDYY
 - iii. Documentation: None required.
2. Issuer did not meet the applicable Chargeback conditions.
 - a. Member Message Text: X...X (Specify the reason)
 - b. Documentation: None required.
3. Acquirer can remedy the Chargeback.
 - a. Member Message Text: None required.
 - b. Documentation: Both:
 - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-4 Acquirer
 - ii. Documents to prove either:
 - Transaction was not a Cardholder-Activated Transaction Type A or Cardholder-Activated Transaction Type B, excluding a U.S. Domestic Transaction
 - Transaction did not exceed limited amount
 - For a U.S. Domestic Transaction, Transaction type was not for a Self-Service or Limited-Amount Terminal (*This only applies in the U.S. Region.*)

ID#: 160312-171009-0007722

Arbitration

Arbitration Process

Arbitration Description

Arbitration allows Visa to assign liability for a disputed Transaction when the Chargeback and Representment process fails to resolve the dispute.

If an Issuer disputes a Representment from an Acquirer, the Issuer may file for Arbitration with Visa. In Arbitration, Visa decides which party is responsible for the disputed Transaction. The decision by Visa is final, except for any right of appeal permitted, and must be accepted by both the Issuer and Acquirer. During Arbitration, the Arbitration and Compliance Committee reviews all documentation/information submitted by both Members to determine who has final liability for the Transaction. The filing Member is liable for any difference due to currency fluctuation between the amount originally presented and the Chargeback or Representment amount.

ID#: 171009-171009-0007036

Pre-Arbitration Conditions

Before filing for Arbitration, the requesting Member must make a pre-Arbitration attempt if any of the following conditions apply:

- New documentation or information is being provided to the opposing Member about the dispute
- The Issuer changes the reason code for the dispute after the Representment was processed
- Acquirer represented for Chargeback Reason Code 81 "Fraudulent - Card-Present Transaction" involving an Airline Transaction or for Chargeback Reason Code 83 "Fraud - Card-Absent Environment" with compelling evidence that the Cardholder participated in the Transaction. For Transactions involving Visa Europe Members, the Issuer must include recertification that states that the Cardholder did not participate in the Transaction.
- The Transaction is an ATM Transaction and the ATM Transaction Record is required. The Issuer must certify that either:
 - The Cardholder requires a copy of the ATM Transaction Record
 - The ATM Transaction Record is required for legal or insurance purposes

Effective through 31 December 2013, the Acquirer or Load Acquirer must provide a copy of the ATM Transaction Record at pre-Arbitration to prove disbursed cash amount or Load Transaction value. The Transaction Record must be in English with an explanation or key to the data fields in the Transaction Record.

Effective 1 January 2014, the Acquirer must provide a copy of the ATM Transaction Record at pre-Arbitration to prove disbursed cash amount or Load Transaction value. The Transaction Record must be in English with an explanation or key to the data fields in the Transaction Record.

ID#: 111011-171009-0002878

Pre-Arbitration Acceptance - ATM Disputes

An Acquirer that receives a pre-Arbitration attempt, as specified in Pre-Arbitration Conditions, must supply within 30 calendar days of the pre-Arbitration notification date, a copy of the ATM Cash Disbursement Transaction log containing at least:

- Account Number
- Transaction Date
- Transaction time or sequential number identifying the individual Transaction
- ATM number
- Code indicating whether the Transaction was successful

The Transaction Record must be in English with an explanation or key to the data fields in the Transaction Record.

ID#: 171009-171009-0001444

Pre-Arbitration Attempt Information

A pre-Arbitration attempt must include the information required in Pre-Arbitration Attempt (Visa Resolve Online Dispute Questionnaire or Exhibit 2N).

ID#: 171009-171009-0001414

Pre-Arbitration Attempt Using Visa Resolve Online

The pre-Arbitration attempt must be initiated using Visa Resolve Online, at least 30 calendar days prior to the Arbitration filing date.

If an Issuer is not required to send a pre-Arbitration notification to the Acquirer, but elects to do so, the Issuer must still provide the Acquirer with 30 calendar days for a response and the notification must include the field information.

ID#: 171009-171009-0001415

Accepting Financial Liability for Pre-Arbitration

If the opposing Member accepts financial responsibility for the disputed Transaction, it must credit the requesting Member for the last amount received by the requesting Member through VisaNet within 30 calendar days of the pre-Arbitration attempt date.

ID#: 171009-171009-0001896

Accepting Financial Liability for Pre-Arbitration - U.S. Region

For U.S. Domestic Transactions, if the opposing Member accepts financial responsibility for the disputed Transaction, it must either:

- Credit the requesting Member through VisaNet within 30 calendar days of the pre-Arbitration notification date
- Credit the requesting Member through Visa Resolve Online within 30 calendar days of the pre-Arbitration notification date

ID#: 171009-171009-0007368

Not Accepting Financial Liability for Pre-Arbitration

If the opposing Member does not accept financial responsibility for the disputed Transaction, the requesting Member may pursue Arbitration.

ID#: 171009-171009-0001418

Filing for Arbitration

Arbitration Filing Reasons

The conditions under which a Member may file for Arbitration include, but are not limited to:

- Required documentation to support the Representation was incomplete or not transmitted within 5 calendar days of the Representation Processing Date
- Acquirer improperly represented a Chargeback
- Issuer processed a prohibited second Chargeback following any Representation
- Acquirer processed a prohibited second Representation
- Acquirer Reference Number/Tracing Data or Account Number did not match the original data in the first Presentment or Chargeback record

The conditions under which a Member may be held liable for a disputed Transaction include, but are not limited to:

- A Chargeback or Representment was initiated past the time frame allowed
- Required supporting documentation/information was not sent to the opposing Member
- Member was not able to demonstrate to Visa that its case was reasonable

When a Cardholder disputes the Transaction for several issues, the Merchant's rebuttal should address all issues. The Issuer may present the Merchant's rebuttal to the Cardholder so that the Cardholder can address any issues raised by the Merchant.

Any documentation/information supplied at Arbitration that has not been previously submitted to the opposing Member at the pre-Arbitration stage will not be considered or reviewed by the Committee.

ID#: 160312-171009-0002604

Arbitration Filing Authority

The requesting Member may file its Arbitration request with either:

- Its Group Member
- Visa

In Visa Europe, the option to file directly with Visa International applies only to a Member that does not have a Group Member.

ID#: 171009-171009-0001421

Arbitration Filing Time Limit

The requesting Member must file its Arbitration request with Visa within one of the following:

- 30 calendar days of the Processing Date of the last Chargeback or Representment, if pre-Arbitration was not initiated
- For disputes involving pre-Arbitration, 60 calendar days of the Processing Date of the last Chargeback or Representment. The 60 calendar-day period includes the 30 calendar-day pre-Arbitration waiting period

The Processing Date is not counted as one day.

ID#: 171009-171009-0001447

Group Member Filing Time Limit

In addition to the time limits specified in Arbitration Filing Time Limit, a Group Member has 30 additional calendar days to forward a case submitted by its Member to Visa. In Visa Europe, the option to file directly with Visa International applies only to a Member that does not have a Group Member.

ID#: 171009-171009-0001423

Required Documentation for Arbitration

When seeking Arbitration, the requesting Member must provide all of the following, in English:

- Information required in Visa Resolve Online Dispute Questionnaire or Summary of Arbitration Documentation for each Transaction
- Information required in Visa Resolve Online Dispute Questionnaire or Pre-Arbitration Attempt
- Information required in Visa Resolve Online Dispute Questionnaire or Dispute Resolution Form, as applicable
- For non-English documents, translations (unless the requesting Member did not receive the previously submitted documents in English)
- Any supporting documentation to ensure a fair decision, such as Authorization records, registers, Merchant documents, and Member files

Additional information or documentation not previously provided to the opposing Member must not be included in the case filing, unless specifically requested by the Arbitration and Compliance Committee.

ID#: 171009-171009-0001424

Arbitration Filing Fee Collection

Visa collects a filing fee through VisaNet for requests submitted to Visa.

ID#: 171009-171009-0001425

Arbitration Notification

The Member must send the Arbitration documentation for Arbitration cases electronically, using Visa Resolve Online.

ID#: 171009-171009-0002397

Invalid Arbitration Request for Group Members

If the Group Member determines that a request is invalid, it must return the request to the requesting Member. The requesting Member has no further recourse with Visa.

ID#: 171009-171009-0001427

Visa Arbitration Case Rejection

If a request for Arbitration is rejected by the Arbitration and Compliance Committee, the filing fee may still be charged. If the Arbitration and Compliance Committee determines that a request is invalid, it may reject the case and retain the filing fee in circumstances, such as one of the following:

- Requesting Member did not file the request within the required time limits
- Multiple Acquirers, Issuers, Account Numbers, Merchants and filing reasons are involved
- A bundled case filing, containing more than 10 Chargebacks, was submitted

ID#: 081010-171009-0001449

Visa Notification of Arbitration Case Acceptance

For a valid request, Visa notifies both Members of case acceptance.

ID#: 171009-171009-0001429

Opposing Member's Response to Arbitration Case Acceptance

If the opposing Member chooses to respond, it must do so within 14 calendar days of the Visa Notification date, and either:

- Respond to the Notification
- Accept financial responsibility for the Transaction through Visa Resolve Online

ID#: 171009-171009-0001430

Requesting Member's Withdrawal of Arbitration Case

The requesting Member may withdraw its request. Once the case is withdrawn, Visa will collect the filing fee from the responsible Member through VisaNet.

ID#: 171009-171009-0002521

Member Exceptions Due to Visa System Problems During the Chargeback and Arbitration Process

In the event a Member misses a deadline or fails to submit documentation electronically due to Visa back office service platform failure, Visa may negate the impact by granting an exception to Visa dispute processing deadlines or documentation requirements.

ID#: 171009-171009-0006595

Arbitration Financial Liability

An Arbitration decision may result in either:

- One Member assigned full liability
- Members sharing financial liability

The responsible Member is financially liable for all of the following:

- Transaction amount
 - If the opposing Member is responsible, the requesting Member may collect this amount from the opposing Member through VisaNet within 60 calendar days of written Notification from the Arbitration and Compliance Committee.
 - For U.S. Domestic Transactions, Visa will debit or credit the Members involved as appropriate, through the Global Member Billing Solution. *(This only applies in the U.S. Region.)*
- Review fee
 - If the responsible Member has domestic currency exchange controls, Visa collects this fee through VisaNet within 30 calendar days of Notification to the Member.
- Filing fee

When the case is adjudicated Visa will collect the filing and review fees through VisaNet from the responsible Member.

Either Member in an Arbitration dispute may also be liable for a penalty fee for each technical violation of the applicable Operating Regulations. Technical penalty fees do not apply to Visa Europe Members.

ID#: 111011-171009-0003623

Arbitration Appeal

Arbitration Appeal Amount

The U.S. dollar amount, or local currency equivalent of the case, determines whether the adversely affected Member may appeal the decision, as shown in the following table:

Arbitration Appeal Rights

Disputed Amount	Appeal Right	Appeal Authority
Less than US \$5,000	No	Not applicable
US \$5,000 to US \$100,000	Only if Member can provide new evidence not previously available at the time of the original case filing	Arbitration and Compliance Committee

Disputed Amount	Appeal Right	Appeal Authority
Greater than US \$100,000	Only if Member can provide new evidence not previously available at the time of the original case filing	Arbitration and Compliance Committee

ID#: 111011-171009-0002997

Arbitration Appeal Time Limit

The adversely affected Member must file for appeal within 60 calendar days of the decision Notification date.

ID#: 171009-171009-0002998

Arbitration Appeal Filing Fee

The requesting Member:

- Is assessed a filing fee as specified in the applicable regional fee guide
- Must not collect the filing fee from the opposing Member if the original decision is reversed

ID#: 111011-171009-0000861

Finality of Decision on Arbitration Appeal

The decision on any permitted appeal is final and not subject to any challenge.

ID#: 171009-171009-0001440

Compliance

Compliance Process

Compliance Description

Compliance allows a Member that has no Chargeback, Representment, pre-Arbitration, or Arbitration right to file a complaint against a Member for a violation of the *Visa International Operating Regulations*. A requesting Member is liable for any difference due to currency fluctuation between the amount originally presented and the Chargeback or Representment amount.

ID#: 010410-171009-0001454

Compliance Filing Conditions

Compliance Filing Conditions

A Member may file for Compliance if all of the following are true:

- Violation of the *Visa International Operating Regulations* occurred
- Member has no Chargeback or Representment right
- Member incurred or will incur a financial loss as a direct result of the violation
- Member would not have incurred the financial loss had the violation not occurred

A violation not involving a Transaction is resolved as specified in Regulation Enforcement, and as deemed appropriate by Visa.

ID#: 171009-171009-0001455

Interchange Reimbursement Fee Compliance Filing

A Member may file for Compliance for violations of the *Visa International Operating Regulations* that result in the assessment of an incorrect Interchange Reimbursement Fee. Conditions and requirements for filing Interchange Reimbursement Fee Compliance are specified in "Interchange Reimbursement Fee Compliance."

ID#: 111011-171009-0003418

Pre-Compliance for Violations

Pre-Compliance Conditions

Before filing for Compliance, the requesting Member must attempt to resolve the dispute with the opposing Member. This attempt must include all of the following:

- Attempt date
- Clear identification as pre-Compliance attempt
- Planned Compliance filing date
- All pertinent documentation
- Specific violation of the *Visa International Operating Regulations*

ID#: 171009-171009-0003430

Pre-Compliance Attempt

A pre-Compliance attempt must include the information required in the Pre-Compliance Attempt Questionnaire. The pre-Compliance attempt must be sent electronically, using Visa Resolve Online, at least 30 calendar days prior to the Compliance filing date.

ID#: 171009-171009-0003431

Pre-Compliance Acceptance

If the opposing Member accepts financial liability for the disputed Transaction, it must credit the requesting Member for the last amount received by the requesting Member through VisaNet within 30 calendar days of the pre-Compliance attempt date.

ID#: 171009-171009-0003432

Pre-Compliance Rebuttal

If the opposing Member does not accept financial liability for the disputed Transaction, the requesting Member may pursue Compliance.

ID#: 171009-171009-0003433

Pre-Compliance Response

Acceptance or rebuttal of a pre-Compliance attempt must be made through Visa Resolve Online.

ID#: 171009-171009-0003434

Data Compromise Recovery Event Resolution (Updated)

Effective through 14 May 2012, a violation involving a data compromise event is not resolved through Compliance. Such violations are resolved through the Data Compromise Recovery Solution, as specified in "Data Compromise Recovery Solution (DCRS)" and as determined by Visa.

Effective 15 May 2012, a violation involving an Account Data Compromise Event is not resolved through Compliance. Such violations are resolved through the Global Compromised Account Recovery program, as specified in "Global Compromised Account Recovery (GCAR)" and as determined by Visa.

ID#: 230312-010100-0026000

Data Compromise Recovery - U.S. Region (Updated)

Effective through 14 May 2012, in the U.S. Region, violations involving storage of the full contents of a track on the Magnetic Stripe and/or the PIN subsequent to Authorization of a Transaction, failure to comply with the PIN Management Requirements Documents, or non-compliance with the Payment Card Industry Data Security Standard (PCI DSS) that could allow a compromise of Magnetic-Stripe Data are not resolved through the Compliance process. Such violations are resolved through the Account Data Compromise Recovery process, as specified in "Account Data Compromise Recovery (ADCR)" and as determined by Visa.

Effective 15 May 2012, in the U.S. Region, a violation involving failure to comply with the PIN Management Requirements Documents, the *PIN Security Program Guide*, or non-compliance with the Payment Card Industry Data Security Standard (PCI DSS) that could allow a compromise of Magnetic-Stripe Data is not resolved through the Compliance process. Such violations are resolved through the Global Compromised Account Recovery program, as specified in "Global Compromised Account Recovery (GCAR)."

ID#: 230312-010100-0026001

Compliance for Violations

Compliance Filing Reasons (Updated)

Effective through 14 May 2012, a Member may file for Compliance for any violation of the *Visa International Operating Regulations*, except as specified in "Data Compromise Recovery Event Resolution" and "Data Compromise Recovery - U.S. Region."

Effective 15 May 2012, a Member may file for Compliance for any violation of the *Visa International Operating Regulations*, except as specified in "Global Compromised Account Recovery (GCAR)."

ID#: 230312-171009-0006998

Chargeback Reduction Service Returned Valid Chargeback or Representation for Invalid Data 7.11.A.1.a

A Member may file for Compliance if the Chargeback Reduction Service returned a valid Chargeback or Representation resulting from a Member transmitting invalid data such as:

- Incorrect Transaction Date
- Incorrect Merchant Category Code
- Invalid indicator for the Merchant or Transaction type
- Incorrect state/country code or special condition indicator

Required Documentation:

Both:

- Evidence of incorrect or invalid data
- Evidence Member was able to meet Chargeback or Representment conditions

ID#: 050411-171009-0001462

Chargeback Reduction Service Returned Transaction with Valid Authorization

A Member may file for Compliance if the Chargeback Reduction Service returned a Transaction with a valid Authorization.

Required Documentation: **All** of the following:

- Transaction Receipt
- Proof that the Transaction received an Authorization
- Evidence of the Chargeback Reduction Service return

ID#: 050411-171009-0001463

Visa Reservation Service Compliance Filing

The provisions in this section also apply to U.S. Domestic Car Rental Peak-Time reservation Transactions. *(This only applies in the U.S. Region.)*

A Member may file for Compliance if a Cardholder used a Card at a Visa Reservation Service to make a reservation, and one of the following occurred:

- Merchant provided alternate accommodations or vehicle but the Cardholder was charged for the Transaction
 - Required Documentation: Cardholder letter confirming the check-in date or car rental date, Merchant Outlet, and location of the alternate accommodations or vehicle. For U.S. Domestic Transactions, Issuer may provide certification in lieu of the Cardholder letter.
- No-Show Transaction amount was different than that quoted to the Cardholder
 - Required Documentation: Written confirmation copy with the quoted rates
- Merchant did not inform the Cardholder of the exact Merchant Outlet location. Cardholder used and paid for the accommodations or car rental at another outlet of that Merchant.
 - Required Documentation: Payment receipt copy for other Merchant Outlet

ID#: 111011-171009-0001570

Unauthorized Signature

Effective through 12 October 2012, a Member may file for Compliance if a Cardholder's account was charged for a Transaction under the following circumstances (not applicable to Vehicle-Specific Fleet Card Transactions):

Effective 13 October 2012, a Member may file for Compliance if a Cardholder's account was charged for a Transaction and the following:

- Cardholder denies authorizing or participating in the Transaction
- Card that was lost or stolen, and recovered, was used in the disputed Transaction
- First initial, the first initial of the first name, or the last name of the signature on the Transaction Receipt is not spelled the same as the one on the Card signature panel
- **Effective through 12 October 2012**, Transaction type was not an Emergency Cash Disbursement, an Emergency Cheque Refund, or a Priority Check-out
- **Effective 13 October 2012**, Transaction was not one of the following:
 - Vehicle-Specific Fleet Card Transaction
 - Emergency Cash Disbursement
 - Emergency Cheque Refund
 - Priority Check-out Transaction
 - Transaction using a Proximity Payment Device that is not a standard plastic Card

Required Documentation: **All** of the following:

- Cardholder letter denying authorization and participation in the Transaction
- Issuer certification, completed Visa Resolve Online Dispute Questionnaire or Unauthorized Signature-Issuer Certification (Exhibit 2G), stating that the recovered Card signature panel was unaltered and describing the Card recovery circumstances. For U.S. Domestic Transactions, completed Visa Resolve Online Dispute Questionnaire or Exhibit 2G (*This only applies in the U.S. Region.*) .
- Transaction Receipt
- Copy of front and back of recovered Card

ID#: 040412-171009-0001465

Cardholder Letter Required for Legal Purposes

A Member may file for Compliance if an Acquirer or Merchant requires a signed Cardholder letter for legal proceedings, for a law enforcement investigation, or if required by local law. This Compliance right does not apply to Transactions involving Issuers or Acquirers in Visa Europe.

Required Documentation: Either:

- Evidence that the signed Cardholder letter is required for legal proceedings (e.g., court order or subpoena)
- Acquirer certification that the signed Cardholder letter is required by local law or for a law enforcement investigation

ID#: 160312-010100-0025789

Illegible Fulfillment - Unable to Provide Legible Transaction Receipt Copy

A Member may file for Compliance if an Acquirer cannot remedy Chargeback Reason Code 60, Illegible Fulfillment because it is not able to provide a legible Transaction Receipt copy because it is physically damaged, due to circumstances beyond the Acquirer's or Merchant's control, such as a natural disaster.

ID#: 171009-171009-0007364

Copy of Transaction Receipt for Legal Proceeding or Law Enforcement Investigation

Effective through 14 October 2011, a Member may file for Compliance if an Issuer or Cardholder requires copy of Transaction Receipt for legal proceedings or a law enforcement investigation, and the Retrieval Request was made within 12 months of the Transaction Processing Date.

Effective 15 October 2011, a Member may file for Compliance if an Issuer or Cardholder requires a copy of the Transaction Receipt for legal proceedings or a law enforcement investigation, and the Retrieval Request was made within 13 months of the Transaction Processing Date.

Required Documentation: Either:

- Evidence that the Transaction Receipt is required for legal proceedings (e.g., court order or subpoena)
- A written statement from the Issuer stating that the Transaction Receipt is required for a law enforcement investigation

ID#: 111011-171009-0007365

Non-Card

A Member may file for Compliance if a Merchant created a Transaction Receipt that has an Imprint but no Authorization and the card was not a Visa Card, Visa Electron Card, or Counterfeit Card. This provision does not apply to U.S. Domestic Transactions.

ID#: 171009-171009-0001472

Authorization Obtained Using Incorrect Data - U.S. Region 3.7.A.1.h

This provision applies to U.S. Domestic Transactions. *(This only applies in the U.S. Region.)*

A Member may file for Compliance if an Authorization was obtained with invalid or incorrect data and Issuer attempted a valid Chargeback which was returned. When an Issuer's and Acquirer's records differ, the V.I.P. System records will prevail. *(This only applies in the U.S. Region.)*

Required Documentation: Copy of the Authorization log and Transaction Receipt to support the discrepancy. *(This only applies in the U.S. Region.)*

ID#: 171009-171009-0003424

Electronic Commerce Transaction Compliance Reason

This provision does not apply to U.S. Domestic Transactions.

A Member may file for Compliance if a Cardholder requires additional information about an Electronic Commerce Transaction coded with ECI value "6" and both:

- Cardholder did not assert that the Transaction was fraudulent
- Acquirer did not respond to the Retrieval Request with a Fulfillment or responded with a Nonfulfillment Message code "03" or "04"

Required Documentation: Cardholder letter requesting more information about the Transaction

ID#: 111011-171009-0001473

EMV Liability Shift - Account Generated Counterfeit Fraud

A Member may file for Compliance for account generated counterfeit fraud. Counterfeit Transactions completed in a Card-Present Environment are the liability of the Acquirer, as specified in "EMV Liability Shift - Acquirer Liability for Account Generated Counterfeit Fraud," if all of the following conditions are met:

- Transaction did not take place at a Chip-Reading Device
- Account Number was not resident on the Issuer's Master File on the Transaction Date
- All valid Cards bearing Account Numbers within the same account range as the Counterfeit Card are Chip Cards containing a Visa or Visa Electron Smart Payment Application
- Transaction was below Merchant's Floor Limit and did not receive Authorization
- Account Number was on the Exception File with a Pickup Response on the Processing Date of the Compliance filing and was on the Exception File for a total period of at least 60 calendar days from the date of listing

The requirements in this section apply to qualifying Transactions, as specified in "EMV Liability Shift Participation."

ID#: 160312-171009-0003135

Filing for Compliance

Compliance Filing Procedures

The requesting Member may file its Compliance request with either:

- Its Group Member
- Visa

In Visa Europe, the option to file directly with Visa International applies only to a Member that does not have a Group Member.

ID#: 171009-171009-0001475

Compliance Time Limits

The requesting Member must file its request within 90 calendar days of the following dates. The 90 calendar-day period includes pre-Compliance and begins on the day following these dates:

- For a Transaction violation, either:
 - Processing Date
 - Date the Member discovered that a violation occurred (not to exceed 2 years from the Transaction Date), if no evidence of the violation was previously available to the Member
- For other violations, the violation date. If the requesting Member does not meet the allowed time limits, it loses its Compliance right and is financially liable for the Transaction.

ID#: 171009-171009-0003651

Compliance Time Limit for Group Members

In addition to the time limit specified in Compliance Time Limits, a Group Member has 30 additional calendar days to forward a case submitted by its Member to Visa.

ID#: 171009-171009-0001478

Terminated Merchant File Information Requirements - U.S. Region

For U.S. Domestic Transactions, for a violation involving the Terminated Merchant File listing requirements, one of the following:

- Date the Merchant was notified by the previous Acquirer of its intent to terminate the Merchant Agreement
- Date the previous Acquirer should have retroactively listed the Merchant on the Terminated Merchant File

- Day following the date the Member discovered that a violation had occurred, not to exceed 2 years from the Transaction Date, if evidence of the violation was not previously available to the Member

For other violations, the violation date.

ID#: 160312-171009-0007396

Compliance Case Filing Through Visa Resolve Online

The requesting Member must file all Compliance cases electronically, using Visa Resolve Online.

ID#: 171009-171009-0003809

Required Documentation for Compliance

When seeking Compliance, the requesting Member must submit all of the following in English:

- Information required in the Visa Resolve Online Dispute Questionnaire or Summary of Compliance Documentation (Exhibit 2K) for each Transaction
- Information required in the Visa Resolve Online Dispute Questionnaire or Pre-Compliance Attempt (Exhibit 2O)
- If the Compliance involves a prior Chargeback, a completed the Visa Resolve Online Dispute Questionnaire or Dispute Resolution Form (Exhibit 2E) for each Chargeback or Representation
- Any supporting documentation to ensure a fair decision, such as Authorization records, registers, Merchant documents, and Member files
- Documentation substantiating that a financial loss would not have resulted had the violation not occurred
- For non-English documents, translations (unless the requesting Member did not receive the previously submitted documents in English)

Additional information or documentation not previously provided to the opposing Member must **not** be included in the case filing.

ID#: 171009-171009-0001479

Compliance Filing Fee Collection

Visa collects a filing fee through VisaNet for requests submitted to Visa.

ID#: 171009-171009-0001480

Compliance Notification through Visa Resolve Online

The requesting Member must send the required Compliance documentation for Compliance cases electronically, using Visa Resolve Online.

ID#: 171009-171009-0001481

Invalid Compliance Requests for Group Members

If the Group Member determines that a request is invalid, it must return the request to the requesting Member. The requesting Member has no further recourse with Visa.

ID#: 171009-171009-0001482

Visa Determination of Invalid Compliance Request

If a request for Compliance is rejected by the Arbitration and Compliance Committee, the filing fee may still be charged.

If the Visa Arbitration and Compliance Committee determines that a request is invalid, it may reject the case and retain the filing fee in certain circumstances, such as one of the following:

- Requesting Member did not file the request within the required time limits
- Multiple Acquirers, Issuers, Account Numbers, Merchants are involved
- A bundled case filing, containing more than 10 Chargebacks, was submitted

ID#: 050411-171009-0001483

Visa Notification

For a valid request, the Arbitration and Compliance Committee notifies both Members of acceptance.

ID#: 171009-171009-0001484

Opposing Member's Response

Should the opposing Member choose to respond, it must, respond within 14 calendar days of the Visa Notification date, either:

- Respond to the Notification using Visa Resolve Online
- Accept financial liability for the Transaction by notifying Visa using Visa Resolve Online

ID#: 171009-171009-0001485

Compliance Withdrawal Request

The requesting Member may withdraw its request.

ID#: 171009-171009-0001486

Compliance Filing Fee Collection After Withdrawal Request

Once the case is withdrawn, Visa will collect the filing fee through VisaNet.

ID#: 171009-171009-0001489

Member Exceptions Due to Visa System Problems During the Compliance Process

In the event a Member misses a deadline or fails to submit documentation electronically due to Visa back office service platform failure, Visa may negate the impact by granting an exception to Visa dispute processing deadlines or documentation requirements.

ID#: 171009-171009-0006594

Arbitration and Compliance Committee Decision

The Arbitration and Compliance Committee bases its decision on all information available to it at the time of reaching the decision, including, but not limited to, the provisions of the *Visa International Operating Regulations* effective on the Transaction Date and may, at its sole discretion, consider other factors such as the objective of ensuring fairness. The decision is:

- Delivered to both Members
- Final and not subject to any challenge, except for any right of appeal permitted under Appeal Rights

If the Arbitration and Compliance Committee determines that the delayed or amended charge specified in “Delayed or Amended Charges - Acceptable Charges” is unsupported or unreasonable, the Arbitration and Compliance Committee may find the Acquirer liable for some or all of the charge.

ID#: 010410-171009-0001490

Assignment of Liability by Arbitration and Compliance Committee

A Compliance decision may result in either:

- One Member assigned full liability
- Members sharing financial liability

ID#: 111011-171009-0001492

Responsible Member Financial Liability for Compliance

The responsible Member is financially liable for all of the following. Visa will collect the filing and review fees through VisaNet from the responsible Member.

- Transaction amount
 - If the opposing Member is responsible, the requesting Member may collect this amount from the opposing Member through VisaNet within 60 calendar days of written Notification from the Arbitration and Compliance Committee.
- Review fee
 - If the responsible Member has domestic currency exchange controls, Visa collects this fee through VisaNet within 30 calendar days of written Notification to the Member.
- Filing fee

For U.S. Domestic Transactions, Visa will debit or credit U.S. Members for the disputed amount involved as appropriate, including split amounts if both U.S. Members share responsibility for the disputed amount and/or filing fee/review fee. *(This only applies in the U.S. Region.)*

Each Member involved in Compliance may be liable for a penalty fee.

ID#: 171009-171009-0001579

Compliance Appeal Rights

Compliance Appeal Amount

The U.S. dollar amount, or local currency equivalent of the case, determines whether the adversely affected Member may appeal the decision, as shown in the following table:

Compliance Appeal Rights

Disputed Amount	Appeal Right	Appeal Authority
Less than US \$5,000	No	Not applicable
US \$5,000 to US \$100,000	Only if Member can provide new evidence not previously available at the time of the original case filing	Arbitration and Compliance Committee
Greater than US \$100,000	Only if Member can provide new evidence not previously available at the time of the original case filing	Arbitration and Compliance Committee

ID#: 111011-171009-0003187

Compliance Appeal Time Limits

The adversely affected Member must file any appeal within 60 calendar days of the decision Notification date.

ID#: 171009-171009-0003188

Compliance Appeal Filing Fee

The requesting Member:

- Is assessed a filing fee as specified in the applicable regional fee guide
- Must not collect the filing fee from the opposing Member if the original decision is reversed

ID#: 111011-171009-0003189

Compliance Appeal Decision

The decision on any permitted appeal is final and not subject to any challenge.

ID#: 171009-171009-0003191

Interchange Reimbursement Fee Compliance

IRF Compliance Process Introduction

IRF Compliance Process Introduction

The Interchange Reimbursement Fee Compliance process allows a Visa International Member to request Compliance against another Visa International Member for violations of the *Visa International Operating Regulations* that result in the application of an incorrect Interchange Reimbursement Fee to a large number of Transactions. Compliance procedures for violations unrelated to Interchange Reimbursement Fee (IRF) are specified in the Compliance section.

The process permits a filing Member to aggregate multiple Transactions affected by the application of an incorrect Interchange Reimbursement Fee (IRF) into a single claim as specified in Transaction Aggregation Criteria.

A separate process exists for Visa Inc. Members to file for Compliance against Visa Europe Members or vice-versa, as specified in "Intercompany Interchange Reimbursement Fee Compliance Process." Members may obtain additional information upon request from Visa.

ID#: 160312-130111-0001500

Filing Conditions

IRF Compliance Filing Conditions

A Member that fails to meet the specified Interchange Reimbursement Fee (IRF) Compliance criteria may use the standard Compliance process if it meets the applicable Compliance criteria.

Visa reserves the right to refuse participation in the IRF Compliance process by a filing Member. The decision by Visa to refuse participation is final and not subject to any challenge.

ID#: 171009-171009-0002055

IRF Compliance Eligibility Criteria

A Member may file for Interchange Reimbursement Fee Compliance if **all** of the following can be substantiated:

- Violation of the *Visa International Operating Regulations* or any applicable regional or domestic Interchange Reimbursement Fee (IRF) guide occurred
- Member received or paid incorrect IRF as a direct result of the violation
- Member's financial loss is a direct result of an incorrectly applied IRF rate
- Member would not have incurred a financial loss had the violation not occurred
- The violating Transaction was processed through VisaNet
- The IRF rate paid or received is not governed by any bi-lateral or private agreements, either domestic, intra-regional, or inter-regional
- Visa has screened the request in accordance with IRF Compliance Screening and granted permission for the Member to file

ID#: 171009-171009-0001501

Transaction Aggregation Criteria

For purported violations involving an incorrectly assessed Interchange Reimbursement Fee (IRF) rate, a filing Member may aggregate Transactions into a single IRF Compliance case. The aggregated Transactions must have:

- Violated the same *Visa International Operating Regulation* or the same regional or domestic IRF guide requirement
- Involved the same opposing Member

ID#: 171009-171009-0001502

Transaction Aggregation Limit

The number of Transactions a Member can aggregate into a single Interchange Reimbursement Fee Compliance case must be:

- More than 500
- Less than 50,000

ID#: 171009-171009-0001503

Interchange Reimbursement Fee Compliance Screening and Filing

IRF Compliance Screening

A Member must submit a screening request to Visa prior to filing an Interchange Reimbursement Fee Compliance case.

ID#: 171009-171009-0006999

IRF Compliance Process Permissions

A Member must contact Visa for permission to use the Interchange Reimbursement Fee Compliance process and request the Interchange Reimbursement Fee Compliance Screening Form and the Global Interchange Reimbursement Fee Compliance Process Guide.

ID#: 171009-171009-0001504

IRF Compliance Screening Form

The Interchange Reimbursement Fee Compliance Screening Form must be completed by an officer of the filing Member and submitted within the time limits specified in IRF Compliance Filing Period.

ID#: 171009-171009-0001505

IRF Compliance Screening Form Documentation

The Interchange Reimbursement Fee Compliance Screening Form must be submitted along with other necessary supporting documentation including a data file containing the list of affected Transactions and the following information:

- The specific section of the *Visa International Operating Regulations* or regional or domestic Interchange Reimbursement Fee (IRF) guide in dispute
- Description of the alleged IRF violation
- The IRF type for which the Transactions were eligible

- The total IRF assessed
- Name of the opposing Member
- Number of Transactions
- Range of Transaction Dates included in the aggregated claim
- Selected filing period, as specified in IRF Compliance Filing Period
- Certification that all Transactions included in the aggregated claim have been accurately identified as having received an incorrect IRF rate

ID#: 171009-171009-0001506

IRF Compliance Filing Period

The filing Member must submit the Interchange Reimbursement Fee Compliance Screening Form to Visa within 90 calendar days of **either**:

- The Processing Date of the oldest Transaction submitted in the aggregated claim
- The date the Member discovered the violation, not to exceed two years from the Processing Date of the oldest Transaction submitted in the aggregated claim

ID#: 171009-171009-0001507

IRF Compliance Filing Time Limit

Visa will reject a Member's request to include Transactions beyond 90 days of the Processing Date of the oldest Transaction submitted in the aggregated claim except when it determines that extenuating circumstances prevented the Member from discovering the violation sooner.

ID#: 171009-171009-0001508

IRF Compliance Screening Form Resubmission

If Visa rejects a Member's attempt to include Transactions beyond 90 days of the Processing Date, as specified in IRF Compliance Filing Time Limit, the Member may resubmit a revised Interchange Reimbursement Fee Compliance Screening Form containing only the Transactions within 90 calendar days of the Processing Date.

ID#: 171009-171009-0001509

IRF Compliance Member Certification

The Member must certify that all Transactions in the aggregated claim were assessed an incorrect Interchange Reimbursement Fee rate.

ID#: 171009-171009-0001510

IRF Compliance Visa Rights

Visa reserves the right to reject all or part of a claim, as specified in IRF Compliance Request Denial, if it determines that some Transactions in the aggregated claim were assessed the correct Interchange Reimbursement Fee.

ID#: 171009-171009-0001511

IRF Compliance Screening Form Analysis

Visa will analyze all the information made available by the requesting Member upon receipt of the Interchange Reimbursement Fee Compliance Screening Form.

ID#: 171009-171009-0001512

IRF Compliance Request Eligibility

Visa will determine the eligibility of each request on the basis of the information provided by the Member in accordance with the rules in effect on the Transaction Date, as stipulated in the applicable Operating Regulations and the Global Interchange Reimbursement Fee (IRF) Compliance Process Guide and the appropriate regional or domestic IRF guide, as applicable.

ID#: 171009-171009-0001513

IRF Compliance Decision Notification

Visa will communicate its screening decision to the requesting Member within 10 calendar days of receipt of the Interchange Reimbursement Fee Compliance Screening Form. The decision is final and not subject to any challenge.

ID#: 171009-171009-0001514

IRF Compliance Request Approval

If Visa approves a Member's request to use the Interchange Reimbursement Fee Compliance process, the Member may file pre-Compliance as specified in Interchange Reimbursement Fee Pre-Compliance.

ID#: 171009-171009-0001515

IRF Compliance Request Denial

If Visa denies a Member's request to use the Interchange Reimbursement Fee Compliance process, the Member:

- Must not resubmit the claim except as specified in IRF Compliance Resubmission

- May use the standard Compliance process
- Forfeits the Interchange Reimbursement Fee Compliance Screening fee

ID#: 171009-171009-0001516

IRF Compliance Request Rejection

Visa reserves the right to reject a Member's request to file Interchange Reimbursement Fee Compliance for any reason, including those specified in IRF Compliance Request Denial.

ID#: 171009-171009-0001517

IRF Compliance Request Denial Reasons

Visa may deny a Member's request to use Interchange Reimbursement Fee (IRF) Compliance for any reason including, but not limited to, the following:

- It reasonably concludes that a Member's failure to exercise due diligence prevented the violation from being discovered within 90 days from the Transaction Processing Date
- It determines that the assessment of the incorrect IRF resulted from an error (intentional or accidental) by the filing Member
- If, contrary to Member certification specified in IRF Compliance Member Certification, Visa determines that some Transactions included in the aggregated list were assessed the correct IRF

ID#: 171009-171009-0001518

IRF Compliance Decision

The decision regarding a Member's ability to file Interchange Reimbursement Fee Compliance is final and not subject to any challenge.

ID#: 171009-171009-0001519

IRF Compliance Request Rejection and Resubmission

A Member whose request for Interchange Reimbursement Fee Compliance has been rejected may resubmit the request under certain circumstances as stated in IRF Compliance Resubmission.

ID#: 171009-171009-0001520

IRF Compliance Resubmission

If a Member's Interchange Reimbursement Fee Compliance Screening request is rejected due to the Member's failure to discover the violation within 90 calendar days, as specified in IRF Compliance Request Denial Reasons, the Member may resubmit the Interchange Reimbursement Fee Compliance Screening request with Transactions that are within 90 calendar days of the Processing Date of the oldest Transaction submitted in the aggregated claim.

ID#: 171009-171009-0001521

IRF Compliance Failure to Meet Certification Requirements

Except as specified in IRF Compliance Resubmission, a Member may not resubmit any Transactions for Interchange Reimbursement Fee Compliance if the original request was denied by Visa for failing to meet the certification requirements specified in IRF Compliance Member Certification.

ID#: 171009-171009-0001522

IRF Compliance Process Denial

A Member who has been denied use of the Interchange Reimbursement Fee Compliance process may file Compliance as specified in Compliance if the Transactions qualify for the time limits established for the standard Compliance process.

ID#: 171009-171009-0001523

IRF Compliance Screening Fee

Visa assesses a screening fee to the requesting Member for each aggregated Interchange Reimbursement Fee Compliance Screening Form submitted, as specified in the applicable regional fee guide.

ID#: 111011-130111-0001524

IRF Compliance Screening Fee Collection

The Interchange Reimbursement Fee Compliance Screening fee is collected through the Global Member Billing Solution, and charged to the BIN noted on the Interchange Reimbursement Fee Compliance Screening Form.

ID#: 171009-171009-0001525

IRF Compliance Screening Fee Forfeiture

If the Member's request to use the Interchange Reimbursement Fee Compliance process is denied, the Member forfeits the Interchange Reimbursement Fee Compliance Screening fee.

ID#: 171009-171009-0001526

IRF Pre-Compliance

IRF Pre-Compliance

If Visa approves a Member's screening request for Interchange Reimbursement Fee Compliance as specified in IRF Compliance Decision Notification, the Member must first attempt to resolve the dispute with the opposing Member through the pre-Compliance process.

ID#: 171009-171009-0007000

Initiating IRF Pre-Compliance

To initiate Interchange Reimbursement Fee pre-Compliance, the filing Member must submit to the opposing Member a properly completed Pre-Compliance Questionnaire (Exhibit 2O), through Visa Resolve Online.

ID#: 171009-171009-0001527

IRF Compliance Process

Inappropriate IRF Violation Code

The filing Member must choose the violation code that corresponds to "Inappropriate Interchange Reimbursement Fee" in Visa Resolve Online.

ID#: 171009-171009-0001528

Pre-Compliance Questionnaire Requirement

In addition to filing through Visa Resolve Online, the filing Member must send a copy of the signed Pre-Compliance Questionnaire (Exhibit 2O) to Visa.

ID#: 171009-171009-0001529

Filing Member Submission Requirements

The filing Member must also submit to Visa the following:

- The Interchange Reimbursement Fee Compliance Screening Form evidencing Visa approval of a Member's Request to file Interchange Reimbursement Fee Compliance
- An encrypted spreadsheet file containing a list of disputed Transactions and the data fields specified in Required Information for Transactions Aggregated in an IRF Compliance Claim. The file must be transmitted to Visa. Visa forwards the file to the opposing Member.
- Any other pertinent documentation

ID#: 171009-171009-0001530

Required Information for Transactions Aggregated in an IRF Compliance Claim

For each Transaction aggregated in the claim, the filing Member must include the following information:

- Account Number
- Acquirer BIN
- Acquirer Reference Number
- Processing Date
- Transaction Date
- Transaction amount
- Interchange Reimbursement Fee applied
- Expected Interchange Reimbursement Fee
- Interchange Reimbursement Fee differential amount being claimed
- Merchant name
- For U.S. Domestic Transactions, Transaction Identifier (*This only applies in the U.S. Region.*)

ID#: 171009-171009-0001531

IRF Compliance Questionnaire Submission Requirements

The Member must submit the Pre-Compliance Questionnaire (Exhibit 20) through Visa Resolve Online to the opposing Member. At the same time, the filing Member must electronically transmit another copy of the Pre-Compliance Questionnaire (Exhibit 20) to Visa via a Visa-approved secure mechanism as specified in the Global Interchange Reimbursement Fee Compliance Process Guide or as instructed by Visa.

ID#: 171009-171009-0001532

IRF Compliance Data File Requirements

In addition to the Pre-Compliance Questionnaire (Exhibit 2O), the filing Member must transmit a data file containing the Transaction information in an encrypted format through the same Visa-approved secure mechanism.

ID#: 171009-171009-0001533

IRF Compliance Data File Transmission to Opposing Member

Visa will forward the encrypted data file to the opposing Member through the same secure process. The filing Member may not forward the file directly to the opposing Member.

ID#: 171009-171009-0001534

IRF Compliance Pre-Compliance Questionnaire Time Limit

The Pre-Compliance Questionnaire (Exhibit 2O) must be sent to the opposing Member and Visa within:

- 10 calendar days of receiving screening approval from Visa, as specified in IRF Compliance Decision Notification
- At least 30 days before filing Interchange Reimbursement Fee Compliance

ID#: 171009-171009-0001535

IRF Compliance Time Period Calculation

The 10 day period begins from the date stamped on the Interchange Reimbursement Fee Compliance Screening Form returned by Visa approving the Member's request to file Interchange Reimbursement Fee Compliance.

ID#: 171009-171009-0001536

IRF Pre-Compliance Acceptance

If the opposing Member accepts financial responsibility for the disputed Transactions or if the filing Member and the opposing Member reach a mutually agreeable settlement, the opposing Member must credit the requesting Member through VisaNet within 30 calendar days of the Interchange Reimbursement Fee pre-Compliance correspondence date.

The filing Member may collect the screening fee from the responsible Member.

The opposing Member must notify Visa of the settlement.

ID#: 171009-171009-0001537

Filing IRF Compliance

If the opposing Member does not accept financial responsibility for the disputed Transactions and an agreeable settlement cannot be reached, the filing Member may proceed to file Interchange Reimbursement Fee Compliance. Before filing for Compliance, the filing Member must verify that no credit has been received from the opposing Member.

ID#: 171009-171009-0001538

IRF Compliance Filing Reasons

A Member may file Interchange Reimbursement Fee (IRF) Compliance for a violation of the *Visa International Operating Regulations* or regional or domestic IRF guide which results in an incorrect IRF assessment, if the Member's attempt to settle the dispute with the opposing Member via the pre-Compliance process is unsuccessful.

ID#: 171009-171009-0001539

IRF Compliance Filing Documentation

The filing Member must submit to Visa all necessary documentation approved by the Center manager or an authorized officer.

ID#: 171009-171009-0001540

Additional Documentation Submission for IRF Compliance

Unless specifically requested by Visa, no additional documents will be accepted subsequent to the initial Interchange Reimbursement Fee Compliance filing.

ID#: 171009-171009-0001541

IRF Compliance Questionnaire Submission Time Limit

The Member must submit a completed Summary of Compliance Questionnaire (Exhibit 2K) through Visa Resolve Online within 60 calendar days of filing the Pre-Compliance Questionnaire (Exhibit 2O), as specified in Initiating IRF Pre-Compliance.

ID#: 171009-171009-0001542

IRF Compliance Time Limit Calculation

The calendar day period begins on the day following the date on which the Member submits the Pre-Compliance Questionnaire (Exhibit 2O).

ID#: 171009-171009-0001543

IRF Compliance Documentation Delivery Requirements

Any additional documentation required to support an Interchange Reimbursement Fee Compliance filing must be transmitted through Visa Resolve Online:

- On the same day as the case filing
- As specified in the *Visa International Operating Regulations* or Regional Operating Regulations and in the appropriate VisaNet manuals

ID#: 171009-171009-0001544

IRF Compliance Review Fee

For Interchange Reimbursement Fee Compliance requests submitted to Visa, the filing Member will be assessed a review fee, as specified in the applicable regional fee guide.

ID#: 111011-130111-0001545

IRF Compliance Withdrawal

If either the opposing Member or the filing Member withdraw the Interchange Reimbursement Fee Compliance case prior to a decision by Visa, as specified in IRF Compliance Filing Withdrawal, Visa will reimburse the review fee to the filing Member.

ID#: 171009-171009-0001546

IRF Compliance Review Fee Forfeiture

The filing Member forfeits the review fee if Visa determines that the case has no merit.

ID#: 171009-171009-0001547

Invalid Requests for IRF Compliance

If Visa determines that a request is invalid, it may retain the review fee in certain circumstances, such as:

- Documentation is insufficient or illegible

- Required documentation was not provided to the opposing Member
- Authorization of the Member's Center manager is missing
- Requesting Member did not file the request within the required time limits
- Requesting Member did not use available remedies provided for in the *Visa International Operating Regulations*
- Submitted documentation does not include evidence of a valid pre-Compliance attempt

ID#: 171009-171009-0001548

IRF Compliance Filing Withdrawal

A filing Member or the opposing Member may withdraw the request for Interchange Reimbursement Fee Compliance. The withdrawal request must be submitted to Visa through Visa Resolve Online no later than 30 days from the date of submission. Visa retains the screening fee.

ID#: 171009-171009-0001549

IRF Compliance Claim Investigation

Upon receipt of the supporting documentation, Visa investigates the claim and communicates its decision to both Members in writing.

ID#: 171009-171009-0001550

Using Available Information at Time of Transaction for IRF Compliance

Visa uses all the information available to it at the time of reaching its decision and refers to the *Visa International Operating Regulations* in effect on the date of the Transactions.

ID#: 171009-171009-0001551

Visa Rights for IRF Compliance

Visa reserves the right to rule in favor of the filing Member if Visa determines that the claim has merit and the opposing Member does not respond.

ID#: 171009-171009-0001552

Assignment of Liability for IRF Compliance

If Visa determines that a request is valid, it may allocate financial liability as specified in Financial Liability for IRF Compliance Decision.

ID#: 171009-171009-0001553

Use of VIP System Records for IRF Compliance

When an Issuer's and Acquirer's records differ, V.I.P. System records will prevail.

ID#: 171009-171009-0001554

IRF Compliance Decision

IRF Compliance Decision Written Notification

Visa informs both Members of its decision in writing.

ID#: 171009-171009-0001555

Finality of IRF Compliance Decision

The decision by Visa is final and not subject to any challenge, except for the right of appeal permitted under IRF Compliance Appeal Documentation Requirements.

ID#: 171009-171009-0001556

Financial Liability for IRF Compliance Decision

If Visa determines that the opposing Member is responsible, the opposing Member is financially liable for **all** of the following:

- Interchange Reimbursement Fee Compliance Screening fee
- Interchange Reimbursement Fee Compliance review fee
- The amount of the claim, or a portion thereof

ID#: 171009-171009-0001557

IRF Compliance Decision Against Filing Member

If the opposing Member is not found responsible, the filing Member:

- Forfeits the entire claim amount
- Forfeits the Interchange Reimbursement Fee Compliance Screening fee and the review fee
- Is prohibited from resubmitting any Transactions from that claim through another Interchange Reimbursement Fee Compliance process

ID#: 171009-171009-0001558

Settled Claim Collection for IRF Compliance

Visa collects the settled claim amount from the responsible Member through VisaNet and disburses it to the prevailing Member.

ID#: 171009-171009-0001559

IRF Compliance Fee Collection

If the opposing Member is responsible, Visa collects the Interchange Reimbursement Fee Compliance Screening fee and the review fee to reimburse the filing Member, in addition to the claim amount disbursed through VisaNet.

ID#: 171009-171009-0001560

Currency Conversion for IRF Compliance Cases

If the Transactions involve currency conversion, Visa will use the currency exchange rate in effect on the day of the Interchange Reimbursement Fee Compliance filing.

ID#: 171009-171009-0001561

Claims and Liability for Currency Conversion Differences for IRF Compliance Cases

Visa is not liable for any Claims or Liabilities arising from any losses incurred by the filing or opposing Member as a result of differences in the exchange rate between the Transaction Processing Date and the date the claim is settled.

ID#: 171009-171009-0001562

IRF Compliance Appeal

IRF Compliance Appeal Filing Requirements

Any appeal by the adversely affected Member must be filed through Visa Resolve Online within 45 calendar days of the decision Notification date.

ID#: 171009-171009-0001563

IRF Compliance Appeal Documentation Requirements

The appealing Member must submit with the appeal any new or additional information necessary to substantiate its request for an appeal.

ID#: 171009-171009-0001564

IRF Compliance Appeal Fee

Visa will collect from the Member an appeal fee as specified in the applicable regional fee guide.

ID#: 111011-171009-0001565

Finality of IRF Compliance Appeal Decision

Visa bases its decision on the new information provided by the requesting Member. Each Member may submit arguments supporting its position. All decisions are final and not subject to any challenge.

ID#: 171009-171009-0001566

Visa Right to Decline IRF Compliance Appeal Request

Visa may decline an appeal if the new information is insufficient to support a change to the initial Visa decision. If the appeal is not accepted, Visa retains the appeal fee.

ID#: 171009-171009-0001567

Intercompany Interchange Reimbursement Fee Compliance

Intercompany Interchange Reimbursement Fee Compliance Process

Intercompany Interchange Reimbursement Fee Compliance Process Introduction

The Intercompany Interchange Reimbursement Fee Compliance process allows a Visa Inc. or a Visa Europe Member to request Compliance against each other for respective violations of the *Visa International Operating Regulations* or *Visa Europe Operating Regulations* that result in the application of an incorrect Interchange Reimbursement Fee.

The Intercompany Interchange Reimbursement Fee Compliance process does not replace either Visa Europe's existing Interchange Reimbursement Fee Adjustment Policy for settling disputes between Visa Europe Members or Visa Inc.'s Interchange Compliance Process for settling disputes between Visa Inc. Members. The Intercompany Interchange Reimbursement Fee Compliance Process applies only to disputed Transactions between a Visa Inc. and a Visa Europe Member.

The Intercompany Interchange Reimbursement Fee Compliance process is not available for errors caused by either Visa Inc. or Visa Europe. A Member must obtain Visa approval prior to initiating Intercompany Interchange Reimbursement Fee Compliance process.

ID#: 160312-130111-0026213

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Chapter 10: Pricing, Fees and Interchange

Core Principle 10.1

Fees for Access and Use of Visa Products and Services

Establishing Fees for Access

Visa system participants pay fees to Visa for access to and use of Visa products and services. Visa establishes certain fees between issuers and acquirers for specific participant actions such as rewards paid to store clerks for card recovery or the fulfillment of sales receipt copies.

ID#: 010410-010410-0007825

Core Principle 10.2

Participants Pay or Receive Interchange for Transactions

Paying or Receiving Interchange

Participating acquirers and issuers pay or receive interchange every time a Visa product is used. For example, acquirers pay interchange to issuers for purchase transactions and issuers pay interchange to acquirers for cash transactions and credit vouchers. In the case of a credit or a chargeback, interchange flows in reverse.

ID#: 010410-010410-0007826

What is Interchange?

Interchange reimbursement fees help to make electronic payments possible by enabling Visa to expand card holding and use, increasing the places consumers can use their cards and providing a financial incentive for all parties to pursue system-wide improvements, such as rewards, innovation and security. An interchange reimbursement fee is a default transfer price between acquirers and issuers within the Visa system. Merchants pay what is known as a merchant discount fee or merchant service fee negotiated with their acquirer which may take into account the interchange fee, processing costs, fees for terminal rental, customer services, and other financial services. The merchant discount fee or merchant service fee is negotiated individually with the merchant's acquirer; each acquirer sets its fees independently, in competition with other acquirers, competing payment systems, and other forms of payment.

Interchange is consistently monitored and adjusted - sometimes increased and sometimes decreased - in order to ensure that the economics present a competitive value proposition for all parties. Interchange reimbursement fees must encourage card holding and use, as well as expansion in the number and types of businesses that accept cards. If rates are too high, retailers won't accept cards; if rates are too low, issuers won't issue cards. Visa may establish different interchange reimbursement fees in order to promote a variety of system objectives, such as enhancing the value proposition for Visa products, providing incentives to grow merchant acceptance and usage, and reinforcing strong system security and transaction authorization practices.

ID#: 010410-010410-0024115

Core Principle 10.3

Visa Determines Interchange Reimbursement Fees

Visa Determines and Publishes IRF

Interchange reimbursement fees are determined by Visa and provided on Visa's published fee schedule, or may be customized where members have set their own financial terms for the interchange of a Visa transaction or Visa has entered into business agreements to promote acceptance and card usage.

ID#: 010410-080210-0024122

Global Interchange

Interchange Overview

Interchange Reimbursement Fee Rate Sheets and Guides

The Interchange Reimbursement Fee (IRF) is based on several factors. These primarily include Card type, Merchant type, and Transaction type. Interchange Reimbursement Fee rates are available to Members through regional online resources or Visa account executives. Interchange requirements are contained in the *Visa International Operating Regulations* and the applicable domestic or regional Interchange Qualification Guide. In addition, there are many other types of Visa transactions, such as Original Credits, ATM inquiries, etc., that are detailed in the Operating Regulations.

ID#: 010410-010410-0006577

General Interchange Requirements

Original Credit Interchange Reimbursement Fee

A Member that originates or receives an Original Credit Transaction, including a Money Transfer Original Credit Transaction, is subject to, or eligible for, the Original Credit Interchange Reimbursement Fee if the Original Credit Transaction is processed in accordance with the requirements specified in the following, as applicable:

- *Visa International Operating Regulations*
- *Original Credits Member Requirements*
- Applicable regional Interchange rate sheet
- *U.S. Interchange Reimbursement Fee Rate Qualification Guide*

ID#: 160312-091210-0026075

Fast Funds Money Transfer Original Credit Interchange Reimbursement Fee

A Recipient Member that participates in Fast Funds service for an incoming Money Transfer Original Credit Transaction qualifies for the Visa Money Transfer Fast Funds Interchange Reimbursement Fee if the Transaction meets the qualification requirements specified in these Operating Regulations and the following, as applicable:

- *Visa Money Transfer (VMT) Global Implementation Guide*
- Applicable regional Interchange rate sheet
- *U.S. Interchange Reimbursement Fee Rate Qualification Guide*

ID#: 160312-091210-0026076

Interchange Reimbursement Fees - U.S. Region

General Interchange Reimbursement Fee Requirements - U.S. Region

Interchange Reimbursement Fee Requirements - U.S. Region

In the U.S. Region, a Transaction must meet the qualifications defined in the *Visa International Operating Regulations* and the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* to qualify for a particular Interchange Reimbursement Fee.

ID#: 081010-010410-0006611

Cash Disbursement - U.S. Region

In the U.S. Region, for any Cash Disbursement, the Issuer pays to the Acquirer a Cash Disbursement Interchange Reimbursement Fee. This Acquirer is the Member making the Cash Disbursement.

ID#: 080411-010410-0006494

National Merchant Interchange Reimbursement Fee - U.S. Region

A national Merchant entering into a national account agreement may, with the prior approval of Visa, authorize and send Transaction Receipts directly to Issuers through VisaNet at a reimbursement fee to be determined by Visa.

ID#: 010410-010410-0006526

Inappropriate Interchange Reimbursement Fees - U.S. Region

A U.S. Acquirer must request the correct Interchange Reimbursement Fee when submitting Transactions into Interchange. Fines will be assessed to any Acquirer who requests an inappropriate Interchange Reimbursement Fee, per Merchant Outlet, as specified in "Fine for Inappropriate Interchange Reimbursement Fee - U.S. Region."

ID#: 081010-010410-0007874

Cash-Back Interchange Reimbursement Fee - U.S. Region

Effective through 30 June 2015, in the U.S. Region, the Interchange Reimbursement Fee for a Visa Check Card II Transaction involving Cash-Back is calculated using the purchase amount only. The Cash-Back portion of the Transaction is not subject to Interchange Reimbursement Fees.

ID#: 111011-010410-0005677

ReadyLink Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, the Visa ReadyLink Interchange Reimbursement Fee applies to load Transactions that are authorized and settled through VisaNet. The Visa Prepaid Card Issuer pays an Interchange Reimbursement Fee to the Acquirer of the Visa ReadyLink Transaction, as specified in *Visa U.S.A. Interchange Reimbursement Fees*.

ID#: 050411-010410-0004112

Standard and Electronic Interchange Reimbursement Fees - U.S. Region

Standard Interchange Reimbursement Fee Eligibility - U.S. Region (Updated)

In the U.S. Region, a Transaction that does not qualify for any other Interchange Reimbursement Fee is cleared at the Standard Interchange Reimbursement Fee.

A Transaction effected by the following Merchants is eligible only for the Standard Interchange Reimbursement Fee:

- **Effective through 31 May 2011**, High-Risk Telemarketing Merchant
- High-Risk Merchant
- **Effective 1 June 2011**, High-Brand Risk Merchant assigned a Merchant Category Code of either 5962, 5966 or 5967

Non-Secure Transactions are eligible only for the Standard Interchange Reimbursement Fee.

A Transaction using any of the following is eligible only for the Standard Interchange Reimbursement Fee:

- V.I.P. System emergency Authorization procedures
- "Code 10" Authorization procedures
- "Referral" Authorization procedures

ID#: 160312-010410-0006612

Electronic Interchange Reimbursement Fee - General Qualification - U.S. Region

In the U.S. Region, Electronic Interchange Reimbursement Fee qualifications are:

- Transaction must be entered into VisaNet, as specified in the appropriate VisaNet manuals
- Transaction must be authorized
- Authorization Request contains the information specified in "Required Data for Authorization Requests and Responses" (Exhibit OO)
- Clearing Record contains all data elements specified in "VisaNet Clearing Message Content Standards" (Exhibit NN) and the appropriate VisaNet manual
- Transaction processing time limits meet requirements specified in "Interchange Reimbursement Fee Qualification Processing Holidays - U.S. Region."

Visa will process Transactions that do not meet the requirements for the Electronic Interchange Reimbursement Fee rate specified in this section under the Standard Interchange Reimbursement Fee rate.

ID#: 081010-010410-0008361

Interchange Reimbursement Fee Qualification Processing Holidays - U.S. Region

To qualify for Interchange Reimbursement Fees in the U.S. Region, the Central Processing Date of the Transaction must **not** exceed the number of calendar days from the Transaction Date specified in the "Processing Time Limits for Custom Payment Services Interchange Reimbursement Fee Transactions - U.S. Region" table or the "Processing Days for Transactions Qualifying for the Electronic Interchange Reimbursement Fee - U.S. Region" table.

When calculating days, exclude the Transaction Date, Central Processing Date, Sundays, and the following U.S. holidays:

- New Year's Day
- Martin Luther King, Jr. Day
- Presidents' Day (Observed)
- Good Friday
- Memorial Day (Observed)
- Independence Day
- Labor Day
- Columbus Day (Observed)
- Veterans Day
- Thanksgiving Day
- Christmas Day

The following table specifies the last qualifying central processing day for a given Transaction day.

**Processing Days for Transactions Qualifying for the
Electronic Interchange Reimbursement Fee - U.S. Region**

Transaction Day	Central Processing Day
Sunday	Thursday
Monday	Friday
Tuesday	Saturday
Wednesday	Monday
Thursday	Tuesday
Friday	Wednesday
Saturday	Thursday

ID#: 010410-010410-0008986

Non-Member-Owned Terminal - U.S. Region

In the U.S. Region, Transactions captured by a Point-of-Transaction Terminal owned or controlled by a non-Member VisaNet Processor or credit or charge card issuer (including their subsidiaries and affiliates) qualify only for the Standard Interchange Reimbursement Fee if either:

- The entity directly or indirectly discriminates against Visa or any of its Members in availability or pricing of services
- Visa determines that the entity unfairly prevents Visa or its Members from competing with that entity

ID#: 010410-010410-0006651

Competitor-Owned Terminal - U.S. Region

In the U.S. Region, Transactions captured by a terminal that is owned or controlled by an issuer of a credit or charge card deemed competitive by Visa are eligible only for the Standard Interchange Reimbursement Fee, unless the U.S. Acquirer:

- Has a Merchant Agreement with the U.S. Merchant
- Maintains full responsibility and control over the U.S. Merchant

ID#: 010410-010410-0006652

Electronic Interchange Reimbursement Fee Status Check - U.S. Region

A Transaction originating at a U.S. Prestigious Property Merchant that used the Status Check Procedure may qualify for the Electronic Interchange Reimbursement Fee.

ID#: 010410-010410-0006637

Custom Payment Services (CPS) - U.S. Region

Custom Payment Services General - U.S. Region

Custom Payment Services Overview - U.S. Region

In the U.S. Region, Visa offers Custom Payment Services, as defined in the U.S. Regional Operating Regulations, for a variety of segments. These services include:

- CPS/Account Funding
- CPS/Automated Fuel Dispenser
- CPS/Card Not Present

- CPS/e-Commerce Basic
- CPS/e-Commerce Preferred Hotel and Car Rental
- CPS/e-Commerce Preferred Passenger Transport
- CPS/e-Commerce Preferred Retail
- CPS/Hotel and Car Rental Card Not Present
- CPS/Hotel and Car Rental Card Present
- CPS/Passenger Transport
- CPS/Restaurant
- CPS/Retail
- CPS/Retail 2
- CPS/Retail Key-Entry
- CPS/Service Station
- CPS/Small Ticket
- CPS/Supermarket

For additional details, see the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010100-0025805

Basic Custom Payment Services (CPS) Requirements - U.S. Region

In the U.S. Region, a Custom Payment Services (CPS) Transaction must:

- Comply with:
 - *Visa International Operating Regulations*
 - Appropriate VisaNet manuals
 - "VisaNet Clearing Message Content Standards" (Exhibit NN)
 - "Required Data for Authorization Requests and Responses" (Exhibit OO)
- Be authorized through the V.I.P. System
- Be submitted through VisaNet, as specified in the appropriate VisaNet manuals
- Meet qualification criteria specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*

CPS Transactions submitted into VisaNet qualify individually as Custom Payment Service (CPS) Transactions.

ID#: 081010-010410-0006613

Processing Time Limits for Custom Payment Services (CPS) Programs - U.S. Region

In the U.S. Region, to qualify for the Custom Payment Services (CPS) programs Interchange Reimbursement Fee, the Central Processing Date of the CPS Transaction must comply with the following table.

**Processing Time Limits for Custom Payment Services
Interchange Reimbursement Fee Transactions- U.S. Region**

Transaction Type	Central Processing Date Must Be No More Than:	Exclude The Following When Counting Days:
CPS/Retail CPS/Retail Key-Entry CPS/Restaurant CPS/Service Station CPS/Hotel and Car Rental Card Not Present CPS/Hotel and Car Rental Card Present CPS/Card Not Present CPS/Automated Fuel Dispenser CPS/Account Funding CPS/e-Commerce Basic CPS/e-Commerce Preferred Retail CPS/e-Commerce Preferred Hotel and Car Rental CPS/Small Ticket CPS/Supermarket	2 calendar days from the Transaction Date	Transaction Date, Central Processing Date, Sundays, and the U.S. holidays specified in "Interchange Reimbursement Fee Qualification Processing Holidays - U.S. Region"
CPS/Automated Fuel Dispenser processed as Real-Time Clearing	Completion Message with the final Transaction amount must be sent within X of the preauthorization	N/A
CPS/Retail 2	3 calendar days from the Transaction Date	Transaction Date, Central Processing Date, Sundays, and the U.S. holidays specified in "Interchange Reimbursement Fee Qualification Processing Holidays - U.S. Region"

Transaction Type	Central Processing Date Must Be No More Than:	Exclude The Following When Counting Days:
CPS/Passenger Transport CPS/e-Commerce Preferred Passenger Transport	8 calendar days from the Transaction Date	Transaction Date, Central Processing Date, Sundays, and the U.S. holidays specified in "Interchange Reimbursement Fee Qualification Processing Holidays - U.S. Region"

ID#: 111011-010410-0006656

CPS Ineligible Transactions - U.S. Region

The following Transactions are not eligible for Custom Payment Services (CPS) Interchange Reimbursement Fees:

- Cash Disbursements
- Quasi-Cash Transactions
- **Effective through 31 May 2011**, Transactions effected by High-Risk Telemarketing Merchants
- Transactions effected by High-Risk Merchants
- **Effective 1 June 2011**, Transactions performed by High-Brand Risk Merchants assigned a Merchant Category Code of 5962, 5966 or 5967
- Transactions using any of the following:
 - V.I.P. System emergency Authorization procedures
 - "Code 10" Authorization procedures
 - "Referral" Authorization procedures

ID#: 111011-080210-0008491

CPS Processing Days - U.S. Region

The following table specifies the last qualifying central processing day for a given Custom Payment Services (CPS) Transaction day in the U.S. Region:

Processing Days: Custom Payment Services Transactions - U.S. Region

	Transaction Type		
	CPS/Retail CPS/Retail Key-Entry CPS/Restaurant CPS/Service Station CPS/Hotel and Car Rental Card Not Present CPS/Hotel and Car Rental Card Present CPS/Card Not Present CPS/Automated Fuel Dispenser CPS/Account Funding CPS/e-Commerce Basic CPS/e-Commerce Preferred Retail CPS/e-Commerce Preferred Hotel and Car Rental CPS/Small Ticket CPS/Supermarket	CPS/Retail 2	CPS/Passenger Transport CPS/e-Commerce Preferred Passenger Transport
Transaction Day	Last Qualifying Central Processing Day		
Sunday	Wednesday	Thursday	Second Wednesday
Monday	Thursday	Friday	Second Thursday
Tuesday	Friday	Saturday	Second Friday
Wednesday	Saturday	Monday	Second Saturday
Thursday	Monday	Tuesday	Second Monday
Friday	Tuesday	Wednesday	Second Tuesday
Saturday	Wednesday	Thursday	Second Wednesday

ID#: 081010-080210-0006659

CPS Transaction Amount - Authorization and Clearing - U.S. Region

In the U.S. Region, the cleared Custom Payment Services (CPS) Transaction amount must equal the authorized amount for CPS/Retail, CPS/Supermarket, and CPS/Account Funding Transactions completed with a Visa Check Card, excluding Transactions with the following Merchant Category Codes:

- MCC 4121, "Taxicabs and Limousines"
- MCC 5813, "Bars and Taverns"
- MCC 7230, "Beauty and Barber Shops"
- MCC 7298, "Health and Beauty Spas"

The Transaction amount transmitted in the Authorization Request and in the Clearing Record must be in the same currency.

ID#: 081010-010410-0008488

CPS Clearing Record Requirements - U.S. Region

In the U.S. Region, Visa allows only one Clearing Record message per Custom Payment Services (CPS) Transaction, except as specified below.

For a CPS/Passenger Transport Transaction or CPS/e-Commerce Preferred Passenger Transport Transaction, Visa allows one or more Clearing Record messages per Transaction.

ID#: 081010-010410-0008495

CPS Electronic Commerce Transactions - U.S. Region (Updated)

The following table details Custom Payment Services (CPS) program availability and qualification requirements applicable to Electronic Commerce Transactions.

Electronic Commerce Transaction Qualification - U.S. Region

Custom Payment Services	Qualification
CPS/e-Commerce Basic	<p>Effective through 14 March 2012, available for retail Non-Authenticated Security Transactions where the Merchant did not attempt Cardholder authentication using 3-D Secure.</p> <p>Effective 15 March 2012, available for retail Non-Authenticated Security Transactions where the Merchant did not attempt Cardholder authentication using Verified by Visa.</p>
CPS/e-Commerce Preferred Retail	<p>Available for retail, either:</p> <ul style="list-style-type: none"> • Effective through 14 March 2012, Secure Electronic Commerce Transactions that comply with the 3-D Secure Specification or • Effective through 14 March 2012, Non-Authenticated Security Transactions where the Merchant attempted Cardholder authentication using 3-D Secure • Effective 15 March 2012, Electronic Commerce Transactions that comply with Verified by Visa Transaction requirements • Effective 15 March 2012, Non-Authenticated Security Transactions where the Merchant attempted Cardholder authentication using Verified by Visa

Custom Payment Services	Qualification
CPS/e-Commerce Preferred Hotel and Car Rental	<p>Available for Electronic Commerce Transactions originating from a hotel, cruise line, or car rental Merchant that are either:</p> <ul style="list-style-type: none"> • Effective through 14 March 2012, Secure Electronic Commerce Transactions that comply with the 3-D Secure Specification or • Effective through 14 March 2012, Non-Authenticated Security Transactions where the Merchant attempted Cardholder authentication using 3-D Secure • Effective 15 March 2012, Electronic Commerce Transactions that comply with Verified by Visa Transaction requirements • Effective 15 March 2012, Non-Authenticated Security Transactions where the Merchant attempted Cardholder authentication using Verified by Visa
CPS/e-Commerce Preferred Passenger Transport	<p>Available for Electronic Commerce Transactions originating from Airline or passenger railway Merchants, or their agents, and that are either:</p> <ul style="list-style-type: none"> • Effective through 14 March 2012, Secure Electronic Commerce Transactions that comply with the 3-D Secure Specification or • Effective through 14 March 2012, Non-Authenticated Security Transactions where the Merchant attempted Cardholder authentication using 3-D Secure • Effective 15 March 2012, Electronic Commerce Transactions that comply with Verified by Visa Transaction requirements • Effective 15 March 2012, Non-Authenticated Security Transactions where the Merchant attempted Cardholder authentication using Verified by Visa

Custom Payment Services	Qualification
CPS/Hotel and Car Rental Card Not Present	<p>Available for Electronic Commerce Transactions that originate from a Hotel, Cruise Line, or Car Rental Company, both:</p> <ul style="list-style-type: none"> • Are Non-Authenticated Security Transactions • Effective through 14 March 2012, where the Merchant did not attempt Cardholder authentication using 3-D Secure • Effective 15 March 2012, the Merchant did not attempt Cardholder authentication using Verified by Visa
CPS/Passenger Transport	<p>Available for Electronic Commerce Transactions originating from an Airline or passenger railway Merchant, or their agent, both:</p> <ul style="list-style-type: none"> • Are Non-Authenticated Security Transactions • Effective through 14 March 2012, where the Merchant did not attempt Cardholder authentication using 3-D Secure • Effective 15 March 2012, the Merchant did not attempt Cardholder authentication using Verified by Visa

ID#: 230312-010410-0006626

CPS Authorization and Clearing Requirements - U.S. Region

In the U.S. Region, an Authorization Request for a Custom Payment Services (CPS) Transaction must meet the requirements specified in the table below and all requirements in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* for the CPS program:

Authorization Request Requirements for Custom Payment Services Transactions - U.S. Region

Transaction Type	Point-of-Transaction Terminal	Reads/Transmits Full Data ⁵	POS Entry Mode Code is 05, 07, 90, 91 ⁵	Visa or Visa Electron Card is Present	Signature is Obtained ⁷
CPS/Supermarket	X	X ¹	X	X ²	X ²
CPS/Retail	X	X ¹	X	X ²	X ²
CPS/Retail Key-Entry	X ^{1, 3}			X	X

Visa International Operating Regulations

Transaction Type	Point-of-Transaction Terminal	Reads/Transmits Full Data ⁵	POS Entry Mode Code is 05, 07, 90, 91 ⁵	Visa or Visa Electron Card is Present	Signature is Obtained ⁷
CPS/Retail 2	X ⁴			X	X
CPS/Service Station	X	X ¹	X	X ²	X ²
CPS/Restaurant	X	X ¹	X	X ²	X ²
CPS/Hotel and Car Rental Card Not Present	An Acquirer must acknowledge in the Authorization Request that it may forfeit certain Representment rights.				
CPS/Hotel and Car Rental Card Present	X	X ¹	X ⁶	X	X
CPS/Passenger Transport	An Acquirer may perform an Address Verification Service inquiry at the time of the Authorization Request.				
CPS/Card Not Present	An Acquirer must perform an Address Verification Service inquiry at the time of the Authorization Request for each Transaction, except as specified in the <i>U.S. Interchange Reimbursement Fee Rate Qualification Guide</i> .				
CPS/Automated Fuel Dispenser	X	X	X	X	
CPS/Account Funding	An Acquirer must perform an Address Verification Service and Card Verification Value 2 inquiry at the time of the Authorization Request, as specified in "Additional Authorization Requirements - CPS/Account Funding - U.S. Region."				
CPS/e-Commerce Basic	An Acquirer must perform an Address Verification Service inquiry at the time of the Authorization Request for each Transaction, except as specified in "CPS/e-Commerce Basic Address Verification - U.S. Region."				
CPS/e-Commerce Preferred Retail	An Acquirer must meet the Authorization requirements, as specified in "CPS/e-Commerce Preferred Retail - U.S. Region," and must perform an Address Verification Service inquiry at the time of the Authorization Request.				
CPS/e-Commerce Preferred Hotel and Car Rental	An Acquirer must meet the Authorization requirements, as specified in "Additional Authorization Requirements - CPS/e-Commerce Preferred Hotel, Car Rental, and Passenger Transport - U.S. Region," and may perform an Address Verification Service inquiry at the time of the Authorization Request.				
CPS/e-Commerce Preferred Passenger Transport	An Acquirer must meet the Authorization requirements, as specified in "Additional Authorization Requirements - CPS/e-Commerce Preferred Hotel, Car Rental, and Passenger Transport - U.S. Region," and may perform an Address Verification Service inquiry at the time of the Authorization Request.				
CPS/Small Ticket	X ²	X	X	X	

Transaction Type	Point-of-Transaction Terminal	Reads/Transmits Full Data ⁵	POS Entry Mode Code is 05, 07, 90, 91 ⁵	Visa or Visa Electron Card is Present	Signature is Obtained ⁷
<ol style="list-style-type: none"> 1. The Authorization Request must originate at an attended Point-of-Transaction Terminal. 2. Effective through 14 October 2011, Transaction must be completed in either a Face-to-Face Environment or at a Self-Service Terminal or an Automated Dispensing Machine. Effective 15 October 2011, Transaction must be authorized and completed in either a Face-to-Face Environment or at an Unattended Cardholder-Activated Terminal. 3. An Acquirer must perform an Address Verification Service Inquiry at the time of the Authorization Request and receive a “full match,” “unsupported,” or “retry” response to a “ZIP code only match” request. 4. Transactions for which the Card is not present and signature is not obtained are eligible for CPS/Retail 2, as specified in "CPS/Retail 2 Merchant Category Codes - U.S. Region" 5. Full unaltered contents of track 1 or track 2 of Magnetic Stripe, Chip, or Contactless Payment chip. 6. At least the first Authorization Request. 7. Effective through 15 October 2010, Cardholder signature is not required if the Transaction qualifies as a No Signature Required Transaction. Effective 16 October 2010, Cardholder signature is not required if the Transaction qualifies as a Visa Easy Payment Service Transaction. 					

ID#: 111011-010410-0006633

CPS Authorization Code Requirements - U.S. Region

A U.S. Acquirer must obtain an Authorization Code for each Custom Payment Services (CPS) Transaction, as specified in the table below:

Custom Payment Services Authorization Code Requirements

Transaction Type	Authorization Code Requirements for Each Transaction
CPS/Retail	Exactly one, obtained on the Transaction Date
CPS/Retail Key-Entry	Exactly one, obtained on the Transaction Date
CPS/Retail 2	Exactly one, obtained on the Transaction Date
CPS/Restaurant	Exactly one, obtained on the Transaction Date
CPS/Service Station	Exactly one, obtained on the Transaction Date
CPS/Hotel and Car Rental Card Not Present	At least one. The Acquirer may obtain multiple Authorization Codes for a Transaction.
CPS/Hotel and Car Rental Card Present	At least one. The Acquirer may obtain multiple Authorization Codes for a Transaction.
CPS/Passenger Transport	Exactly one

Transaction Type	Authorization Code Requirements for Each Transaction
CPS/Card Not Present	Exactly one
CPS/Automated Fuel Dispenser	A Status Check (or estimated amount, if using Real-Time Clearing) request originated at an Automated Fuel Dispenser
CPS/Account Funding	Exactly one, obtained on the Transaction Date
CPS/e-Commerce Basic	Exactly one
CPS/e-Commerce Preferred Retail	Exactly one
CPS/e-Commerce Preferred Hotel and Car Rental	At least one. The Acquirer may obtain multiple Authorization Codes for a Transaction.
CPS/e-Commerce Preferred Passenger Transport	Exactly one
CPS/Small Ticket	Exactly one, obtained on the Transaction Date

ID#: 081010-010410-0006800

CPS/Automated Fuel Dispenser - U.S. Region

CPS/Automated Fuel Dispenser - Merchant Requirements - U.S. Region

To be eligible to submit CPS/Automated Fuel Dispenser Transactions, a U.S. Merchant must:

- Complete the required business certification prior to submitting Transactions into Interchange
- Maintain a "velocity-check" program to monitor the volume and frequency of Transactions

The Merchant must **not** exceed the CPS/Automated Fuel Dispenser fraud or Chargeback thresholds specified by Visa.

ID#: 010410-010410-0008556

Additional Authorization Requirements-CPS/Automated Fuel Dispenser - U.S. Region

A U.S. Merchant must either:

- Perform a Status Check for a CPS/Automated Fuel Dispenser Transaction
- For a Real-Time Clearing Transaction, estimate the Authorization amount based on the Merchant's good faith estimate of the final Transaction amount, taking into account among other factors typical spending patterns at the Merchant location, not to exceed US \$500. The CPS/Automated Fuel Dispenser Interchange Reimbursement Fee does not apply if the Completion Message with the final Transaction amount is not sent within X of the preauthorization request.

ID#: 111011-010410-0008557

CPS/Automated Fuel Dispenser Transaction Amount - U.S. Region

In the U.S. Region, except as set forth below for a CPS/Automated Fuel Dispenser Transaction, the Transaction amount must not exceed:

- For a Visa Fleet Card, US \$150
- For all other Cards, US \$75
- For a Real-Time Clearing Transaction, US \$500

Effective through 17 June 2011, as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*, only for the purpose of calculating the applicable Interchange Reimbursement Fee, Automated Fuel Dispenser Transactions of US \$75 or less are eligible for the Custom Payment Services (CPS) Interchange Reimbursement Fee for CPS/Automated Fuel Dispenser Transactions.

Effective 18 June 2011, as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*, only for the purpose of calculating the applicable Interchange Reimbursement Fee in the U.S. Region, for a CPS/Automated Fuel Dispenser Transaction, the Transaction amount must not exceed:

- For a Real-Time Clearing Transaction, US \$500
- For all other Transactions, US \$125

ID#: 151011-010410-0006823

CPS/Hotel and Car Rental - Card Not Present and Card Present - U.S. Region**CPS Hotel and Car Rental Chargeback Protection Limit - U.S. Region**

For a Lodging Merchant in the U.S. Region, if the Transaction amount is greater than the Chargeback Protection Limit, the Transaction must:

- Be authorized as specified in "Hotel Estimated Authorization Amount"
- Be no more than 15% greater than the sum of the authorized amounts
- Meet the Authorization Reversal requirements specified below

For a non-Prestigious Property Transaction, the cleared Transaction amount must be within 15%, plus or minus, of the total estimated amount authorized.

- The Acquirer may submit one full or partial Authorization Reversal to meet the 15% Authorization variance requirement.
- The Authorization Reversal may be greater than the amount of the initial Authorization Request.

An Acquirer may use the Status Check Procedure for a Prestigious Property Transaction if the cleared Transaction amount is less than or equal to the Chargeback Protection Limit.

ID#: 081010-010410-0008569

Car Rental Merchant CPS Authorization Requirements - U.S. Region (Updated)

Effective through 13 April 2012, an Acquirer of a Car Rental Merchant in the U.S. Region may use an estimated Transaction amount for submitting an Authorization Request. If the final Transaction amount is greater than the authorized amount, the Transaction must:

- Be authorized as specified in "Car Rental Estimated Authorization Amount"
- Be no more than 15% greater than the sum of the authorized amounts
- Meet the Authorization Reversal requirements specified below

Effective through 13 April 2012, for an estimated Car Rental Merchant Transaction, the cleared Transaction amount must be within 15%, plus or minus, of the total amount authorized.

Effective 14 April 2012, an Acquirer of a car rental Merchant in the U.S. Region may use an estimated Transaction amount for submitting an Authorization Request as specified in "Car Rental Estimated Authorization Amount." If the final Transaction amount is greater than the authorized amount, the Transaction must be authorized as specified in "T&E Final Authorization VIOR 5.1.E.4, USOR 5.2.K.3."

ID#: 230312-010410-0008570

CPS/Supermarket - U.S. Region

CPS/Supermarket Qualification - U.S. Region

In the U.S. Region, the CPS/Supermarket Interchange Reimbursement Fee qualification requirements apply only to those Supermarket Incentive Program Transactions processed as specified below.

The Transactions must have the following characteristics:

- Completed in a Face-to-Face Environment
- The full contents of track 1 or track 2 of the Magnetic Stripe, unaltered Chip, or unaltered Contactless Payment data are read and transmitted
- Merchant is properly assigned Merchant Category Code 5411, "Grocery Stores and Supermarkets"
- Merchant is a non-membership retail store primarily engaged in selling food for home preparation and consumption
- Merchant offers a complete line of food merchandise, including self-service groceries, meat, produce, and dairy products
- Merchant has monthly sales of perishables (packaged and in-store bakery goods, dairy products, delicatessen products, floral items, frozen foods, meat, and produce) representing at least 45% of total monthly sales
- Merchant accepts Visa Cards or Visa Electron Cards for the purchase of all goods and services sold in the store, at all check-out lanes that accept checks

- Complies with the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*

ID#: 081010-010410-0008523

CPS/Rewards - U.S. Region

Custom Payment Services - Traditional Rewards Card and Visa Signature Card Transactions - U.S. Region

In the U.S. Region, a Transaction completed with a Visa Traditional Rewards Card or Visa Signature Card may qualify for either:

- CPS/Rewards 1 Interchange Reimbursement Fee
- CPS/Rewards 2 Interchange Reimbursement Fee

The CPS/Rewards 1 Interchange Reimbursement Fee is available to Visa Traditional Rewards Card Transactions that meet the requirements for one of the following Custom Payment Services (CPS) programs:

- CPS/Retail
- CPS/Supermarket

The CPS/Rewards 2 Interchange Reimbursement Fee is available for Transactions completed with a Visa Traditional Rewards Card that meet the requirements for one of the following Custom Payment services (CPS) programs:

- CPS/Card Not Present
- CPS/Retail Key-Entry
- CPS/Hotel and Car Rental Card Present
- CPS/Hotel and Car Rental Card Not Present
- CPS/Passenger Transport
- CPS/Restaurant
- CPS/e-Commerce Basic
- CPS/e-Commerce Preferred Hotel and Car Rental
- CPS/e-Commerce Preferred Passenger Transport

The CPS/Rewards 1 Interchange Reimbursement Fee is available to Visa Signature Card Transactions that qualify for one of the following Custom Payment Services (CPS) programs or are completed by a Merchant qualified for the applicable performance threshold program:

- CPS/Retail
- CPS/Retail Performance Threshold I
- CPS/Retail Performance Threshold II

- CPS/Retail Performance Threshold III
- CPS/Supermarket
- CPS/Supermarket Performance Threshold I
- CPS/Supermarket Performance Threshold II
- CPS/Supermarket Performance Threshold III

The CPS/Rewards 2 Interchange Reimbursement Fee is available to Visa Signature Card Transactions that qualify for one of the following Custom Payment Services (CPS) programs:

- CPS/Card Not Present
- CPS/Retail Key-Entry
- CPS/e-Commerce Basic

ID#: 081010-010410-0008984

CPS/Rewards 1 and CPS/Rewards 2 for Visa Signature Card Transactions - U.S. Region

In the U.S. Region, the CPS/Rewards 1 Interchange Reimbursement Fee is available to Visa Signature Card Transactions that qualify for one of the following Custom Payment Services (CPS) programs, or are completed by a Merchant qualified for the applicable performance threshold program:

- CPS/Retail, CPS/Retail Performance Threshold I, CPS/Retail Performance Threshold II, CPS/Retail Performance Threshold III
- CPS/Supermarket, CPS/Supermarket Performance Threshold I, CPS/Supermarket Performance Threshold II, CPS/Supermarket Performance Threshold III

The CPS/Rewards 2 Interchange Reimbursement Fee is available to Visa Infinite Card or Visa Signature Card Transactions that qualify for one of the following Custom Payment Services (CPS) programs:

- CPS/Card Not Present
- CPS/Retail Key-Entry
- CPS/e-Commerce Basic

ID#: 010410-010410-0008568

CPS/Small Ticket - U.S. Region

CPS/Small Ticket Merchant Category Codes - U.S. Region

In the U.S. Region, in addition to the exclusions specified in “Visa Easy Payment Service (VEPS) Merchant Category Code Exclusions,” a Visa Easy Payment Service (VEPS) Transaction does not qualify for the CPS/Small Ticket Interchange Reimbursement Fee if the Transaction is one of the following:

- Visa Signature Preferred Transaction
- Commercial Visa Product Transaction
- **Effective through 30 September 2011**, Visa Debit Card Transaction with one of the following MCCs:
 - 5541, “Service Stations”
 - 5411, “Grocery Stores and Supermarkets”
 - 5499, “Miscellaneous Food Stores — Convenience Stores and Specialty Markets”
- **Effective through 30 September 2011**, Visa Consumer Card (including Visa Signature Card) Transaction at a Merchant that is eligible for the Performance Threshold Interchange Reimbursement Fee Program. An exception applies to Transactions with MCC 5812, “Eating Places and Restaurants,” or MCC 5814, “Fast Food Restaurants.”
- **Effective 1 October 2011**, Visa Consumer credit Card (including Visa Signature Card) Transaction at a Merchant that is eligible for the Performance Threshold Interchange Reimbursement Fee Program. An exception applies to Transactions with MCC 5812, “Eating Places and Restaurants,” or MCC 5814, “Fast Food Restaurants.”

ID#: 160312-161010-0026011

Industry-Specific Merchant Programs - U.S. Region

Industry-Specific Merchant Program Requirements - U.S. Region

Industry-Specific Merchant Incentive Programs - U.S. Region

In the U.S. Region, Visa offers incentive programs for Transactions completed by Merchants in specific Merchant segments. Visa reserves the right to disqualify a Merchant from participation in, or to modify or discontinue a Merchant incentive program at any time.

ID#: 050411-010100-0025930

Visa Utility Program Interchange Reimbursement Fee Qualification - U.S. Region

Effective through 14 October 2011, in the U.S. Region, only Visa Consumer Card Transactions or Visa Business Card Transactions (including Visa Signature Business Card) completed by a Merchant registered with the Visa Utility Interchange Reimbursement Fee Program may qualify for the Visa Utility Program Interchange Reimbursement Fee as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* and the *Visa Utility Interchange Reimbursement Fee Program Guide*.

Effective 15 October 2011, in the U.S. Region, only Visa Consumer Card Transactions or Visa Business Card Transactions (including Visa Business Enhanced Card and Visa Signature Business Card) completed by a Merchant registered with the Visa Utility Interchange Reimbursement Fee Program may qualify for the Visa Utility Program Interchange Reimbursement Fee, as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* and the *Visa Utility Interchange Reimbursement Fee Program Guide*.

Utility Transactions involving registered Visa Merchants properly assigned Merchant Category Code 4900, "Utilities - Electric, Gas, Water, Sanitary" receive the utility Interchange Reimbursement Fee by meeting certain business requirements. Credit Voucher Transactions are not eligible for this program.

To qualify for the Visa Utility Interchange Reimbursement Fee Program, a U.S. Merchant must:

- Contract directly with an Acquirer to be a Merchant, and the Merchant Outlet must be properly identified in the Authorization and Clearing Records
- Be properly assigned Merchant Category Code 4900, "Utilities - Electric, Gas, Water, Sanitary"
- Accept Visa as a means of payment in all channels where payments are accepted (e.g., Face-to-Face Environments and Card-Absent Environments, as applicable)
- Visually represent the Visa Flag Symbol or Visa Brand Mark or Visa Brand Name on its Website
- Not charge a Convenience Fee to a Cardholder for processing a Visa Transaction. This restriction also applies to a third-party agent that processes Transactions for a utility Merchant.
- Feature the opportunity to pay with Visa at least as prominently as all other payment methods
- Be registered with Visa by its Acquirer

Transactions completed by a Merchant providing telecommunication or cable services are not eligible to participate in the Visa Utility Interchange Reimbursement Fee Program (Merchant Category Code 4900 is not applicable to such Merchants). Visa reserves the right to disqualify a Merchant from participation in or to modify or discontinue the Visa Utility Interchange Reimbursement Fee Program at any time.

An Acquirer must register the Visa Utility Payment Program Merchant as specified in the *Visa Utility Interchange Reimbursement Fee Program Guide*.

ID#: 111011-010410-0008990

Visa Debt Repayment Program - U.S. Region

In the U.S. Region, Visa Debt Repayment Program Transactions completed by a registered Visa Merchant qualify for the Debt Repayment Program Interchange Reimbursement Fee by meeting the applicable business requirements specified in the *Visa Debt Repayment Program Guide* and the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

Transactions must have the following characteristics:

- Transaction is completed with a Visa Debit Card
- Merchant is properly assigned Merchant Category Code 6012, "Financial Institutions - Merchandise and Services," or 6051, "Non-Financial Institutions - Foreign Currency, Money Orders (not Wire Transfer), Travelers Cheques"
- Transaction is a U.S. Domestic Transaction
- The bill payment and existing debt indicators are included in the Authorization Request and Clearing Record

To qualify for the Debt Repayment Program Interchange Reimbursement Fee, the Merchant must:

- **Not** assess any fee, including a Convenience Fee, to a Cardholder for processing the Visa Transaction. This restriction also applies to a third-party agent that processes Transactions for a Debt Repayment Program Merchant.
- Comply with "Basic Custom Payment Services (CPS) Requirements - U.S. Region"
- Be registered by its Acquirer as specified in the *Visa Debt Repayment Program Guide*

ID#: 081010-010410-0006781

Debit Tax Payment Interchange Reimbursement Fee Qualification - U.S. Region

In the U.S. Region, Tax Payment Transactions from a qualified Visa Merchant qualify for the Debit Tax Payment Interchange Reimbursement Fee by meeting the applicable business requirements specified in the *Visa Tax Payment Program Guide* and the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

Transactions must have the following characteristics:

- Transaction is completed with a Visa Debit Card
- Merchant is properly assigned Merchant Category Code 9311, "Tax Payments"
- Merchant complies with Convenience Fee requirements

The Acquirer must register the Tax Payment Program Merchant as specified in the *Visa Tax Payment Program Guide*.

The following Transactions are not eligible for the Tax Payment Program:

- Transactions completed with a Visa Consumer Credit Card or Commercial Visa Product

- Credit Voucher

Visa reserves the right to disqualify a Tax Payment Program Merchant from participation in, modify, or discontinue the Debit Tax Payment Interchange Reimbursement Fee program at any time.

ID#: 081010-010410-0006762

GSA Large Ticket Interchange Reimbursement Fee Qualification - U.S. Region

In the U.S. Region, the GSA Large Ticket Interchange Reimbursement Fee program supports the GSA requirements for enhanced processing of GSA Large Ticket Transactions. These Transactions take place at external suppliers (non-government Merchants) and are authorized, cleared, and settled for up to a maximum individual amount of US \$10 million.

To qualify for the GSA Purchasing Card Large Ticket Interchange Reimbursement Fee program, a Transaction must have the following characteristics:

- Completed using a GSA Visa Purchasing Card
- Meet the qualification requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* and the *Visa Purchasing Card Large Ticket Program Implementation Guide*
- CPS-qualified
- Not completed by a Travel Service Category or Passenger Transport Service Category Merchant

ID#: 050411-010410-0008539

GSA Government-to-Government (G2G) Interchange Reimbursement Fee Qualification - U.S. Region

In the U.S. Region, under the GSA Government-to-Government Program, federal government-to-government Transactions from eligible Visa Merchants will receive the GSA Government-to-Government (G2G) Interchange Reimbursement Fee by meeting certain processing requirements as specified in the *Visa Government-to-Government (G2G) Program Guide*.

The GSA Government-to-Government (G2G) Interchange Reimbursement Fee applies to GSA Visa Purchasing Card original Transactions and related Chargebacks, Representments, and Clearing Reversals. Credit Vouchers are not eligible for this program.

To qualify for the GSA Government-to-Government Program, a Transaction must be completed by a qualified Merchant and have the following characteristics:

- Completed with a GSA Visa Purchasing Card
- Merchant is properly assigned one of the following Merchant Category Codes:
 - 9399 "Government Services Not Elsewhere Classified"
 - 9402 "Postal Services - Government Only"
- Merchant Verification Value (MVV) is present, valid, and matches the MVV and Acquirer BIN relationship

- Registered with Visa
- CPS-qualified
- Not completed by a Travel Service Category or Passenger Transport Service Category Merchant

ID#: 111011-010100-0026015

GSA Government-to-Government Disqualification - U.S. Region

In the U.S. Region, Visa reserves the right to disqualify a Merchant from participation in, modify, or discontinue the GSA Government-to-Government Program at any time.

ID#: 081010-041008-0007196

Interchange Reimbursement Fee Programs - U.S. Region

Credit Voucher Program - U.S. Region

Credit Voucher Program Qualification - U.S. Region

In the U.S. Region, Interchange Reimbursement Fees are paid by the Issuer to the Acquirer on merchandise credits, or Credit Vouchers. The Interchange Reimbursement Fee for a Credit Voucher Transaction will be determined by the following combinations of Card type and Merchant segment:

- Transactions on all Card types with passenger transport Merchant Category Codes (MCCs 3000-3299, 4112, and 4511)
- Transactions involving Visa Consumer Cards with non-passenger transport Merchant Category Codes (all MCCs except 3000-3299, 4112, and 4511)
- Transactions involving Commercial Cards with non-passenger transport Merchant Category Codes (all MCCs except 3000-3299, 4112, and 4511)
- **Effective through 31 May 2011**, Transactions involving Visa Consumer Cards that originate from certain U.S. Merchants may also qualify for the Credit Voucher Transaction -- Mail/Phone Order and Electronic Commerce Merchant - Consumer (Credit /Debit) Program if the merchant meets the eligibility requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*. These Transactions must **not** take place at a passenger transport Merchant location (MCCs 3000-3299, 4112, and 4511) or a High-Risk Telemarketing Merchant location (MCCs 5962, 5966, and 5967).
- **Effective 1 June 2011**, Consumer (Credit /Debit) Program if the Merchant meets the eligibility requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*. These Transactions must not take place at a passenger transport Merchant location (MCCs 3000-3299, 4112, and 4511) or a High-Brand Risk Merchant location (MCCs 5962, 5966, and 5967).

ID#: 111011-010410-0008760

Credit Vouchers for Airline/Railway Ticket - U.S. Region

For CPS/Passenger Transport Transactions in the U.S. Region, an Acquirer must provide the Airline/Railway Ticket Identifier that was associated with the original Transaction for the related Credit Voucher Transaction.

ID#: 081010-010410-0006542

Credit Vouchers for GSA Large Ticket Transactions - U.S. Region

For GSA Large Ticket Transactions in the U.S. Region, an Acquirer must process the Credit Voucher Transaction at the Interchange Reimbursement Fee applied to the original related Transaction.

ID#: 010410-010410-0006543

Credit Vouchers for Large Purchasing Ticket Transactions - U.S. Region

For Credit Vouchers involving Visa Purchasing Large Ticket Transactions in the U.S. Region:

- If the credit amount is equal to the original Transaction amount or exceeds the threshold amount specified in *Visa U.S.A. Interchange Reimbursement Fees*, an Acquirer must process the Credit Voucher Transaction at the Interchange Reimbursement Fee applied to the original related Transaction
- If the credit amount is less than the threshold amount specified in *Visa U.S.A. Interchange Reimbursement Fees*, the Acquirer must process the Credit Voucher Transaction at the applicable Interchange Reimbursement Fee

ID#: 050411-010410-0006544

Credit Voucher Interchange Reimbursement Fee for Mail/Phone Order and Electronic Commerce Merchants - U.S. Region

In the U.S. Region, Transactions completed with a Visa Consumer Card qualify for the applicable Credit Voucher Interchange Reimbursement Fee if 70% or more of the Merchant's cumulative Visa Consumer Card sales volume during the previous calendar-year quarter was processed using one of the following programs:

- CPS/Card Not Present Interchange Reimbursement Fee
- CPS/e-Commerce (Basic or Preferred) Interchange Reimbursement Fee

The following Transaction types are not eligible:

- Account Funding Transactions
- Commercial Visa Product Transactions
- Quasi-Cash Transactions

- **Effective through 31 May 2011**, Transactions originating from High-Risk Telemarketing Merchants
- **Effective 1 June 2011**, Transactions originating from High-Brand Risk Merchants (Merchant Category Codes 5962, 5966, and 5967)
- Transactions originating from Passenger Transport Service Category Merchants

An Acquirer may apply the Credit Transaction Interchange Reimbursement Fee beginning 30 days or less after the quarter end in which the Merchant meets eligibility requirements.

ID#: 111011-010410-0006545

ATM Tiered Interchange Reimbursement Fee - U.S. Region

ATM Interchange Reimbursement Fee Qualification - U.S. Region (Updated)

Effective through 13 April 2012, a U.S. Member with ATMs that qualify for the ATM Interchange Reimbursement Fee Tier 1 level must comply with registration requirements, available from Visa upon request.

In the U.S. Region, an ATM may qualify for the ATM Interchange Reimbursement Fee Tier 1 level if the ATM meets the requirements in the "Visa/Plus ATM Portfolio Profile" form. The "Visa/Plus ATM Portfolio Profile" form is available from Visa upon request.

An ATM that does not qualify for the ATM Interchange Reimbursement Fee Tier 1 level will be subject to the ATM Interchange Reimbursement Fee Tier 2 level.

ID#: 160312-010410-0006709

ATM Interchange Reimbursement Fee - Tier 2 - U.S. Region (Updated)

Effective through 13 April 2012, in the U.S. Region, an ATM that does not qualify for the ATM Interchange Reimbursement Fee Tier 1 level will be subject to the ATM Interchange Reimbursement Fee Tier 2 level.

ID#: 160312-010410-0006710

Performance Threshold Interchange Reimbursement Fees

Performance Threshold Interchange Reimbursement Fee - Visa Consumer Credit - U.S. Region (New)

In the U.S. Region, the Performance Threshold Interchange Reimbursement Fee Program - Consumer Credit provides incentive Interchange Reimbursement Fee rates to Retail Merchant and supermarket Transactions meeting certain performance threshold requirements. Transactions from eligible Merchants receive incentive Interchange Reimbursement Fee rates on Transactions that would otherwise be eligible for CPS/Retail and CPS/Supermarket Interchange Reimbursement Fee Programs.

Transactions from qualified Merchants that meet the performance threshold requirements must have the following characteristics:

- Completed with a Visa Traditional or Visa Traditional Rewards Card
- U.S. Domestic Transaction
- CPS-qualified using the fee edit criteria for CPS/Retail or CPS/Supermarket

U.S. Merchant eligibility for the Performance Threshold Interchange Reimbursement Fee Program - Visa Consumer Credit will be determined by Visa annually. The performance thresholds specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* apply to qualified Visa Consumer Credit Card original Transactions and related Chargebacks, Representments, and Clearing Reversals.

Visa Signature CPS/Retail and CPS/Supermarket Transactions are ineligible for Performance Threshold Interchange Reimbursement Fees. Such Transactions may qualify for the CPS/Rewards 1 Interchange Reimbursement Fee.

Performance Threshold Interchange Reimbursement Fee eligibility requirements are based on annual volume criteria as specified by Visa. Additionally, Visa will determine the timing and manner of implementation for the Performance Threshold Interchange Reimbursement Fees available to Acquirers related to the Performance Threshold Interchange Reimbursement Fee Program – Visa Consumer Credit.

ID#: 160312-010100-0026709

ATM Interchange Reimbursement Fees - U.S. Region

ATM Interchange Reimbursement Fee Levels - U.S. Region (Updated)

Effective 14 April 2012, the Interchange Reimbursement Fee paid to the Acquirer for a domestic Visa ATM Cash Disbursement Transaction in the U.S. Region is determined by an Issuer's quarterly Transaction count of approved Visa ATM Cash Disbursements from the previous quarter.

Effective 14 April 2012, Visa will determine an Issuer's Transaction count of approved ATM Cash Disbursements and implement the corresponding Interchange Reimbursement Fee level no later than 45 days following the end of each calendar quarter

ID#: 060412-140412-0026760

Performance Threshold Interchange Reimbursement Fees - U.S. Region

Performance Threshold Interchange Reimbursement Fee Consumer Credit and Consumer Debit - U.S. Region

Performance Threshold Interchange Reimbursement Fee - Visa Consumer Debit - General - U.S. Region (Updated)

Effective through 13 April 2012, in the U.S. Region, the Performance Threshold Interchange Reimbursement Fee Program provides incentive Interchange Reimbursement Fee rates to retail and supermarket Transactions meeting certain performance threshold requirements. Transactions from eligible Merchants receive the incentive Interchange Reimbursement Fee rates on Transactions that would otherwise be eligible for CPS/Retail and CPS/Supermarket Interchange Reimbursement Fee programs.

Transactions from qualified Merchants that meet the performance threshold requirements must have the following characteristics:

- Completed with a Visa Debit Card
- U.S. Domestic Transaction
- CPS-qualified using the fee edit criteria for CPS/Retail or CPS/Supermarket

U.S. Merchant eligibility for the Performance Threshold Interchange Reimbursement Fee Program - Visa Consumer Debit will be determined by Visa annually. The performance thresholds specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* apply to qualified Visa Debit Card original Transactions and related Chargebacks, Representments, and Clearing Reversals.

Performance Threshold Interchange Reimbursement Fee eligibility requirements are based on annual volume criteria as specified by Visa. Additionally, Visa will determine the timing and manner of implementation for the Performance Threshold Interchange Reimbursement Fees available to Acquirers related to the Performance Threshold Interchange Reimbursement Fee Program - Visa Consumer Debit.

ID#: 160312-010410-0006724

Visa Signature Preferred Interchange Reimbursement Fees - U.S. Region

Visa Signature Preferred Interchange Reimbursement Fee Requirements - U.S. Region

Visa Signature Preferred Interchange Reimbursement Fee Qualification - U.S. Region

In the U.S. Region, Visa Signature Preferred Card Transactions may be CPS-qualified under one of the consumer programs as defined in the U.S. Regional Operating Regulations and as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0008515

Visa Signature Preferred Standard Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, a Visa Signature Preferred Transaction that does not qualify for any Custom Payment Services (CPS) program may only be eligible for the Visa Signature Preferred Standard Interchange Reimbursement Fee.

ID#: 081010-010410-0008989

Visa Signature Preferred Electronic Interchange Reimbursement Fee - U.S. Region

To qualify for the Visa Signature Preferred Electronic Interchange Reimbursement Fee, the Visa Signature Preferred Transaction must be conducted at a Travel Service Category Merchant and must be CPS-qualified as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010100-0025806

Visa Signature Preferred Retail Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, a Visa Signature Preferred Consumer Credit Card Transaction that originates at a non-Travel Service Category Merchant Outlet may qualify for the Visa Signature Preferred Retail Interchange Reimbursement Fee. To qualify for this program, the Transaction must be CPS-qualified, occur at a Retail Merchant, and meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0006758

Visa Signature Preferred Card Not Present Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, a Mail/Phone Order Transaction, Electronic Commerce Transaction, or a Transaction completed by a Merchant in a select developing market as defined in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* (excluding Travel Service Category Transactions) may qualify for the Visa Signature Preferred Card CPS/Card Not Present Interchange Reimbursement Fee.

ID#: 081010-010410-0006756

Visa Signature Preferred Business-to-Business Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, a Visa Signature Preferred Transaction completed at a non-Travel Service Category Merchant Outlet may qualify for the Visa Signature Preferred Business-to-Business Interchange Reimbursement Fee. To qualify for this program, the Transaction must be CPS-qualified as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* and occur at a Merchant Outlet properly assigned a business-to-business Merchant Category Code as specified in the *Visa Merchant Data Standards Manual*.

ID#: 081010-010410-0008519

Visa Signature Preferred Fuel Interchange Reimbursement Fee - U.S. Region

A Visa Signature Preferred Transaction completed at an Automated Fuel Dispenser or service station may qualify for the Signature Preferred Fuel Interchange Reimbursement Fee. The Transaction must be CPS-qualified for CPS/Automated Fuel Dispenser, CPS/Retail Service Station, or CPS/Small Ticket.

ID#: 081010-010100-0025807

Visa Signature Preferred Utility Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, a Visa Signature Preferred Card Transaction conducted at a Merchant properly assigned Merchant Category Code 4900, "Utilities - Electric, Gas, Water, Sanitary" may be eligible to receive the Visa Utility Interchange Reimbursement Fee, as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* and the *Visa Utility Interchange Reimbursement Fee Program Guide*.

ID#: 081010-010100-0025808

Commercial Interchange Reimbursement Fees - U.S. Region

Commercial Interchange Reimbursement Fees and Programs - U.S. Region

Commercial Card Standard Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, Commercial Visa Product Transactions that do not qualify for CPS and do not meet the Level II Enhanced Data requirement will qualify for the Commercial Card Standard Interchange Reimbursement Fee program as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* and are assessed the Commercial Card Standard Interchange Reimbursement Fee rate.

ID#: 081010-151010-0026002

Commercial Card Electronic Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, Commercial Visa Product Transactions are eligible for the Electronic Interchange Reimbursement Fee as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*. The following Commercial Visa Product Transactions are specifically excluded:

- **Effective through 31 May 2011**, High-Risk Telemarketing Merchants (Merchant Category Codes 5962, 5966, and 5967)
- **Effective 1 June 2011**, High-Brand Risk Merchants (Merchant Category Codes 5962, 5966, and 5967)
- Non-Secure Transactions

ID#: 111011-151010-0026003

Commercial Card - Non-Travel Service, Level II Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, the Commercial Level II (non-Travel Service Category) Interchange Reimbursement Fee is available for taxable Commercial Visa Product Transactions that are CPS-qualified and meet certain additional data requirements as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*. Tax-exempt Commercial Visa Product Transactions and Commercial Visa Product Transactions using the CPS/Account Funding program are not eligible for the Commercial Level II (non-Travel Service Category) Interchange Reimbursement Fee.

ID#: 081010-151010-0026004

Purchasing Card Electronic with Data Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, the Purchasing Card Electronic with Data Interchange Reimbursement Fee is available to non-General Services Administration (non-GSA) Visa Purchasing Card Transactions that meet certain additional data requirements, but are not CPS-qualified, as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*. Visa Purchasing Card Transactions using the CPS/Account Funding program are not eligible for the Purchasing Card Electronic with Data Interchange Reimbursement Fee.

ID#: 081010-151010-0026005

Purchasing Card Level III (Non-Travel Service Category) - U.S. Region

In the U.S. Region, the Purchasing Card Level III (non-Travel Service Category) Interchange Reimbursement Fee is available to Visa Purchasing Card Transactions that are CPS-qualified and meet certain additional data requirements as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*. Visa Purchasing Card Transactions using the CPS/Account Funding program are not eligible for the Purchasing Card Level III (non-Travel Service Category) Interchange Reimbursement Fee.

ID#: 081010-151010-0026006

Utility Business Program - U.S. Region

Effective through 14 October 2011, in the U.S. Region, Visa Business Card or Visa Signature Business Card Transactions conducted at a Merchant properly assigned Merchant Category code 4900, "Utilities - Electric, Gas, Water, Sanitary" may be eligible to receive the Utility Business Interchange Reimbursement Fee as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

Effective 15 October 2011, in the U.S. Region, Visa Business Card, Visa Business Enhanced Card, or Visa Signature Business Card Transactions conducted at a Merchant properly assigned Merchant Category Code 4900, "Utilities - Electric, Gas, Water, Sanitary," may be eligible to receive the Utility Business Interchange Reimbursement Fee, as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 111011-151010-0026007

Commercial Card Retail Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, Commercial Visa Product Transactions completed at a non-Travel Service Category Merchant Outlet that do not meet the Level II Enhanced Data requirement may qualify for the Commercial Retail Interchange Reimbursement Fee. To qualify for this program, the Transaction must be CPS-qualified for certain CPS programs as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* and occur at a Retail Merchant Outlet.

ID#: 081010-010100-0025811

Commercial Card - Card Not Present Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, Mail/Phone Order Transactions, Electronic Commerce Transactions, or Transactions completed by a Merchant in a select developing market as defined in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* (excluding Travel Service Category Transactions) and that do not meet the Level II Enhanced Data requirement may qualify for the Commercial Card-Card Not Present rate. To qualify for this program, the Transaction must be CPS-qualified for certain CPS programs as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010100-0025812

Commercial Card Business-to-Business (B2B) Interchange Reimbursement Fee - U.S. Region

In the U.S. Region, Commercial Visa Product Transactions that do not meet the Level II Enhanced Data requirement will qualify for the Commercial Business-to-Business Interchange Reimbursement Fee. To qualify for this program, the Transaction must be CPS-qualified as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* and be completed at a Merchant properly assigned a business-to-business Merchant Category Code as specified in the *Visa Merchant Data Standards Manual*.

ID#: 081010-010100-0025810

Visa Purchasing Large Ticket Interchange Reimbursement Fee - U.S. Region

Visa Purchasing Large Ticket Interchange Reimbursement Fee - General - U.S. Region

Visa Purchasing Large Ticket Interchange Reimbursement Fee Qualification - U.S. Region

In the U.S. Region, the Visa Purchasing Large Ticket Interchange Reimbursement Fee program supports the requirements for enhanced processing of non-General Services Administration (GSA) Large ticket Transactions. These Transactions are authorized, cleared, and settled for up to a maximum individual amount of US \$10 million.

To qualify for the Visa Purchasing Large Ticket Interchange Reimbursement Fee program, the Transaction must have the following characteristics:

- Submitted by an eligible Merchant, other than a Travel Service Category or Passenger Transport Service Category Merchant, that has been registered with Visa as specified in the *Visa Purchasing Card Large Ticket Program Implementation Guide*

- Completed with a non-GSA Visa Purchasing Card
- U.S. Domestic Transaction
- Merchant Verification Value (MVV) is present, valid, and matches the MVV and Acquirer BIN relationship registered with Visa
- Meets the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* and the *Visa Purchasing Card Large Ticket Program Implementation Guide*

ID#: 111011-010410-0008758

Visa Fees - General

Fee Assessment and Responsibility

Fee and Charge Revisions

As with all Operating Regulations, fees and charges are subject to change by Visa.

For information about VisaNet processing charges, membership fees, and other service and program fees, see the applicable regional fee guide.

ID#: 111011-010410-0003014

Responsibility for Charges - U.S. Region

All charges imposed by Visa, whether in the form of fees, exchange rates, or otherwise, are charges imposed on U.S. Members or VisaNet Processors or Agents operating on behalf of a U.S. Member. A U.S. Member or VisaNet Processor or Agent operating on behalf of a U.S. Member is responsible for paying all charges, regardless of whether it absorbs the charges, passes them on, or increases them in billing its customer (e.g., Cardholder, Merchant). The Member, VisaNet Processor, or Agent must not represent to its customer that Visa imposes any charge on its customer.

ID#: 010410-010410-0003015

Fee Collection

Visa Fee Collection and Funds Disbursement

Card Service Fee Collection

Visa assesses and collects Card service fees through the Global Member Billing Solution or other designated method.

ID#: 111011-010410-0007886

Fee Adjustments

Effective 1 October 2011, if Visa confirms that a Member has either underpaid or overpaid its fees, Visa may process a fee adjustment. The fee adjustment time period is limited to the 2 years prior to the date that either:

- The overpayment or underpayment was reported to Visa by the Member
- Visa discovered that an adjustment was due to the Member

Visa reserves the right to collect an underpayment from a Member beyond the 2-year period.

In the AP Region, Card service fees paid will be refunded for the most recent quarter. The Member must submit its refund request within 60 days from the close of the quarter in question. For all other fees, the provisions specified above apply.

Any collection or refund does not include interest.

ID#: 171011-010100-0026403

Fee Collection and Funds Disbursement Reason Codes - U.S. Region

Reason Codes for Fee Collection Transactions and Funds Disbursement Transactions for use in the U.S. Region are listed in the table below. Visa may collect or disburse the listed fee and charge types from U.S. Members through VisaNet, as specified in the appropriate VisaNet manuals. Fees and charges are listed on the Visa Billing Statement and collected through the Global Member Billing Solution.

Fee Collection Transactions and Funds Disbursement Fees and Reason Codes - U.S. Region

Fees and Charges	Reason Code
Global Member Billing Solution	5010
BIN Licensing and Administration Program fees Sponsored Member Registration Program	5010 or 5195

Visa International Operating Regulations

Fees and Charges	Reason Code
Supermarket Incentive Program marketing fee	5015
Arbitration/Compliance filing and/or review fee	5020
BASE II access charge	5030
Miscellaneous fees or charges	5040
Issuers' Clearinghouse Service fees	5050
Risk Identification Service (RIS) Online fees	5060
Visa account tracking service	5090
Third Party registration fee/annual fee	5140
Chargeback handling fees	5150
VisaNet Copy Request and Fulfillment Service Fulfillment fee	5160
VisaNet Copy Request and Fulfillment Service access fee	5165
VisaNet Copy Request and Fulfillment Service Nonfulfillment fee	5170
Merchant review fee	5180
Membership compliance fees and penalties	5185
BIN licensing and administration program fees	5190
Inaccurate Merchant data fine	5210
Initial or quarterly service fee and/or late payment fees	5245
Member or VisaNet Processor indemnification reimbursement	5250
Corporate indemnification of settlement risk	5290

ID#: 111011-010410-0003149

Member Fee Collection and Funds Disbursement

Fee Collection/Funds Disbursement Process - U.S. Region

A U.S. Member or its Authorizing Processor may collect fees or disburse funds as allowed through VisaNet using the Fee Collection Transaction (transaction code 10) or Funds Disbursement Transaction (transaction code 20) specified in the "Fee Collection Dispute Resolution - U.S. Region" table and "Fee Collection Transactions and Funds Disbursement Fees and Reason Codes Used by Members and Authorizing Processors - U.S. Region" table. No other use of the Fee Collection Transaction/Funds Disbursement Transaction process is permitted.

ID#: 010410-010410-0003152

Fee Collection and Funds Disbursement Time Limit - U.S. Region

A U.S. Member or its Authorizing Processor must collect fees or disburse funds within 45 days from the related event, unless otherwise specified.

ID#: 010410-010410-0003153

Data and Documentation Requirements for Fee Collections and Funds Disbursements - U.S. Region

The table below lists fee types and funds that are settled through VisaNet, the corresponding Reason Codes, and the data and documentation required for each fee or disbursement in the U.S. Region.

Fee Collection Transactions and Funds Disbursement Fees and Reason Codes Used by Members and Authorizing Processors - U.S. Region

Fee	Reason Code	Data and Documentation Required
Lost/Stolen Card Reporting Service fees	0130	Must specify in the message text the date of loss as reported by the Cardholder. Member must return "Lost or Stolen Card Report" (Exhibit 1A) to the Issuer, as specified in "Lost or Stolen Card Reporting."

 Visa International Operating Regulations

Fee	Reason Code	Data and Documentation Required
Recovered Visa Card, or Visa Electron Card handling fees/rewards	0150	Must specify in the message text: <ul style="list-style-type: none"> • Cardholder name on the recovered Visa Card or, if applicable, on the Visa Electron Card • If the Visa Card or Visa Electron Card was recovered as the result of a Code 10 Authorization, the words "Code 10" Must specify in the event date field the date the Visa Card or Visa Electron Card was recovered. Must return recovered Visa Card or Visa Electron Card and "Recovered Card Advice" (Exhibit 1E) to the Issuer, as specified in "Card Recovery."
Recovery of Retrieval Request fees	0170	Must specify in the message text: <ul style="list-style-type: none"> • Acquirer Reference Number • VisaNet Retrieval Request date • Reason for recovery (such as "copy illegible")
Emergency Card Replacement distribution fee	0200	Must specify in the message text the date of Visa Card, Visa Electron Card, or Visa TravelMoney Card distribution.
Emergency Cash Disbursement handling fee	0210	Must specify in the message text the Transaction amount.
Arbitration/Compliance case decision or filing fee	0220	Must specify in the message text: <ul style="list-style-type: none"> • Cardholder name • Acquirer Reference Number of the Transactions involved • Notification date of the Visa decision, or date of the other Member's withdrawal notification to Visa, as applicable

Visa International Operating Regulations

Fee	Reason Code	Data and Documentation Required
Incorrect Merchant Identification/Transaction Date handling fee	0230	<p>Must be collected within 45 calendar days of the receipt date of the Transaction Receipt.</p> <p>Must specify in the message text:</p> <ul style="list-style-type: none"> • Acquirer Reference Number • VisaNet Transaction Receipt request date • Transaction Receipt receipt date • Reason for the fee collection, specifying both the incorrect and correct information (such as, "Merchant name is XXXX not YYYY") <p>Handling fee must not be collected for an incorrect Transaction Date if the Transaction Date field either:</p> <ul style="list-style-type: none"> • Is zero-filled, as specified in "VisaNet Clearing Message Content Standards" (Exhibit NN) • For a Lodging, Cruise Line, or Car Rental Merchant Transaction, contains either the date the Card was first presented or the date the Transaction was completed
"Good Faith" collection letter acceptance Funds Disbursement	0240	<p>Must specify the date of the "Good Faith" collection letter in the event date field of the VisaNet Funds Disbursement record. Must specify in the message text:</p> <ul style="list-style-type: none"> • Acquirer Reference Number, if applicable • Words "Good Faith Collection Letter" • File number, if provided
"Cardholder Does Not Recognize Transaction" Chargeback handling fee	0250	<p>Must be collected within 45 calendar days of the Central Processing Date of the Representment.</p> <p>Must specify in the message text:</p> <ul style="list-style-type: none"> • Transaction Amount • Either: <ul style="list-style-type: none"> – "Itinerary provided" – "No Show indicator present"

Fee	Reason Code	Data and Documentation Required
Pre-Arbitration/pre-Compliance acceptance Funds Disbursement	0350	Must specify the date of the pre-Arbitration or pre-Compliance letter in the event date field of the VisaNet Funds Disbursement record. Must specify in the message text: <ul style="list-style-type: none"> • Acquirer Reference Number, if applicable • Words "pre-Arbitration" or "pre-Compliance" • File number, if provided
Interchange Reimbursement Fee pre-Compliance acceptance Funds Disbursement	0350	Must specify the date of the Interchange Fee pre-Compliance letter in the event date field of the VisaNet Funds Disbursement record. Must specify in the message text: <ul style="list-style-type: none"> • Acquirer Reference Number, if applicable • Words "Interchange Fee pre-Compliance" • File number, if provided

ID#: 151011-010410-0006472

Fee Collection Disputes - U.S. Region

A U.S. Member receiving a Fee Collection Transaction initiated by another U.S. Member through VisaNet may return it within 45 calendar days of the Central Processing Date if there is an error in the original VisaNet Fee Collection Transaction.

ID#: 010410-010410-0006493

Fee Collection Dispute Resolution - U.S. Region

The table below specifies the actions, reasons, and rules governing Fee Collection Transaction disputes between U.S. Members and their resolution.

Fee Collection Dispute Resolution - U.S. Region

Action	Reason	Rules
Fee Collection Returns	<p>One of the following events must occur:</p> <ul style="list-style-type: none"> • Wrong Member receives the Fee Collection • Required information in the message text portion of the Fee Collection is not received or is inaccurate or inadequate • Fee Collection exceeds the maximum fee amount allowed. Note: The Member may return only the amount in excess. • Receiving Member claims the Fee Collection is improper under the U.S. Regional Operating Regulations • Fee Collection was duplicated in error and not reversed, as specified in "Duplicate or Erroneous Data" 	<p>A Member receiving a Fee Collection must return it using the same format as the original Fee Collection, as specified in the appropriate VisaNet manuals.</p> <p>The message text field must contain the word "return" (or its abbreviation) and the return reason.</p> <p>A Member must wait 21 calendar days from the Central Processing Date for the documentation. If it does not, the fee may be returned within the next 24 calendar days.</p> <p>An Issuer must not return the fee for a Recovered Card Handling Fees/Rewards (Reason Code 0150) if the Issuer does not receive the "Interchange Recovered Card Advice"(Exhibit G) and the recovered Visa Card or Visa Electron Card or a legible copy of the front and back of the recovered Visa Card or Visa Electron Card within 21 calendar days of the Central Processing Date. If this documentation is not received, the Issuer may request Compliance, as specified in "Compliance Process" within 90 calendar days from the Central Processing Date of the Fee Collection.</p>
Resubmission of Returned Fee Collection	<p>The Fee Collection was returned because the information or documentation was not received.</p>	<p>A Member resubmitting a returned Fee Collection must:</p> <ul style="list-style-type: none"> • Comply with the appropriate VisaNet manuals • Make the resubmission within 45 calendar days from the Central Processing Date of the returned Fee Collection • Provide the information or documentation <p>A Member must not resubmit a Fee Collection for Recovered Card Handling Fees/Rewards (Reason Code 0150) or Recovery of Retrieval Request fees (Reason Code 0170).</p>

Action	Reason	Rules
Return of Resubmitted Fee Collection	The Member receiving a resubmitted Fee Collection may return it, if supporting information or documentation is not received within 21 calendar days the Central Processing Date.	The Member must process the returned Fee Collection as specified for Fee Collection Returns (above) and may then re-return the Fee Collection during the next 24 calendar days.

ID#: 040412-010410-0003168

Limits of Fee Collection Returns - U.S. Region 9.6.D.3

In no case may there be a third submission or third return of a Fee Collection Transaction through VisaNet. A U.S. Member must submit an outstanding Fee Collection Transaction for Compliance, except for the following disputes, which must be settled directly between the Members involved and are **not** subject to Compliance procedures:

- "Good Faith" Collection Letter Settlement Funds Disbursement (Reason Code 0240)
- Pre-Compliance Interchange Reimbursement Fee pre-Compliance Settlement Funds Disbursement (Reason Code 0350)

ID#: 010410-010410-0003162

Automated Clearing House Service Fee Collection and Funds Disbursement - U.S. Region

Automated Clearing House Service Authorization Agreement - U.S. Region

Visa will provide a U.S. Member or VisaNet Processor with an automated clearing house authorization agreement for Fee Collection Transactions and Funds Disbursement Transactions. This agreement must be signed and returned to Visa before the initiation of any automated clearing house transaction.

The signed agreement remains valid for all Fee Collection Transactions and Funds Disbursement Transactions until the U.S. Member or VisaNet Processor notifies Visa of either:

- Its replacement by a new agreement
- Revocation of the agreement because the Member or VisaNet Processor was terminated

ID#: 010410-010410-0007974

Automated Clearing House Service Requirements - U.S. Region

Upon Visa request, a U.S. Member or VisaNet Processor must provide all of the following for the purpose of collecting fees and disbursing funds through the automated clearing house service:

- Valid automated clearing house transit/routing number

- Associated financial institution depository account number
- Signed automated clearing house authorization agreement

If any account information (such as the account number or financial institution) changes, the Member or VisaNet Processor must:

- Notify Visa at least 10 calendar days before the effective date of the change
- Submit a new automated clearing house authorization agreement with the change

ID#: 010410-010410-0008067

Rejection of Automated Clearing House Transactions - U.S. Region

Visa may require a same-day wire transfer or initiate a Fee Collection Transaction through VisaNet if a valid automated clearing house transaction is rejected or cannot be initiated for any reason, including:

- U.S. Member did **not** comply with "Automated Clearing House Service Requirements - U.S. Region"
- Existing automated clearing house authorization agreement was revoked before a replacement authorization agreement took effect

ID#: 010410-010410-0007881

Non-Use of Automated Clearing House Service - U.S. Region

A U.S. Member or VisaNet Processor that is required to use the automated clearing house service may be required to reimburse Visa for any expense incurred for processing any payment made by a means other than the automated clearing house service.

ID#: 010410-010410-0007882

Initial Service Fee Collection through Automated Clearing House Service - U.S. Region

Visa may collect initial service fees through the automated clearing house service from all new U.S. Principal-type and Associate-type Members, as specified in Article III of the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws* and "Automated Clearing House Service Fee Collection - U.S. Region."

ID#: 010410-010410-0007884

Automated Clearing House Service Requirements for Principal-Type or Associate-Type Members - U.S. Region

Upon Visa request, a U.S. Principal-type or Associate-type Member, or an applicant for Principal-type or Associate-type membership, must comply with "Automated Clearing House Service Requirements - U.S. Region" for the purpose of collecting fees and disbursing funds through the automated clearing house service.

ID#: 010410-010410-0007885

Automated Clearing House Collections Made in Error - U.S. Region

Visa is **not** liable for U.S. automated clearing house collections in error, except through intentional misconduct.

ID#: 010410-010410-0007883

Visa Interchange Reimbursement Fee Adjustments

Interchange Reimbursement Fee Adjustments

Visa Right to Adjust Interchange Reimbursement Fees

If Interchange Reimbursement Fees are inappropriately received or paid on Transactions, Visa reserves the right to rectify the improper allocations in the event of Visa, VisaNet, or Visa computer systems errors, under the conditions and process specified in "Interchange Reimbursement Fee Adjustments."

This provision is **not** applicable to Transactions involving Issuers or Acquirers in the jurisdiction of Visa Europe.

ID#: 010410-010410-0007959

Interchange Reimbursement Fee Adjustment Conditions

Interchange Reimbursement Fee adjustments may only be made as follows:

- Adjustments are limited to Transactions occurring within 90 calendar days of the Processing Date of the oldest Transaction submitted by the Member or identified by Visa
- Transactions beyond 90 calendar days (not to exceed 2 years from the date submitted by the Member or identified by Visa) may be considered for adjustment if Visa determines that extenuating circumstances prevented the Member from discovering the violation sooner
- When an Issuer or Acquirer is at fault, the impacted Issuer(s) or Acquirer(s) is required to use the Interchange Reimbursement Fee Compliance process

- Adjustments will only be made when the total Interchange Reimbursement Fee amount to be corrected is greater than US \$2,500
- Individual correcting Transactions will only be made if the amount of the correcting transaction is greater than US \$50

Visa may, at its sole discretion, offer to use this adjustment process regardless of the adjustment amount.

ID#: 010410-010410-0007972

Interchange Reimbursement Fee Adjustment Process

Interchange Reimbursement Fee adjustments will be processed as follows:

- Visa will notify the Members that will receive a correcting Transaction
- Visa will initiate correcting Fee Collection Transaction (transaction code 10) and Funds Disbursement Transaction (transaction code 20) through VisaNet
- All Visa decisions are final
- A Member may appeal a decision only if the Member can provide new evidence not previously available and the amount in dispute is greater than US \$5,000

ID#: 010410-010410-0007960

Interchange Reimbursement Fee-Related Fines

Interchange Reimbursement Fee Fines

Fine for Inappropriate Interchange Reimbursement Fee - U.S. Region

A U.S. Acquirer whose Merchant Outlet is identified for 4 or more months as receiving an Interchange Reimbursement Fee not meeting the Interchange Reimbursement Fee processing requirements is assessed a fine, per Merchant Outlet, as specified in the table below.

Fines Related to a Merchant Outlet Receiving an Inappropriate Interchange Reimbursement Fee - U.S. Region

Violation	Fine
Fourth month	US \$1,000
Fifth month	US \$5,000
Each month after the fifth month	US \$10,000

ID#: 010410-010410-0003493

Fine for Inappropriate Credit Transaction Interchange Reimbursement Fee - U.S. Region

A U.S. Acquirer whose Merchant Outlet is identified during 2 consecutive months as receiving an inappropriate Interchange Reimbursement Fee for Credit Transactions is assessed a fine equal to 3 times the U.S. dollar value of the fees that were due to the Issuer during the previous 12-month period.

ID#: 010410-010410-0003494

Fine for Failure to Qualify for Supermarket Classification - U.S. Region

A U.S. Acquirer whose Merchant Outlet is identified as failing to meet the qualification requirements for Merchant Category Code 5411, "Supermarkets," classification, as specified for the Supermarket Incentive Program, is assessed a penalty of US \$5,000 per month, per Merchant Outlet, until the qualification requirements are met.

ID#: 010410-010410-0003495

Glossary

Terms and Definitions

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3-D Secure

A Visa-approved Authentication Method that is the global authentication standard for Electronic Commerce Transactions.

ID#: 010410-010410-0024200

3-D Secure Authenticated Payment Program - U.S. Region (Updated)

Effective through 14 March 2012, a Visa program for Members and Merchants that is the global authentication standard for Electronic Commerce Transactions.

ID#: 160312-010410-0024201

3-D Secure Authentication Request - U.S. Region (Updated)

Effective through 14 March 2012, see Authentication Request.

ID#: 160312-010410-0024202

3-D Secure Specification (Updated)

A software protocol that enables secure processing of Transactions over the Internet and other networks.

Effective 15 March 2012, the 3-D Secure Specification comprises the following:

- *3-D Secure Protocol Specification Core Functions*
- *3-D Secure Functional Requirements Access Control Server*
- *3-D Secure Functional Requirements Merchant Server Plug-in*
- *3-D Secure Security Requirements Enrollment and Access Control Servers*
- In the U.S. Region, *3-D Secure U.S. Region Supplemental Functional Requirements Access Control Servers*

ID#: 230312-010410-0024203

3-D Secure Specification - U.S. Region (Updated)

Effective through 14 March 2012, a software protocol that enables secure processing of Transactions over the Internet and other networks.

ID#: 160312-010410-0024204

A

Acceptance Mark - U.S. Region

A Visa-Owned Mark that denotes Point-of-Transaction acceptance for payments and Cash Disbursements under specific rules.

ID#: 150511-010410-0024205

Access Control Server - U.S. Region (Updated)

Effective through 14 March 2012, a component of the 3-D Secure Authenticated Payment Program that provides functionality for authentication, attempted authentication, and related Authentication Record messaging, as specified in the *3-D Secure Issuer Implementation Guide*.

ID#: 160312-010410-0024206

Access Fee

A fee that is imposed by an ATM Acquirer as part of a Cash Disbursement Transaction, to a Cardholder for use of its ATM.

ID#: 150511-180409-0024207

Account Data Compromise Event (New)

An event in which a security breach puts account data at risk of being stolen.

ID#: 160312-150512-0026743

Account Data Compromise Recovery Process - U.S. Region (Updated)

Effective through 14 May 2012, a Visa-initiated process to facilitate allocation of liability between Members for certain losses incurred as the result of an account compromise event.

ID#: 160312-010410-0024212

Account Funding Transaction

A Transaction that transfers funds from a Visa account to another account.

ID#: 050411-010410-0024213

Account Funding Transaction - U.S. Region

An Electronic Commerce Transaction that meets the Account Funding Transaction requirements specified in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0024214

Account Information Security Program

A program managed by Visa that defines the standards of due care and enforcement for protecting sensitive Cardholder information and supports both:

- Payment Card Industry Data Security Standard (PCI DSS)
- Payment Card Industry Payment Application Data Security Standard (PA-DSS)

ID#: 050411-200509-0024215

Account Number

An Issuer-assigned number that identifies an account in order to post a Transaction.

ID#: 010410-010410-0024216

Account Number Verification

A process by which a Member or its VisaNet Processor determines, using a currency unit of zero, if there is negative information on an Account Number in the Exception File for Transactions that do not require Authorization.

ID#: 111011-010410-0024217

Account Number Verification Service - U.S. Region

A service that:

- Is available to a Merchant's Authorizing Processor that has a computer interface with BASE I
- Electronically verifies whether negative Account Number information is listed on the Exception File

ID#: 230711-010410-0024218

Account-Number-Verifying Terminal - U.S. Region

A Point-of-Transaction Terminal that:

- May be required at specified high-risk locations
- Reads the Account Number encoded on the Magnetic Stripe or Chip
- Compares the last four digits of the encoded Account Number to the key-entered last four digits of the embossed or printed Account Number
- Transmits the full, unaltered contents of the Magnetic Stripe or Chip in the Authorization Message

ID#: 080411-010410-0024210

Acquirer

A Member that signs a Merchant or disburses currency to a Cardholder in a Cash Disbursement, and directly or indirectly enters the resulting Transaction Receipt into Interchange.

ID#: 010410-010410-0024219

Acquirer Activity File

A file that an Acquirer maintains of approved and declined Authorization Requests from other Members' Cardholders.

ID#: 010410-010410-0024220

Acquirer Chip Rate

An Interregional Interchange Reimbursement Fee paid for any Transaction that meets the Electronic Rate requirements and is initiated by a Magnetic-Stripe-only Card at a Chip-Reading Device.

ID#: 010410-010410-0024221

Acquirer Confirmation Advice – U.S. Region (New)

Effective 20 October 2012, in the U.S. Region, a message specifying the final Transaction amount for a Status Check Procedure Transaction.

ID#: 160312-201012-0026794

Acquirer Device Validation Toolkit (ADVT)

A set of cards or simulated cards and test scenarios used to validate new or upgraded EMV Chip-Reading Devices.

ID#: 010410-010410-0024222

Acquirer Monitoring Program - U.S. Region

A program that monitors an Acquirer's Fraud Activity level and provides reports to the Acquirer when its Fraud Activity level exceeds established thresholds.

ID#: 010410-010410-0024224

Acquirer Processor - Canada Region

A Non-Member Agent or Processor that a Member has engaged to support its Visa acquiring business.

ID#: 010410-010410-0024225

Acquirer Reference Number

A 23-digit identification number included in a BASE II Clearing Record, as specified in the VisaNet manuals. See Tracing Data.

ID#: 050411-010410-0024226

Acquirer's Processing Date - U.S. Region

One of the following dates on a Clearing Record:

- If cleared through BASE II, the Edit Package run date on which a Member submits outgoing Interchange
- If cleared through the Single Message System, the Settlement Date

ID#: 010410-010410-0024227

Acquisition

The purchase of a Member organization by another organization where the acquired Member's charter remains intact.

ID#: 111011-010410-0024229

Activate Later Feature - Canada Region (Updated)

Effective through 14 March 2012, a feature that allows a Cardholder who holds a Card issued by a Canada Member to postpone enrollment in 3-D Secure (commonly known as the Verified by Visa program) during an Electronic Commerce Transaction at an Activate Later Merchant.

Effective 15 March 2012, a feature that allows a Canada Cardholder to postpone enrollment in Verified by Visa during an Electronic Commerce Transaction at an Activate Later Merchant.

ID#: 160312-010410-0024230

Activate Later Merchant - Canada Region

An Electronic Commerce Merchant that meets the requirements of "Verified by Visa Activate Later Feature Merchant Requirements - Canada Region."

ID#: 050411-010410-0024231

Activation and Load Service

A Visa processing service that enables the activation of Visa Prepaid Cards, and the activation of funds associated with a Load Transaction to a Visa Prepaid Card, at a Prepaid Partner.

ID#: 081010-010100-0025556

Activity File

A V.I.P. System file used for Stand-In Processing that contains accumulated Transaction activity processed for each Cardholder within a specified time period, as specified in the appropriate VisaNet manual.

ID#: 050411-010410-0024233

Activity File Parameter

A maximum limit that an Issuer establishes on the number and value of Transactions that Visa may authorize on its behalf. (See the VisaNet manuals.)

ID#: 010410-010410-0024234

Activity Limits - U.S. Region

See Activity File Parameters.

ID#: 010410-010410-0024235

Additional Commercial Card Data - U.S. Region

Data contained in the Clearing Record for a Commercial Visa Product Transaction as follows:

- Sales tax, if completed with a Visa Business Card or Visa Corporate Card
- Sales tax and accounting code, if completed with a Visa Purchasing Card
- Data required when completed with a Visa Fleet Card for the purchase of fuel from a Visa Fleet Service Merchant

ID#: 010410-010410-0024236

Address Verification Service - Canada Region

An optional VisaNet service through which a Merchant can verify a Cardholder's billing address before completing a Transaction in a Card-Absent Environment.

ID#: 010410-010410-0024237

Address Verification Service - U.S. Region

A VisaNet service through which a Merchant may verify a Cardholder's billing address before completing any one of the following:

- A Mail/Phone Order or Electronic Commerce Transaction where merchandise or airline tickets will be delivered to the Cardholder or the Cardholder's designee, or where services were purchased
- A CPS/Retail Key-Entry Transaction
- A CPS/Account Funding Transaction or CPS/e-Commerce Basic Transaction
- A CPS/e-Commerce Preferred Retail Transaction
- A CPS/e-Commerce Preferred Hotel and Car Rental Transaction
- An Automated Fuel Dispenser Transaction (ZIP only inquiry)
- A Face-To-Face Environment Transaction if the Merchant has been qualified by Visa to use the Address Verification Service (ZIP only inquiry)

ID#: 010410-010410-0024238

Address Verification Service Authentication Request - Canada Region

A request to verify a Cardholder's billing address through the Address Verification Service.

ID#: 010410-010410-0024239

Adjustment

A Single Message System message used to partially or fully negate or cancel a transaction that has been sent through Interchange in error.

ID#: 010410-010410-0024241

Advance Deposit Service

A service that a Hotel or Cruise Line provides to a Visa Cardholder, allowing use of a Visa Card to pay an advance deposit required by the Merchant to reserve accommodations.

ID#: 010410-010410-0024246

Advance Deposit Transaction

A Transaction that a Hotel or Cruise Line completes, resulting from a Visa Cardholder's agreement to use a Visa Card for payment of an advance deposit to reserve accommodations.

ID#: 010410-010410-0024247

Advance Payment Service - U.S. Region

A Visa service that allows a Cardholder to use their Card for a partial or complete advance payment for recreational services or activities provided by an Advance Payment Service Merchant.

ID#: 010410-010410-0024250

Advance Payment Service Merchant - U.S. Region

A non-T&E Merchant participating in the Advance Payment Service, whose primary function is to provide recreational services related to tourism and travel, such as the purchase of provisions and transport equipment or hiring of staff before the scheduled services. These services include, but are not limited to:

- Fishing boat or scuba-diving charters
- Hot-air balloon rides
- Whitewater rafting

ID#: 010410-010410-0024251

Advance Payment Service Transaction - U.S. Region

A Transaction completed by an Advance Payment Service Merchant.

ID#: 010410-010410-0024252

Advanced Resolution Services - U.S. Region

Advanced Resolution Services, Inc., a wholly-owned subsidiary of Visa U.S.A. that provides to Members Advanced ID Solutions and Strategic Bankruptcy Solutions, among other services.

ID#: 010410-010410-0024245

Advice File

A file listing Authorization Responses issued by Stand-In Processing on behalf of Issuers.

ID#: 111011-010410-0024253

Advice Limit

An Issuer-selected dollar amount below which Authorization Requests for purchase Transactions are checked against the Exception File. No Advice File records are created, and the Activity File is not checked or updated. The Issuer's Advice Limit must not exceed the Issuer Limit.

ID#: 010410-010410-0024254

Affiliate - U.S. Region

A Member or Licensee of Visa International, or a Member of Visa U.S.A.

ID#: 010410-010410-0024257

Affiliated-merchant - U.S. Region

An entity that:

- Provides goods or services directly to a retail customer
- Is an affiliate of a Member or an Affinity Partner
- Honors any charge or credit card plan as a means of payment

"Affiliate" has the same meaning as defined in the *Federal Bank Holding Company Act of 1956*, as amended, 12USC 1841(k).

ID#: 010410-010410-0024255

Affinity Card - Canada Region

A Card issued as specified for the Affinity Card Program, as specified in the Canada Regional Operating Regulations.

ID#: 010410-010410-0024258

Affinity Card - U.S. Region

A Visa Consumer Card bearing the Trade Name or Mark of an Affinity Partner, as specified in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0024259

Affinity Card Program - Canada Region

A Card program as specified in the Canada Regional Operating Regulations.

ID#: 010410-010410-0024261

Affinity Participant - Canada Region

An entity that is not eligible to be a customer of Visa Canada that is participating with a Member in an Affinity Card Program.

ID#: 010410-010410-0024265

Affinity Participant Agreement - Canada Region

The agreement between the Member and the Affinity Participant relating to the Affinity Participant's Affinity Card Program.

ID#: 010410-010410-0024266

Affinity Partner - U.S. Region

A non-Member entity that:

- Is not eligible for membership in Visa

- Has a relationship with an Issuer for the issuance of Affinity Cards

ID#: 010410-010410-0024267

Agent

An entity that acts as a VisaNet Processor, a Third Party Agent, or both.

ID#: 111011-010100-0025920

Agent Reference File - U.S. Region

A file maintained by Visa containing information about Third Parties.

ID#: 010410-010410-0024269

Aggregated Transaction (Updated)

Effective through 13 November 2011, a Transaction completed by an Electronic Commerce Merchant that combines multiple purchases made by the same Cardholder on the same Visa Account Number into a single Transaction before submitting it for payment processing.

Effective 14 November 2011, a Transaction that combines all purchases made by the same Cardholder on the same Visa Account Number during a defined time period and up to a defined amount into a single Transaction before submitting it for Clearing.

ID#: 160312-010410-0024270

Aggregated Transaction Receipt (Updated)

Effective through 13 November 2011, a Transaction Receipt provided to the Cardholder by an Electronic Commerce Merchant when Transaction aggregation is performed.

Effective 14 November 2011, a Transaction Receipt for an Aggregated Transaction that is provided or made available to a Cardholder by a Merchant.

ID#: 160312-010410-0024271

AID - Canada Region

Application Identifier.

ID#: 010410-010410-0024272

Airline

Either:

- A passenger airline Merchant
- Its authorized agent that sells airline tickets on behalf of the airline

ID#: 010410-010410-0024273

Airline Authorizing Processor

A Visa-approved non-Member whose primary function is to provide reservation and Authorization services for Airline Transactions, or travel-related services that includes the purchase of an Airline ticket.

ID#: 010410-010410-0024274

Airline Ticket Identifier

A 13-digit number on an Airline Transaction Receipt comprising either:

- The servicing carrier code and a transmission control number, excluding the check-digit, if the Airline ticket is printed on a transitional automated ticket form
- A carrier number, form number, and serial number, excluding the check-digit, if the Airline ticket is printed on an automated ticket/boarding pass form

ID#: 010410-010410-0024278

Airline/Railway Ticket Identifier - U.S. Region

A 13-digit number on an Airline or railway Transaction Receipt comprising either:

- The servicing carrier code and a transmission control number, excluding the check-digit, if the ticket is printed on a transitional automated ticket form
- A carrier number, form number, and serial number, excluding the check-digit, if the ticket is printed on an automated ticket/boarding pass form

ID#: 010410-010410-0024277

Alert - U.S. Region

A Notification to an Acquirer when its Fraud Activity-to-sales ratio exceeds Visa-specified Acquirer Monitoring Program Alert thresholds.

ID#: 010410-010410-0024279

Anti-Money Laundering Program - U.S. Region

A program that a Member implements and maintains to prevent money laundering and terrorist financing.

ID#: 010410-010410-0024280

AP

Asia-Pacific.

ID#: 010410-010410-0024281

Application Identifier - Canada Region

An EMV-compliant identifier that specifies a unique payment application contained in a Compliant Chip Card.

ID#: 010410-010410-0024283

Application Selection Flag - Canada Region

An EMV-compliant Canadian payment industry specification that allows an Issuer to control which payment applications that are contained in a Compliant Chip Card can process a Transaction at a POS or an ATM.

ID#: 010410-010410-0024284

Application Transaction Counter - U.S. Region

An application on a Contactless Card that sequentially tracks the number of times the Chip is read and used by the Issuer during the Authorization process to help ensure the Transaction is valid.

ID#: 010410-010410-0024286

Approval Response

An Authorization Response where the Transaction was approved.

ID#: 010410-010410-0024287

Approved Fulfillment Vendor

An entity approved by Visa to package, store, or ship Visa Products that is not an Approved Manufacturer or Approved Personalizer as specified in the Approved Vendor Program.

ID#: 111011-010100-0025522

Approved Manufacturer

An entity approved by Visa to manufacture or print Visa Products.

ID#: 050411-010410-0024288

Approved Personalizer

An entity approved by Visa to personalize Visa Products.

ID#: 111011-010100-0025523

Approved Vendor

An entity approved by Visa to act as a manufacturer, a personalizer, or an encryption support or a fulfillment vendor.

ID#: 111011-010100-0025521

Arbitration

A process where Visa determines financial liability between Members for Interchange Transactions that are presented and charged back.

ID#: 010410-010410-0024289

Arbitration and Compliance Committee

A Visa committee that resolves certain disputes between Members that arise from Chargebacks or from violations of any *Visa International Operating Regulations*.

ID#: 010410-010410-0024290

ASF - Canada Region

Application Selection Flag.

ID#: 010410-010410-0024291

Associate-Type Member

A Member of Visa with rights and responsibilities, as defined in the applicable Certificate of Incorporation and Bylaws, that is either an:

- Associate, as defined in the applicable Certificate of Incorporation and Bylaws
- Acquiring Associate, as defined under the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*, Article II, Section 2.04(e)

ID#: 111011-010410-0024293

Assuming Member - U.S. Region

The Member that assumes the Visa programs of a failed Member upon a regulatory closure of that failed Member.

ID#: 111011-010100-0025754

ATM

An unattended Magnetic-Stripe or Chip-reading Terminal that has Electronic Capability, accepts PINs, and disburses currency.

ID#: 010410-010410-0024295

ATM Acceptance Mark - U.S. Region

An Acceptance Mark that denotes Card acceptance at an ATM.

ID#: 010410-010410-0024297

ATM Acquirer

An Acquirer that provides ATM services.

ID#: 010410-010410-0024298

ATM Cash Disbursement

A Cash Disbursement obtained at an ATM displaying the Visa, Plus, or Visa Electron Acceptance Mark, for which the Cardholder's PIN is accepted.

ID#: 010410-010410-0024299

ATM Mark

A Mark that denotes ATM acceptance.

ID#: 010410-010410-0024300

ATM Operator - U.S. Region

An entity authorized by a Member or the Member's Agent to originate a Transaction through the connection of an ATM to the Visa ATM Network, and that displays an Acceptance Mark. ATM Operators own, operate, or lease ATMs that are connected to the Visa ATM Network and may exhibit either or both of the following characteristics:

- Receive revenue from the Interchange process or from fees assessed with Transactions
- Manage cryptographic functions or stock ATMs with cash

ID#: 010410-010410-0024301

Attempt Response (Updated)

Effective through 14 March 2012, a message from a 3-D Secure Issuer in response to an Authentication Request from a 3-D Secure Merchant, indicating that the Cardholder is not participating in 3-D Secure.

Effective 15 March 2012, a message from a Verified by Visa Issuer in response to an Authentication Request, indicating that the Issuer or Cardholder is not participating in Verified by Visa.

ID#: 160312-010410-0024302

Australia Bill Payment Transaction – AP Region

A Transaction which is in accordance with the requirements specified in "Australia Bill Payment Transaction Requirements – AP Region."

ID#: 080411-060111-0026178

Authentication

A cryptographic process that validates the identity and integrity of Chip data.

ID#: 010410-010410-0024303

Authentication Confirmation (Updated)

Effective through 14 March 2012, a message from a 3-D Secure Issuer in response to an Authentication Request from a 3-D Secure Merchant, confirming Cardholder authentication.

Effective 15 March 2012, a message from a Verified by Visa Issuer in response to an Authentication Request confirming Cardholder authentication.

ID#: 160312-010410-0024304

Authentication Data (New)

Effective 15 March 2012, all Transaction-related data associated with a Verified by Visa Authentication Request.

ID#: 160312-150312-0026423

Authentication Data - U.S. Region (Updated)

Effective through 14 March 2012, all Transaction-related data associated with a Three-Domain Secure Authentication Request.

ID#: 160312-010410-0024305

Authentication Denial (Updated)

Effective through 14 March 2012, a message from a 3-D Secure Issuer in response to an Authentication Request from a 3-D Secure Merchant, denying Cardholder authentication.

Effective 15 March 2012, a message sent by a Verified by Visa Issuer in response to an Authentication Request, that denies Cardholder authentication.

ID#: 160312-010410-0024306

Authentication History Server (Updated)

Effective through 14 March 2012, a component of the 3-D Secure Authenticated Payment Program. A Visa-operated database of all 3-D Secure Authentication Records, as specified in the *3-D Secure Issuer Implementation Guide*.

Effective 15 March 2012, a Visa-operated database of all Verified by Visa Authentication Records, as specified in the applicable regional *Verified by Visa Issuer Implementation Guide*.

ID#: 160312-010410-0024307

Authentication Identifier (Updated)

Effective through 14 March 2012, a unique value for each authentication Transaction, as specified in the 3-D Secure Member implementation guides.

ID#: 160312-010410-0024308

Authentication Mechanism

A Visa-approved method that validates a participant's identity in an Electronic Commerce Transaction. Authentication Mechanisms include, but are not limited to:

- Password
- Digital Certificate

ID#: 010410-010410-0024309

Authentication Method (Updated)

A Visa-approved protocol, such as Verified by Visa, that meets the minimum standards for authenticating the Cardholder in an Electronic Commerce Transaction.

ID#: 160312-010410-0024310

Authentication Record (Updated)

Effective through 14 March 2012, a record of 3-D Secure authentication status from a 3-D Secure Issuer in response to an Authentication Request from a 3-D Secure Merchant.

Effective 15 March 2012, a record of the Verified by Visa authentication status from a Verified by Visa Issuer in response to an Authentication Request.

ID#: 160312-010410-0024311

Authentication Record - U.S. Region (Updated)

Effective through 14 March 2012, a record of 3-D Secure authentication status from a 3-D Secure Issuer, or Visa on behalf of an Issuer, in response to an Authentication Request from a 3-D Secure Merchant. Authentication Records include:

- Attempt Responses
- Authentication Confirmations
- Authentication Denials

- Unable-to-Authenticate Responses

ID#: 160312-010410-0024312

Authentication Request (Updated)

Effective through 14 March 2012, a request for Cardholder authentication from a 3-D Secure Merchant.

Effective 15 March 2012, a request for Cardholder authentication from a Verified by Visa Merchant.

ID#: 160312-010410-0024313

Authentication Response (New)

Effective 15 March 2012, a response from a Verified by Visa Issuer, or Visa on behalf of an Issuer, in response to an Authentication Request.

Authentication Responses include:

- Attempt Responses
- Authentication Confirmations
- Authentication Denials
- Unable-to-Authenticate Responses

ID#: 160312-150312-0026811

Authorization

A process where an Issuer, a VisaNet Processor, or Stand-In Processing approves a Transaction. This includes Offline Authorization.

ID#: 080411-010410-0024316

Authorization and Settlement Match - U.S. Region (New)

Effective 14 April 2012, in the U.S Region, an optional Visa service offered to Issuers in connection with Visa Purchasing Card Commercial Payables Transactions which allows Visa to edit for an exact match between the amount in the Authorization Request and the corresponding Clearing Record. The service applies only to Transactions conducted at a non-T&E Merchant.

ID#: 160312-140412-0026823

Authorization Code

A code that an Issuer, its VisaNet Processor, or Stand-In Processing provides to indicate approval of a Transaction. The code is returned in the Authorization Response message and is usually recorded on the Transaction Receipt as proof of Authorization.

ID#: 010410-010410-0024317

Authorization Preferred Visa Prepaid Card

A Visa Prepaid Card, bearing the Visa Brand Mark or Visa Brand Mark with the Electron Identifier, that has a Service Code denoting "Online Authorization mandatory" encoded on the Magnetic Stripe.

ID#: 081010-010410-0024318

Authorization Request

A Merchant's or Acquirer's request for an Authorization.

ID#: 010410-010410-0024319

Authorization Request Cryptogram

An application Cryptogram generated by a Chip Card when requesting Online Authorization.

ID#: 111011-150410-0025502

Authorization Response

An Issuer's reply to an Authorization Request or Account Number Verification that refers to the following types of Authorization Responses:

- Approval Response
- Decline Response
- Pickup Response
- Referral Response

ID#: 111011-010410-0024321

Authorization Response - U.S. Region

An Issuer, Authorizing Processor, or Stand-In Processing reply to an Authorization Request or Account Number Verification. The U.S. Regional Operating Regulations refers to the following types of Authorization Response:

- Approval Response
- Decline Response
- Pickup Response
- Referral Response

ID#: 010410-010410-0025500

Authorization Reversal

A VisaNet message that negates an Approval Response previously sent through the V.I.P. System as specified in the *Visa International Operating Regulations* and appropriate VisaNet manual. An Authorization Reversal may be for the full amount of the previous Authorization or an amount less than the previous Authorization amount.

ID#: 111011-010410-0025601

Authorizing Member - U.S. Region

See Authorizing Processor.

ID#: 010410-010410-0024323

Authorizing Processor - U.S. Region

A Member of Visa or its VisaNet Processor that provides Authorization services for Merchants or other Members. This definition does not imply or confer membership rights as defined in the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*, Article II.

ID#: 010410-010410-0024324

Automated Dispensing Machine

Effective through 14 October 2011, see Unattended Acceptance Terminal and Cardholder-Activated Transaction Type C.

ID#: 111011-010410-0024326

Automated Dispensing Machine - U.S. Region

Effective through 14 October 2011, a Cardholder-Activated Terminal that accepts payment for dispensed goods, has Electronic Capability, and accepts PINs.

ID#: 111011-010410-0024327

Automated Fuel Dispenser

Effective through 14 October 2011, an Unattended Acceptance Terminal that dispenses only fuel. See also Cardholder-Activated Transaction Type B and Cardholder-Activated Transaction Type C.

Effective 15 October 2011, an Unattended Cardholder-Activated Terminal that dispenses only fuel such as gasoline, diesel fuel, or propane.

ID#: 111011-010410-0024328

Automated Fuel Dispenser - U.S. Region

Effective through 14 October 2011, a Self-Service Terminal or Automated Dispensing Machine that dispenses fuel such as gasoline, diesel fuel, or propane.

ID#: 111011-010410-0024331

B

Balance Inquiry

A Cardholder request for their account balance that is initiated at an ATM and processed as a separate, non-financial transaction.

ID#: 010410-010410-0024334

Balance Inquiry Service

An ATM service that allows a Cardholder to check their account balance through VisaNet.

ID#: 010410-010410-0024335

Bank Identification Number - U.S. Region

See BIN.

ID#: 010410-010410-0024339

Bank of America Visa Mini Card Exclusive License Agreement - U.S. Region

The Exclusive License Agreement entered into by and between Bank of America Corporation and Visa U.S.A. Inc. dated as of January 31, 2003 in connection with the issuance of the Visa Mini Card. The initial term of such agreement expires on January 31, 2013, but is subject to earlier termination or forfeiture of usage rights in the event of a breach by Visa.

ID#: 010410-010410-0024340

Bankruptcy Notification Service - U.S. Region

A Strategic Bankruptcy Solutions service that identifies:

- Visa and non-Visa card applicants
- Cardholders and non-Visa cardholders who have filed bankruptcy

ID#: 010410-010410-0024337

Bankruptcy Retrieval Service - U.S. Region

A service that:

- Collects and validates certain data contained in bankruptcy filings obtained from bankruptcy courts
- Transmits this data on a scheduled basis to the Strategic Bankruptcy Solutions system

ID#: 010410-010410-0024338

BankruptcyPredict Service - U.S. Region

An optional service provided by Experian Information Solutions, Inc. and Integrated Solutions Concepts, Inc. that uses Member-supplied account performance data, Transaction data, consumer credit data, and a proprietary model to score Cardholders, cardholders of non-Visa cards, and customers of other Visa and non-Visa products to predict the likelihood of bankruptcy.

ID#: 010410-010410-0024336

BASE I

A component of the V.I.P. System that provides Authorization-related services for Transactions that are subsequently cleared and settled through BASE II.

ID#: 050411-010410-0024343

BASE II

A VisaNet system that provides deferred Clearing and Settlement services to Members.

ID#: 010410-010410-0024341

BASE II Software - U.S. Region

Software developed for use in connection with BASE II.

ID#: 010410-010410-0024342

Basic Currency Conversion Rate

A rate selected by Visa from the range of rates available in wholesale currency markets for the applicable Processing Date, which rate may vary from the rate Visa itself receives; or the government-mandated rate in effect for the applicable Processing Date.

ID#: 010410-010410-0024345

Bill Payment Transaction – Australia – AP Region

See "Australia Bill Payment Transaction – AP Region"

ID#: 050411-060111-0026186

Bill Payment Transaction - U.S. Region

A Transaction that results from an agreement between a Cardholder and a Merchant where the Cardholder is billed for goods or services within an ongoing service cycle that is known and agreed upon, in advance, by both the Merchant and the Cardholder. Transactions may occur monthly or on a periodic basis. Such Transactions include:

- Single payments initiated by the Cardholder in either a Face-to-Face Environment or Card-Absent Environment
- Recurring Transactions
- Installment Billing Transactions

ID#: 010410-010410-0024350

Billing Currency

The currency in which an Issuer bills a Cardholder for Transactions. If the Billing Currency is the euro or one of its national currency units, either may be used for Chargeback or statementing purposes.

ID#: 010410-010410-0024349

BIN

A 6-digit number assigned by Visa and used to identify a Member or VisaNet Processor for Authorization, Clearing, or Settlement processing.

ID#: 010410-010410-0024351

BIN Licensee

A Member or non-Member VisaNet Processor that is allocated responsibility by Visa for a specific BIN, as specified in the *Visa International Operating Regulations* and applicable Certificate of Incorporation and Bylaws.

ID#: 111011-010410-0024352

BIN User

Any Member authorized to use a BIN licensed to its Sponsor, as specified in the *Visa International Operating Regulations*.

ID#: 111011-010100-0025530

Board

See Board of Directors.

ID#: 010410-010410-0024353

Board of Directors

One of the following as applicable:

- Visa Inc. Board of Directors
- Visa International Board of Directors
- Visa U.S.A. Board of Directors
- Visa Canada Board of Directors

- Visa Worldwide Board of Directors

ID#: 010410-010410-0024354

Branch

The office of a Member where Manual Cash Disbursements must be made and Cards may also be issued.

ID#: 010410-010410-0024355

Business I.D. - U.S. Region

A unique Member identification number assigned by Visa.

ID#: 010410-010410-0024356

C

Campus Card - U.S. Region

A Card issued to a student, staff member, or faculty member of an educational organization in the U.S. Region as an integral part of a campus identification card that:

- Bears the Visa Mark
- Is linked to a deposit account
- Includes one or more of the following applications: identification, building access, library access, or a proprietary closed loop payment application for use only on a college or university campus

ID#: 081010-090409-0024358

CAMS (New)

Effective 15 May 2012, the reporting system used by Visa to notify Issuers outside of Visa Europe of Account Numbers that may have been compromised.

ID#: 160312-150512-0026038

CAMS Alert (New)

Effective 15 May 2012, a Notification through CAMS sent to alert Issuers of Account Numbers involved in a potential Account Data Compromise Event.

ID#: 160312-150512-0026061

CAMS Alert - U.S. Region (Updated)

Effective through 14 May 2012, a notification through CAMS sent to alert Issuers of Account Numbers involved in a potential compromise event.

ID#: 160312-010410-0024359

CAMS Event (New)

Effective 15 May 2012, an Account Data Compromise Event where one CAMS Alert or multiple, related CAMS Alerts are sent notifying Issuers of Account Numbers involved in a potential compromise.

ID#: 160312-150512-0026062

CAMS Event - U.S. Region (Updated)

Effective through 14 May 2012, an account compromise event wherein one CAMS Alert or multiple, related CAMS Alerts are sent notifying Issuers of Account Numbers involved in a potential compromise.

ID#: 160312-010410-0024360

Car Rental Company

A Merchant whose primary business is the rental of passenger vehicles at either a corporate or franchise location, or at locations of licensees bearing the name of the corporate entity.

ID#: 010410-010410-0024404

Car Rental Merchant - U.S. Region

See Car Rental Company.

ID#: 010410-010410-0024405

Card

A valid Visa Card, Visa Electron Card, or Proprietary Card bearing the Plus Symbol.

ID#: 010410-010410-0024365

Card Dispensing Machine

Effective through 31 December 2013, a device that dispenses Visa Cash Cards when the purchaser makes appropriate payment. A Card Dispensing Machine may accept cash or payment cards as payment for Visa Cash Cards.

ID#: 111011-010410-0024386

Card Distribution Point (Updated)

Effective through 12 October 2011, a location, other than a Branch, where a Visa or Visa Electron Card may be issued. Cards issued at a Card Distribution Point must comply with all Visa security requirements for Card embossing, printing, encoding, storing, shipping, and distribution. Examples include, but are not limited to, the following:

- Travel agencies
- Corporate entities

Effective 13 October 2011, a location, other than a Branch, where a Visa Product may be sold or distributed. Examples include, but are not limited to, the following:

- Merchant Outlets that sell Visa Prepaid Cards
- Corporate entities that distribute cards to employees for the purpose of payroll, incentives, or benefits

ID#: 160312-010410-0024387

Card Manufacturing Agreement - U.S. Region

An agreement provided by Visa that specifies security procedures to be followed by a Certified Manufacturer.

ID#: 010410-010410-0024388

Card Personalization - U.S. Region

The process that includes the embossing, printing, or encoding of a Visa Card, or the embedding or initializing of an Integrated Circuit Chip on a Visa Card.

ID#: 010410-010410-0024389

Card Recovery Bulletin

A directory of blocked Account Numbers listed on the International Exception File, intended for distribution to Merchants. The Card Recovery Bulletin may take one of the following forms:

- National Card Recovery Bulletin
- National Card Recovery File
- Regional Card Recovery File

ID#: 010410-010410-0024390

Card Recovery Bulletin Listing

A single Account Number that an Issuer requests to be included in a specified Card Recovery Bulletin Region.

ID#: 010410-010410-0024391

Card Recovery Bulletin Region

A geographical area comprising countries where a given set of Card Recovery Bulletin Listings is effective for a specified period.

ID#: 010410-010410-0024392

Card Recovery Bulletin Service

A service where an Issuer notifies Acquirers of blocked Account Numbers. The service comprises distribution of both:

- A printed Card Recovery Bulletin
- The Regional Card Recovery File

ID#: 010410-010410-0024395

Card Verification Service

A VisaNet service where Visa validates the Card Verification Value in an Authorization Request on behalf of an Issuer.

ID#: 010410-010410-0024398

Card Verification Value

A unique check value encoded on the Magnetic Stripe of a Card to validate Card information during the Authorization process. The Card Verification Value is calculated from the data encoded on the Magnetic Stripe using a secure cryptographic process.

ID#: 010410-010410-0024399

Card Verification Value 2

A unique check value printed on the back of a Card, which is generated using a secure cryptographic process, as specified in the *Payment Technology Standards Manual*.

ID#: 010410-010410-0024400

Card Verification Value 2 - U.S. Region

A unique check value generated using a secure cryptographic process, as specified in the *Payment Technology Standards Manual*, that is indent-printed on the back of a Visa Card, or provided to a Virtual Account-Holder.

ID#: 010410-010410-0024401

Card Verification Value 2 Program - U.S. Region

A Visa program that enables Issuers to validate the Card Verification Value 2, ensuring that it matches the value indent-printed on the Visa Card at the time of issuance or provided to a Virtual Account Holder.

ID#: 050411-010410-0024402

Card-Absent Environment

An environment where a Transaction is completed under both of the following conditions:

- Cardholder is not present
- Card is not present

ID#: 010410-010410-0024362

Card-Present Environment

An environment that comprises the conditions of either the Face-to-Face or Unattended Environments.

ID#: 010410-010410-0024363

Card-Present Environment - U.S. Region

Effective through 14 October 2011, an environment that comprises the conditions of either the Face-To-Face or Cardholder-Activated Terminal environment.

ID#: 111011-010410-0024364

Cardholder

An individual who is issued and authorized to use a:

- Card
- Virtual Account

ID#: 010410-010410-0024372

Cardholder Access Device

A terminal, personal computer, or other device that a Cardholder uses to initiate an Electronic Commerce Transaction.

ID#: 010410-010410-0024374

Cardholder Authentication Verification Value (Updated)

Effective through 14 March 2012, a unique value transmitted by an Issuer in response to an Authentication Request from a 3-D Secure Merchant.

Effective 15 March 2012, a unique value transmitted in response to an Authentication Request.

ID#: 160312-010410-0024375

Cardholder Authentication Verification Value - U.S. Region (Updated)

Effective through 14 March 2012, a unique value transmitted by an Issuer, or Visa on behalf of an Issuer, in response to an Authentication Request from a 3-D Secure Merchant.

ID#: 160312-010410-0024376

Cardholder Information Security Program - U.S. Region

A program developed by Visa that defines the standard of due care and enforcement for protecting sensitive Cardholder information.

ID#: 010410-010410-0024378

Cardholder Inquiry Service

A service that assists a Cardholder in reaching their Issuer when calling the Visa Global Customer Care Services for account information.

ID#: 081010-010410-0024379

Cardholder Maintenance File - U.S. Region

A file consisting of Cardholder names, addresses, and account information for all eligible Visa Traditional Rewards, Visa Signature Cardholders, and provided to Visa on an ongoing basis in accordance with the requirements and the format specified in the *Visa Incentive Network Member Implementation Guide* and the VisaNet manuals.

ID#: 010410-010410-0024380

Cardholder Verification

The process of validating a Cardholder's identity through verification of the Cardholder's signature or PIN and other methods as required in the *Visa International Operating Regulations* (e.g., Cardholder identification for Manual Cash Disbursements).

ID#: 010410-010410-0024381

Cardholder Verification Method

Instructions encoded within a Chip that define how the authenticity of a Cardholder's identity is to be verified.

ID#: 010410-010410-0024382

Cardholder Verification Method List

An Issuer-defined list contained within a Chip establishing the hierarchy of preferences for verifying a Cardholder's identity.

ID#: 010410-010410-0024383

Cardholder-Activated Terminal

Effective through 14 October 2011, see Unattended Acceptance Terminal.

ID#: 111011-010410-0024366

Cardholder-Activated Terminal - U.S. Region

Effective through 14 October 2011, a Magnetic-Stripe Terminal or Chip-Reading Device (such as an Automated Dispensing Machine, Limited-Amount Terminal, or Self-Service Terminal) that is not an ATM.

ID#: 111011-010410-0024367

Cardholder-Activated Transaction

Effective through 14 October 2011, a Transaction that is initiated by a Cardholder at an Unattended Acceptance Terminal. See Cardholder-Activated Transaction Type A, Cardholder-Activated Transaction Type B, and Cardholder-Activated Transaction Type C.

ID#: 111011-010410-0024368

Cardholder-Activated Transaction Type A

Effective through 14 October 2011, a Transaction that takes place at an Unattended Acceptance Terminal and has all of the following characteristics:

- Is less than US \$40, or local currency equivalent
- Is not authorized
- Has no Cardholder Verification performed

Examples of a Cardholder-Activated Transaction Type A are:

- Parking garage fee
- Road toll
- Motion picture theater admission
- Magnetic-Stripe Telephone call

ID#: 160312-010410-0024369

Cardholder-Activated Transaction Type B

Effective through 14 October 2011, a Transaction that takes place at an Unattended Acceptance Terminal and has all of the following characteristics:

- Is limited to US \$100,^[153] or local currency equivalent
- For a Real-Time Clearing Transaction, is US \$500 or less, or local currency equivalent
- Is authorized
- Has no Cardholder Verification performed

Examples of a Cardholder-Activated Transaction Type B are:

- Fuel purchase without a PIN
- Visa Prepaid Card purchase

153 A variance to this requirement applies in the U.S. Region for Automated Fuel Dispenser Transactions.

- Video rental

ID#: 160312-010410-0024370

Cardholder-Activated Transaction Type C

Effective through 14 October 2011, a Transaction that takes place at an Unattended Acceptance Terminal and has both of the following characteristics:

- Is authorized
- Has PIN Verification performed

An example of a Cardholder-Activated Transaction Type C is a fuel purchase with a PIN.

ID#: 160312-010410-0024371

Cash Disbursement

Currency, including travelers cheques, paid out to a Cardholder using a Card, excluding Cash-Back.

ID#: 010410-010410-0024407

Cash Disbursement Draft - U.S. Region

See Cash Disbursement Transaction Receipt.

ID#: 010410-010410-0024408

Cash Disbursement Fee

A fee paid by an Issuer to an Acquirer for performing a Cash Disbursement.

ID#: 010410-010410-0024409

Cash Disbursement Machines of Non-Member Institutions - LAC Region

See ATMs of Non-Member Institutions.

ID#: 010410-010410-0024410

Cash Disbursement Transaction Receipt

A Transaction Receipt evidencing a Manual Cash Disbursement.

ID#: 010410-010410-0024412

Cash-Back

Cash obtained from a Visa or Visa Electron Merchant through use of a Visa or Visa Electron Card, in conjunction with, and processed as, a Retail Transaction.

ID#: 010410-010410-0024406

CEMEA

Central and Eastern Europe, Middle East, and Africa.

ID#: 010410-010410-0024413

Center

A Member or VisaNet Processor facility where Authorization, Clearing, Settlement, or other related activities take place.

ID#: 010410-010410-0024415

Central Bank

A government agency responsible for the supervision and operation of banking activities for the national government. Central Bank activities generally include maintaining reserve accounts required of depository institutions, regulating money supply, transferring funds, and acting as fiscal agent for the government.

ID#: 010410-010410-0024418

Central Processing Date - U.S. Region

One of the following:

- For Transactions processed through BASE II, the date (based on Greenwich Mean Time) on which a Member inputs Interchange data to, and the data is accepted by, a VisaNet Interchange Center
- For Transactions processed through the Single Message System, the date the Transaction is settled (for financial Transactions) or date the Transaction is entered into the Single Message System (for non-financial transactions)

ID#: 010410-010410-0024420

Central Reservation Service - U.S. Region

An entity that acts as a reservations resource for various geographically contiguous lodging establishments.

ID#: 010410-010410-0024421

Certification Authority

An entity that issues and manages Digital Certificates for use with Visa products and services in accordance with Visa-specified requirements. Entities eligible to be Certification Authorities within the Visa Certification Authority hierarchy include:

- Visa
- Visa Regions
- Visa Members

ID#: 010410-010410-0024423

Chargeback

A Transaction that an Issuer returns to an Acquirer.

ID#: 010410-010410-0024424

Chargeback Period

The number of calendar days from the Endorsement Date or Processing Date, as set out in the Dispute Resolution rules, of a Transaction Receipt during which time the Issuer may exercise a Chargeback right.

ID#: 010410-010410-0024426

Chargeback Protection Limit - U.S. Region

A dollar amount that has been established for single Transactions at specific types of Merchant Outlets below which the Acquirer is protected from a "No Authorization" (Reason Code 72) Chargeback.

ID#: 010410-010410-0024427

Chargeback Reduction Service

A VisaNet service that screens Presentments and Chargebacks and returns certain invalid items to the Acquirer or Issuer, as appropriate.

ID#: 010410-010410-0024429

Chargeback Reference Number - U.S. Region

An Issuer-assigned number that identifies the source of an outgoing Chargeback.

ID#: 010410-010410-0024430

Cheque

A travelers cheque that a Member issues and that bears the Visa-Owned Marks.

ID#: 010410-010410-0024431

Chip

An electronic component designed to perform processing or memory functions.

ID#: 010410-010410-0024436

Chip Card

A Card embedded with a Chip that communicates information to a Point-of-Transaction Terminal.

ID#: 010410-010410-0024438

Chip Compliance Reporting Tool (CCRT)

A centralized, server-based, online solution for the systematic reporting of Acquirer Device Validation Toolkit (ADVT) test results.

ID#: 160312-011010-0025676

Chip Specifications - Canada Region (Updated)

All requirements set out in the EMV, VIS, VSDC, PCI, and Visa PIN Entry Device specifications available on Visa Online, as may be amended and/or replaced from time to time.

ID#: 230312-010410-0024439

Chip-initiated Transaction

An EMV and VIS-Compliant Chip Card Transaction that is processed at a Chip-Reading Device using Full-Chip Data, and limited to Visa and Visa Electron Smart Payment Applications, or EMV and VIS-Compliant Plus applications.

ID#: 010410-010410-0024433

Chip-Reading Device

A Point-of-Transaction Terminal capable of reading, communicating, and processing Transaction data from a Chip Card.

ID#: 010410-010410-0024435

Classic Visa Check Card - U.S. Region

See Consumer Visa Check Card.

ID#: 010410-010410-0024442

Classic Wordmark

A Visa-Owned Mark comprising the word "Classic" when used in connection with the Visa Program.

ID#: 010410-010410-0024443

Clearing

All of the functions necessary to collect a Clearing Record from an Acquirer in the Transaction Currency and deliver it to the Issuer in the Billing Currency, or to reverse this transaction, or to process a Fee Collection Transaction.

ID#: 010410-010410-0024444

Clearing Processor

A Member or its Visa-approved VisaNet Processor that provides Clearing and/or Settlement services for Merchants or other Members. This definition does not imply or confer membership rights as defined in the Visa International Certificate of Incorporation and Bylaws, Article II, in the Visa U.S.A. Inc. Certificate of Incorporation and Bylaws, Article II, or in the Visa Worldwide Supplementary Operating Regulations (for Asia-Pacific), Section 1.

ID#: 160312-141010-0026051

Clearing Record

A record of a Presentment, Chargeback, Representment, Reversal, or Adjustment in the format necessary to clear the Transaction.

ID#: 010410-010410-0024446

Clearing Reversal - U.S. Region

A VisaNet Transaction that negates a Transaction previously sent through BASE II or the Single Message System, as specified in the U.S. Regional Operating Regulations and appropriate VisaNet manual.

ID#: 010410-010410-0024447

Client Organization

A company or organization that sponsors a Commercial Visa Product program, such as Visa Business, Visa Corporate, Visa Purchasing (including Visa Fleet in the U.S. Region), and any other Commercial Card program combining the functionality of these Cards, wherein Cards are provided to users for business-related purchases. Such companies or organizations may include public or private-sector companies, including sole proprietors and self-employed individuals.

ID#: 160312-141010-0026020

Client Portfolio Management Self-Service Tools

Effective 8 September 2011, a set of tools, available through Visa Online to Members, VisaNet Processors, and designated Agents, providing the ability to manage and support Visa profile information and associated programs and comprising the following:

- Visa Membership Management (VMM)
- Electronic Client Information Questionnaire (eCIQ)
- Visa Client Support Application (VCSA)

ID#: 111011-010100-0026479

Collateral Material - Canada Region

Printed, broadcast, electronic, or other material bearing any of the Visa Program Marks.

ID#: 050411-010410-0024450

Collateral Material - U.S. Region

Printed, broadcast, or other communications regarding the Affinity Partner's Trade Name or Mark. These may include, but are not limited to, solicitations, promotional materials, advertisements, statements, statement inserts, direct mail solicitations, and telemarketing operator scripts.

ID#: 010410-010410-0024452

Collision/Loss Damage Waiver

A Visa Card feature that provides collision or loss damage insurance on car rental Transactions to Visa Cardholders.

ID#: 050411-010410-0024453

Combined Data Authentication - Canada Region

An Authentication as specified in the Chip Specifications.

ID#: 050411-010410-0024455

Combined Terminated Merchant File - U.S. Region

See Terminated Merchant File.

ID#: 010410-010410-0024456

Comet Design

A Visa-Owned Mark that consists of a curved graphic element.

ID#: 010410-010410-0024457

Commercial Card - U.S. Region

See Commercial Visa Product.

ID#: 010410-010410-0024458

Commercial Card Enhanced Data Transport - U.S. Region

A Visa service that enables Issuers to provide their Commercial Visa Product customers with optional enhanced reporting of Commercial Card Transaction information provided by Merchants and Acquirers.

ID#: 010410-010410-0024459

Commercial Level II Transaction - U.S. Region

A Commercial Visa Product Transaction that is authorized and processed to qualify for the Commercial Level II Interchange Reimbursement Fee.

ID#: 010410-010410-0024462

Commercial Level III Transaction - U.S. Region

A Commercial Visa Product Transaction that is authorized and processed to qualify for the Commercial Level III Interchange Reimbursement Fee.

ID#: 010410-010410-0024461

Commercial Payables - U.S. Region (New)

Effective 14 April 2012, in the U.S. Region, a reference to an environment where a Commercial Visa Product Transaction occurs between business entities, generally through negotiated contractual agreements, or in response to the generation of an invoice requesting payment for goods or services.

ID#: 160312-140412-0026824

Commercial Visa Prepaid Product

A Commercial Visa Product, issued as a Visa Prepaid Card, in which the corporation depositing the funds remains the owner of the funds in the Visa Prepaid Card account. Commercial Visa Prepaid Products are offered to client organizations solely to provide a means to pay for the acquisition of business-related goods and services.

ID#: 081010-010410-0024463

Commercial Visa Product - U.S. Region

A Visa Card that bears the Marks Area and the descriptive term “Business Card,” “Corporate Card,” “Purchasing Card,” “Fleet Card,” “Visa Commercial,” “Visa Meetings,” or “Visa Signature Business” on the front of the Card.

ID#: 010410-010410-0024464

Completion Message

A Clearing Record to follow a preauthorization as part of Real-Time Clearing Processing.

ID#: 010410-010410-0024469

Compliance

A process where Visa resolves disputes between Members arising from violations of the *Visa International Operating Regulations*, when the requesting Member can certify that a financial loss has occurred or will occur for a specific amount, and no Chargeback right is available.

ID#: 010410-010410-0024470

Compliant Chip Card - Canada Region

A Chip Card that contains a Visa Smart Payment Application capable of processing Full Data and that complies with Chip Specifications.

ID#: 010410-010410-0024471

Compliant Chip Card Offline Authorization - Canada Region

A process that allows an Authorization Request initiated by a Compliant Chip Card to be processed as a Full Data Transaction in a below-Floor Limit Environment without sending the Authorization Request to the Issuer.

ID#: 010410-010410-0024472

Compliant Chip Card Reading Device - Canada Region

A Point-of-Transaction Terminal or a POS capable of reading, communicating, and processing Full Data Transactions from a Compliant Chip Card.

ID#: 010410-010410-0024473

Compliant Chip Transaction - Canada Region

An Online or offline authorized Transaction generated by a Compliant Chip Card and its PIN at a Compliant Chip Card Reading Device with a Compliant PED.

ID#: 010410-010410-0024474

Compliant PED - Canada Region

A PIN entry device that meets the requirements set out in the Chip Specifications and that supports plaintext and enciphered offline PIN at POS, or enciphered online PIN at ATMs.

ID#: 010410-010410-0024475

Compromised Account Management Service (CAMS) - CEMEA Region (Updated)

Effective through 14 May 2012, the distribution tool on Visa Risk Manager, accessed through Visa Online, for the risk management and security function of Visa and its Members.

ID#: 160312-121109-0025591

Compromised Account Management System (New)

See CAMS.

ID#: 160312-150512-0026577

Compromised Account Management System - U.S. Region (Updated)

Effective through 14 May 2012, the reporting system used by Visa to notify Issuers of Account Numbers that may have been compromised.

ID#: 160312-010410-0024476

Compromised Entity (New)

Effective 15 May 2012, an entity that has experienced an Account Data Compromise Event. A Compromised Entity may be a Visa Merchant, Visa Acquirer, Acquirer processor, service provider, or other entity used by an Acquirer or its Merchants, service providers, or ATMs for processing Visa-branded transactions.

ID#: 160312-150512-0026744

Confidential Consumer Cardholder Information - U.S. Region

An Account Number, or other personally identifiable information relating to a Consumer Cardholder.

ID#: 220411-010100-0026359

Confidential Enhanced Merchant-Level Data - U.S. Region

Merchant-related data provided through Visa to an Issuer in connection with a Commercial Visa Product. This data includes all Enhanced Merchant-Level Data except for Non-Confidential Enhanced Merchant-Level Data, and is subject to the disclosure restrictions as specified in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0024477

Consumer Card - U.S. Region

See Visa Consumer Card.

ID#: 010410-010410-0024480

Consumer Cardholder - U.S. Region

A Cardholder, other than the Cardholder of a Commercial Visa Product.

ID#: 010410-010410-0024479

Consumer Device Cardholder Verification Method (CDCVM) (New)

Effective 8 March 2012, a Visa-approved Cardholder Verification Method that is used by a Mobile Payment Device to verify a Cardholder's identity. The only approved Consumer Device Cardholder Verification Method is Passcode.

ID#: 160312-080312-0026877

Consumer Visa Check Card - U.S. Region

A Visa Check Card that accesses a deposit, investment, or other asset account of a consumer, including a fiduciary account.

ID#: 010410-010410-0024481

Consumer Visa Deferred Debit Card - U.S. Region

A Consumer Card that accesses a deposit, investment, or other asset account of a consumer, including a fiduciary account, where the amount of any individual Transaction is not accessed, held, debited, or settled from the consumer asset account sooner than 14 days from the date of the Transaction.

ID#: 010410-010410-0024482

Contactless Card - U.S. Region

See Visa Contactless.

ID#: 010410-010410-0024483

Contactless Payment - U.S. Region

A form of Visa payment conducted in the Card-Present Environment at the Point-of-Transaction through a Visa-approved wireless interface such as radio frequency or infrared technology.

ID#: 010410-010410-0024484

Contactless Payment Terminal - U.S. Region

A Point-of-Transaction Terminal that reads the Magnetic-Stripe Data on a Contactless Payment Chip through a Visa-approved wireless interface, and that includes Magnetic-Stripe-reading capability.

ID#: 010410-010410-0024485

Contactless Payment Transaction - U.S. Region

A Transaction completed at a Point-of-Transaction Terminal through a Visa-approved wireless interface in the Card-Present Environment.

ID#: 010410-010410-0024486

Convenience Fee - U.S. Region

A fee charged by a Merchant for an added convenience to the Cardholder, as specified in "Convenience Fee General Requirements."

ID#: 050411-010410-0024488

Copy - U.S. Region

See Transaction Receipt.

ID#: 010410-010410-0024490

Copy Request

A Retrieval Request that is processed through an electronic documentation transfer method.

ID#: 010410-010410-0024491

Copy Request Identifier

A unique 12-digit identification number that VisaNet assigns to a Copy Request. In the Single Message System, the Retrieval Request identifier.

ID#: 010410-010410-0024492

Copyright

A form of protection that the laws of various countries provide for original literary, dramatic, musical, artistic, and certain other intellectual works.

ID#: 010410-010410-0024489

Correspondent Bank

A depository institution that holds an account with, or on behalf of, a Settlement Bank, and engages in an exchange of services with that bank.

ID#: 010410-010410-0024494

Counterfeit Card

One of the following:

- A device or instrument that is printed, embossed, or encoded so as to purport to be a Card, but that is not a Card because an Issuer did not authorize its printing, embossing, or encoding
- An instrument that is printed with the authority of the Issuer and that is subsequently embossed or encoded without the authority of the Issuer
- A Card that an Issuer has issued and that is altered or re-fabricated, except one on which the only alteration or re-fabrication comprises modification of the signature panel or Cardholder signature

ID#: 010410-010410-0024495

Counterfeit Fraud Recovery (New)

Effective 15 May 2012, a component of the Global Compromised Account Recovery program that allocates responsibility and reimbursement for a portion of Incremental Counterfeit Fraud losses incurred as a result of a Magnetic-Stripe Data Account Data Compromise Event, including PIN data for events that also involve PIN compromise.

ID#: 160312-150512-0026063

Counterfeit Fraud Recovery - U.S. Region (Updated)

Effective through 14 May 2012, a subset of the Account Data Compromise Recovery Process that allocates responsibility and reimbursement for incremental counterfeit fraud losses incurred as a result of an account compromise event involving Magnetic-Stripe Data and/or PIN data.

ID#: 160312-010410-0024496

Counterfeit Transaction Receipt

A Transaction Receipt arising from the use of a Counterfeit Card.

ID#: 010410-010410-0024497

Country of Domicile

The country in which a Member has its principal place of business.

ID#: 010410-010410-0024499

Country Office

A secondary office location of a Visa Region, located in a country within the same Visa Region.

ID#: 010410-010410-0024498

CPS Transaction - U.S. Region

A Transaction that meets one of the Custom Payment Services (CPS) requirements in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0024523

CPS/Account Funding - U.S. Region

A payment service for Electronic Commerce Transactions where the Cardholder is funding a host-based prepaid product, a brokerage account, or escrow account with a Visa product in a secure Internet environment, as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024500

CPS/Automated Fuel Dispenser - U.S. Region

A payment service for Transactions that take place at an Automated Fuel Dispenser properly assigned Merchant Category Code 5542, "Automated Fuel Dispensers," where the full contents of track 1 or track 2 of the Magnetic Stripe, unaltered Chip, or unaltered Contactless Payment data are read and transmitted and that meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024501

CPS/Card Not Present - U.S. Region

A payment service for Transactions completed in a Card-Absent Environment, except for Electronic Commerce Transactions, that meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024502

CPS/e-Commerce Basic - U.S. Region

A payment service for Electronic Commerce Transactions that meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024503

CPS/e-Commerce Preferred Hotel and Car Rental - U.S. Region

A payment service for Secure Electronic Commerce Transactions that originate from a Hotel, Cruise Line, or Car Rental Merchant, are completed using Verified by Visa, and meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024504

CPS/e-Commerce Preferred Passenger Transport - U.S. Region

A payment service for Secure Electronic Commerce Transactions that originate from an Airline or passenger railway Merchant or its agent, are completed using Verified by Visa, and meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024505

CPS/e-Commerce Preferred Retail - U.S. Region

A payment service for Secure Electronic Commerce Transactions completed using Verified by Visa that meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024506

CPS/e-Commerce Preferred Transaction - U.S. Region (Updated)

Effective through 14 March 2012, a CPS Transaction processed as specified in the U.S. Regional Operating Regulations, and consisting of one of the following types of Transactions:

- CPS/e-Commerce Preferred Hotel and Car Rental Transaction
- CPS/e-Commerce Preferred Passenger Transport Transaction
- CPS/e-Commerce Preferred Retail Transaction

ID#: 160312-010410-0024507

CPS/e-Commerce Transaction - U.S. Region (Updated)

Effective through 14 March 2012, a CPS Transaction processed as specified in the U.S. Regional Operating Regulations and consisting of one of the following types of transactions:

- CPS/e-Commerce Basic Transaction
- CPS/e-Commerce Preferred Hotel and Car Rental Transaction
- CPS/e-Commerce Preferred Passenger Transport Transaction
- CPS/e-Commerce Preferred Retail Transaction

ID#: 160312-010410-0024508

CPS/Hotel and Car Rental Card Not Present - U.S. Region

A payment service for lodging, cruise line, and car rental Transactions in a Card-Absent Environment (including T&E Advance Deposit Transactions, No Show Transactions, and other key-entered Transactions) where the hotel stay, cruise duration, or length of rental is more than 1 day and the Point-of-Transaction Terminal application is equipped to provide the additional industry-specific data for the program and that meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024509

CPS/Hotel and Car Rental Card Present - U.S. Region

A payment service for lodging, cruise line, and car rental Transactions in a Face-to-Face Environment where the hotel stay or length of rental is one or more days, multiple Authorizations may be obtained with industry-specific data, the full contents of track 1 or track 2 of the Magnetic Stripe, unaltered Chip, or unaltered Contactless Payment data are read and transmitted and that meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024510

CPS/Passenger Transport - U.S. Region

A payment service for Passenger Transport Service Category Transactions where the Merchant processes the sale of tickets by mail, via the Internet, or in a Card-Present Environment using single or multiple Transaction Receipts, as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024511

CPS/Restaurant - U.S. Region

A payment service for Transactions completed in a Face-to-Face Environment by a Merchant properly assigned Merchant Category Code 5812, "Restaurant" or 5814, "Fast Food" and where the contents of track 1 or track 2 of the Magnetic Stripe, unaltered Chip, or unaltered Contactless Payment data are read and Authorization is obtained and that meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024512

CPS/Retail - U.S. Region

A payment service for Retail Transactions completed in a Face-to-Face Environment where the full contents of track 1 or 2 of the Magnetic Stripe, unaltered Chip, or unaltered Contactless Payment data are read and transmitted and that meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

Transactions with one of the following Merchant Category Codes are ineligible for CPS/Retail:

- 5411, "Grocery Stores and Supermarkets"
- 5541, "Service Stations"
- 5812, "Eating Places and Restaurants"
- 5814, "Fast Food Restaurants"
- 5962, "Direct Marketing - Travel-Related Arrangement Services"
- 5966, "Direct Marketing - Outbound Telemarketing"
- 5967, "Direct Marketing - Inbound Teleservices Merchant"

ID#: 081010-010410-0024513

CPS/Retail 2 - U.S. Region

An incentive program designed to expand Visa Card acceptance into new industries. Transactions from select Merchant categories may qualify for this program in either a Card-Present Environment or a Card-Absent Environment by meeting the fee edit criteria specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide* for one of the following services:

- CPS/Retail 2
- CPS/Card Not Present
- CPS/e-Commerce Basic
- CPS/e-Commerce Preferred Retail
- CPS/Retail Key-Entry

ID#: 081010-010410-0024514

CPS/Retail Key-Entry - U.S. Region

A payment service for Transactions completed in a Face-to-Face Environment where a Magnetic-Stripe Terminal is present, but the Magnetic Stripe cannot be read and the Merchant verifies the Cardholder signature, performs an Address Verification Service inquiry, and receives an acceptable response as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 050411-010410-0024515

CPS/Rewards 1 Interchange Reimbursement Fee - U.S. Region

An Interchange Reimbursement Fee for Visa Consumer Credit Transactions that meet the applicable requirements for CPS/Rewards 1 Transactions specified in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0024516

CPS/Rewards 2 Interchange Reimbursement Fee - U.S. Region

An Interchange Reimbursement Fee for Visa Consumer Credit Transactions that meet the applicable requirements for CPS/Rewards 2 Transactions specified in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0024517

CPS/Rewards Interchange Reimbursement Fee - U.S. Region

One of the following Interchange Reimbursement Fees for Visa Consumer Credit Transactions that meet the applicable requirements specified in the U.S. Regional Operating Regulations:

- CPS/Rewards 1
- CPS/Rewards 2

ID#: 010410-010410-0024518

CPS/Service Station - U.S. Region

A payment service for Transactions with Merchant Category Code 5541, "Service Stations" completed in a Face-to-Face Environment where the full contents of track 1 or track 2 of the Magnetic Stripe, unaltered Chip, or unaltered Contactless Payment data are read and transmitted and that meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 081010-010410-0024519

CPS/Small Ticket - U.S. Region

A payment service for Visa Easy Payment Service Transactions less than or equal to US \$15 that are conducted with a Visa Consumer Card where the full contents of track 1 or track 2 of the Magnetic Stripe, unaltered Chip, or unaltered Contactless Payment data are read and transmitted, and meet the applicable requirements specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 160312-010410-0024520

CPS/Supermarket - U.S. Region

A payment service for Supermarket Incentive Program Transactions that meet the applicable requirements specified in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0024521

CPS/T&E Transaction - U.S. Region

A CPS Transaction processed as specified in the U.S. Regional Operating Regulations that applies to the following types of CPS/T&E Transactions:

- CPS/Hotel and Car Rental Card Not Present Transaction
- CPS/Hotel and Car Rental Card Present Transaction
- CPS/Passenger Transport Transaction

ID#: 010410-010410-0024522

Credit Bureau - U.S. Region

For purposes of Visa Advanced ID Solutions, Strategic Bankruptcy Solutions, and BankruptcyPredict Service, a company that is required or has agreed to comply with the requirements applicable to consumer reporting agencies under the Federal Fair Credit Reporting Act, including but not limited to a company that receives Member information pursuant to the Fidelity Information Services, ID Score Plus, or ID Analytics Credit Optics components of Visa Advanced ID Solutions or that provides card account numbers, identified from bankruptcy petitions files in U.S. bankruptcy courts, to Strategic Bankruptcy Solutions.

ID#: 111011-010410-0024524

Credit Optics - U.S. Region

An optional feature of Visa Advanced ID Solutions that provides U.S. Members with a score and related reason code(s) provided by ID Analytics, Inc. that predict the potential of financial loss associated with approving an application for a new, or management of an existing, Card, non-Visa card, or other Visa or non-Visa product based on an assessment of the identity risk and application behavior of a consumer and the credit risk and application behavior of other similar consumers.

ID#: 111011-010100-0025783

Credit Reporting Improvement Service - U.S. Region

A service that supports an Issuer by monitoring the reporting and handling of credit bureau data.

ID#: 010410-010410-0024526

Credit Transaction - U.S. Region

A Merchant's refund or price adjustment credited to a Cardholder account.

ID#: 010410-010410-0024527

Credit Transaction Receipt

A Transaction Receipt evidencing a Merchant's refund or price adjustment to be credited to a Cardholder's account.

ID#: 010410-010410-0024528

Credit Voucher - U.S. Region

See Credit Transaction Receipt.

ID#: 010410-010410-0024529

Cruise Line

A Merchant that sells and provides recreational travel on water, including overnight accommodations.

ID#: 010410-010410-0024532

Cryptogram

A value resulting from a combination of specific key data elements that are used to validate the source and integrity of data.

ID#: 010410-010410-0024533

Currency Conversion Rate

A rate selected by Visa from the range of rates available in wholesale currency markets for the applicable Processing Date, which rate may vary from the rate Visa itself receives; or the government-mandated rate in effect for the applicable Processing Date. In each instance, plus or minus any adjustment determined by the Issuer.

ID#: 010410-010410-0024534

Currency Conversion Rate - U.S. Region

Either:

- A rate selected by Visa from the range of rates available in wholesale currency markets on the applicable Central Processing Date (such rate may vary from the rate Visa itself receives) plus or minus any adjustment determined by the Issuer

- The government-mandated rate in effect on the applicable Central Processing Date, plus or minus any adjustment determined by the Issuer

ID#: 010410-010410-0024535

Custom Payment Services (CPS)

A Visa payment service that accommodates specific payment environments with an identifier that remains with the Transaction throughout its life cycle.

ID#: 010410-010410-0024536

CVM - Canada Region

Cardholder Verification Method.

ID#: 010410-010410-0024537

D

Data Capture-Only Capability

The capability of a Point-of-Transaction terminal to store Transaction Receipt data that is electronically captured for Deposit purposes, where the terminal does not have capability to go Online for Authorization.

ID#: 050411-010410-0024538

Data Compromise Recovery (Updated)

Effective through 14 May 2012, a Visa fraud recovery process where Visa allocates to affected Members the incremental full Magnetic Stripe counterfeit fraud losses that are associated with a data compromise event, as specified in "Data Compromise Recovery Solution (DCRS)."

ID#: 160312-010410-0024539

Data Encryption Standard - U.S. Region

The data encryption standard defined in American National Standards Institute X3.92-1981 for encrypting and decrypting binary coded data.

ID#: 010410-010410-0024540

Data Protection Method

A Visa-approved method for the protection of Account Numbers and other Cardholder data, as specified in the Payment Card Industry Data Security Standard (PCI DSS).

ID#: 010410-010410-0024541

Data Reformatter Service - U.S. Region

A service that streamlines file processing for Direct Exchange Open File Delivery endpoints by eliminating in-house file manipulation.

ID#: 010410-010410-0024542

Debit Tax Payment Interchange Reimbursement Fee - U.S. Region

An Interchange Reimbursement Fee for Visa Debit Card Transactions that meet the qualification requirements of the Tax Payment Program.

ID#: 010410-010410-0024544

Debit Tax Payment Transaction - U.S. Region

A Visa Debit Card Transaction that qualifies for the Visa Debit Tax Payment Interchange Reimbursement Fee.

ID#: 010410-010410-0024545

Debt Repayment Program Interchange Reimbursement Fee - U.S. Region

An Interchange Reimbursement Fee for Visa Debt Repayment Transactions that meet the requirements of the Debt Repayment Program.

ID#: 010410-010410-0024546

Debt Repayment Program Merchant - U.S. Region

A Merchant that processes Visa Debt Repayment Program Transactions as specified in the *Visa Debt Repayment Program Guide*.

ID#: 010410-010410-0024547

Decline Response

An Authorization Response where the Transaction was declined.

ID#: 010410-010410-0024548

Deferred Clearing Processing

A 2-step process whereby Transactions are authorized, cleared, and settled through either the:

- Single Message System
- V.I.P. System and BASE II

ID#: 010410-010410-0024550

Deferred Clearing Transaction

A Transaction that is authorized, cleared, and settled in 2 separate messages through either the Single Message System or the V.I.P. System and BASE II.

ID#: 010410-010410-0024551

Deferred Payment Transaction - U.S. Region

A Transaction completed in a Card-Absent Environment for which the Cardholder is billed once, no more than 90 days after the first shipment of merchandise.

ID#: 010410-010410-0024552

Delayed Delivery Transaction

A single Transaction where a Cardholder completes 2 separate Transaction Receipts. The first Transaction Receipt functions as a deposit (such as a down payment) for goods or services; the second is to pay the balance due the Merchant.

ID#: 010410-010410-0024553

Deposit

Effective through 30 June 2011, the submission of a Transaction Receipt by a Merchant or an Internet Payment Service Provider to an Acquirer, resulting in a credit or debit to the Merchant's or Internet Payment Service Provider's Visa account.

Effective 1 July 2011, the submission of a Transaction Receipt by a Merchant or Payment Service Provider to an Acquirer, resulting in a credit or debit to the Merchant's, Sponsored Merchant's, or Payment Service Provider's account.

ID#: 111011-010410-0024556

Deposit Date

The date on which an Acquirer receives a Transaction Receipt from a Merchant.

ID#: 010410-010410-0024557

Deposit-Only Account Number

A Visa Account Number established by a Visa Card or Visa Electron Card Issuer, used exclusively to receive an Original Credit on behalf of one or more of its customers.

ID#: 010410-010410-0024554

Diamond Design

A Visa-Owned Mark, used as an element of the Plus Symbol, consisting of three triangles with an open space in the lower right-hand corner, arranged to form an outline of the symbol "+."

ID#: 010410-010410-0024558

Digital Certificate

A digitally signed credential used to authenticate the owner of the credential or to ensure the integrity and confidentiality of the message it is signing.

ID#: 010410-010410-0024559

Direct-Connect Merchant - U.S. Region

A Merchant that directly enters Authorization Requests into the V.I.P. System.

ID#: 010410-010410-0024560

Disbursing Member

A Member that pays out currency in a Cash Disbursement.

ID#: 010410-010410-0024562

Dispute Resolution Questionnaires - U.S. Region

A series of specific questionnaires, available in Visa Resolve Online, designed for each Chargeback category to facilitate the exchange of information in the dispute resolution process. A Dispute Resolution Questionnaire:

- Is required when documentation is sent to the opposing Member
- May be used for non-fraud related disputes when a Cardholder or Merchant letter is unavailable.

ID#: 010410-010410-0024563

Distribution of Visa Prepaid Cards Outside the Country of Issuance (New)

Effective 8 December 2011, the issuance of Visa Prepaid Cards (e.g., Visa Payroll, Visa Incentive, etc.) to multinational corporations or government entities for use by their employees or beneficiaries residing in a country other than the country in which the Member is located.

ID#: 160312-081211-0026803

Documentation Indicator - U.S. Region

A VisaNet code indicating the status of mailed supporting documentation and the validity of the Acquirer Reference Number.

ID#: 050411-010410-0024564

Domestic Cooperative Brand Development Fund - LAC Region

A fund established by Visa and Members to support Brand development and exposure that consists, at a minimum, of 0.1% of the Visa Point of Sale Volume within a given country.

ID#: 010410-010410-0024566

Domestic Interchange

Interchange of a Domestic Transaction.

ID#: 010410-010410-0024567

Domestic Transaction

A Transaction where the Issuer of the Card used is located in the Transaction Country.

ID#: 010410-010410-0024568

Dove Design

A Visa-Owned Mark depicting a dove in flight that identifies the Visa Program.

ID#: 010410-010410-0024570

Dual-Issuer Branded Visa Commercial Card (Updated)

A Visa Commercial Card, issued by a Member participating in the Visa Multinational Program, that identifies the Lead Bank on the Card front and the Partner Bank on the Card back, as specified in the *Visa Multinational Program Guide*.

ID#: 160312-141010-0026028

Dynamic Card Verification Value (dCVV)

A Card Verification value dynamically generated by a Chip Card for inclusion in the Authorization message (e.g., as part of the Magnetic-Stripe data).

ID#: 111011-150410-0025503

Dynamic Card Verification Value (dCVV) - U.S. Region

An authentication value for each Contactless Payment Transaction.

ID#: 010410-010410-0024573

Dynamic Currency Conversion

The conversion of the purchase price of goods or services from the currency in which the purchase price is displayed to another currency as agreed to by the Cardholder and Merchant. That currency becomes the Transaction Currency, regardless of the Merchant's local currency.

ID#: 160312-010410-0024574

Dynamic Data Authentication

A cryptographic value generated by a Chip on a Card in an offline environment that uses Transaction-specific data elements and is verified by a Chip-Reading Device to protect against skimming.

ID#: 010410-010410-0024575

E

Edit Package

The software that Visa supplies to VisaNet Processors to:

- Validate Interchange data
- Process Interchange data sent from the VisaNet Processor to Visa
- Process incoming Transactions received from Visa

ID#: 010410-010410-0024577

Edit Package Run Date - U.S. Region

See Acquirer's Processing Date.

ID#: 010410-010410-0024578

Edit Package Software - U.S. Region

See Edit Package.

ID#: 010410-010410-0024579

Electronic Capability

Point-of-Transaction Capability where all of the following are true:

- Transaction Authorization is required (or the terminal is capable of reading and acting upon the Service Code in the Magnetic Stripe or information provided in the Chip)
- Authorization Response is obtained Online, or as instructed by the Issuer
- Authorization Response and Transaction Receipt data are captured electronically

ID#: 010410-010410-0024582

Electronic Commerce Indicator (Updated)

Effective 15 March 2012, a value used in Electronic Commerce Transactions to indicate the Transaction's level of authentication and security, as specified in the applicable regional Verified by Visa Issuer Implementation Guide.

ID#: 230312-150312-0026401

Electronic Commerce Merchant

A Merchant that conducts the sale of goods or services electronically over the Internet and other networks.

ID#: 010410-010410-0024584

Electronic Commerce Merchant Monitoring Program - U.S. Region (Updated)

Effective through 14 March 2012, a Visa program designed to protect the Visa brand by identifying, and eliminating from the Visa system, Electronic Commerce Transactions representing the sale of child pornography.

ID#: 160312-010410-0024585

Electronic Commerce Merchant Rate (Updated)

Effective through 14 March 2012, an Interregional Interchange Reimbursement Fee paid for an Electronic Commerce Transaction that is conducted by a 3-D Secure-capable Merchant.

Effective 15 March 2012, an Interregional Interchange Reimbursement Fee paid for an Electronic Commerce Transaction that is conducted by a Verified by Visa Merchant.

ID#: 160312-010410-0024586

Electronic Commerce Transaction

A Transaction between a Merchant and Cardholder over the Internet and other networks using a Cardholder Access Device. An Electronic Commerce Transaction is one of the following:

- Non-Secure Transaction
- Non-Authenticated Security Transaction
- Secure Electronic Commerce Transaction

ID#: 010410-010410-0024587

Electronic Commerce Transaction - U.S. Region (Updated)

Effective through 14 March 2012, a Transaction conducted over the Internet or other network using a Cardholder Access Device. An Electronic Commerce Transaction is one of the following:

- Non-Secure Transaction
- Non-Authenticated Security Transaction

- Secure Electronic Commerce Transaction

ID#: 160312-010410-0024589

Electronic Commerce Transaction Receipt

A Transaction Receipt provided to the Cardholder by an Electronic Commerce Merchant.

ID#: 010410-010410-0024591

Electronic Imprint

The reading and printing or capture of Card information at a Magnetic-Stripe Terminal or a Chip-Reading Device.

ID#: 010410-010410-0024593

Electronic Interchange Reimbursement Fee - U.S. Region

An Interchange Reimbursement Fee paid to or received by a Member for a Transaction that meets the qualifications in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0024594

Electronic Rate

An Interchange Reimbursement Fee charged when the Transaction meets the requirements specified in "Electronic Rate Qualification."

ID#: 010410-010410-0024597

Electronic Signature - U.S. Region

In the U.S. Region, e-mail exchanges directly between Visa and a Member will constitute a binding contractual agreement between the parties with the same legal force and effect as a written contract with handwritten signatures, where all of the following are true:

- Within the e-mail exchange, Visa seeks and the Member provides confirmation concerning an agreement between the parties or terms and conditions to govern such an agreement
- Visa includes in its request for confirmation:
 - An explicit notice that it intends such e-mail request and confirmation to constitute a binding agreement
 - A notice that the Member's confirmation will constitute affirmations that the Member intends the e-mail exchange to constitute a binding commitment and that the person providing the e-mail confirmation on behalf of the Member is an officer authorized to so bind the Member

- An explicit time limit for Member's confirmation to be received by Visa in order to be effective
- Within the e-mail exchange, Visa-designated authentication practices are employed by both Visa and the Member

ID#: 111011-010100-0025755

Electronic Transaction Receipt

A Transaction Receipt created electronically in a Card-Present Environment where the terminal generates the required data that is printed on the Transaction Receipt.

ID#: 010410-010410-0024599

Eligible Cardholder

A Cardholder who has had their Card lost or stolen while traveling outside of their city of residence and who has reported the loss or theft to the Issuer of the Card as specified in "Visa Global Customer Assistance Services Program Requirements."

ID#: 081010-010410-0024601

Emergency Card Replacement

A temporary Visa Card that Visa Global Customer Assistance Services, the Issuer, or its Agent provides to replace an Eligible Cardholder's damaged, lost, or stolen Visa Card.

ID#: 081010-010410-0024610

Emergency Cash Disbursement

A Cash Disbursement by a Member or its agent, including Visa, to an Eligible Cardholder who has reported a Visa Card or Visa TravelMoney Card as damaged, lost, or stolen.

ID#: 081010-010410-0024605

Emergency Payment Authorization Service

A service offered to Visa Infinite Cardholders who need to make Transactions before receiving an Emergency Card Replacement or Emergency Cash Disbursement. The service provides verbal Authorization for such emergency travel Transactions.

ID#: 081010-010410-0024608

Emergency Refund Location

The office of a Member where an Emergency Cheque Refund is disbursed.

ID#: 010410-010410-0024609

Emergency Replacement Visa TravelMoney Card - U.S. Region

A Visa TravelMoney Card that an Issuer provides to replace an Eligible Cardholder's lost or stolen Visa TravelMoney Card issued by the same Issuer.

ID#: 010410-010410-0024611

Emergency Service Location

A Visa Issuer-affiliated Branch pre-registered in the Visa Global Customer Assistance Services Program where an Eligible Cardholder may receive an Emergency Card Replacement or an Emergency Cash Disbursement.

ID#: 081010-010410-0024612

Emergency Travelers Cheque Refund - U.S. Region

See Emergency Cheque Refund.

ID#: 010410-010410-0024614

Emergency/Travel Services - U.S. Region

Emergency services provided to Eligible Cardholders and Cheque purchasers traveling away from home. These include:

- Emergency Cash Service
- Emergency Card Replacement Service
- Emergency medical/legal assistance
- Emergency ticket replacement
- Emergency message service
- Auto Rental Insurance
- General travel assistance

ID#: 010410-010410-0024615

EMV

Technical specifications developed (jointly by Europay International, MasterCard International, and Visa International) to provide standards for processing debit and credit Transactions, and ensure global interoperability for the use of Chip technology in the payment industry.

ID#: 010410-010410-0024620

EMV Integrated Circuit Card Specifications for Payment Systems (EMV) - U.S. Region

Technical specifications developed jointly by Europay International, MasterCard International, and Visa International to provide standards and ensure global interoperability for use of Chip technology in the payment industry.

ID#: 010410-010410-0024621

EMV PIN Transaction

A Chip-initiated Transaction (excluding ATM Transactions) verified utilizing Online or Offline PIN Verification.

ID#: 010410-010410-0024624

EMV PIN-Compliant

A Chip-Reading Device that complies with the PIN requirements of the Visa International PIN Entry Device Testing and Approval Program.

ID#: 010410-010410-0024622

EMV-Compliant

A term used to describe a Card or terminal application that complies with the requirements specified in the *EMV Integrated Circuit Card Specifications for Payment Systems*.

ID#: 010410-010410-0024617

EMV-Compliant - U.S. Region

A Card or terminal application that complies with the requirements specified in the *EMV Integrated Circuit Card Specifications for Payment Systems*.

ID#: 010410-010410-0024619

Endorsement Date

One of the following dates on a Clearing Record:

- If cleared through BASE II, the Edit Package run date on which a Member submits outgoing Interchange
- If cleared through the Single Message System, the Settlement Date
- If cleared under a Private Agreement, the date on which a Member processes outgoing Interchange

For BASE II Transactions, the Endorsement Date is no later than the date on which the Member creates the BASE II Interchange File. For Transactions with indecipherable or invalid Account Numbers not cleared through BASE II, the Endorsement Date is the date on which the Transaction was first entered into Interchange and mailed.

ID#: 010410-010410-0024627

Enhanced Data

Effective 30 June 2011, data provided through Visa to an Issuer in connection with a Visa Commercial Card program. Such data may include either or both:

- Enhanced Merchant-Level Data (including data for a Sponsored Merchant or a Payment Service Provider)
- Enhanced Transaction-Level Data

ID#: 151011-300611-0026463

Enhanced Data - U.S. Region

Effective through 29 June 2011, data provided through Visa to an Issuer in connection with a Commercial Visa Product program. Such data may include both or either Enhanced Merchant-Level Data or Enhanced Transaction-Level Data.

ID#: 151011-300410-0024629

Enhanced Merchant-Level Data

Effective 30 June 2011, Merchant- or Sponsored Merchant-related data (including Payment Service Provider data) provided through Visa to an Issuer in connection with a Visa Commercial Card program. Such data includes:

- Merchant street address
- Merchant telephone number
- Incorporation status

- Owner's name

ID#: 151011-300611-0026464

Enhanced Merchant-Level Data - U.S. Region

Effective through 29 June 2011, Merchant-related data provided through Visa to an Issuer in connection with a Commercial Visa Product program. Such data includes:

- Merchant street address
- Merchant telephone number
- Incorporation status
- Owner's name
- Minority and woman-owned business status
- Taxpayer identification number

ID#: 151011-010410-0024630

Enhanced Transaction-Level Data - U.S. Region

Transaction-related data provided through Visa to an Issuer in connection with a Commercial Visa Product. Such data includes:

- Accounting code
- Sales tax
- Description of items purchased, cost per unit, number of units
- Vehicle fleet data (vehicle/driver ID, odometer reading)
- Detailed itinerary information (Airline, origination/destination, class of travel)

ID#: 010410-010410-0024631

Enhanced Visa Wordmark - U.S. Region

A Visa-Owned Mark representing the Visa Corporate Identity, consisting of the Visa Logotype centered above the Comet Design.

ID#: 010410-010410-0024632

Exception File

A VisaNet file of Account Numbers that a Member accesses Online, for which the Issuer has predetermined an Authorization Response. The Exception File supports:

- Stand-In Processing

- Positive Cardholder Authorization Service
- Production of the Card Recovery Bulletin

ID#: 010410-010410-0024634

Exception File - U.S. Region

A VisaNet file of Account Numbers for which the Issuer has predetermined an Authorization Response, that a Member accesses Online.

ID#: 010410-010410-0024635

Excessive Fraud Activity - U.S. Region

Fraud Activity that exceeds Visa-specified parameters.

ID#: 010410-010410-0024637

Expired Card

A Card on which the embossed, encoded, or printed expiration date has passed.

ID#: 010410-010410-0024638

Exported Transaction Receipt

A Transaction Receipt that is deposited outside of the Transaction Country.

ID#: 010410-010410-0024639

Extension (New)

A publication referenced in, and with the same authority as, the *Visa International Operating Regulations*. See "Visa International Operating Regulations Extensions."

ID#: 160312-080312-0026983

F

Face-to-Face Environment

An environment where a Transaction is completed under all of the following conditions:

- Card or Proximity Payment Device is present

- Cardholder is present
- Individual representing the Merchant or Acquirer completes the Transaction

Transactions in this environment include the following:

- Retail Transactions
- Manual Cash Disbursements
- Visa Easy Payment Service Transactions

Transactions in this environment exclude the following:

- Electronic Commerce Transactions
- Mail/Phone Order Transactions
- Recurring Transactions
- **Effective through 14 October 2011**, Unattended Acceptance Terminal Transactions
- **Effective 15 October 2011**, Unattended Transactions
- In the U.S. Region, Installment Billing Transactions (*This only applies in the U.S. Region.*)

ID#: 160312-010410-0024643

Fallback Transaction

An EMV Chip Card Transaction initially attempted at a Chip-Reading Device, where the device's inability to read the Chip prevents the Transaction from being completed using the Chip Card data, and the Transaction is instead completed using an alternate means of data capture and transmission.

ID#: 010410-010410-0024645

Fallback Transaction - Canada Region

A Transaction occurring in either:

- An Unattended Environment, regardless of whether Authorization is required
- A Face-to-Face Environment between a Compliant Chip Card and a Compliant Chip Card Reading Device that is either:
 - Not completed as a Full Data Transaction
 - Not initiated as a Full Data Transaction

ID#: 010410-010410-0024646

Fast Funds

A service that requires a participating Recipient Member to make funds available to the Cardholder within 30 minutes of receipt and approval of an incoming Money Transfer Original Credit Transaction initiated as an Online Financial Transaction.

ID#: 160312-091210-0026077

Fee Collection Transaction

A transaction used to collect financial obligations of a Member arising out of the *Visa International Operating Regulations*, the *Visa International Certificate of Incorporation and Bylaws*, other requirements adopted by the International Board, or otherwise.

ID#: 010410-010410-0024647

Fidelity Information Services - U.S. Region

Optional features of Visa Advanced ID Solutions that provide Members with debit bureau and fraud data from the databases of Chex Systems, Inc., a subsidiary of Fidelity Information Services, for use with respect to applicants for Cards or non-Visa cards and Cardholders or cardholders of non-Visa cards.

ID#: 050411-010410-0024580

File Correction Service

A service where Visa reverses accepted Interchange files that contain duplications.

ID#: 010410-010410-0024649

Fleet Card - U.S. Region

See Visa Fleet Card - U.S. Region.

ID#: 010410-010410-0024650

Fleet Service

A Visa Commercial Card enhancement that enables a corporation to improve its vehicle fleet management process.

ID#: 010410-010410-0024651

Fleet Service - U.S. Region

See Visa Fleet Service - U.S. Region.

ID#: 010410-010410-0024652

Flexible Spending Account (FSA) - U.S. Region

See Visa Flexible Spending Account (FSA) - U.S. Region.

ID#: 010410-010410-0024653

Floor Limit

A currency amount that Visa has established for single Transactions at specific types of Merchant Outlets and Branches, above which Authorization is required. The *Visa International Operating Regulations* refer to 2 Floor Limit types:

- Standard Floor Limit
- Zero Floor Limit

ID#: 010410-010410-0024654

Foreign Branch - U.S. Region

The branch office of a Visa Member located outside the United States.

ID#: 010410-010410-0024655

Foreign Branch Transaction Receipt - U.S. Region

A Transaction Receipt that originates at a Merchant Outlet located outside of the United States and is deposited to a Foreign Branch.

ID#: 010410-010410-0024656

Foreign Currency

A currency other than local currency.

ID#: 010410-010410-0024657

Fraud Activity

A Transaction that an Issuer reports as fraudulent when either a:

- Fraudulent User used a Card or its Account Number
- Card was obtained through misrepresentation of identification or financial status

ID#: 010410-010410-0024659

Fraud Window (Updated)

Effective 15 May 2012, a 13-month maximum time period that can be up to 12 months prior to and one month past the CAMS Alert date. Magnetic-Stripe read counterfeit transactions must fall within the Fraud Window to qualify for recovery. A Fraud Window cannot begin before the start of an Account Data Compromise Event's Intrusion Access Window.

In cases where an event's Intrusion Access Window began less than 12 months prior to the CAMS Alert date, Visa will use that Intrusion Access Window date as the starting point for the Fraud Window.

ID#: 230312-150512-0026746

Fraudulent User

An individual who is not the Cardholder or designee and who uses a Card (or, in a Mail/Phone Order or Recurring Transaction, an Account Number) to obtain goods or services without the Cardholder's consent.

ID#: 010410-010410-0024658

Fulfillment

A document image that the Acquirer supplies in response to a Retrieval Request.

ID#: 050411-010410-0024661

Full Data Transaction - Canada Region

A Transaction processed using Full Data by Acquirers certified by Visa Canada to process Full Data.

ID#: 010410-010410-0024664

Full-Chip Data

Data that provides:

- EMV minimum mandated requirements
- Visa-specified information necessary to support Online cryptographic validation
- Record of the Card and terminal interactions completed during a Transaction

ID#: 010410-010410-0024662

Full-Chip Data - U.S. Region

Data that provides:

- EMV minimum requirements
- Visa-specified information necessary to support Online cryptographic validation
- Record of the Card and terminal interactions completed during a Transaction

ID#: 010410-010410-0024663

Funds Disbursement Transaction - U.S. Region

A VisaNet transaction used by a Member or Visa to disburse funds to a Clearing Processor.

ID#: 010410-010410-0024665

Funds Transfer Settlement Reporting Entity

An endpoint within a Visa Settlement hierarchy associated with one or more Settlement Reporting Entities.

ID#: 160312-141010-0026048

G

G2G Merchant - U.S. Region

See Government-to-Government Merchant.

ID#: 081010-041008-0024669

General Member - Canada Region

A customer of Visa Canada in the category of "General Customer" as defined in the Canada Regional Operating Regulations.

ID#: 010410-010410-0024671

General Member Identification - Canada Region

Any corporate name or Trade Name of the General Member alone or in combination with its corporate logo.

ID#: 010410-010410-0024672

Global Brand Protection Program

Effective 1 June 2011 through 30 June 2011, a global program that monitors Acquirers and their Merchants, Internet Payment Service Providers (IPSPs) and Sponsored Merchants to ensure that these entities do not:

- Process illegal Transactions or are associated with illegal activity
- Engage in potentially deceptive marketing practices, as defined in the *Visa Global Brand Protection Program Guide for Acquirers*
- Process Transactions that may adversely affect the goodwill of the Visa system

Effective 1 July 2011, a global program that monitors Acquirers, Merchants, Payment Service Providers, and Sponsored Merchants to ensure that these entities do not:

- Process illegal Transactions or are not associated with illegal activity
- Engage in potentially deceptive marketing practices, as defined in the *Visa Global Brand Protection Program Guide for Acquirers*
- Process Transactions that may adversely affect the goodwill of the Visa system

ID#: 111011-010611-0026388

Global Co-branded Card

A Card that:

- Is issued by one or more Issuers that has a contractual relationship with a Global Co-branding Partner
- Bears the Trade Name or Mark of the Global Co-branding Partner on the front of the Card
- May offer a Cardholder tangible benefits for Card usage and loyalty (e.g., rebates, discounts, airline miles, etc.)

ID#: 010410-010410-0024675

Global Co-branding Partner

A non-Member that:

- Is not eligible for membership in Visa

- Is a for-profit commercial entity or non-profit organization
- Has a contractual relationship for the issuance of Co-branded Cards:
 - With one or more Issuers
 - In one or more Visa Regions and countries

ID#: 010410-010410-0024676

Global Co-branding Partnership

A contractual relationship between an Issuer and a Global Co-branding Partner.

ID#: 010410-010410-0024677

Global Compromised Account Recovery (New)

Effective 15 May 2012, a global Visa fraud recovery program where Visa allocates to affected Members a portion of the Magnetic Stripe counterfeit fraud losses and a portion of the operating expenses that are associated with an Account Data Compromise Event, including events which also involve the compromise of PIN data.

ID#: 160312-150512-0026034

Global Member Billing Solution

The primary billing system used by Visa.

ID#: 111011-010410-0024680

Global Merchant Chargeback Monitoring Program

A program that monitors International Transactions and international Chargebacks to identify Merchants and Acquirers that cause undue economic and goodwill damage to the Visa system.

ID#: 111011-010410-0024681

Global Refund Service

A Visa service that assists Cheque purchasers whose Cheques are lost or stolen.

ID#: 010410-010410-0024682

Government-to-Government Merchant - U.S. Region

A federal government agency that has been properly assigned Merchant Category Code 9399 or 9402 and registered with Visa.

ID#: 081010-041008-0024684

Group Member

A Member as defined under the *Visa International Certificate of Incorporation and Bylaws*, Section 2.21.

ID#: 010410-010410-0024685

GSA Government-to-Government (G2G) Interchange Reimbursement Fee - U.S. Region

An Interchange Reimbursement Fee paid to, or received by, a Member for a GSA G2G Transaction processed as specified in "GSA Government-to-Government IRF - General."

ID#: 081010-041008-0024686

GSA Government-to-Government (G2G) Transaction - U.S. Region

A Transaction completed at a Merchant that is properly assigned Merchant Category Code 9399 or 9402, with a Visa Purchasing Card that is issued to federal government agencies by an Issuer contracted with the General Services Administration, as specified in "GSA Government-to-Government IRF - General."

ID#: 081010-041008-0024687

GSA Government-to-Government (G2G) Program - U.S. Region

A General Services Administration program that allows eligible federal government Merchants properly assigned Merchant Category Code 9399 or 9402 and registered with Visa to process GSA Visa Purchasing Card Transactions and qualify for the GSA G2G Interchange Reimbursement Fee.

ID#: 050411-041008-0024688

GSA Large Ticket Transaction - U.S. Region

A Transaction completed with a Visa Purchasing Card that is issued to federal government agencies by an Issuer contracted with the General Services Administration and meets the requirements specified in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0024689

GSA Large Ticket Transaction Interchange Reimbursement Fee - U.S. Region

An Interchange Reimbursement Fee paid to or received by a Member for a GSA Large Ticket Transaction processed as specified in the U.S. Regional Operating Regulations.

ID#: 010410-010410-0024690

Guest Folio

A Hotel's or Cruise Line's guest file.

ID#: 010410-010410-0024691

Guest Folio - U.S. Region

The guest file of a Lodging Merchant or Cruise Line.

ID#: 010410-010410-0024692

H**Health Care Eligibility Service - U.S. Region**

A VisaNet service through which a Health Care Merchant may verify an individual's health care coverage and co-payment amount, if applicable.

ID#: 010410-010410-0024697

Health Care Merchant - U.S. Region

A Merchant, other than a pharmacy, whose primary business is providing health care services. A Health Care Merchant is identified by the following Merchant Category Codes: 4119, 5975, 5976, 7277, 8011, 8021, 8031, 8041, 8042, 8043, 8044, 8049, 8050, 8062, 8071, and 8099.

ID#: 010410-010410-0024698

Health Reimbursement Account (HRA) - U.S. Region

See Visa Health Reimbursement Account (HRA) - U.S. Region.

ID#: 010410-010410-0024699

Health Savings Account (HSA) - U.S. Region

See Visa Health Savings Account (HSA) - U.S. Region.

ID#: 010410-010410-0024700

Healthcare Auto-Substantiation - U.S. Region

A process that enables an Issuer to automatically substantiate the dollar amount of the qualifying medical purchases in the Authorization Request for a Visa Flexible Savings Account (FSA) or a Visa Health Reimbursement Account (HRA) Transaction. Issuers of these Cards and any Agents that process Transactions for such Cards must perform Healthcare Auto-Substantiation.

ID#: 010410-010410-0024696

High-Brand Risk Merchant

Effective 1 June 2011, a Merchant assigned a Merchant Category Code, considered by Visa to be high-brand risk, as specified in "High-Brand Risk Merchant Category Codes."

ID#: 111011-010611-0026389

High-Brand Risk Sponsored Merchant

Effective 1 June 2011 through 30 June 2011, an Electronic Commerce Merchant required to be classified with a Merchant Category Code considered by Visa to be high-risk, as specified in "High-Brand Risk Merchant Category Codes," that contracts with an Internet Payment Service Provider to obtain payment services.

Effective 1 July 2011, an Electronic Commerce Sponsored Merchant required to be classified with a Merchant Category Code considered by Visa to be high-risk, as specified in "High-Brand Risk Merchant Category Codes," that contracts with a Payment Service Provider to obtain payment services.

ID#: 111011-010611-0026390

High-Brand Risk Transaction

Effective 1 June 2011, a Transaction performed by a High-Brand Risk Merchant, High-Risk Internet Payment Service Provider or High-Brand Risk Sponsored Merchant assigned a Merchant Category Code, considered by Visa to be high-brand risk, as specified in “High-Brand Risk Merchant Category Codes.”

ID#: 111011-010611-0026391

High-Risk Electronic Commerce Merchant

An Electronic Commerce Merchant identified by the Global Merchant Chargeback Monitoring Program or other Visa risk management initiatives (e.g., Merchant Fraud or similar region-specific programs) that causes undue economic and goodwill damage to the Visa system.

ID#: 010410-010410-0024701

High-Risk Internet Payment Service Provider

Effective 1 June 2011 through 30 June 2011, an Internet Payment Service Provider that:

- Enters into a contract with an Acquirer to provide payment services to High Risk Merchants, High-Brand Risk Merchants or High Risk Sponsored Merchants or High-Brand Risk Sponsored Merchants
- Includes one or more Sponsored Merchants required to be classified with a Merchant Category Code considered to be high-risk, as specified in “High-Brand Risk Merchant Category Codes”

Effective 1 July 2011, a Payment Service Provider that:

- Enters into a contract with an Acquirer to provide payment services to High-Risk Merchants, High-Brand Risk Merchants, High-Risk Sponsored Merchants, or High-Brand Risk Sponsored Merchants
- Includes one or more Sponsored Merchants required to be classified with a Merchant Category Code considered to be high-risk, as specified in “High-Brand Risk Merchant Category Codes”

ID#: 151011-010611-0026392

High-Risk Internet Payment Service Provider - U.S. Region

Effective through 30 November 2011, an Internet Payment Service Provider that:

- Enters into a contract with an Acquirer to provide payment services to Sponsored Merchants
- Includes one or more Sponsored Merchants required to be classified with Merchant Category Code 5967 (“Direct Marketing—Inbound Teleservices Merchant”) in its Sponsored Merchant portfolio

ID#: 111011-010410-0024702

High-Risk Sponsored Merchant - U.S. Region

Effective through 30 November 2011, an Electronic Commerce Merchant required to be classified with Merchant Category Code 5967 ("Direct Marketing—Inbound Teleservices Merchant") that contracts with an Internet Payment Service Provider to obtain payment services.

ID#: 111011-010410-0024705

High-Risk Telemarketing Merchant

Effective through 30 November 2011, a Merchant whose business includes telemarketing activity that presents financial or goodwill risk to Visa or the Visa-Owned Marks. The *Visa International Operating Regulations* refer to the following as High-Risk Telemarketing Merchants:

- Direct marketing travel-related arrangement services
- Inbound teleservices
- Outbound telemarketing

Visa may change the definition of a High-Risk Telemarketing Merchant to include additional Merchant categories.

ID#: 111011-010410-0024706

Hotel

A hotel Merchant.

ID#: 010410-010410-0024708

Hotel Reservation Service

A Visa Hotel service where a Cardholder may use a Visa Card to guarantee overnight accommodations.

ID#: 010410-010410-0024709

I

iCVV - U.S. Region

An alternate Card Verification Value that an Issuer may encode on a Chip instead of the standard Card Verification Value contained in the Magnetic Stripe of the Chip Card.

ID#: 010410-010410-0024710

ID Score Plus - U.S. Region

An optional feature of Visa Advanced ID Solutions that provides Members with a score and related reason code(s) provided by ID Analytics, Inc. that assesses the risk associated with an identity in connection with an application for a Card or non-Visa card, or other Visa or non-Visa product.

ID#: 010410-010410-0024711

ID Security Alerts Service – U.S. Region

An optional Visa service that identifies and protects consumers from the risk of consumer credit application fraud through the use of the Visa Advanced ID Solutions database.

ID#: 111011-010100-0025925

Imprint

Cardholder data transferred from a Card to a Transaction Receipt to complete a Transaction. There are 2 kinds of imprints:

- Electronic Imprint
- Manual Imprint

ID#: 010410-010410-0024713

In-Transit Service

A service provided on board a passenger transport vehicle that may include the purchase of goods or services (e.g., movie rentals, catalog purchases, gambling).

ID#: 010410-010410-0024714

In-Transit Service Gambling Merchant

A Merchant that provides any form of gambling while in transit.

ID#: 010410-010410-0024715

In-Transit Service Merchant

A Merchant that provides in-transit services as specified in "In-Transit Service - General Requirements."

ID#: 010410-010410-0024716

In-Transit Service Transaction

The purchase of goods, services, or gambling on board a passenger transport vehicle.

ID#: 010410-010410-0024717

In-Transit Terminal

Effective through 14 October 2011, a Cardholder-Activated Terminal located on a vehicle designed to transport passengers (e.g., an aircraft or cruise ship) that may be used for the purchase of goods or services or gambling.

Effective 15 October 2011, an Unattended Cardholder-Activated Terminal located on a vehicle designed to transport passengers (e.g., an aircraft or cruise ship) that may be used for the purchase of goods or services or gambling.

ID#: 160312-010410-0024718

Inbound Teleservices - U.S. Region

Non-business-to-business audiotext/videotext and or digital content services accessed via telephone, fax, or over an open network, such as the Internet, for the purchase of services or information including, but not limited to, pay-per-call services such as:

- Psychic readings
- Sports scores
- Stock market quotes

ID#: 010410-010410-0024719

Incremental Counterfeit Fraud (New)

Effective 15 May 2012, actual counterfeit fraud reported by Issuers on Account Data Compromise Event accounts that is above a baseline or "expected" level of fraud reported on non-event accounts during an event's Fraud Window.

ID#: 160312-150512-0026747

Independent Contractor - U.S. Region

An individual whose bank card-related business relationship with a Member or Third Party involves any of the following:

- Merchant solicitation, sales, or service
- Merchant Transaction processing solicitation

- Cardholder solicitation or Card application processing services

ID#: 010410-010410-0024720

Input Date

The Edit Package run date on which a Member submits outgoing Interchange, or, for Domestic Transactions, the date on which the Member processes outgoing Interchange.

ID#: 010410-010410-0024722

Installment Billing Transaction - U.S. Region

A single purchase of goods that:

- Is divided into 2 or more installment payment Transactions
- Originates at a Mail/Phone Order or Electronic Commerce Merchant
- Is authorized and processed as specified in “Installment Billing Transaction Option – U.S. Region.”

ID#: 050411-010410-0024723

Installment Transaction

The single purchase of goods or services billed to an account in multiple segments, over a period of time agreed to between a Cardholder and a Merchant.

ID#: 010410-010410-0024724

Instant Card Personalization Issuance

The ability to instantly personalize Visa cards as a customer waits or to respond immediately to a request for an emergency replacement of a Cardholder's lost or stolen card.

ID#: 050411-010100-0025525

Instant Card Personalization Issuance Agent

A Third Party Agent that performs instant card personalization and issuance for an Issuer.

ID#: 050411-010100-0025526

Instant/Remote Issuance - U.S. Region

The instant issuance of Visa Card products at a location other than a Member's card manufacturing facility (e.g., a branch office).

ID#: 010410-010410-0024725

Integrated Circuit Card

See Chip Card.

ID#: 010410-010410-0024726

Integrated Circuit Card Terminal

See Chip-Reading Device.

ID#: 010410-010410-0024727

Integrated Circuit Chip

See Chip.

ID#: 010410-010410-0024728

Interchange

The exchange of Clearing Records between Members. The *Visa International Operating Regulations* refers to the following types of Interchange:

- Domestic Interchange
- International Interchange

ID#: 010410-010410-0024729

Interchange Authorization Limit

The amount over which a manual authorizer must obtain an Authorization from an Issuer on a proposed Transaction or group of Transactions initiated on the same day by the same Cardholder.

ID#: 010410-010410-0024731

Interchange File

An electronic file containing a Member's Interchange data.

ID#: 010410-010410-0024732

Interchange Reimbursement Fee

A fee reimbursed by an Acquirer to an Issuer in the Clearing and Settlement of an Interchange Transaction.

ID#: 010410-010410-0024733

Interchange Reimbursement Fee - U.S. Region

One of the following:

- A fee that an Acquirer pays to an Issuer in the Clearing and Settlement of an Interchange Transaction
- A fee that an Issuer pays to an Acquirer for making a Cash Disbursement to a Cardholder or Cheque purchaser

ID#: 010410-010410-0024734

Interchange Reimbursement Fee Compliance

A process where Visa resolves disputes between Members for a Member's violation of the *Visa International Operating Regulations* or Regional Operating Regulations that causes an incorrect Interchange Reimbursement Fee rate to be applied to a large number of Transactions, resulting in a financial loss to another Member.

ID#: 160312-010410-0024735

Interchange Reimbursement Fee Compliance Screening

A Member's request for permission to file Interchange Reimbursement Fee Compliance against another Member.

ID#: 010410-010410-0024736

Intercompany Interchange Reimbursement Fee Compliance

A process by which Members of Visa Inc. and Visa Europe can resolve disputes and recover financial losses caused by the application of an incorrect Interchange Reimbursement Fee resulting from a violation of either the *Visa International Operating Regulations* by a Visa Inc. Member or *Visa Europe Operating Regulations* by a Visa Europe Member. The process is only available for cross-border Transactions between Visa Inc. and Visa Europe.

ID#: 160312-130111-0026214

Interlink Program

A program through which an Interlink participant (acting as an Interlink issuer) provides Point-of-Transaction services to Interlink cardholders, to Interlink merchants, or both, as specified in the *Interlink Network, Inc. Bylaws and Operating Regulations* and the *Visa International Operating Regulations*.

ID#: 010410-010410-0024737

Interlink Program Marks

The Interlink Mark, Network Design Mark, and any other service Marks adopted by Visa for use with the Interlink Program.

ID#: 010410-010410-0024738

Interlink Symbol - U.S. Region

The combination of the Interlink Wordmark and Network Design Mark. One of the Interlink Program Marks.

ID#: 010410-010410-0024739

Interlink Wordmark - U.S. Region

A Mark comprising the word "Interlink." One of the Interlink Program Marks.

ID#: 010410-010410-0024740

Intermediary Bank

A depository institution, specified by a Member or by Visa, through which a Settlement funds transfer must be processed for credit to a Settlement account at another depository institution.

ID#: 010410-010410-0024741

International Airline

Either:

- An Airline that sells tickets directly in its own name in 2 or more countries, or operates scheduled flights between 2 or more countries, or both
- Its authorized agent that sells airline tickets on behalf of the Airline

ID#: 010410-010410-0024742

International Airline Transaction - U.S. Region

A Transaction completed at an International Airline participating in the International Airline Program.

ID#: 010410-010410-0024743

International Automated Referral Service

A VisaNet service that enables a VisaNet Processor to obtain an immediate reply to a Referral Response.

ID#: 010410-010410-0024745

International Board

The Visa International Board of Directors.

ID#: 010410-010410-0024746

International Interchange

Interchange of an International Transaction.

ID#: 010410-010410-0024747

International Service Assessment

A fee charged to the Issuer and Acquirer for each International Transaction.

ID#: 081010-010410-0024749

International Service Center - U.S. Region

See Visa Customer Care Services - U.S. Region.

ID#: 010410-010410-0024750

International Transaction

A Transaction where the Issuer of the Card used is not located in the Transaction Country. ^[154]

ID#: 160312-010410-0024752

Internet Domain Name - U.S. Region

A network name associated with an organization, such as "Visa.com," "Visabank.com," or "Merchantnamevisa.com."

ID#: 010410-010410-0024755

Internet Domain Name-Visa Simple

An Internet domain name consisting of the name "Visa" used alone, such as:

- "Visa.xx"
- "Visa.com"
- "Visa.net"
- "Visa.org.xx"

ID#: 010410-010410-0024758

Internet Payment Service Provider (IPSP)

Effective through 30 June 2011, an online entity that contracts with an Acquirer to provide payment services to a Sponsored Merchant.

ID#: 111011-010410-0024759

154 **Effective 1 October 2011**, a variance to this definition applies in the AP Region, LAC Region, and U.S. Region for U.S. Covered Visa Debit Card Transactions in the U.S. Region or a U.S. Territory for routing and Interchange Reimbursement Fee purposes.

Internet Payment Service Provider Agreement

Effective through 30 June 2011, a Merchant Agreement between an Internet Payment Service Provider and an Acquirer containing their respective rights, duties, and obligations for participation in the Acquirer's Visa Program.

ID#: 111011-010410-0024760

Interregional Interchange

Interchange for an Interregional Transaction.

ID#: 010410-010410-0024761

Interregional Transaction

A Transaction where the Issuer of the Card used is not located in the Transaction Region.

ID#: 010410-010410-0024762

Intraregional Transaction

A Transaction where the Issuer of the Card used is located in the Transaction Region, but not in the Transaction country.

ID#: 010410-010410-0024763

Intrusion Access Window (New)

Effective 15 May 2012, a period of time during which Magnetic-Stripe Data was exposed to intruders as a result of an Account Data Compromise Event and could have been stolen.

ID#: 160312-150512-0026748

IPSP (Internet Payment Service Provider)

Effective through 30 June 2011, see Internet Payment Service Provider.

ID#: 111011-010410-0024767

Issuer

A Member that enters into a contractual relationship with a Cardholder for the issuance of one or more Card products.

ID#: 010410-010410-0024768

Issuer Chip Rate

An Interregional Interchange Reimbursement Fee reimbursed to an Issuer for any Transaction that meets the Electronic Rate requirements and is completed with a Card issued by an Issuer that has converted 50% of a designated BIN(s) or Account Number range of a Visa Card Program or Visa Electron Card Program to Visa Smart Payment, and is conducted at a Magnetic-Stripe Terminal.

ID#: 010410-010410-0024770

Issuer Limit

An Issuer-specified amount limit that determines how a Transaction will be authorized. Visa routes a Transaction as follows, based on the Transaction amount:

- Amount at or above the Issuer Limit, to the Issuer or its VisaNet Processor
- Amount below the Issuer Limit, to Stand-In Processing using the Positive Cardholder Authorization Service

ID#: 010410-010410-0024771

Issuers' Clearinghouse Service - U.S. Region

A service developed jointly by Visa and MasterCard Worldwide that is designed to reduce Member losses from excessive credit applications and unauthorized use.

ID#: 081010-010410-0024769

J**No glossary terms available for J.**

ID#: 010410-010410-0025512

K**Key Management Service**

A service that Visa provides to process, store, and transmit Member keys associated with the security algorithm used in the V.I.P. System to protect the security of PINs.

ID#: 010410-010410-0024773

L**LAC**

Latin America and Caribbean.

ID#: 010410-010410-0024774

Late Settlement Fee

The fee that Visa collects from a Member for failure to transfer the Settlement Amount to the Visa Settlement Bank on the date due.

ID#: 010410-010410-0024775

Lead Bank (Updated)

A Visa Multinational Program participant that initiates Multi-Country Issuing on behalf of a Multinational Company client.

ID#: 160312-141010-0026026

Lead Region

A Region where a Global Co-branding Partnership is initiated.

ID#: 010410-010410-0024776

Level 4 Merchant – AP Region

A Merchant in Australia or New Zealand processing fewer than 20,000 Visa Electronic Commerce Transactions annually or fewer than 1 million cumulative Visa Transactions annually.

ID#: 160312-060111-0026187

Level II Enhanced Data - U.S. Region

Data provided to Visa in connection with a Commercial Visa Product Transaction that includes the sales tax amount, customer code (i.e., cost center, general ledger number, order/invoice number), and additional data for T&E Transactions, as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 010410-010410-0024778

Level III Enhanced Data - U.S. Region

Data provided to Visa in connection with a Commercial Visa Product Transaction that includes full line item detail and additional data for T&E Transactions, as specified in the *U.S. Interchange Reimbursement Fee Rate Qualification Guide*.

ID#: 010410-010410-0024777

Liability

As specified in the *Visa International Operating Regulations*, any liability under any theory or form of action whatsoever, in law or in equity, including, without limitation, contract or tort, including negligence, even if the responsible party has been notified of the possibility of such damages. The term also includes liability for infringement of others' intellectual property rights or any liability for Claims of third parties.

ID#: 010410-010410-0024779

Licensee

An entity licensed to participate in the Visa or Visa Electron Program that is neither a:

- Member
- Member or owner of a Group Member

ID#: 010410-010410-0024780

Limited-Amount Terminal

Effective through 14 October 2011, see Unattended Acceptance Terminal and Cardholder-Activated Transaction Type A.

ID#: 111011-010410-0024781

Limited Acceptance - U.S. Region (Updated)

A term describing a Merchant's option to accept one category of Visa Cards and not another. Categories consist of:

- Visa Credit and Business Category
- Visa Debit Category

Effective 15 June 2012, a variance to this definition applies to Visa Business Check Cards accepted as specified in "Qualification for Debt Repayment Program – U.S. Region."

ID#: 160312-010410-0024784

Limited Acceptance Merchant - U.S. Region

A category of Merchant that accepts either, but not both, of the following:

- Visa Credit and Business Category Cards
- Visa Debit Category Cards

ID#: 010410-010410-0024785

Limited-Amount Terminal - U.S. Region

Effective through 14 October 2011, a Cardholder-Activated Terminal that has Data Capture-Only Capability, and accepts payment for items such as:

- Parking garage fees
- Road tolls
- Motion picture theater entrance
- Magnetic-Stripe Telephones

Only merchants in the following merchant categories qualify to submit transactions initiated at a limited-amount terminal:

- 4111, "Local and Suburban Commuter Passenger Transportation, Including Ferries"
- 4112, "Passenger Railways"
- 4131, "Bus Lines"
- 4784, "Tolls and Bridge Fees"
- 7523, "Parking Lots and Garages"

ID#: 111011-010410-0024782

Limited-Amount Terminal Transaction - U.S. Region

Effective through 14 October 2011, a Transaction that originated at a Limited-Amount Terminal through use of a Card encoded with a valid Service Code for the Transaction.

ID#: 111011-010410-0024783

Listed Card

A Card whose Account Number is listed on the Exception File.

ID#: 010410-010410-0024786

Load Acquirer

Effective through 31 December 2013, a Member financial institution or its agent that operates Load Devices and support systems that allow consumers to:

- Load value to a reloadable Visa Cash Card
- Unload value from a reloadable Visa Cash Card, where applicable

ID#: 111011-010410-0024787

Load Device

An ATM or stand-alone device that a Cardholder uses to add or remove value from a stored value application on a Chip Card.

ID#: 010410-010410-0024788

Load Transaction

A means of adding monetary value to a Card at a Point-of-Transaction Terminal or ATM.

ID#: 010410-010410-0024791

Load Transaction Receipt

A Transaction Receipt generated at an ATM or Load Device as a result of a Cardholder adding monetary value to a Chip Card.

ID#: 010410-010410-0024792

Location Code - U.S. Region

A unique code identifying either a Point-of-Transaction Terminal or Merchant Outlet where a Transaction originates.

ID#: 010410-010410-0024793

Lodging Merchant - U.S. Region

A Merchant that sells overnight accommodations, intended for a limited period of time, at a fixed location.

ID#: 010410-010410-0024794

Logotype

A Wordmark depicted in stylized lettering.

ID#: 010410-010410-0024795

Lost/Stolen Card and Emergency Card Replacement Passthrough Service - U.S. Region

An optional service to assist Members in directly handling Cardholder requests for emergency services. An Issuer that subscribes to the passthrough service determines the circumstances in which Visa Customer Care Services will transfer Cardholder inquiries resulting from lost or stolen Cards and requests for Emergency Card Replacements directly to the Issuer.

ID#: 081010-010410-0024797

Lost/Stolen Card Reporting Service - U.S. Region

A VisaNet service provided for an Issuer's Authorizing Processor when a Visa Card, Visa Electron Card, or Visa TravelMoney Card is reported lost or stolen to a VisaNet Authorization operator.

ID#: 010410-010410-0024798

M**Magnetic Stripe**

A magnetic stripe on a Card that contains the necessary information to complete a Transaction.

ID#: 010410-010410-0024808

Magnetic-Stripe Card

A Card bearing a Magnetic Stripe that contains the necessary information to complete a Transaction.

ID#: 010410-010410-0024801

Magnetic-Stripe Data

Data contained in a Magnetic Stripe and replicated in a Chip.

ID#: 010410-010410-0024802

Magnetic-Stripe Image

The minimum Chip payment data replicating the Magnetic Stripe information required to process an EMV-Compliant Transaction.

ID#: 010410-010410-0024803

Magnetic-Stripe Telephone

Effective through 14 October 2011, an Unattended Acceptance Terminal that may be capable of supporting Cardholder-Activated Transaction Type A, Cardholder-Activated Transaction Type B, or Cardholder-Activated Transaction Type C (as determined by Transaction elements, i.e., Authorization, PIN acceptance, Transaction amount) that accepts a Visa Card as payment for a telephone call.

ID#: 111011-010410-0024804

Magnetic-Stripe Telephone - U.S. Region

Effective through 14 October 2011, a Limited-Amount Terminal that accepts a Visa Card as payment for a telephone call.

ID#: 160312-010410-0024805

Magnetic-Stripe Terminal

A terminal that reads the Magnetic Stripe on a Card.

ID#: 010410-010410-0024806

Magnetic-Stripe Terminal - U.S. Region

A Point-of-Transaction Terminal that reads the Magnetic Stripe on a Card and that additionally may read Contactless Payment Card data via a wireless interface.

ID#: 010410-010410-0024807

Magnetic-Stripe-Reading Terminal - U.S. Region

See Magnetic-Stripe Terminal.

ID#: 010410-010410-0024800

Mail/Phone Order Merchant

A Merchant that completes a Mail/Phone Order Transaction.

ID#: 010410-010410-0024809

Mail/Phone Order Transaction

A Transaction where a Cardholder orders goods or services from a Merchant by telephone, mail, or other means of telecommunication, and neither the Card nor the Cardholder is present at the Merchant Outlet.

ID#: 010410-010410-0024810

Mail/Telephone Order, Recurring, Installment Billing, or Electronic Commerce Transaction Indicator - U.S. Region (Updated)

Effective through 14 March 2012, a VisaNet code that identifies a Transaction as one of the following:

- Mail order Transaction
- Electronic Commerce Transaction
- Phone order Transaction
- Recurring Transaction
- Installment Billing Transaction
- Other Mail/Phone Order-type Transaction

ID#: 160312-010410-0024811

Manual Cash Disbursement

A Cash Disbursement obtained with a Visa Card or Visa Electron Card in a Face-to-Face Environment.

ID#: 010410-010410-0024814

Manual Imprint

An imprint of the embossed data on the front of the Card taken with a Manual Imprinter. A Manual Imprint must not consist of an impression taken from the Card using pencil, crayon, or other writing instrument.

ID#: 010410-010410-0024815

Manual Imprinter - U.S. Region

A mechanical device specifically designed to transfer the embossing on a Card and Merchant plate to a Sales Draft.

ID#: 010410-010410-0024816

Manual Transaction Receipt

A Transaction Receipt created when an Account Number is transferred to the Transaction Receipt without the use of electronic means in a manual or semi-electronic environment.

ID#: 010410-010410-0024817

Mark

A word, name, design, symbol, or other device, or any combination thereof, that Visa or any entity adopts to identify its goods or services.

ID#: 010410-010410-0024818

mChek (mChek India Payment Systems Pvt. Ltd.) - AP Region

A technology provider in India that is partnering with Visa.

ID#: 050411-010100-0026180

mChek Platform - AP Region

A platform that is being used for domestic Visa mobile commerce Transactions in India.

ID#: 050411-010100-0026181

Member

A client of Visa U.S.A., Visa International, Visa Worldwide, or a customer which has entered into a Services Agreement with Visa Canada. Requirements for membership are defined in the applicable Certificate of Incorporation and Bylaws.

ID#: 111011-010410-0024822

Member Message Field

A text field in the VisaNet record of a Chargeback or Representment that contains pre-formatted messages.

ID#: 010410-010410-0024825

Membership Application

The set of forms and/or documents containing rights, duties, obligations, and disclosures which, when signed and submitted by an authorized officer of a financial institution to become a Visa Member, represent a contractual obligation between Visa and such Member, under which the Member will be bound.

ID#: 111011-010410-0024823

Merchant

An entity that contracts with an Acquirer to originate Transactions and that is eligible to display a Visa-Owned Mark.

ID#: 050411-010410-0024828

Merchant Agreement

A contract between a Merchant and an Acquirer containing their respective rights, duties, and obligations for participation in the Acquirer's Visa or Visa Electron Program.

ID#: 010410-010410-0024830

Merchant Alert Service

A regional risk management service that requires a participating Acquirer to both:

- Submit information about a Merchant it has terminated
- Verify, before signing, that a Merchant is not listed with the service

ID#: 010410-010410-0024831

Merchant Bank

A Member as defined under the *Visa International Certificate of Incorporation and Bylaws*, Section 2.07.

ID#: 010410-010410-0024832

Merchant Category Code

A code designating the principal trade, profession, or line of business in which a Merchant is engaged, as specified in the *Visa Merchant Data Standards Manual*.

ID#: 010410-010410-0024834

Merchant Certificate

An electronic document used to authenticate a Merchant in an Electronic Commerce Transaction.

ID#: 010410-010410-0024835

Merchant Descriptor - U.S. Region

A term describing the aggregate of the BIN, Merchant name, Merchant city, Merchant state, and Merchant Category Code fields contained in an Authorization Request or Clearing Record, as specified in the:

- "VisaNet Clearing Message Content Standards" (Exhibit NN)
- "Required Data for Authorization Requests and Responses" (Exhibit OO)
- Appropriate VisaNet manuals

A Merchant Outlet may have one or more Merchant Descriptors.

ID#: 010410-010410-0024837

Merchant Fraud Performance Program

A fraud management program used to identify Merchants with excessive fraud levels.

ID#: 010410-010410-0024839

Merchant Outlet (Updated)

Either:

- The physical premises of a Merchant at which a Transaction is completed
- For an Electronic Commerce or Mail/Phone Order Merchant, the country where all of the following occur:
 - There is a Permanent Establishment through which Transactions are completed. In the absence of a Permanent Establishment, a Merchant that provides only digital goods must use the country where the principals of the company work.
 - The Merchant holds a valid business license for the Merchant Outlet
 - The Merchant has a local address for correspondence and judicial process other than a post office box or mail-forwarding address, which do not meet this requirement
 - The Merchant Outlet pays taxes relating to the sales activity

ID#: 160312-010410-0024842

Merchant Plug-In (MPI) Client Certificate - Canada Region (Updated)

Effective through 14 March 2012, a unique electronic cryptogram used to authenticate an Electronic Commerce Merchant that has enrolled in 3-D Secure (commonly known as the Verified by Visa program).

Effective 15 March 2012, a unique electronic cryptogram used to authenticate an Electronic Commerce Merchant that has enrolled in Verified by Visa.

ID#: 160312-010410-0024844

Merchant Verification Value (MVV)

An assigned value transmitted in the Transaction message used by Visa to identify an Acquirer or Merchant who is registered with Visa:

- To assess specific fees
- For other special Interchange treatment
- For participation in select acceptance programs
- For unique processing criteria

The MVV consists of 10 digits, the first 6 of which are assigned by Visa.

ID#: 160312-010111-0026121

Merger

A term used to describe any of the following:

- Purchase of a Member organization by another organization where the acquired Member's charter is dissolved
- Merging of two or more organizations into a single entity requiring a new charter

ID#: 111011-010100-0025531

Message Processing Service - U.S. Region

An Authorization service that the V.I.P. System provides in response to an Authorization Request entered into the V.I.P. System by a Member, an Authorizing Merchant, or a VisaNet Authorization center.

ID#: 010410-010410-0024849

Minimum Spending Limit – AP Region

The ability for Cardholders to accumulate charges of predefined value during each or any statement cycle. For products with debit capabilities, Minimum Spending Limit is subject to available funds in the account of the Cardholder.

ID#: 081010-010310-0025673

Misembossed Card

A valid Card on which erroneous information is embossed.

ID#: 010410-010410-0024850

Misencoded Card

A valid Card on which erroneous information is encoded.

ID#: 010410-010410-0024851

Mobile Payment Device (New)

Effective 8 March 2012, a Proximity Payment Device that resides in a portable electronic device that can access a wireless network.

ID#: 160312-080312-0026785

Money Transfer Original Credit Program

A Visa program that allows a Member to offer funds transfer services to its Visa Cardholders or other consumers resulting in a credit to the recipient Cardholder's Visa account, as specified in *Original Credits Member Requirements* or the *Visa Money Transfer (VMT) Global Implementation Guide*.

ID#: 230312-091210-0026080

Money Transfer Original Credit Transaction

A funds transfer Transaction initiated by a Member that results in a credit to a Visa Account Number for a purpose other than refunding a Visa purchase (e.g., overseas remittances, gift transfers, Visa Card payments), as specified in *Original Credits Member Requirements* or the *Visa Money Transfer (VMT) Global Implementation Guide*.

ID#: 080411-010100-0026081

MoneyChoices - U.S. Region

An optional Visa program that provides Members with an Internet-based educational resource for Visa Cardholders in need of financial planning or money-management skills.

ID#: 010410-010410-0024852

Multi-Country Issuing (Updated)

Within the Visa Multinational Program, a scenario in which a Lead Bank forms a relationship with a Partner Bank located in another country for the purpose of issuing Visa Commercial Card products to its Multinational Company clients. Multi-Country Issuing is identified in the *Visa Multinational Program Guide* as "Indirect Cross-Border Issuing."

ID#: 160312-141010-0026027

Multi-Currency Priced Transaction

A Transaction in which a Merchant displays the price of goods or services in a currency or currencies other than, or in addition to, the Merchant's local currency. No Dynamic Currency Conversion is conducted.

ID#: 111011-090910-0025996

Multinational Company

A commercial organization with operations, subsidiaries, and employees situated in more than one country (excluding franchise representatives, independently owned dealers, and joint ventures in which a Multinational Company participates), as specified in the *Visa Multinational Program Guide*.

ID#: 111011-010410-0024854

N**National Card Recovery Bulletin**

A special edition of the Card Recovery Bulletin that lists domestic Account Numbers in addition to other applicable listings.

ID#: 010410-010410-0024856

National Card Recovery File

A weekly file of all Visa account numbers listed on the Exception File with a Pickup Response. (See the VisaNet manuals.)

ID#: 010410-010410-0024857

National Office

A Visa office with jurisdiction over a single country.

ID#: 010410-010410-0024861

National Operating Regulations

The operating regulations of a National Office.

ID#: 010410-010410-0024862

National Organization

An organization as defined under the *Visa International Certificate of Incorporation and Bylaws*, Section 16.01.

ID#: 010410-010410-0024863

Negative Option Merchant

Effective 1 June 2011, a Merchant that offers goods and/or services that result in a Negative Option Transaction.

ID#: 111011-010611-0026394

Negative Option Transaction

Effective 1 June 2011, an offer of goods and/or services that Cardholders need to expressly reject during the Transaction process, including expressly declining willingness to participate in future Transactions.

ID#: 111011-010611-0026393

Net Sales - U.S. Region

In calculation of Interchange Reimbursement Fees, Transaction Receipt totals less Credit Transaction Receipt totals.

ID#: 010410-010410-0024867

Network Design Mark - U.S. Region

A Visa-owned service Mark used in the Interlink Program.

ID#: 010410-010410-0024866

New Channel

An environment in which payment is initiated via a Cardholder Access Device or other device that does not use a standard Hypertext Markup Language (HTML) browser to process an Authentication Request.

ID#: 010410-010410-0024868

No-Show Transaction

A Transaction that a Hotel participating in the Hotel Reservation Service or a Car Rental Company participating in the Specialized Vehicle Reservation Service completes, resulting from a Cardholder's alleged failure to cancel or use the reservation.

ID#: 010410-010410-0024869

No-Show Transaction - U.S. Region

A Transaction resulting from a Cardholder's alleged failure to cancel or use the reservation completed by either a:

- Lodging Merchant participating in the Visa Reservation Service
- Car Rental Company participating in the Visa Reservation Service

ID#: 010410-010410-0024870

Non-Authenticated Security Transaction

An Electronic Commerce Transaction that uses data encryption for security but is not authenticated using an Authentication Method.

ID#: 010410-010410-0024871

Non-Confidential Enhanced Merchant-Level Data - U.S. Region

Merchant-related data provided through Visa to an Issuer in connection with a Commercial Visa Product, comprising only the following data elements:

- Merchant name
- Merchant street address
- Merchant city, state, and ZIP code
- Merchant telephone number

ID#: 010410-010410-0024872

Non-member - Canada Region

An entity that is not eligible to be a customer of Visa.

ID#: 010410-010410-0024874

Non-member Identification - Canada Region

The name or Trade Name alone or in combination with the Corporate logo or Mark of a Non-member.

ID#: 010410-010410-0024875

Non-Member Licensee - U.S. Region

An entity that:

- Is licensed to participate in the Visa or Visa Electron Program in a country outside of the United States and is not a Member of Visa
- Has the privileges and obligations of Interchange in the Visa or Visa Electron Program, as applicable

ID#: 010410-010410-0024876

Non-Participation Message (Updated)

Effective through 14 March 2012, a message to a 3-D Secure Merchant indicating that the Issuer or Cardholder, represented by either of the following, does not participate in 3-D Secure:

- Issuer BIN
- Account Number

Effective 15 March 2012, a message to a Verified by Visa Merchant indicating that the Issuer or Cardholder, represented by either the Issuer BIN or the Account Number, does not participate in 3-D Secure.

ID#: 160312-010410-0024878

Non-Registered Country

A country for which Visa has not given written permission for an Acquirer to accept International Airline Transactions.

ID#: 010410-010410-0024879

Non-Reloadable Card

A Visa Prepaid Card that is funded with monetary value only once.

ID#: 081010-010410-0024880

Non-Secure Transaction

An Electronic Commerce Transaction that has no data protection.

ID#: 010410-010410-0024881

Non-Settled Advice

A text message available to Members that specifies the count and amount of Clearing Records processed in Domestic Interchange.

ID#: 010410-010410-0024882

Non-Standard Card

A Visa Card or Visa Electron Card that does not comply with the plastic specifications in the *Visa Product Brand Standards*, requires Visa approval, and must:

- Provide the designated level of utility promised to the Cardholder
- Contain the physical elements and data components required to complete a Transaction

ID#: 010410-010410-0024883

Non-Visa Debit Transaction - U.S. Region

An act between a Visa Check Card or Visa Debit Card Cardholder and a merchant that results in the generation of a transaction on a PIN-Debit Network.

ID#: 010410-010410-0024885

Non-Visa-Owned Marks

The Marks used in conjunction with a program sponsored by Visa, but owned by a third party.

ID#: 010410-010410-0024884

Nonfulfillment Message

A response to a Retrieval Request indicating that the Acquirer will not provide a copy through an electronic document transfer method.

ID#: 010410-010410-0024886

Notification

Written notice delivered by mail, courier, facsimile, hand, e-mail, or other electronic delivery method. Notification is effective when posted, sent, or transmitted by Visa to the Member or its Agent.

ID#: 160312-150211-0024887

Numeric ID

Any identifier, other than a BIN, assigned by Visa to a Visa Member, VisaNet Processor, or Third Party Agent, including but not limited to Processor Control Records (PCR), Station IDs, and Routing IDs, used to facilitate transaction routing and processing.

ID#: 111011-080911-0026475

O**Offline Authorization**

An Issuer-controlled process that allows a Chip-initiated Authorization Request to be processed in a below-Floor Limit environment without sending the request to the Issuer.

ID#: 010410-010410-0024898

Offline Data Authentication - Canada Region

Any Authentication as specified in the Chip Specifications, including Combined Data Authentication, Dynamic Data Authentication, and Static Data Authentication.

ID#: 010410-010410-0024900

Offline PIN Verification

A process used to verify the Cardholder's identity by comparing the PIN entered at the Chip-Reading Device to the PIN value contained in the Chip.

ID#: 010410-010410-0024902

Offshore VisaNet Processor - U.S. Region (Updated)

Effective through 6 March 2012, a VisaNet Processor, from a location outside of the United States, that provides Authorization, Clearing, or Settlement services to Members or Merchants. This definition does not imply or confer membership rights as defined in the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*, Article II.

ID#: 160312-010410-0024905

Olympic Marks

The Marks of the Olympic games when used in conjunction with the Visa, Visa Electron, or Visa TravelMoney Program.

ID#: 010410-010410-0024906

On-U.S. Transaction

A Transaction where the Issuer and the Acquirer are the same Member.

ID#: 010410-010410-0024907

Online

A method of requesting an Authorization through a communications network other than voice.

ID#: 010410-010410-0024910

Online Address - U.S. Region

The electronic sales location (domain name) of a Merchant that conducts the sale of goods or services over the Internet or other network (e.g., <http://www.merchantname.com>).

ID#: 010410-010410-0024911

Online Card Authentication Cryptogram

A cryptogram generated by a Chip Card during a Transaction and used to validate the authenticity of the Card.

ID#: 050411-010410-0024912

Online Check Card Transaction - U.S. Region

Effective through 30 June 2015, a Transaction completed through the use of a Visa Check Card II that is a single-message-acquired, full-financial Transaction.

ID#: 111011-010410-0024913

Online Financial Processing

A process that combines Authorization, Clearing, and Settlement into a single Online Financial Transaction.

ID#: 010410-010410-0024914

Online Financial Transaction

A Transaction that is authorized, cleared, and settled in a single online message.

ID#: 010410-010410-0024915

Online Gambling Merchant

An Electronic Commerce Merchant that provides any form of gambling services over the Internet or other networks. Gambling services include, but are not limited to, the following:

- Betting
- Lotteries
- Casino-style games
- Funding an account established by the Merchant on behalf of the Cardholder
- Purchase of value for proprietary payment mechanisms, such as electronic gaming chips

ID#: 010410-010410-0024916

Online Gambling Transaction

An Electronic Commerce Transaction representing the purchase of any form of gambling services over the Internet or other networks. Gambling services include, but are not limited to, the following:

- Betting
- Lotteries
- Casino-style games
- Funding an account established by the Merchant on behalf of the Cardholder

- Purchase of value for proprietary payment mechanisms, such as electronic gaming chips

ID#: 010410-010410-0024917

Online PIN Verification

A process used to verify the Cardholder's identity by sending an encrypted PIN value to the Issuer or the Issuer's agent for validation in an Authorization Request.

ID#: 010410-010410-0024918

Open File Delivery - U.S. Region

A component of the Direct Exchange network that allows Visa and endpoints to exchange data files through a single connection to VisaNet. Applicable file types include BASE II, Automated Clearing House, Single Message System reports, and raw data files.

ID#: 010410-010410-0024920

Operating Expense Recovery (New)

Effective 15 May 2012, a component of the Global Compromised Account Recovery program that allocates responsibility and reimbursement for a portion of Issuers' estimated operational expenses incurred as the result of a compromise of Magnetic-Stripe Data, and PIN data for Account Data Compromise Events that also involve PIN compromise.

ID#: 160312-150512-0026064

Operating Expense Recovery - U.S. Region (Updated)

Effective through 14 May 2012, a subset of the Account Data Compromise Recovery Process that allocates responsibility and reimbursement for a portion of Issuers' operational expenses incurred as the result of an account compromise event involving Magnetic-Stripe Data and/or PIN data. Issuers must enroll in the Operating Expense Recovery process to be eligible for operating expense reimbursement.

ID#: 160312-010410-0024921

Operator Assistance Service - U.S. Region

An Authorization service provided by Visa or its agent to a Merchant or its Authorizing Processor.

ID#: 010410-010410-0024922

Order Form - U.S. Region

A document bearing the Cardholder's signature, either written or electronic, authorizing goods or services to be charged to his/her account. An Order Form may be any of the following:

- Mail order form
- Recurring Transaction form
- Preauthorized Healthcare Transaction form
- E-mail or other electronic record that meets the requirements of applicable law

ID#: 010410-010410-0024923

Original Adjustment - U.S. Region

One of the following:

Effective through 30 June 2015, an Online Check Card Transaction completed and submitted through Interchange without an Authorization because the connection between the Merchant and its Authorizing Processor was inoperable.

Effective 14 April 2012, a Visa Debit with PIN Transaction completed and submitted through Interchange without an Authorization because the connection between the Merchant and its VisaNet Processor was inoperable.

ID#: 111011-010410-0024924

Original Credit

A Transaction, including a Money Transfer Original Credit Transaction, initiated by a Member either directly or on behalf of its Merchant that results in a credit to a Visa Account Number for a purpose other than refunding a Visa purchase, as specified in *Original Credits Member Requirements*.

ID#: 050411-010410-0024925

Originating Member

An Issuer or Acquirer that initiates an Original Credit Transaction, including a Money Transfer Original Credit Transaction, as specified in *Original Credits Member Requirements* or the *Visa Money Transfer (VMT) Global Implementation Guide*.

ID#: 050411-010410-0024926

Outbound Telemarketing - U.S. Region

Merchant-initiated contact with a Cardholder via a telephone call or a mailing (other than a catalog) that instructs the Cardholder to call the Merchant. These solicitations include, but are not limited to, discount buying clubs, discount travel clubs, membership clubs, credit card protection/registration services, cosmetics, health care products, and vitamins. This definition also includes "up sell" Merchants. These Merchants often solicit Cardholders when they contact call centers to purchase products of other direct marketing Merchants or to request customer service assistance.

ID#: 010410-010410-0024927

P

PAReq (New)

Effective 15 March 2012, the "Payer Authentication Request" message type, as specified in the applicable Verified by Visa Issuer Implementation Guide. See "Authentication Request."

ID#: 160312-150312-0026812

PARes (New)

Effective 15 March 2012, the "Payer Authentication Response" message type, as specified in the applicable Verified by Visa Issuer Implementation Guide. See "Authentication Response."

ID#: 160312-150312-0026813

Partial Amount Indicator - U.S. Region

A VisaNet code used in a Chargeback or Representment Record to indicate either:

- The Chargeback amount is less than the Transaction amount
- The Representment amount is less than the Chargeback amount

(Previously known as Special Chargeback Indicator.)

ID#: 010410-010410-0024928

Partial Authorization

An Authorization for an amount less than the amount requested by a Merchant for a Transaction on a Visa Card.

ID#: 010410-010410-0024929

Participant-Type Member

A Member of Visa characterized as one of the following:

- Credit Participant, as defined in the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*, Article II, Section 2.04(h)
- Debit Participant, as defined in the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*, Article II, Section 2.04(i)
- Cash Disbursement Participant, as defined in the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*, Article II, Section 2.04(j)
- Participant, as defined in the applicable Certificate of Incorporation and Bylaws

ID#: 111011-010410-0024930

Partner Bank (Updated)

A Visa Multinational Program participant that partners with the Lead Bank in the Multi-Country Issuing scenario. The Partner Bank resides in a country that is different from the Lead Bank and issues Visa Commercial Card products on behalf of the Lead Bank.

ID#: 160312-141010-0026029

Passcode (New)

Effective 8 March 2012, a code entered by the Cardholder into a Mobile Payment Device to authenticate the Cardholder.

ID#: 160312-080312-0026790

Passenger Transport Service Category - U.S. Region

A Transaction category that provides customized services and procedures for Airlines, passenger railway Merchants, or their agents.

ID#: 010410-010410-0024932

Payment Application

A software application contained within a Chip or payment data encoded on a Magnetic Stripe that defines the parameters for processing a Visa Transaction.

ID#: 010410-010410-0024933

Payment Card Industry Data Security Standard (PCI DSS)

A set of comprehensive requirements that define the standard of due care for protecting sensitive Cardholder information.

ID#: 010410-010410-0024934

Payment Card Industry Forensic Investigator (PFI)

Effective 21 April 2011, an individual or entity approved by the Payment Card Industry Security Standards Council (PCI SSC) to respond in the event of a security incident and perform forensic investigations.

ID#: 111011-210411-0026276

Payment Card Industry Payment Application Data Security Standard

A data security standard that specifies security requirements for third-party Payment Application software that stores, processes, or transmits Cardholder data.

ID#: 081010-200509-0024935

Payment Gateway (Updated)

Effective through 14 March 2012, a system that provides electronic commerce services to Merchants for the Authorization and Clearing of Electronic Commerce Transactions.

ID#: 160312-010410-0024936

Payment Service Provider

Effective 1 July 2011, an entity that contracts with an Acquirer to provide payment services to a Sponsored Merchant.

ID#: 111011-010711-0026428

Payment Service Provider Agreement

Effective 1 July 2011, a Merchant Agreement between a Payment Service Provider and an Acquirer containing their respective rights, duties, and obligations for participation in the Acquirer's Visa Program.

ID#: 111011-010711-0026430

Peak Time - U.S. Region

The period of time, designated by a Car Rental Company, during which a Cardholder may use their Card to reserve a car that will be guaranteed under the Visa Reservation Service. The Peak Time may include any of the following:

- Legal holidays, including 3-day weekends
- Resort rentals during seasons best suited for the resort's activities
- Special events that draw attendees from outside the local area, such as the Olympics, the Super Bowl, or Mardi Gras

ID#: 010410-010410-0024937

Performance Threshold Interchange Reimbursement Fee Program - Visa Consumer Credit - U.S. Region

A Visa program that permits Acquirers to qualify for Interchange Reimbursement Fees for consumer Visa credit Card Transactions based on Merchant Outlet volume criteria and other qualifications.

ID#: 010410-010410-0024938

Performance Threshold Interchange Reimbursement Fee Program - Visa Consumer Debit - U.S. Region (Updated)

Effective through 13 April 2012, a Visa program that permits Acquirers to qualify for reduced Interchange Reimbursement Fees for consumer Visa Debit Card Transactions based on Merchant Outlet volume criteria.

ID#: 160312-010410-0024939

Performance Threshold Interchange Reimbursement Fee Transaction - U.S. Region (Updated)

Effective through 13 April 2012, a consumer Visa credit Card or consumer Visa Debit Card Transaction that originates at a Merchant Outlet that qualifies for a Performance Threshold Interchange Reimbursement Program.

Effective 14 April 2012, a consumer Visa credit Card Transaction that originates at a Merchant Outlet that qualifies for a Performance Threshold Interchange Reimbursement Program.

ID#: 160312-010410-0024940

Permanent Establishment

A fixed place of business through which an Electronic Commerce or Mail/Phone Order Merchant conducts its business, regardless of Website or server locations.

ID#: 010410-010410-0024941

Personal Identification Number - U.S. Region

See PIN.

ID#: 010410-010410-0024943

Physically Secure Device - U.S. Region

A device with negligible probability of being successfully penetrated to disclose all or part of any cryptographic key or PIN.

ID#: 010410-010410-0024944

Pickup Response

An Authorization Response where the Transaction is declined and confiscation of the Card is requested.

ID#: 010410-010410-0024945

PIN

A personal identification numeric code that identifies a Cardholder in an Authorization Request.

ID#: 010410-010410-0024948

PIN Management Requirements Documents - U.S. Region

A suite of documents that include the following manuals:

- *Payment Card Industry PIN Security Requirements*
- *Payment Card Industry POS PIN Entry Device Security Requirements*
- *Payment Card Industry Encrypting PIN PAD (EPP) Security Requirements*
- *Visa PIN Entry Device Security Requirements Manual*

ID#: 010410-010410-0024950

PIN Verification

A procedure used to verify Cardholder identity when a PIN is used in an Authorization Request.

ID#: 010410-010410-0024951

PIN Verification Field

A field encoded on the Magnetic Stripe or Chip of a Visa or Visa Electron Card comprising a PIN Verification Value, calculated with an algorithm using portions of the Account Number and PIN, and a one-digit key indicator.

ID#: 010410-010410-0024952

PIN Verification Service

A service that Visa provides for the verification of Cardholder PINs transmitted with Authorization Requests.

ID#: 010410-010410-0024953

PIN Verification Value

A 4-digit value used in PIN verification.

ID#: 010410-010410-0024954

PIN Verification Value File

A VisaNet file of Account Numbers and PIN Verification Values maintained at a VisaNet Interchange Center at an Issuer's option for use as part of the PIN Verification Service.

ID#: 010410-010410-0024955

PIN-Debit Network - U.S. Region

A non-Visa debit network that typically authenticates transactions by use of a PIN that is not generally known as, marketed as, or enabled as a competitive general-purpose card program, or other prohibited payment program, either directly or through a joint acceptance agreement.

ID#: 010410-010410-0024946

PIN-Preferring Chip Card

An EMV and VIS-Compliant Chip Card containing a Visa or Visa Electron Smart Payment Application, and a Cardholder Verification Method List specifying a preference for a PIN-based Cardholder Verification Method (either offline or online).

ID#: 081010-010410-0024947

Plus ATM

An ATM that displays the Plus Symbol and not the Visa Brand Mark.

ID#: 010410-010410-0024956

Plus ATM - U.S. Region

An ATM that displays the Plus Symbol.

ID#: 050411-010410-0024957

Plus Card - U.S. Region

A card that bears the Plus Symbol.

ID#: 050411-010410-0024958

Plus Design

See Diamond Design.

ID#: 010410-010410-0024959

Plus Logo - U.S. Region

See Plus Symbol.

ID#: 010410-010410-0024961

Plus Logotype

The Plus Wordmark depicted in stylized lettering.

ID#: 010410-010410-0024960

Plus Program

A program through which a Plus participant provides ATM services to Cardholders by acting as an Issuer, an ATM Acquirer, or both.

ID#: 010410-010410-0024962

Plus Program - U.S. Region

A program through which a Plus Program Participant provides ATM services to cardholders, as specified in the *Plus System, Inc. Bylaws and Operating Regulations*.

ID#: 010410-010410-0024963

Plus Program Marks

The Marks used in connection with the Plus Program, including the Diamond Design, Plus Symbol, Plus Logotype, Plus Wordmark, Plus Symbol-Contained, and Plus Symbol-Uncontained, as specified in the *Visa Product Brand Standards*.

ID#: 010410-010410-0024964

Plus Program Participant

An entity participating in the Plus Program, as specified in the *Visa International Certificate of Incorporation and Bylaws*, Section 2.09.

ID#: 010410-010410-0024965

Plus Symbol

A Mark consisting of the Diamond Design combined with the Plus Logotype denoting ATM access only. One of the Visa-Owned Marks. The Plus Symbol:

- Must be used as specified in the *Visa Product Brand Standards*
- May be used as either the:
 - Plus Symbol-Contained
 - Plus Symbol-Uncontained

ID#: 010410-010410-0024966

Plus Symbol - Contained - U.S. Region

A Plus Symbol enclosed in a rectangular field and outline box.

ID#: 010410-010410-0024967

Plus Symbol - Uncontained - U.S. Region

A Plus Symbol that is free-standing and not enclosed in a rectangular field and outline box.

ID#: 010410-010410-0024968

Plus System Symbol - U.S. Region

A Visa-Owned ATM Acceptance Mark consisting of the Plus Design combined with the Plus Wordmark denoting ATM access only.

ID#: 010410-010410-0024971

Plus System Wordmark - U.S. Region

See Plus Wordmark.

ID#: 010410-010410-0024972

Plus System, Inc.

A subsidiary of Visa U.S.A. Inc. sublicensed to administer the Plus Program in the United States and certain other countries, in accordance with the affiliation agreements between that entity and Visa.

ID#: 010410-010410-0024969

Plus Wordmark

A Visa-Owned Mark consisting of the word "Plus" with the initial letter capitalized.

ID#: 010410-010410-0024973

Point-of-Sale Balance Inquiry

A Cardholder request for their Visa Prepaid Card account balance that is initiated at the Point-of-Transaction and processed as a separate, non-financial transaction, or, for Rightcliq, a Cardholder request for Card account balance information for participating Visa Cards registered with Rightcliq.

ID#: 081010-010100-0025553

Point-of-Sale Balance Inquiry Service

A service that uses the Visa System to provide a Point-of-Sale Balance Inquiry.

ID#: 010410-010410-0024989

Point-of-Sale Balance Inquiry Service - U.S. Region

A VisaNet service designed to provide information to participating Merchants to facilitate the Merchant providing current account balance information to Visa Prepaid Cardholders or to Visa to facilitate providing current Card account balance information to Cardholders using Rightcliq.

ID#: 050411-010100-0025658

Point-of-Sale Balance Return

An Authorization Response in which an Issuer of Visa Prepaid Cards provides the remaining balance for participating Merchants to print on the Transaction Receipt.

ID#: 081010-010100-0025554

Point-of-Sale Balance Return Service

A service that uses the Visa System to provide a Point-of-Sale Balance Return.

ID#: 010410-010100-0025552

Point-of-Transaction

Effective through 14 October 2011, the physical location where a Merchant or Acquirer (in a Face-to-Face Environment) or an Unattended Acceptance Terminal (in an Unattended Environment) completes a Transaction Receipt.

Effective 15 October 2011, the physical location where a Merchant or Acquirer (in a Face-to-Face Environment) or an Unattended Cardholder-Activated Terminal (in an Unattended Environment) completes a Transaction Receipt.

ID#: 111011-010410-0024974

Point-of-Transaction - U.S. Region

One of the following:

- In a Face-to-Face Environment, the physical location at which a Merchant or Acquirer completes a Transaction Receipt

- **Effective through 14 October 2011**, in a Card-Present Environment, where an individual representing the Merchant or Acquirer is not present, the physical location at which a Cardholder completes a Cardholder-Activated Terminal Transaction
- **Effective 15 October 2011**, in a Card-Present Environment, where an individual representing the Merchant or Acquirer is not present, the physical location at which a Cardholder completes an Unattended Transaction
- At an Online Address, the checkout page(s) of a Merchant's Website at which a Cardholder completes a Transaction

ID#: 111011-010410-0024975

Point-of-Transaction Capability

Effective through 14 October 2011, the capability of a Merchant, Acquirer, or Unattended Acceptance Terminal to obtain an Authorization and process Transaction Receipt data. The *Visa International Operating Regulations* refer to these Point-of-Transaction Capability types:

- Authorization-Only Capability
- Data Capture-Only Capability
- Electronic Capability
- Manual Capability
- Semi-Electronic Capability

Effective 15 October 2011, the capability of a Merchant, Acquirer, or Unattended Cardholder-Activated Terminal to obtain an Authorization and process Transaction Receipt data. The *Visa International Operating Regulations* refer to these Point-of-Transaction Capability types:

- Authorization-Only Capability
- Data Capture-Only Capability
- Electronic Capability
- Manual Capability
- Semi-Electronic Capability

ID#: 111011-010410-0024976

Point-of-Transaction Capability - U.S. Region

Effective through 14 October 2011, the capability of a Merchant, Acquirer, or Cardholder-Activated Terminal to obtain an Authorization and process Transaction Receipt data. The U.S. Regional Operating Regulations refer to these Point-of-Transaction Capability types:

- Authorization-Only Capability
- Data Capture-Only Capability
- Electronic Capability

- Manual Capability
- Semi-Electronic Capability

ID#: 111011-010410-0024977

Point-of-Transaction Terminal

A device used at the Point-of-Transaction that has a corresponding Point-of-Transaction Capability. The *Visa International Operating Regulations* refer to the following types of Point-of-Transaction Terminals:

- ATM
- Chip-Reading Device
- **Effective through 14 October 2011**, Magnetic-Stripe Telephone
- Magnetic-Stripe Terminal
- **Effective through 14 October 2011**, Unattended Acceptance Terminal
- **Effective 15 October 2011**, Unattended Cardholder-Activated Terminal

ID#: 111011-010410-0024978

Point-to-Point File Service - U.S. Region

A service that enables Open File Delivery endpoints to transfer batch files to other Open File Delivery endpoints through Direct Exchange.

ID#: 010410-010410-0024980

Point-of-Transaction Terminal - U.S. Region

A device used at the Point-of-Transaction that has a corresponding Point-of-Transaction Capability. The U.S. Regional Operating Regulations refer to the following types of Point-of-Transaction Terminals:

- Account-Number-Verifying Terminal
- ATM
- Automated Dispensing Machine
- Chip-Reading Device
- Contactless Payment Terminal
- **Effective through 14 October 2011**, Limited-Amount Terminal
- **Effective through 14 October 2011**, Magnetic-Stripe Telephone
- Magnetic-Stripe Terminal
- **Effective through 14 October 2011**, Self-Service Terminal

- **Effective 15 October 2011, Unattended Cardholder-Activated Terminal**

ID#: 111011-010410-0024979

Points - U.S. Region

A value awarded to a participating Cardholder's rewards account as part of the Visa Extras Program.

ID#: 010410-010410-0024981

Portfolio Sale

Sale of programs, in whole or part, from one organization to another where the selling organization and purchasing organization each maintains their respective charters.

ID#: 111011-010100-0025532

POS - Canada Region

A Point-of-Transaction Terminal that excludes ATMs.

ID#: 010410-010410-0024988

POS Entry Mode

A VisaNet field indicating the method used to obtain and transmit the Cardholder information necessary to complete a Transaction, i.e., manual key entry, Magnetic-Stripe-read, or Chip-read.

ID#: 050411-010410-0024990

Post-Issuance Application Change

A method that enables an Issuer to modify or block an application already residing on a Chip.

ID#: 010410-010410-0024985

Post-Issuance Application Load

A method that enables an Issuer to add an application or service to the contents of a Chip without reissuing a Card.

ID#: 010410-010410-0024986

Post-Issuance Updates

A method that enables an Issuer to update information stored in a Chip without reissuing the Card. There are 2 types of Post-Issuance Updates:

- Post-Issuance Application Change
- Post-Issuance Application Load

ID#: 010410-010410-0024987

Preauthorized Health Care Transaction - U.S. Region

A Transaction completed by a Health Care Merchant for which a Cardholder has provided written permission to the Merchant to charge the Cardholder's Visa account for services.

ID#: 010410-010410-0024991

Preauthorized Payment Cancellation Service

A service that enables Visa Card Issuers to stop payment on Preauthorized Transactions.

ID#: 160312-100211-0026230

Preauthorized Transaction

A Transaction for which a Cardholder has given advance permission to periodically charge his or her account. Preauthorized Transactions include, but are not limited to, Recurring Transactions, Installment Billing Transactions, and Preauthorized Health Care Transactions.

ID#: 160312-100211-0026231

Prepaid Account

An account established by an Issuer, with previously deposited, authorized, or transferred funds, which is decreased by purchase Transactions, Cash Disbursements, or account fees.

ID#: 010410-010410-0024994

Prepaid Issuer Risk Program - U.S. Region

A program that increases an Issuer's accountability for controlling its Agent relationships that support Visa Prepaid Card Issuer programs and enhances control mechanisms to mitigate risk to the Visa system.

ID#: 081010-010410-0024997

Prepaid Partner

A Merchant, Member, or Third Party agent (excluding cobranded partners, Approved Manufacturers and Card Personalizers) that has a contract with a Visa Acquirer to sell, activate and/or perform Load Transaction processing for Visa Prepaid Cards.

ID#: 010410-010410-0024998

Prepaid Partner Agreement

A contract between a Visa Prepaid Card Issuer and a Member, Merchant or Third Party agent (excluding co-branded partners, Approved Manufacturers and Card Personalizers) containing respective rights, duties and obligations for the sale, activation and/or Load Transaction processing of Visa Prepaid Cards.

ID#: 010410-010410-0024999

Prescreen Service - U.S. Region

An optional feature of Visa Advanced ID Solutions that allows Members to select data from the Issuers' Clearinghouse Service databases to create a suppression file before mailing solicitations for Cards, non-Visa cards, or other Visa or non-Visa products.

ID#: 010410-010410-0025000

Presentment

A Clearing Record that an Acquirer presents to an Issuer through Interchange, either initially (a first Presentment) or after a Chargeback (a Representment).

ID#: 010410-010410-0025001

Prestigious Property - U.S. Region

A Lodging Merchant that is permitted to use the Status Check Procedure.

ID#: 010410-010410-0025002

Primary Account Number (PAN) - U.S. Region

See Account Number.

ID#: 010410-010410-0025003

Primary Mark

A Visa-Owned Mark on a Card that identifies the primary Account Number when multiple Brand Marks (including both Visa-Owned and Non-Visa-Owned Marks) are contained on a Chip Card.

ID#: 010410-010410-0025004

Principal-Type Member

A Member of Visa characterized as one of the following:

- Principal Member, as defined in the applicable Certificate of Incorporation and Bylaws
- Acquirer Member, as defined in the applicable Certificate of Incorporation and Bylaws
- Administrative Member, as defined in the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*, Article II, Section 2.04(c)
- Debit Interchange Member, as defined in the *Visa U.S.A. Inc. Certificate of Incorporation and Bylaws*, Article II, Section 2.04(g)
- Group Member, as defined in the applicable Certificate of Incorporation and Bylaws
- Merchant Acquirer Member, as defined in the applicable Certificate of Incorporation and Bylaws
- Cash Disbursement Member, as defined in the applicable Certificate of Incorporation and Bylaws

ID#: 111011-010410-0025005

Priority Check-out Agreement - U.S. Region

A written agreement that, when bearing a Cardholder's signature, authorizes a Lodging or Cruise Line Merchant participating in the Priority Check-out Service to deposit a Transaction Receipt without the Cardholder's signature for the total amount of their obligation.

ID#: 010410-010410-0025008

Priority Check-out Service - U.S. Region

A Visa service provided by Lodging and Cruise Line Merchants, that allows a Cardholder to authorize the use of their Card for payment of the total obligation to the Lodging or Cruise Line Merchant, with or without prior knowledge of the total amount, by signing a completed Priority Check-out Agreement.

ID#: 010410-010410-0025010

Priority Check-out Transaction

A Transaction that a Lodging Merchant, Hotel or Cruise Line participating in the Priority Check-out Service completes, resulting from completion of a Priority Check-out Agreement.

ID#: 160312-010410-0025011

Priority Check-out Transaction - U.S. Region

A Transaction that a Lodging or Cruise Line Merchant participating in the Priority Check-out Service completes.

ID#: 010410-010410-0025012

Private Agreement

A bilateral agreement between Members, or the operating regulations of a Group Member, pertaining to Authorization or Clearing and Settlement of Domestic Transactions.

ID#: 010410-010410-0025013

Private Arrangement - U.S. Region

An agreement where Authorization Requests or Transactions involving two different Members are not processed through VisaNet. Private Arrangements are prohibited.

ID#: 010410-010410-0025014

Private Keys

The private or "secret" key paired with a Public Key in a Public Key cryptographic system that is used to decrypt data which was encrypted by its corresponding Public Key or encrypt data which can only be decrypted by its corresponding Public Key.

ID#: 151011-010410-0025015

Private Label Card

A merchant's proprietary card that is accepted only at its own locations, or a multi-use non-Visa-branded Card.

ID#: 111011-010410-0025016

Private Processing Arrangement — AP Region

An agreement where Transactions involving two different Members are not authorized and cleared through VisaNet.

ID#: 160312-010411-0026203

Processing Date

The date (based on Greenwich Mean Time) on which a Member submits Interchange Data to, and the data is accepted by, a VisaNet Interchange Center. Equivalents to the Processing Date are:

- In BASE II, the Central Processing Date
- In the Single Message System, the Settlement Date

ID#: 010410-010410-0025017

Product Name

A name for goods or services offered by a Member to a Cardholder, e.g., Visa Platinum.

ID#: 010410-010410-0025018

Product Replacement Center

A facility that issues Emergency Card Replacements to an Eligible Cardholder at the request of Visa Global Customer Care Services.

ID#: 081010-010410-0025019

Proprietary Card

A Card that does not bear the Visa Brand Mark or Visa Brand Mark with the Electron Identifier but may bear a Plus Symbol.

ID#: 010410-010410-0025020

Proximity Payment

A payment performed in a Card-Present Environment over a Visa-approved wireless interface at the Point-of-Transaction. This includes payments made with contactless devices, mobile telephones, and micro tags.

ID#: 010410-010410-0025021

Proximity Payment - U.S. Region

A form of Visa payment conducted in the Card-Present Environment at the Point-of-Transaction through a Visa-approved wireless interface such as radio frequency or infrared technology, as specified in the *Visa International Operating Regulations*. For programs in the U.S. Region, see Contactless Payment - U.S. Region.

ID#: 010410-010410-0025022

Proximity Payment Device

A payment tool using a Visa-approved wireless interface to access a Visa account that:

- Has distinct branding, issuance, and technical requirements
- Provides the ability to conduct a Proximity Payment Transaction
- Includes contactless devices, mobile telephones, and micro tags

ID#: 111011-010410-0025023

Proximity Payment Transaction

A Transaction conducted over a Visa-approved wireless interface.

ID#: 010410-010410-0025024

Proximity Payment Transaction - U.S. Region

A Transaction completed at a Point-of-Transaction Terminal through a Visa-approved wireless interface, as specified in the *Visa International Operating Regulations*. For programs in the U.S. Region, see Contactless Payment Transactions.

ID#: 160312-010410-0025025

Proximity Payment-Only Terminal (New)

Effective 13 October 2011, a terminal that accepts only Proximity Payment Devices.

ID#: 160312-131011-0026669

PSP

Effective 1 July 2011, see Payment Service Provider.

ID#: 111011-010711-0026429

Public Keys

The non-secret portion of the cryptographic method used for verification during a Transaction.

ID#: 010410-010410-0025028

Q

Qualified Chip Card

A Chip Card that is issued under a designated BIN(s) or Account Number range of a Visa Card Program or a Visa Electron Card Program and has met the Visa requirements for the Issuer Chip Rate.

ID#: 010410-010410-0025029

Qualified Forensic Investigator

Effective through 20 April 2011, an individual or entity approved by the Payment Card Industry Security Standards Council (PCI SSC) to respond in the event of a security incident and perform forensic investigations.

ID#: 111011-110210-0025607

Qualified Incident Response Assessor

Effective through 20 April 2011, an individual or entity approved by Visa to respond in the event of a security incident and perform forensic investigations.

ID#: 111011-110210-0025606

Qualifying CAMS Event (Updated)

Effective 15 May 2012, a CAMS Event that qualifies for recovery, through the Global Compromised Account Recovery program, of a portion of affected Members' losses due to a violation involving at least one of the following:

- *Payment Card Industry Data Security Standard*
- PIN Management Requirements Documents
- *PIN Security Program Guide*

ID#: 230312-150512-0026065

Qualifying CAMS Event - U.S. Region (Updated)

Effective through 14 May 2012, a CAMS Event that qualifies for recovery, through the Account Data Compromise Recovery process, of a portion of affected Members' losses due to a violation involving one or more of the following:

- The electronic storage of the full contents of any track on the Magnetic Stripe subsequent to Authorization of a Transaction
- Non-compliance with the Payment Card Industry Data Security Standard (PCI DSS) that could allow a compromise of the full contents of any track on the Magnetic Stripe
- Failure to comply with the PIN Management Requirements Documents that could allow a compromise of PIN data for a Visa Transaction, a Plus transaction, or an Interlink transaction subsequent to Authorization

ID#: 160312-011108-0025030

Qualifying Purchase - U.S. Region

A purchase Transaction completed with a Visa Traditional Rewards Card that an Issuer may consider for the purpose of awarding Rewards Currency. An Issuer may, optionally, exclude the following Transactions from qualifying:

- Balance transfers
- Convenience checks
- Cash Disbursements
- Finance charges
- Quasi-Cash Transactions
- Any Transaction unauthorized by the Cardholder

ID#: 010410-010410-0025031

Quarterly Operating Certificate

A report that each Member sends to Visa in a set pre-determined time, detailing its Visa Card and Merchant statistics.

ID#: 010410-010410-0025032

Quasi-Cash Transaction

A Transaction representing a Merchant's or Member's sale of items that are directly convertible to cash, such as:

- Gaming chips

- Money orders
- Deposits
- Wire Transfers
- Travelers cheques
- Visa TravelMoney Cards
- Foreign Currency
- Additional Transaction approved by Visa

ID#: 010410-010410-0025033

R

Real-Time Clearing

An optional program for Acquirers and Merchants that allows an Automated Fuel Dispenser Merchant to send an Authorization request (preauthorization) for an estimated Transaction amount (up to a maximum Transaction amount of US \$500 or local currency equivalent) through the Single Message System. Upon completion of the Transaction, the Automated Fuel Dispenser Merchant must send the actual Transaction amount (Completion Message) to the Issuer within X of the preauthorization request.

ID#: 111011-010410-0025034

Real-Time Clearing Transaction

An Automated Fuel Dispenser Transaction that is authorized and cleared through Real-Time Clearing.

ID#: 010410-010410-0025035

Reason Code - U.S. Region

A VisaNet code that provides additional information to the Receiving Member regarding a Chargeback, Representment, Fee Collection, Funds Disbursement, or Transaction Receipt Request.

ID#: 010410-010410-0025036

Recalled BIN

The status of a BIN released back to Visa, indicating its eligibility for deletion from VisaNet based on the effective recall date.

ID#: 111011-080911-0026476

Receipt Date

The BASE II Edit Package run date (or, in the Single Message System, the Settlement Date) on which a Member processes incoming Interchange. Commonly used for the calculation of second Chargeback and Representation time limits by the Receiving Member.

ID#: 010410-010410-0025037

Receiving Member

A Member receiving a Transaction through Interchange.

ID#: 010410-010410-0025038

Recipient Member

An Issuer that receives an Original Credit Transaction, including a Money Transfer Original Credit Transaction, as specified in *Original Credits Member Requirements* or the *Visa Money Transfer (VMT) Global Implementation Guide*.

ID#: 050411-010410-0025039

Recurring Services Merchant

A Merchant that provides services of an ongoing nature to a Visa Cardholder (e.g., club membership, magazine subscription) and completes Recurring Transactions to bill the Cardholder for these services.

ID#: 010410-010410-0025040

Recurring Transaction

Multiple Transactions processed at predetermined intervals not to exceed one year between Transactions, representing an agreement between a Cardholder and a Merchant to purchase goods or services provided over a period of time.

ID#: 010410-010410-0025041

Recurring Transaction - U.S. Region

A Transaction for which a Visa Cardholder provides permission, in either written or electronic format, to a Merchant to periodically charge their Account Number for recurring goods or services. These may include payment of recurring charges, such as insurance premiums, subscriptions, Internet service provider monthly fees, membership fees, tuition, or utility charges.

ID#: 010410-010410-0025042

Reference Card

An item containing relevant account information, such as an Account Number, expiration date, etc., that is provided to a Virtual Account Holder.

ID#: 010410-010410-0025043

Referral Response

An Authorization Response where the Merchant or Acquirer is instructed to contact the Issuer for further instructions before completing the Transaction.

ID#: 010410-010410-0025046

Referral/Activity Default Response - U.S. Region

An Issuer-specified Approval or Decline Response generated by BASE I under certain conditions, as specified in the appropriate VisaNet manuals.

ID#: 010410-010410-0025044

Refund Claim Number

A number that a Global Refund Service provides to a Cheque purchaser to verify that they qualify for a refund of lost or stolen Cheques.

ID#: 010410-010410-0025047

Region of Domicile

The Visa Region where a Member has its principal place of business.

ID#: 010410-010410-0025056

Regional Board

One of the Visa Regional Boards of Directors, as specified in the *Visa International Certificate of Incorporation and Bylaws*. There are 2 Regional Boards:

- Visa Canada Board
- Visa U.S.A. Board

ID#: 010410-010410-0025048

Regional Card Recovery File

A regional electronic version of the Card Recovery Bulletin that is distributed via the V.I.P. System to countries that receive a National Card Recovery Bulletin.

ID#: 010410-010410-0025049

Regional Office

The head office of a Visa Region, located as follows:

- Asia-Pacific Region: Tokyo, Japan
- Canada Region (Visa Canada Corporation): Toronto, Canada
- CEMEA Region: London, England
- Latin America and Caribbean Region: Miami, FL, U.S.A.
- U.S.A. Region (Visa U.S.A. Inc.): Foster City, CA, U.S.A.

ID#: 010410-010410-0025054

Regional Operating Regulations

The operating regulations of a Visa Region.

ID#: 010410-010410-0025055

Reimbursement Attribute - U.S. Region

A VisaNet code designating the Interchange Reimbursement Fee applicable to a Transaction.

ID#: 010410-010410-0025057

Reimbursement Fee - U.S. Region

See Interchange Reimbursement Fee - U.S. Region.

ID#: 010410-010410-0025058

Reloadable Card

A Visa Prepaid Card that may be funded more than once.

ID#: 081010-010410-0025059

Representation

A Clearing Record that an Acquirer presents to an Issuer through Interchange after a Chargeback.

ID#: 010410-010410-0025063

Research Service - U.S. Region

A VisaNet service that provides research into historical V.I.P. System transactions upon Member request.

ID#: 010410-010410-0025065

Response - U.S. Region

See Authorization Response.

ID#: 010410-010410-0025066

Retail Merchant

A Merchant that is not one of the following:

- Mail/Phone Order Merchant
- Recurring Services Merchant
- T&E Merchant

ID#: 010410-010410-0025068

Retail Transaction

A Transaction at a Retail Merchant outlet.

ID#: 010410-010410-0025069

Retrieval Request

An Issuer's request for a Transaction Receipt, which could include the original, a paper copy or facsimile, or an electronic version thereof.

ID#: 010410-010410-0025070

Returned Item

A financial or non-financial item that BASE II or the Single Message System returns to the sending Member.

ID#: 160312-100211-0026232

Reversal

A BASE II or Online Financial Transaction used to negate or cancel a transaction that has been sent through Interchange in error.

ID#: 010410-010410-0025072

Rewards Currency - U.S. Region

A reward denomination defined by an Issuer consisting of either air miles, points, or discounts offered in connection with a Visa Traditional Rewards Card.

ID#: 010410-010410-0025073

Rewards Product Identification Number

A number assigned by an Issuer for the purpose of identifying and tracking any rewards program offered in connection with the Issuer's Card products.

ID#: 050411-141209-0025587

Rightcliq - U.S. Region

In the U.S. Region, a Visa-provided service that facilitates Cardholders' online shopping experience and use of Cards for payment at online Merchants.

ID#: 050411-181109-0025589

Risk Identification Service (RIS) Online - U.S. Region

A Merchant and Member level fraud monitoring program that identifies Merchants and Members with unusual levels of Fraud Activity and utilizes Visa Online to manage the delivery of program Notifications and remediation information.

ID#: 010410-010410-0025075

S**Sales Draft**

A paper record evidencing the purchase of goods or services by a Cardholder from a Merchant using a Visa Card.

ID#: 010410-010410-0025076

Sample Card Design

A background design provided by Visa that is unique for each Card product and that an Issuer may use on the front of a Visa Card.

ID#: 081010-010410-0025077

Scrip

A 2-part paper receipt that is redeemable at a Merchant Outlet for goods, services, or cash.

ID#: 010410-010410-0025079

Secure Electronic Commerce Rate

An Interregional Interchange Reimbursement Fee paid for a Secure Electronic Commerce Transaction.

ID#: 010410-010410-0025083

Scrip Terminal - U.S. Region

Effective through 14 October 2011, a Cardholder-Activated Terminal that prints Scrip.

Effective 15 October 2011, an Unattended Cardholder-Activated Terminal that prints Scrip.

ID#: 111011-010410-0025080

Secure Electronic Commerce Transaction

An Electronic Commerce Transaction that has been authenticated using an Authentication Method.

ID#: 010410-010410-0025084

Secure Electronic Transaction™ Specification - U.S. Region (Updated)

Effective through 14 March 2012, a software protocol that enables end-to-end, secure processing of Transactions over the Internet and other networks.

ID#: 160312-010410-0025085

Secure Sockets Layer (SSL)

A protocol that uses Public Key encryption for the secure processing of Transactions over the Internet and other networks.

ID#: 010410-010410-0025086

Sending Member

A Member entering a Transaction into Interchange.

ID#: 010410-010410-0025092

Self-Service Terminal

Effective through 14 October 2011, see Unattended Acceptance Terminal and Cardholder-Activated Transaction Type B.

ID#: 111011-010410-0025088

Service Code

A valid sequence of digits recognized by VisaNet that is encoded on a Magnetic Stripe and replicated on the Magnetic-Stripe Image in a Chip that identifies the circumstances under which the Card is valid (e.g., International Transactions, Domestic Transactions, restricted Card use), and defines requirements for processing a Transaction with the Card (e.g., Chip-enabled, Cardholder Verification, Online Authorization).

ID#: 081010-010410-0025094

Self-Service Terminal - U.S. Region

Effective through 14 October 2011, a Cardholder-Activated Terminal that accepts payment for goods or services such as Visa Prepaid Cards or video rental, has Electronic Capability, and does not accept PINs.

ID#: 111011-010410-0025089

Services Agreement

A license or contract between Visa Canada and an entity that has a contract or license, which allows the entity to participate in the Visa program or use the Visa-Owned Marks, including in accordance with the *Visa International Operating Regulations*.

ID#: 010410-010410-0025093

Self-Service Terminal Transaction - U.S. Region

Effective through 14 October 2011, a Transaction that originates at a Self-Service Terminal.

ID#: 111011-010410-0025090

Settlement

The reporting and funds transfer of Settlement Amounts owed by one Member to another, or to Visa, as a result of Clearing.

ID#: 050411-010410-0025095

Settlement Amount

The daily net amounts expressed in a Member's Settlement Currency resulting from Clearing. These amounts include Transaction and Fee Collection Transaction totals, expressed in a Member's Settlement Currency.

ID#: 050411-010410-0025096

Settlement Bank

A bank, including a Correspondent or Intermediary Bank, that is both:

- Located in the country where a Member's Settlement Currency is the local currency
- Authorized to execute Settlement of Interchange on behalf of the Member or the Member's bank

ID#: 010410-010410-0025097

Settlement Currency

A currency that Visa uses to settle Interchange, as specified in the VisaNet manuals.

ID#: 010410-010410-0025098

Settlement Date

The date on which Visa initiates the transfer of Settlement Amounts in the Settlement of Interchange. See Processing Date.

ID#: 010410-010410-0025099

Settlement Reporting Entity

A name or number of an entity assigned by Visa and authorized by the Member that is used by Visa for Settlement reporting, to associate a BIN or BIN Alternate with a Funds Transfer Settlement Reporting Entity or for other Settlement-related or other purposes.

ID#: 160312-141010-0026049

Settlement Summary - U.S. Region

A report that provides a Clearing Processor's net Settlement position for BASE II and the Single Message System.

ID#: 010410-010410-0025100

SIGIS - U.S. Region

An industry trade group, known as the Special Interest Group for Inventory Information Approval System (IIAS) Standards, chartered with implementing processing standards for Healthcare Auto-Substantiation Transactions in accordance with IRS regulations and responsible for licensing and certifying Merchants, Members, and Agents that process such Transactions.

ID#: 010410-010410-0025102

Signature-Authenticated - U.S. Region

A descriptor that refers to a Transaction completed in a Face-to-Face Environment where the Cardholder's identity has been verified by a signature, unless the Transaction is one of the following:

- A Visa Easy Payment Service Transaction
- Contactless Payment Transaction

ID#: 160312-010410-0025103

Single Merchant

An individual Merchant or Merchant Outlet, or group thereof, doing business under a common Trade Name or Mark.

ID#: 010410-010410-0025106

Single Message Service - U.S. Region

A VisaNet service that enables a Member to process Online Financial and Deferred Clearing Transactions through a single VisaNet interface.

ID#: 010410-010410-0025107

Single Message System

A component of the V.I.P. System that processes Online Financial and Deferred Clearing Transactions through a single VisaNet interface for purchases and ATM Transactions.

ID#: 010410-010410-0025108

Special Condition Indicator - U.S. Region

A VisaNet code used in the Clearing Record to specify that one or more unique conditions apply to the Transaction.

ID#: 010410-010410-0025117

Specialized Vehicle

A unique class of rental vehicle not in a Car Rental Company's main rental fleet (e.g., mini-vans, four-wheel-drive vehicles, selected sports models, luxury and vintage vehicles), that does not constitute more than 5% of the Merchant's total rental fleet.

ID#: 010410-010410-0025114

Specialized Vehicle Reservation Service

A service provided by Car Rental Companies in the U.S. Region, where a Cardholder may use a Visa Card to guarantee reservations for Specialized Vehicles.

ID#: 010410-010410-0025116

Sponsor

A Member that is responsible, in part or whole, for other Members of Visa, as specified in the applicable Certificate of Incorporation and Bylaws.

ID#: 111011-010410-0025120

Sponsored Merchant

Effective through 30 June 2011, an electronic commerce merchant that contracts with an Internet Payment Service Provider to obtain payment services.

Effective 1 July 2011, a merchant that contracts with a Payment Service Provider to obtain payment services. A Merchant is considered a Sponsored Merchant for Transactions in which payment services are provided by a Payment Service Provider.

ID#: 111011-010410-0025119

Sponsorship Marks

The Marks of an entity with which Visa has entered into an agreement to act as a sponsor for that entity's activities or events.

ID#: 050411-150411-0026242

Stand-In Processing (STIP)

The V.I.P. System component that provides Authorization services on behalf of an Issuer when the Positive Cardholder Authorization System is used or when the Issuer or its VisaNet Processor is unavailable.

ID#: 010410-010410-0025121

Stand-In Processing Account

An Issuer-supplied valid Account Number (established and activated in the Issuer's Authorization system) that is maintained at Visa Global Customer Card Services. This Account Number is embossed and encoded on an Emergency Card Replacement when the Issuer is not available to provide a new Account Number.

ID#: 081010-010410-0025122

Stand-In Processing Account Number - U.S. Region

An Issuer-supplied valid Account Number (established and activated in the Issuer's Authorization system) that is maintained at Visa Customer Care Services. This Account Number is embossed or printed, and encoded on an Emergency Card Replacement when the Issuer is not available to provide a new Account Number.

ID#: 081010-010410-0025123

Standard Floor Limit

A Floor Limit that varies by Merchant type, as specified in "Maximum Authorized Floor Limits."

ID#: 010410-010410-0025125

Standard Interchange Reimbursement Fee - U.S. Region

The Interchange Reimbursement Fee available to all Merchant service categories for any Transaction not eligible for any other Interchange Reimbursement Fee.

ID#: 010410-010410-0025126

Standard Rate

An Interchange Reimbursement Fee charged for any Transaction that does not meet the requirements of the Chip, Secure Electronic Commerce, Electronic Commerce Merchant, Interregional Airline, or Electronic Rate, and is not one of the following:

- Visa Commercial Card Transaction
- Visa Infinite Card Transaction

ID#: 010410-010410-0025127

Static Data Authentication – AP Region

A type of offline data Authentication where the terminal validates a cryptographic value placed on the Card during personalization. This validation protects against some types of counterfeit but does not protect against skimming.

ID#: 050411-060111-0026179

Static Data Authentication - Canada Region

An Authentication as specified in the Chip Specifications.

ID#: 010410-010410-0025128

Status Check - U.S. Region

An Authorization Request for US \$1.

ID#: 010410-010410-0025129

Status Check Authorization

An Authorization Request for 1 currency unit.

ID#: 010410-010410-0025130

Status Check Procedure - U.S. Region

A procedure where a Lodging or Automated Fuel Dispenser Merchant requests an Authorization for US \$1, as specified in the U.S. Regional Operating Regulations.

ID#: 081010-010410-0025131

Strategic Bankruptcy Solutions - U.S. Region

A Visa service that:

- Identifies Cardholders, cardholders of non-Visa cards, customers of other Visa or non-Visa products, and applicants for Cards, non-Visa cards, and other Visa or non-Visa products who have filed bankruptcy
- Files claims and documents on behalf of Members with the bankruptcy courts
- Assists Members in assessing the value of obligations of Cardholders and other individuals who have declared bankruptcy

ID#: 010410-010410-0025133

Substitute Transaction Receipt

A paper form or record that is not a Sales Draft and that a Member or Merchant provides in response to a Retrieval Request, when allowed.

ID#: 010410-010410-0025135

Summary of Interchange Entries

Data required to accompany Domestic Interchange processed under a Private Agreement.

ID#: 010410-010410-0025136

Supermarket Incentive Program - U.S. Region

A Visa program that permits certain supermarket Merchant Outlets to qualify for a reduced Interchange Reimbursement Fee.

ID#: 010410-010410-0025137

Supermarket Incentive Program Transaction - U.S. Region

A Transaction that:

- Originates at a Merchant Outlet participating in the Supermarket Incentive Program
- Is authorized and processed as specified in the U.S. Regional Operating Regulations

ID#: 010410-010410-0025138

Suspect Transaction - U.S. Region

A Transaction completed subsequent to the day that the Account Number was listed on the Exception File with a Pickup Response code of "07," "41," or "43," or reported as Fraud Activity.

ID#: 050411-010410-0025140

T**T&E**

An abbreviation for Travel and Entertainment.

ID#: 010410-010410-0025141

T&E Advance Deposit Service - U.S. Region

A service that a Lodging Merchant, Cruise Line merchant, or Car Rental Company provides to a Cardholder, allowing use of a Visa Card to pay an advance deposit required to reserve accommodations or a vehicle.

ID#: 010410-010410-0025142

T&E Advance Deposit Transaction - U.S. Region

A Transaction that a Lodging Merchant, Cruise Line merchant, or Car Rental Company completes as a result of a Cardholder's agreement to use a Visa Card to pay for an advance deposit to reserve accommodations or a vehicle.

ID#: 010410-010410-0025143

T&E Document

A photocopy of all documents pertaining to a T&E Transaction originating from a Car Rental Company, Hotel, or Cruise Line, including the following as applicable:

- Transaction Receipt
- Car rental agreement
- Guest Folio (if created)
- Card Imprint (if obtained)
- Cardholder signature (if obtained)

ID#: 010410-010410-0025144

T&E Document - U.S. Region

A photocopy of all documents pertinent to a T&E Transaction, such as a Guest Folio or car rental agreement that:

- Evidences a Cardholder's participation in a lodging, cruise line, or car rental Transaction
- Contains a Card Imprint and signature, if either or both was obtained
- Is supplied in response to a Retrieval Request

ID#: 010410-010410-0025145

T&E Merchant

An Airline, Car Rental Company, Hotel, or Cruise Line whose primary function is to provide travel-related services. A travel agency (excluding one that is primarily engaged in the sale of transportation or travel-related arrangement services by Mail/Phone Order) is a T&E Merchant to the extent that it acts as the agent of an Airline, a Car Rental Company, a Cruise Line, or a Hotel.

ID#: 010410-010410-0025146

T&E Merchant - U.S. Region

A Merchant whose primary function is to provide travel-related services. The U.S. Regional Operating Regulations refer to the following types of T&E Merchant:

- Airline
- Passenger railway
- Car Rental Company
- Lodging Merchant
- Cruise Line Merchant
- Central Reservation Service
- Travel agency, only if it acts as an agent of an Airline, passenger railway, Car Rental Company, Lodging Merchant, or Cruise Line Merchant (excluding a travel agency that is primarily engaged in the sale of transportation or travel-related arrangement services by mail/phone order)

ID#: 010410-010410-0025147

T&E Services - U.S. Region

Travel-related services provided to Eligible Cardholders, including:

- Priority Check-out Service
- T&E Advance Deposit Service

- Visa Reservation Service

ID#: 010410-010410-0025148

T&E Transaction

A Transaction at a T&E Merchant Outlet.

ID#: 010410-010410-0025149

Tax Payment Program - U.S. Region

A Visa payment program which allows a Tax Payment Program Merchant to process Visa Transactions.

ID#: 010410-010410-0025150

Tax Payment Program Merchant - U.S. Region

A government taxing authority or its designated agent properly assigned Merchant Category Code 9311 (Tax Payments) and authorized to process Tax Payment Transactions.

ID#: 010410-010410-0025151

Tax Payment Transaction - U.S. Region

A Visa Consumer Card or a Commercial Visa Product Transaction that represents a payment of eligible federal, state, or local taxes to the Tax Payment Program Merchant.

ID#: 010410-010410-0025152

Telephone Service Transaction

A Transaction in which a Cardholder uses a Visa Card to purchase a telephone call. **Effective through 14 October 2011**, these Transactions include, but are not limited to, Magnetic-Stripe Telephone Transactions.

ID#: 111011-010410-0025153

Terminal Risk Management

A process performed by a Chip-Reading Device to protect a Member from fraud by:

- Initiating Online Issuer Authorization for above-Floor Limit Transactions
- Ensuring random Online processing for below-Floor Limit Transactions

- Performing Transaction velocity checking

ID#: 010410-010410-0025154

Terminal Risk Management - U.S. Region

A process performed by a Chip-Reading Device to protect a Member from fraud by:

- Initiating Online Issuer Authorization for all Transactions
- Performing Transaction velocity checking

ID#: 010410-010410-0025155

Terminated Merchant File - U.S. Region

A file (currently known as "MATCH"), that identifies Merchants and principals of Merchants that Acquirers have terminated for specified reasons.

ID#: 111011-010410-0025159

Third Party Agent

An entity, not defined as a VisaNet Processor, that provides payment-related services, directly or indirectly, to a Member and/or stores, transmits, or processes Cardholder data.

No financial institution eligible to become a Principal member of Visa may serve as a Third Party Agent.

A Third Party Agent does **not** include:

- Financial institutions that perform Agent activities
- Co-branding or Affinity partners
- Card manufacturers
- Card personalizers

ID#: 111011-010100-0025921

Three-Domain (3-D) Secure Authentication Request - U.S. Region (Updated)

Effective through 14 March 2012, see Authentication Request.

ID#: 160312-010410-0025163

Three-Domain Secure (Updated)

Effective through 14 March 2012, see 3-D Secure.

ID#: 160312-010410-0025164

Three-Domain Secure Electronic Commerce Transaction Specification (Updated)

Effective through 14 March 2012, see 3-D Secure Electronic Commerce Transaction Specification.

ID#: 160312-010410-0025165

Three-Domain Secure Specification - U.S. Region (Updated)

Effective through 14 March 2012, see 3-D Secure Specification - U.S. Region.

ID#: 160312-010410-0025166

Timeshare Merchant

A Merchant that manages the sales, rentals, or other uses of condominiums, holiday homes, holiday clubs, or apartments known as "timeshares."

ID#: 010410-010410-0025167

Timeshare Transaction

A Transaction resulting in the sale, rental, or other uses of condominiums, holiday homes, holiday clubs, or apartments known as "timeshares."

ID#: 010410-010410-0025168

Tracing Data

In a Single Message System Online message, the transmission date and time, systems trace audit number, retrieval reference number, Transaction identifier, and acquiring institution ID. See Acquirer Reference Number.

ID#: 010410-010410-0025170

Trade Dress

The physical appearance of a label, package, or display card.

ID#: 010410-010410-0025171

Trade Name

A name used to identify a business and to distinguish its activities from those of other businesses. In some cases the same words or symbols may serve as a Trade Name and Mark simultaneously.

ID#: 010410-010410-0025172

Trade Secret

Any formula, pattern, device, or compilation of information that is used in a business, and that provides an opportunity to obtain an advantage over competitors who do not know or use it.

ID#: 010410-010410-0025173

Trailing Chargeback Activity

Chargeback activity at a Merchant Outlet that occurs after an Acquirer has stopped processing sales Transactions for the Merchant.

ID#: 111011-010410-0025174

Transaction

The act between a Cardholder and a Merchant or an Acquirer that results in a Transaction Receipt, if applicable.

ID#: 111011-010410-0025175

Transaction Country

The Country where a Merchant Outlet is located, regardless of the Cardholder's location when a Transaction occurs. For Transactions completed aboard an aircraft or a Cruise Line vessel, the Transaction Country is where the Merchant deposits the Transaction Receipt.

ID#: 010410-010410-0025179

Transaction Currency

The currency in which a Transaction is originally completed.

ID#: 010410-010410-0025180

Transaction Date

The date on which a Transaction between a Cardholder and a Merchant or an Acquirer occurs.

ID#: 010410-010410-0025181

Transaction Identifier

A unique value that Visa assigns to each Transaction and returns to the Acquirer in the Authorization Response. Visa uses this value to maintain an audit trail throughout the life cycle of the Transaction and all related transactions, such as Reversals, Adjustments, confirmations, and Chargebacks.

ID#: 010410-010410-0025182

Transaction Information

Information necessary for processing Transactions, as specified in the Payment Card Industry Data Security Standard (PCI DSS).

ID#: 010410-010410-0025183

Transaction Receipt

An electronic or paper record of a Transaction (or a copy), generated at the Point-of-Transaction.

ID#: 050411-010410-0025184

Transaction Receipt Number

The sequential number printed on Transaction Receipts.

ID#: 050411-010410-0025186

Transaction Record

A paper record issued by, or in connection with, a Point-of-Transaction Terminal.

ID#: 010410-010410-0025187

Transaction Region

The Visa Region where a Merchant Outlet is located, regardless of the Cardholder's location when a Transaction occurs. For Transactions completed aboard an aircraft, the Transaction Region is where the Merchant deposits the Transaction Receipt.

ID#: 010410-010410-0025188

Travel Service Category - U.S. Region

An Interchange Reimbursement Fee category for Lodging, Cruise Line, and restaurant Merchants, Car Rental Companies, and travel agencies and tour operators identified by Merchant Category Code 4722.

ID#: 010410-010410-0025192

U

U.S. Covered Visa Debit Card - AP Region, LAC Region, and U.S. Region

Effective 1 October 2011, a Visa Card issued in the U.S. Region or in a U.S. Territory that accesses a transaction, savings or other asset account, regardless of whether Cardholder Verification is based on signature, PIN or other means, including a general-use Visa Prepaid Card and Consumer Visa Deferred Debit Card, but solely to the extent any such Visa Card is a "debit card" as defined in Federal Reserve Board Regulation II, 12 CFR Part 235.

ID#: 151011-011011-0026512

U. S. Territory

One of the following:

- American Samoa
- Guam
- Commonwealth of the Northern Mariana Islands
- Puerto Rico
- U.S. Outlying Islands
- U.S. Virgin Islands

ID#: 171011-210710-0026422

Unable-to-Authenticate Response (Updated)

Effective through 14 March 2012, a message from a 3-D Secure Issuer in response to an Authentication Request from a 3-D Secure Merchant indicating that the participating 3-D Secure Issuer is unable to authenticate the Cardholder for reasons other than those that result in an Authentication Denial.

Effective 15 March 2012, a message from a Verified by Visa Issuer in response to an Authentication Request indicating that the Issuer is unable to authenticate the Cardholder for reasons other than those that result in an Authentication Denial.

ID#: 160312-010410-0025194

Unattended Acceptance Terminal

Effective through 14 October 2011, a Cardholder-operated device that reads, captures, and transmits Card information in an Unattended Environment. The *Visa International Operating Regulations* refer to the following types of Unattended Acceptance Terminals:

- ATM
- Automated Fuel Dispenser
- Card Dispensing Machine
- Load Device
- Devices that perform Cardholder-Activated Transaction Type A, Cardholder-Activated Transaction Type B, or Cardholder-Activated Transaction Type C

ID#: 111011-010410-0025195

Unattended Cardholder-Activated Terminal

Effective 15 October 2011, a Cardholder-operated device, managed by the Merchant, that reads, captures, and transmits Card information without an attendant physically present to validate the Cardholder signature or to assist in completing the Transaction. An Unattended Cardholder-Activated Terminal may dispense goods, provide services, or both.

ID#: 111011-151011-0025720

Unattended Environment

An environment where a Transaction is completed under all of the following conditions:

- Card is present
- Cardholder is present
- **Effective through 14 October 2011**, Cardholder completes the Transaction directly at an Unattended Acceptance Terminal

- **Effective 15 October 2011**, Cardholder completes the Transaction directly at an Unattended Cardholder-Activated Terminal
- Authorization, if required, is obtained electronically

Transactions in this environment include the following:

- **Effective through 14 October 2011**, Retail Transactions at Unattended Acceptance Terminals
- **Effective 15 October 2011**, Retail Transactions at Unattended Cardholder-Activated Terminals
- **Effective through 14 October 2011**, T&E Transactions at Unattended Acceptance Terminals
- **Effective 15 October 2011**, T&E Transactions at Unattended Cardholder-Activated Terminals
- ATM Cash Disbursements
- Load Transactions and Unload Transactions at Load Devices

Transactions in this environment exclude Transactions completed in Face-to-Face and Card-Absent Environments.

ID#: 111011-010410-0025196

Unattended Transaction

Effective 15 October 2011, a Transaction conducted at an Unattended Cardholder-Activated Terminal.

ID#: 160312-010100-0025721

Unauthorized Use

A Transaction that meets one of the following criteria:

- Is not processed on behalf of a Member
- Is processed on behalf of a Member by a VisaNet Processor not designated for processing activities
- Is processed on behalf of a Member but not within the scope of the Member's category or categories of membership
- Is not within the scope of activities approved by the Member, the Member's Sponsor, or Visa
- Is processed using a BIN that has not been designated by the BIN Licensee for that Member's use

ID#: 111011-010100-0025922

Unauthorized Use - U.S. Region

A Transaction that meets one of the following criteria:

- Is not processed on behalf of a Member

- Is processed on behalf of a Member by a VisaNet Processor not designated for processing activities
- Is processed on behalf of a Member but not within the scope of the Member's category of membership
- Is not within the scope of activities approved by the Member, the Member's Sponsor, or Visa
- Is processed using a BIN that has not been designated by the BIN Licensee for that Member's use

ID#: 010410-010410-0025197

Unload Transaction

A Transaction where monetary value is removed from a Reloadable Card and transferred to another account held by the same financial institution.

ID#: 010410-010410-0025198

Unrecognized Service Code

A Service Code that cannot be recognized by a Magnetic-Stripe Terminal or Chip-Reading Device.

ID#: 010410-010410-0025199

Up-Selling Merchant

Effective 1 June 2011, a Merchant that offers a Cardholder goods and/or services online through the initial Merchant, but is not the initial Merchant, a subsidiary or affiliate of the initial Merchant with whom the Cardholder initiated the Transaction.

ID#: 171011-010611-0026395

Usage Code - U.S. Region

A VisaNet code that identifies the specific processing cycle of a Chargeback or Presentment.

ID#: 010410-010410-0025200

V

V Distribution Program

A program through which a Member provides payment services to V Distribution Program Distributors and V Distribution Program Cardholders by acting as a V Distribution Program Issuer, Acquirer, or both.

ID#: 010410-010410-0025419

V Distribution Program Card

An enhancement to a Visa Business or Visa Purchasing Card product, targeted to retailers, for payment of goods and services from a V Distribution Program Distributor.

ID#: 010410-010410-0025420

V Distribution Program Cardholder

A retailer to whom an Issuer has issued a V Distribution Program Card.

ID#: 010410-010410-0025421

V Distribution Program Distributor

A commercial entity that accepts the V Distribution Program Card as payment for goods and services.

ID#: 010410-010410-0025422

V Distribution Program Issuer

A Member that participates in the V Distribution Program and whose name appears on a V Distribution Program Card as the Issuer.

ID#: 010410-010410-0025423

V PAY Brand Mark

The Visa-Owned Mark used to represent the V PAY Product.

ID#: 010410-010410-0025424

V PAY Card

A Chip Card that bears the V PAY Brand Mark, enabling a V PAY Cardholder to obtain goods, services, or cash from a V PAY Merchant or Acquirer or ATM.

ID#: 010410-010410-0025425

V PAY Merchant

A Merchant that displays the V PAY Brand Mark.

ID#: 010410-010410-0025426

V PAY Product

An unembossed “Chip only” Card developed in Visa Europe.

ID#: 010410-010410-0025427

V PAY Transaction

A Chip-initiated Transaction completed with a V PAY Card at a V PAY Merchant or Acquirer.

ID#: 010410-010410-0025428

V.I.P. System

The processing component of the VisaNet Integrated Payment System comprised of BASE I and the Single Message System used for single message Authorization in connection with financial Transaction processing.

ID#: 010410-010410-0025201

V.I.P. System Endpoint Certification Program - U.S. Region

A certification program that provides protection to Visa Members and their VisaNet Processor endpoint systems from the risk of unpredictable processing from non-compliant code and helps ensure the integrity of the Visa payment system by requiring that all endpoints certify compliance with Visa specifications.

ID#: 010410-010410-0025203

V.I.P. System User

A VisaNet Processor that connects to the V.I.P. System through a terminal or computer device for Authorization and other services.

ID#: 010410-010410-0025204

V.me by Visa (New)

Effective 15 April 2012, where available, a Visa platform that enables a V.me by Visa Account Holder to store and manage accounts in a secure location, make purchases with merchants, and use other forms of financial and non-financial services. V.me by Visa is an optional platform accessed directly by users and merchants and governed by the *Visa International Operating Regulations* and the V.me by Visa terms of service. V.me by Visa may support Visa and non-Visa products and services, as applicable in a Visa Region.

ID#: 040412-150412-0026984

V.me by Visa Account Holder (New)

Effective 15 April 2012, a user that has successfully enrolled in V.me by Visa. A V.me by Visa Account Holder may or may not be a Cardholder.

ID#: 040412-150412-0026986

V.me by Visa Mark (New)

Effective 15 April 2012, a Visa-Owned Mark that denotes V.me by Visa user enrollment and merchant checkout services.

ID#: 040412-150412-0026985

V.me by Visa Merchant (New)

Effective 15 April 2012, an entity that has successfully enrolled in V.me by Visa and is eligible to display the V.me by Visa Mark to indicate V.me by Visa acceptance. A V.me by Visa Merchant may or may not be a Merchant.

ID#: 040412-150412-0026987

VAB (New)

Effective 15 May 2012, the reporting system used by Visa to notify Visa Europe Issuers of Visa Account Numbers that may have been compromised.

ID#: 160312-150512-0026036

VAB Event (New)

Effective 15 May 2012, an Account Data Compromise Event where one VAB alert or multiple, related VAB alerts are sent notifying Issuers of Account Numbers involved in a potential compromise.

ID#: 160312-150512-0026037

Variance (New)

Formal consent, granted by Visa, that permits a Member or Members to not comply with one or more specific rules in the *Visa International Operating Regulations* for an unspecified period of time. A Variance may include specific conditions, and may be repealed or modified at the discretion of Visa.

ID#: 160312-080312-0026497

Vehicle-Specific Fleet Card

A Visa Commercial Card with Fleet Service enhancement that is assigned to a specific vehicle.

ID#: 010410-010410-0025208

VERes (New)

Effective 15 March 2012, the "Verify Enrollment Response" message type, as specified in the applicable Verified by Visa Issuer Implementation Guide, that indicates whether the Card is enrolled in Verified by Visa and can be authenticated.

ID#: 160312-150312-0026814

Verified by Visa (Updated)

Effective through 14 March 2012, a Visa-approved Authentication Method based on 3-D Secure.

Effective 15 March 2012, a Visa-approved Authentication Method based on the 3-D Secure Specification.

ID#: 160312-010410-0025209

Verified by Visa Mark (Updated)

Effective through 14 March 2012, a Mark used in conjunction with the Visa Authenticated Payment Program. One of the Visa-Owned Marks.

Effective 15 March 2012, a Mark used in conjunction with Verified by Visa. One of the Visa-Owned Marks.

ID#: 160312-010410-0025210

Virtual Account

An account for which no Card is issued, established primarily for completing Electronic Commerce Transactions.

ID#: 010410-010410-0025211

Virtual Account Holder

An individual or commercial entity to whom a Virtual Account is issued or who is authorized to use a Virtual Account.

ID#: 010410-010410-0025212

Virtual Account Issuer

A Member that establishes a Virtual Account and enters into a contractual relationship with a Virtual Account Holder.

ID#: 010410-010410-0025213

VIS-Compliant

A Card application that complies with either:

- The requirements specified in the *Visa Integrated Circuit Card Specification (VIS)* and has been approved by Visa Approval Services
- The requirements specified in the *EMV Common Payment Application Specifications* and has been personalized to a Common Core Definition-compliant profile and approved by EMVCo

ID#: 220411-010410-0025214

VIS-Compliant - U.S. Region

A Card application that complies with the requirements specified in the *Visa Integrated Circuit Card Specification (VIS)*.

ID#: 220411-010410-0025215

Visa

Visa International Service Association and all of its subsidiaries and affiliates, and subsidiaries and affiliates of Visa Inc., excluding Visa Europe. When used within the *Visa International Operating Regulations*, Visa refers to any Visa Inc. subsidiary, affiliate, Regional Office, management, or committee as applicable.

ID#: 010410-010410-0025217

Visa Account Bulletin (New)

See VAB.

ID#: 160312-150512-0026035

Visa Account Updater Service

A service that enables an Issuer to provide updated Cardholder account information to a participating Acquirer.

ID#: 160312-100211-0026233

Visa Acquirer

A Member that signs a Visa Merchant or disburses currency or loads funds to a Visa Cardholder in a Cash Disbursement or Load Transaction, and directly or indirectly enters the resulting Transaction Receipt into Interchange.

ID#: 010410-010410-0025237

Visa Advanced Authorization

A real-time risk management tool that delivers risk data to Issuers in the Authorization Request to alert them to possible fraudulent activity on their Cardholder accounts.

ID#: 050411-010410-0024244

Visa Advanced ID Solutions - U.S. Region

A Visa service that is designed to reduce Member credit and fraud losses related to Card, non-Visa card, and other Visa and non-Visa products through the use of the Issuers' Clearinghouse Service, the Prescreen Service, ID Analytics, Inc. services (ID Score Plus and Credit Optics), and Fidelity National Information Services, Inc. services (DebitReport® and Fraud Intelligence™).

ID#: 111011-010410-0025239

Visa Agro Card - LAC Region

Effective 8 September 2011, a Visa Card issued to commercial entities in the public and private sector for commercial purchases associated with the agribusiness sector as specified in “Visa Agro Card – LAC Region” and the *Visa Product Brand Standards*.

ID#: 151011-010100-0026526

Visa ATM

An ATM that displays the Visa Brand Mark or the Visa Flag Symbol, but not the Plus Symbol.

ID#: 010410-010410-0025241

Visa ATM Network - U.S. Region

A service offered by participating Members that allows a Cardholder to obtain currency or travelers cheques from an ATM displaying the Visa Flag Symbol or the Visa Brand Mark.

ID#: 010410-010410-0025242

Visa ATM Network Transaction - U.S. Region

See ATM Cash Disbursement.

ID#: 010410-010410-0025243

Visa Billing Statement - U.S. Region

A monthly report provided by Visa that details charges assessed to Members. Items appearing on this report will be collected using the Fee Collection transaction Reason Code 5010 (Global Member Billing Solution).

ID#: 010410-010410-0025244

Visa Brand Mark

A Visa-Owned Mark that represents the Visa organization and its product and service offerings. It must be used as specified in the *Visa International Operating Regulations* and the *Visa Product Brand Standards* and denotes acceptance for both Payment and Cash Disbursement.

ID#: 010410-010410-0025245

Visa Brand Mark with the Electron Identifier

A Visa-Owned Mark consisting of the Visa Brand Mark and the name “Electron,” which must be used as specified in the *Visa International Operating Regulations* and the *Visa Product Brand Standards*.

ID#: 010410-010410-0025246

Visa Brand Name

A Visa-Owned Mark comprising the name “Visa.”

ID#: 010410-010410-0025247

Visa Business Card (Updated)

A Visa Card targeted to the small business market that is used to pay for employee business travel and general expenses, and is issued as specified in the *Visa International Operating Regulations* and the *Visa Product Brand Standards*.^[155]

ID#: 160312-010410-0025248

Visa Business Cardholder

An employee of a small business to whom an Issuer has issued a Visa Business Card, including sole proprietors and self-employed individuals.

ID#: 010410-010410-0025249

Visa Business Check Card - U.S. Region

A Visa Business Card issued as a Visa Check Card.

ID#: 010410-010410-0025250

Visa Business Electron Card

A Card intended for the small business market used to pay for employee business travel and general expenses and complies with all of the following:

- Is issued with the Visa Business Card core feature requirements
- Meets the physical Card characteristics of a Visa Electron Card specified in the *Visa Product Brand Standards*

155 **Effective 15 June 2012**, a variance to this definition applies in the U.S. Region for Visa Business Check Cards participating in the U.S. Debt Repayment Program.

- Contains the Service Code for Online Authorization

ID#: 010410-010410-0025252

Visa Business Enhanced - U.S. Region

Effective 15 October 2011, a Visa Business Card that is issued as specified in "Visa Business Enhanced Cards" and the *Visa Business Credit Cards Product and Implementation Guide - U.S. Region*.

ID#: 151011-151011-0026354

Visa Business Platinum Check Card - U.S. Region

A Visa Business Check Card issued as Visa Platinum.

ID#: 010410-010410-0025253

Visa Business Platinum Credit Card - U.S. Region

A Visa Business Card issued as Visa Platinum.

ID#: 010410-010410-0025254

Visa Buxx - U.S. Region

A Visa Prepaid Card designed for teenagers, with account ownership by a parent or guardian.

ID#: 050411-010410-0025255

Visa Buxx Symbol - U.S. Region

A Visa-Owned Mark consisting of the Visa Wordmark and the Enhanced Visa Wordmark centered above the word "Buxx."

ID#: 010410-010410-0025256

Visa Canada

Visa Canada Corporation.

ID#: 010410-010410-0025257

Visa Card

A Card that bears the Visa Brand Mark as specified in the *Visa International Operating Regulations* and the *Visa Product Brand Standards*, enabling a Visa Cardholder to obtain goods, services, or cash from a Visa Merchant or an Acquirer or facilitate the loading of funds to a Prepaid Account.

ID#: 050411-010410-0025258

Visa Card - U.S. Region (Updated)

A Magnetic Stripe and/or a Visa Contactless Card bearing the Visa Brand Mark, or a non-Card form Contactless Payment device bearing the Visa Brand Mark, that enables a Visa Cardholder to obtain goods, services, or cash from a Visa Merchant or an Acquirer. All Visa Cards must bear the Visa Brand Mark.

ID#: 160312-010410-0025259

Visa Card Program

A program through which a Member provides product payment services to Cardholders using Cards that bear the Visa Brand Mark.

ID#: 010410-010410-0025260

Visa Card Program - U.S. Region

See Visa Program.

ID#: 010410-010410-0025261

Visa Card Program Marks - U.S. Region

See Visa Program Marks.

ID#: 010410-010410-0025262

Visa Cargo Card - LAC Region

Commercial Visa Card targeted to carriers/shippers' service providers to pay for truck drivers' expenses related to the transportation business. A Visa Cargo Card is one of the following:

- Commercial Visa Prepaid Product
- Visa Business Electron Card

ID#: 050411-151110-0026071

Visa Cash-Back Service

A service whereby cash may be obtained from a qualifying Visa or Visa Electron Merchant through use of a Visa or Visa Electron Card, in conjunction with, and processed as, a domestic Retail Transaction.

In the U.S. Region, the service is accessed through one of the following:

- **Effective through 30 June 2015**, the use of a Visa Check Card II Card processed as a PIN-based Single Message Transaction
- **Effective 14 April 2012**, the use of a Visa Debit Card or Visa Business Check Card and processed as a Visa Debit with PIN Transaction

ID#: 160312-011010-0026046

Visa Cash Card

Effective through 31 December 2013, a Chip Card that holds monetary value and stores security keys. There are 3 types of Visa Cash Cards:

- Disposable Card
- Feature Reloadable Card
- Reloadable Card

ID#: 111011-010410-0025264

Visa Cash Program

Effective through 31 December 2013, a program through which a financial institution provides Visa Cash Card services to Cardholders or Merchants by acting as a Load Acquirer, Merchant Acquirer, Card Issuer, funds source, or some combination thereof.

ID#: 111011-010410-0025265

Visa Cash Program Participant

Effective through 31 December 2013, a financial institution that is one of the following:

- Load Acquirer
- Merchant Acquirer
- Card Issuer
- Funds source

ID#: 111011-010410-0025266

Visa Cash Symbol

Effective through 31 December 2013, a Mark created by combining the Visa Brand Name, Comet Design, and the word "Cash." One of the Visa-Owned Marks.

ID#: 111011-010410-0025267

Visa Central Travel Account

Effective 14 July 2011, an Account Number that an Issuer assigns to a commercial entity using a Visa Corporate Card BIN or Visa Purchasing Card BIN that is generally used for travel-related purchases.

ID#: 151011-140711-0026400

Visa Charge Card - U.S. Region

A type of Visa Consumer Credit Card that is non-revolving and requires the total outstanding balance to be paid in full each statement cycle.

ID#: 160312-240211-0026358

Visa Check Card - U.S. Region

A Consumer Visa Check Card or Visa Business Check Card that accesses a deposit, investment, or other consumer or business asset account, including a fiduciary account.

ID#: 010410-010410-0025268

Visa Check Card II - U.S. Region

Effective through 30 June 2015, a Consumer Visa Check Card that accesses a deposit, investment, or other consumer asset account, including a fiduciary account.

ID#: 111011-010410-0025269

Visa Chip Services - U.S. Region (New)

Effective 12 January 2012, an optional suite of enrollment-based Chip services that support Members in the adoption of Chip technology.

ID#: 160312-120112-0026807

Visa Classic Card

A general-purpose Visa Card that is issued as specified in the *Visa International Operating Regulations* or the *Visa Product Brand Standards*.

ID#: 010410-010410-0025270

Visa Commercial - U.S. Region

A product identifier that, at the option of an Issuer, may be printed on the front of a Commercial Visa Product.

ID#: 010410-010410-0025271

Visa Commercial Card Product - U.S. Region

See Commercial Visa Product - U.S. Region.

ID#: 010410-010410-0025274

Visa Commercial Cards

A product family of Cards intended for business expense use that comprises the:

- Visa Business Card
- Visa Business Electron Card
- Visa Corporate Card
- Visa Purchasing Card

ID#: 010410-010410-0025272

Visa Commercial Solutions Data and Reporting Tools

Various optional data management, reporting, and analysis services provided to Issuers and their clients or Client Organizations in connection with their Commercial Visa Product Programs.

ID#: 160312-141010-0026021

Visa Confidential (New)

Effective 12 January 2012, a classification label, (previously referred to as “Member Use Only”) assigned to information created by Visa and shared with Members under non-disclosure agreements, the use and handling of which is subject to certain minimum standards of diligence and care to prevent unauthorized disclosure or business harm to Visa. Visa Confidential information requiring higher degree of protection may be further classified as Visa Confidential – Special Handling or Visa Confidential – Personally Identifiable Information (PII) Private.

ID#: 160312-120112-0026799

Visa Consumer Card - U.S. Region

A Visa Card other than a Commercial Visa Product Card.

ID#: 010410-010410-0025276

Visa Consumer Credit Card - U.S. Region

A Visa Consumer Card including a Visa Charge Card, other than a Visa Debit Card, that may be issued as any of the following:

- Visa Traditional
- Visa Traditional Rewards
- Visa Signature
- Visa Signature Preferred

ID#: 160312-240211-0025277

Visa Contactless - U.S. Region

A Contactless Payment-enabled Visa Card or Visa Micro Tag issued in conjunction with, and as a companion to, a full-size Visa Card.

ID#: 010410-010410-0025278

Visa Contactless Payment Program - U.S. Region

A program through which participating Members issue Visa Cards with Contactless Payment capability or support Contactless Payment at a Point-of-Transaction Terminal.

ID#: 010410-010410-0025279

Visa Corporate Card

A Visa Card targeted to mid-to-large size companies that is primarily used to pay for employee business travel and entertainment expenses, and is issued as specified in "Visa Commercial Corporate Products."

ID#: 010410-010410-0025280

Visa Corporate Cardholder

An employee of a mid-to-large-size company to whom an Issuer has issued a Visa Corporate Card.

ID#: 010410-010410-0025281

Visa Corporate Identity - U.S. Region

The Enhanced Visa Wordmark, used to represent the Visa organization and all of its products and services.

ID#: 010410-010410-0025282

Visa Corporate Prepaid Card (Updated)

Effective 14 November 2011, a Visa Prepaid Card that draws from funds owned by a commercial or government entity in a Prepaid Account which is used primarily to pay for business travel and entertainment expenses and not for personal, family, or household purposes, and which is issued as specified in "Visa Prepaid Products."

ID#: 230312-141111-0026742

Visa Credit Acceptor – Canada Region

A Merchant that accepts Visa Credit Cards issued by Canadian Issuers.

ID#: 081010-160810-0025971

Visa Credit and Business Category - U.S. Region

A Card category that consists of the following:

- Consumer Card, other than a Visa Debit Card, issued by a U.S. Issuer
- Commercial Visa Product
- Visa Card issued by a non-U.S. Issuer

ID#: 010410-010410-0025283

Visa Credit Card - Canada Region

A Visa Card other than Visa Debit Card.

ID#: 081010-160810-0025972

Visa Customer Care Services - U.S. Region

A 24-hour-a-day, 7-day-a-week center that Visa maintains as part of the Global Customer Assistance Services program, where a Cardholder can obtain:

- Information and certain types of emergency assistance while traveling
- Emergency Cash Disbursements and Emergency Replacement Cards

ID#: 010410-010410-0025285

Visa Debit Acceptor - Canada Region

A Merchant that accepts Visa Debit Cards issued by Canadian Issuers.

ID#: 010410-010410-0025286

Visa Debit Card - Canada Region

A Visa Card that accesses a consumer deposit, savings or equivalent account, excluding Visa Prepaid Cards and Prepaid Accounts.

ID#: 081010-010410-0025287

Visa Debit Card - U.S. Region

A Visa Consumer Card that accesses a deposit, investment, or other asset of a consumer, including a fiduciary account, but not including a Consumer Visa Deferred Debit Card. A Visa Debit Card includes the following:

- Visa Buxx
- Consumer Visa Check Card
- **Effective through 30 June 2015**, Visa Check Card II
- Visa Gift Card
- Visa Incentive Card
- Visa Payroll

- Visa Prepaid Card

ID#: 161111-010410-0025288

Visa Debit Category - U.S. Region

A Card category that consists of the following:

- Visa Debit Card issued by a U.S. Issuer
- Visa Card issued by a non-U.S. Issuer

ID#: 010410-010410-0025289

Visa Debit Transaction - Canada Region

A transaction using a Visa Debit Card. Where a transaction initiated with a Visa Debit Card is conducted at a merchant which is not a Visa Debit Acceptor, it will not be a Visa Debit Transaction. Where a transaction initiated with a Visa Debit Card is conducted at a merchant where the cardholder selects another payment service, other than Visa Debit, it shall not be a Visa Debit Transaction.

ID#: 081010-010410-0025290

Visa Debit with PIN Transaction – U.S. Region

Effective 14 April 2012, a PIN-authenticated Transaction completed with a Visa Debit Card or a Visa Business Check Card at the point-of-sale.

ID#: 111011-140412-0026511

Visa Debt Repayment Program Transaction - U.S. Region

A Visa Debit Card Transaction completed by a Visa Debit Category Limited Acceptance Merchant that is authorized and processed as specified in the *Visa International Operating Regulations*.

ID#: 010410-010410-0025291

Visa Distributed Processing Solution (VDPS)

See Visa Europe Authorization Service.

ID#: 230312-010410-0025292

Visa Easy Payment Service (VEPS)

A Visa Point-of-Transaction service that permits qualified Visa Easy Payment Service Merchants to process small value Transactions, as specified in the “Country Level Visa Easy Payment Service Transaction Limits” without requiring a Cardholder Verification Method or the issuance of a Transaction Receipt unless requested by the Cardholder in accordance with the procedures specified in the *Visa International Operating Regulations*.

ID#: 160312-161010-0025697

Visa Easy Payment Service (VEPS) Merchant

A Merchant Outlet that qualifies to participate in the Visa Easy Payment Service program on the basis of its assigned Merchant Category Code, as specified in “Visa Easy Payment Service (VEPS) Merchant Category Code Exclusions.”

ID#: 160312-161010-0025696

Visa Electron Acquirer

A Member that both:

- Signs a Visa Electron Merchant or disburses currency to a Cardholder using a Visa Electron Card in a Manual Cash Disbursement
- Directly or indirectly enters the resulting Transaction Receipt into Interchange

ID#: 010410-010410-0025294

Visa Easy Payment Service (VEPS) Transaction

An electronically-read Transaction that is:

- Authorized
- Conducted in a Face-to-Face Environment^[156] ^[157]
- Does not exceed the Transaction limits specified in “Visa Easy Payment Service Country Level Transaction Limits”
- Initiated by a qualified Merchant as specified in “Visa Easy Payment Service (VEPS) Merchant Category Code Exclusions”

ID#: 160312-161010-0025698

156 A variance applies in the U.S. Region. **Effective through 14 October 2011**, Transactions less than or equal to US \$15 conducted at Cardholder-Activated Terminals may qualify as Visa Easy Payment Service Transactions. **Effective 15 October 2011**, Transactions less than or equal to US \$15 conducted at Unattended Cardholder-Activated Terminals may qualify as Visa Easy Payment Transactions.

157 A variance applies in the AP Region. **Effective through 14 October 2011**, Domestic Proximity Payment Transactions conducted at Unattended Acceptance Terminals (Type B or Type C) may qualify as Visa Easy Payment Service

Visa Electron Card

A Card that bears the Visa Brand Mark with the Electron Identifier and that is used to denote acceptance for both payment and Cash Disbursement.

ID#: 010410-010410-0025295

Visa Electron Card Program

A program through which a Member provides product payment services to Visa Electron Cardholders.

ID#: 010410-010410-0025296

Visa Electron Issuer

A Member that issues Visa Electron Cards.

ID#: 010410-010410-0025297

Visa Electron Logotype - U.S. Region

The Visa Electron Wordmark depicted in stylized lettering.

ID#: 010410-010410-0025298

Visa Electron Merchant

A Merchant that:

- Displays the Visa Electron Symbol or Visa Brand Mark with the Electron Identifier
- Has a Zero Floor Limit or has a terminal capable of reading and acting upon the Service Code in the Magnetic Stripe, or instructions for an Online Authorization Request from a Chip

ID#: 010410-010410-0025299

Visa Electron Payment Application

A software application contained within a Chip or payment data encoded on a Magnetic Stripe that defines the parameters for processing a Visa Electron Transaction and meets the minimum requirements for the Visa Electron Program.

ID#: 010410-010410-0025300

Transactions. **Effective 15 October 2011**, Domestic Proximity Payment Transactions conducted at Unattended Cardholder-Activated Terminals may qualify as Visa Easy Payment Service Transactions.

Visa Electron Program

A program through which a Member provides payment services to Visa Electron Merchants and Visa Electron Cardholders by acting as a Visa Electron Issuer, Visa Electron Acquirer, or both.

ID#: 010410-010410-0025301

Visa Electron Program Marks

The Marks used in connection with the Visa Electron Program.

ID#: 111011-010410-0025302

Visa Electron Transaction

A Transaction completed with a Visa Electron Card.

ID#: 010410-010410-0025304

Visa Electron Wordmark

A Visa-Owned Mark consisting of the Visa Brand Name and the name "Electron."

ID#: 010410-010410-0025305

Visa Employee Benefit Card

A Visa Prepaid Card through which an Issuer enables employers and benefit administrators to provide employees with a Card that allows direct access to benefits such as qualified health care, dependent care, transit, fuel and meal expenses.

ID#: 081010-010410-0025307

Visa Europe

The company, Visa Europe Limited, registered in England and Wales with its registered address at One Sheldon Square, London W2 6TT with company number 5139966.

ID#: 010410-010410-0025310

Visa Europe Authorization Service

A scalable VisaNet system that delivers Online Authorization and financial processing services to Members.

ID#: 230312-010410-0025311

Visa Extras Program - U.S. Region

A Points-based loyalty program that enables participating Cardholders to earn Points toward rewards consisting of goods or services based on eligible Visa purchase Transactions.

ID#: 010410-010410-0025312

Visa FeatureSelect - U.S. Region

An optional service that allows U.S. Issuers to automate the customization, management, and servicing of core and Issuer-registered optional Card enhancements for all Visa and non-Visa products .

ID#: 160312-141209-0025586

Visa File Exchange Service - U.S. Region

A program through which Members and their qualified Agents exchange non-clearing and settlement files with Visa.

ID#: 010410-010410-0025314

Visa Flag Symbol - U.S. Region

A Visa-Owned Mark consisting of the Bands Design with the Visa Logotype centered in the middle band. A Visa Card must not bear the Visa Flag Symbol.

ID#: 160312-010410-0025316

Visa Fleet Card - U.S. Region

A Visa Purchasing Card used only for the purchase of fuel and vehicle maintenance services.

ID#: 010410-010410-0025317

Visa Fleet Service - U.S. Region

An enhancement to Visa Purchasing that provides company vehicle fleet managers with information to track vehicle fuel and maintenance expenses.

ID#: 010410-010410-0025318

Visa Fleet Service Merchant - U.S. Region

A Merchant whose primary business is providing fuel or vehicle maintenance services. A Visa Fleet Service Merchant is identified by the following Merchant Category Codes: 4468, 4582, 5511, 5532, 5533, 5541, 5542, 5599, 7531, 7534, 7535, 7538, 7542, 7549, and 7699.

ID#: 010410-010410-0025319

Visa Flexible Spending Account (FSA) - U.S. Region

A Visa Prepaid Card program administered by an employer, in accordance with the IRS requirements, that permits employees to set aside pre-tax dollars to pay qualified out-of-pocket medical expenses not covered by the employer's health care plan.

ID#: 010410-010410-0025320

Visa Gift Card

A Visa Prepaid Card, designed for consumer gift giving.

ID#: 081010-010410-0025321

Visa Global ATM Network

The network through which an ATM participant provides Cash Disbursement services to Cardholders by acting as an Issuer, an ATM Acquirer, or both.

ID#: 010410-010410-0025322

Visa Global ATM Program

A program where an ATM participant provides Cash Disbursement services to Cardholders by acting as an Issuer, an ATM Acquirer, or both.

ID#: 010410-010410-0025323

Visa Global Customer Assistance Services Program

Services provided by Visa Global Customer Care Services to Cardholders and Issuers, including customer and emergency services provided to Cardholders traveling away from home. These include the:

- Cardholder Inquiry Service
- Emergency Cash Disbursement
- Emergency Card Replacement
- Lost/Stolen Card Reporting
- Exception file updates
- Visa TravelMoney customer service

ID#: 081010-010410-0024678

Visa Global Customer Care Services

The 24-hour-a-day, 7-day-a-week centers that provide services including:

- Those specified in the Visa Global Customer Assistance Services Program
- Information and certain types of non-emergency assistance while traveling

ID#: 081010-010410-0025343

Visa Gold Card

A premium Visa Card that both:

- Offers core and optional services as specified in *Visa International Operating Regulations*
- Is issued as specified in the *Visa Product Brand Standards*

(Regional variations may be found in the applicable Regional Operating Regulations.)

ID#: 010410-010410-0025324

Visa Health Reimbursement Account (HRA) - U.S. Region

An employer-funded Visa Prepaid Card program that reimburses employees, in accordance with the IRS regulations, for qualified out-of-pocket medical expenses not covered by the employer's health care plan.

ID#: 010410-010410-0025325

Visa Health Savings Account (HSA) - U.S. Region

A Visa Prepaid Card program operated in accordance with the IRS regulations that enables participants of a qualified high-deductible health plan (HDHP) to access funds contributed by an employee, employer, or both, for qualified out-of-pocket health care expenses.

ID#: 010410-010410-0025326

Visa Hotel and Cruise Line Services

Services that a Hotel or Cruise Line may provide to Cardholders, including:

- Advance Deposit Service
- Hotel Reservation Service
- Priority Check-out Service
- Cash Disbursement

ID#: 010410-010410-0025327

Visa Inc.

A Delaware stock corporation.

ID#: 010410-010410-0025328

Visa Incentive Card

A consumer Visa Prepaid Card, designed to enable a business entity to provide consumer funds in the form of promotional discounts, rebates, or corporate incentives such as bonuses.

ID#: 081010-010410-0025329

Visa Incentive Network - U.S. Region

A program that allows targeted rewards such as discounts or sweepstakes to be made available to select Visa Cardholders.

ID#: 010410-010410-0025330

Visa Infinite Business Card - Canada Region

A Visa Card targeted to small business market that has attributes exceeding that of a Visa Business Card.

ID#: 050411-011109-0025630

Visa Infinite Card

A Product Name for a Visa Card that has attributes exceeding those of a Visa Gold Card and Visa Platinum.

ID#: 010410-010410-0025331

Visa Infinite Exclusive Privileges

A Merchant-partner program with exclusive offers for Visa Infinite Cardholders.

ID#: 010410-010410-0025332

Visa Infinite Preferred Card – AP Region

Effective 4 November 2011, a Visa Card that is issued in accordance with the requirements specified in "Visa Infinite Preferred Card in Singapore – AP Region."

ID#: 151011-041111-0026544

Visa Information Management

Optional services provided by Visa to Members and clients of Members to enhance reporting and data gathering.

ID#: 010410-010410-0025333

Visa Integrated Billing Statement

A monthly report provided by Visa that details charges assessed to Members. Items appearing on this report are collected using the Fee Collection Transaction reason code 5010 ("Visa Integrated Billing Statement").

ID#: 010410-010410-0025334

Visa Integrated Circuit Card Specification (VIS) - U.S. Region

Chip Card and terminal requirements for Visa Smart Payment programs that serve as companion specifications to the *EMV Integrated Circuit Card Specifications*.

ID#: 010410-010410-0025336

Visa IntelliLink Compliance Management

A web-based service designed to meet the Visa Commercial Card program management needs of Issuers and their Client Organizations. Visa IntelliLink Compliance Management provides information services such as:

- Analytics and investigative reporting
- Misuse detection
- Program compliance
- Regulatory compliance
- Spend management
- Administration

ID#: 160312-141010-0026022

Visa IntelliLink Spend Management

Visa IntelliLink Spend Management is an optional service provided to Members and their clients to access and manage commercial multi-program data, reports, statements, and expense management.

ID#: 050411-300909-0025614

Visa Interchange Directory

A directory containing contact information on Members and VisaNet Processors that Visa compiles and sends to all Members and VisaNet Processors.

ID#: 160312-010100-0026130

Visa International - U.S. Region

See Visa.

ID#: 010410-010410-0025341

Visa International Operating Regulations

A body of regulations that sets forth the requirements for Members operating Visa programs. The *Visa International Operating Regulations* contain:

- International regulations applicable to all Members
- AP Regional Operating Regulations applicable to Members operating in the Asia-Pacific Region, including clients of Visa Worldwide Private Ltd.
- Canada Regional Operating Regulations applicable to Members operating in the Canada Region
- CEMEA Regional Operating Regulations applicable to Members operating in the Central Europe, Middle East, and Africa Region
- LAC Regional Operating Regulations applicable to Members operating in the Latin America and Caribbean Region
- U.S. Regional Operating Regulations applicable to Members operating in the U.S. Region

ID#: 010410-010410-0025342

Visa Internet Domain Name

A Visa-Owned Mark used to represent the Visa organization on the Internet or other networks. The *Visa International Operating Regulations* refer to 3 types of Visa Internet Domain Names:

- Internet Domain Name—Visa Simple
- Internet Domain Name beginning with the word “Visa”
- Internet Domain Name including the word “Visa”

ID#: 010410-010410-0025345

Visa Issuer

A Member that issues Visa Cards.

ID#: 010410-010410-0025346

Visa Logotype - U.S. Region

The Visa Wordmark depicted in stylized lettering.

ID#: 010410-010410-0025347

Visa Loyalty Platform Services

Rewards and loyalty services available to Members to enhance their proprietary loyalty programs.

ID#: 160312-151010-0025867

Visa Meetings - U.S. Region

A Visa Purchasing Card used for purchases associated with business meetings and events.

ID#: 010410-010410-0025349

Visa Meetings Card

A Visa Card issued to commercial entities in the public and private sector for commercial purchases associated with business meetings and events, as specified in "Visa Meetings Card" and the *Visa Product Brand Standards*.

ID#: 010410-010410-0025350

Visa Membership Management - U.S. Region

Effective through 7 September 2011, a web-based service, accessed through Visa Online, that allows Members and their designated Agents to view and manage their Visa membership information in the Visa information system.

ID#: 111011-010410-0025351

Visa Merchant

A Merchant that displays the Visa Brand Mark and accepts all Visa Cards.

ID#: 010410-010410-0025352

Visa Merchant Trace System – AP Region

A risk management service that allows a participating Member to:

- Submit information about a Merchant it has terminated
- Verify, before signing, that a Merchant is not listed with the service
- Query if a Merchant has been identified as non-compliant with one of the Visa risk management programs

- Obtain risk profile information on a Merchant Category Code and country

ID#: 160312-010311-0026136

Visa Message Gateway Service - U.S. Region

A component of the Direct Exchange network that allows VisaNet endpoints to access authorization processing services. It operates as a switch for all payment transactions, routing traffic between all Visa payment processing participants.

ID#: 081010-010410-0025353

Visa Micro Tag - U.S. Region

Effective through 8 June 2011, a Visa Contactless-only payment device without a Magnetic Stripe issued as a companion to a corresponding full-size Visa Card in accordance with the provisions specified in the *Visa International Operating Regulations* and the *Visa Micro Tag Design and Branding Guide*. Also see Visa Card - U.S. Region.

Effective 9 June 2011, a Visa Contactless-only payment device without a Magnetic Stripe issued as a companion to a corresponding full-size Visa Card in accordance with the provisions specified in the *Visa International Operating Regulations* and the *Visa Product Brand Standards*. Also see Visa Card - U.S. Region.

ID#: 111011-010410-0025354

Visa Mini Card

A miniaturized version of a Visa Card or Visa Electron Card that must:

- Provide the designated level of utility promised to the Cardholder
- Contain the physical elements and data components required to complete a Transaction

ID#: 010410-010410-0025355

Visa Mini Card - U.S. Region

A small-size Visa Consumer or Commercial Visa Product Card issued in conjunction with a corresponding full-sized Visa Card, and issued in accordance with the provisions specified in the U.S. Regional Operating Regulations and the *Visa Product Brand Standards*.

ID#: 010410-010410-0025356

Visa Mini Card Design and Technology - U.S. Region

The Card design and technology as set forth in and according to the *Visa Product Brand Standards*, and the Visa Mini Card Patent Rights identified therein.

ID#: 050411-010410-0025357

Visa Mini Card Patent Rights - U.S. Region

The patents associated with the Visa Mini Card Design and Technology issued to Bank of America in the United States, along with pending patent applications in the United States under which Visa and Members are granted rights in accordance with the Bank of America Visa Mini Card Exclusive License Agreement and these Operating Regulations.

ID#: 010410-010410-0025358

Visa Mobile Gateway Specifications (New)

Effective 8 March 2012, a suite of documents that comprises the following manuals:

- *Visa Mobile Gateway Issuer Update Functional Specification*
- *Visa Mobile Gateway Issuer Update Protocol Specification*
- *Visa Mobile Gateway Secure Channel Functional Specification*
- *Visa Mobile Gateway Secure Channel Protocol Specification*

ID#: 160312-080312-0026819

Visa Mobile Payment Application (New)

Effective 8 March 2012, the payment application that resides in a Mobile Payment Device, as specified in the *Visa Mobile Contactless Payment Specification (VMCPS)*.

ID#: 160312-080312-0026786

Visa Money Transfer Program - U.S. Region

A component of the overall Original Credit program that supports a person-to-person funds transfer service for Visa Cardholders or other consumers resulting in a credit to the recipient Cardholder's Visa account, as specified in the *Visa Money Transfer (VMT) Global Implementation Guide*. See also Money Transfer Original Credit Program.

ID#: 111011-150210-0025691

Visa Multinational Program (Updated)

A Visa program that supports the delivery of Visa commercial solutions to Multinational Companies.

ID#: 160312-141010-0026030

Visa Online (Updated)

Effective through 4 May 2012, a password-protected Website that provides Members and/or their VisaNet Processors with access to Visa information.

Effective 5 May 2012, a password-protected Website that provides Members, VisaNet Processors, and other authorized users with access to Visa information.

ID#: 160312-010410-0025360

Visa Payables Automation

Effective 8 September 2011, an optional electronic payment solution that enables Issuers to automate their accounts payable processes using Visa Commercial Cards and one of the Visa Commercial Solutions Data and Reporting Tools.

ID#: 111011-010100-0026535

Visa Payables Automation - Canada Region

Effective through 7 September 2011, an optional electronic payment solution that enables Canada Issuers to automate their accounts payable processes using Visa Commercial Cards. One of the Visa Commercial Solutions Data and Reporting Tools.

ID#: 111011-010100-0025610

Visa Payables Automation - U.S. Region

Effective through 7 September 2011, an optional electronic payment solution that enables U.S. Issuers to automate their accounts payable processes using Visa Commercial Cards. One of the Visa Commercial Solutions Data and Reporting Tools.

ID#: 111011-110210-0025611

Visa Payment Application

A software application contained within a Chip or payment data encoded on a Magnetic Stripe that defines the parameters for processing a Visa Transaction and meets the minimum requirements of the Visa Program.

ID#: 010410-010410-0025361

Visa Payment Gateway Service (Updated)

Effective through 14 March 2012, a Visa service that provides Authorization and Clearing of Secure Electronic Commerce Transactions.

ID#: 160312-010410-0025362

Visa Payroll

A Visa Prepaid Card that enables employers to offer employees a Visa Card as an alternative to the disbursement of employment wages or salary via a check.

ID#: 081010-010410-0025363

Visa payWave Application - U.S. Region (New)

Effective 1 January 2012, a Visa application contained on a contactless Chip that enables a Contactless Payment Transaction to be performed, as specified in the Visa Contactless Payment Specifications.

ID#: 160312-010100-0026758

Visa PIN Debit Gateway Service - U.S. Region

A Visa processing service that switches non-Visa, PIN-based, or qualified non-PIN-based bill payment debit transactions to debit networks for authorization, clearing, settlement, and exception item processing, which may include chargebacks, representations, and other non-financial and financial transactions as defined by the operational rules of the applicable network.

ID#: 081010-010410-0025364

Visa Platinum

A Card product that has attributes equal to or exceeding those of a Visa Gold Card.

ID#: 010410-010410-0025366

Visa Premier Card

A premium Visa Card that both:

- Offers core and optional services as specified in the *Visa International Operating Regulations*
- Is issued as specified in the *Visa Product Brand Standards*

(Regional variations may be found in the applicable Regional Operating Regulations.)

ID#: 010410-010410-0025370

Visa Prepaid Business Card - U.S. Region

A Visa Business Card used to access funds in a Prepaid Account.

ID#: 010410-010410-0025371

Visa Prepaid Card

A Visa Card used to access funds in a Visa Prepaid Account or a Card where monetary value is stored on a Chip.

ID#: 081010-010410-0024996

Visa Prepaid Card Transaction

The act between a Cardholder using a Visa Prepaid Card and a Merchant or an Acquirer resulting in a Transaction Receipt.

ID#: 081010-010100-0025555

Visa Prepaid Corporate Card - U.S. Region (Updated)

Effective through 13 November 2011, a Visa Corporate Card used to access funds in a Prepaid Account.

ID#: 160312-010410-0025373

Visa Prepaid Purchasing Card - U.S. Region

A Visa Purchasing Card used to access funds in a Prepaid Account.

ID#: 010410-010410-0025375

Visa Product

Any Visa Card, Visa Electron Card, component, or secure feature that relates to Card production, manufacture, or fulfillment managed under the Approved Vendor Program.

ID#: 050411-010100-0025527

Visa Program

A program through which a Member provides payment services to Visa Cardholders or Merchants by acting as an Issuer, an Acquirer, or both.

ID#: 010410-010410-0025377

Visa Program - Canada Region

The aggregation of the individual Visa Card programs operated by Visa Members using the Visa-Owned Marks.

ID#: 010410-010410-0025378

Visa Program Marks

The Marks used in connection with the Visa Program.

ID#: 010410-010410-0025379

Visa Purchasing Card

A Visa Card issued to commercial entities (public and private) that is used for commercial purchases and is issued as specified in "Visa Commercial Purchasing Products."

ID#: 010410-010410-0025380

Visa Purchasing Cardholder

An employee of a public or private commercial entity to whom an Issuer has issued a Visa Purchasing Card.

ID#: 010410-010410-0025381

Visa Purchasing Large Ticket Interchange Reimbursement Fee - U.S. Region

An Interchange Reimbursement Fee paid to or received by a Member for a Visa Purchasing Large Ticket Transaction processed as specified in "Visa Purchasing Large Ticket IRF."

ID#: 010410-010410-0025382

Visa Purchasing Large Ticket Transaction - U.S. Region

A Transaction completed with a Visa Purchasing Card that meets the large ticket transaction requirements specified in "Visa Purchasing Large Ticket IRF."

ID#: 010410-010410-0025383

Visa ReadyLink - U.S. Region

A Visa processing service that enables the Authorization and Settlement, through VisaNet, of funds associated with an Issuer-approved load Transaction to a Visa Prepaid Card or to another Non-Visa Branded Account, as defined in the *Visa ReadyLink Service Description and Implementation Guidelines* at a Prepaid Partner.

ID#: 050411-010410-0025384

Visa ReadyLink Transaction - U.S. Region

A Transaction completed at a Prepaid Partner that facilitates the loading of value to a Visa Prepaid Card or to another Non-Visa Branded Account, as defined in the *Visa ReadyLink Service Description and Implementation Guidelines* that has been designated for participation in Visa ReadyLink.

ID#: 080411-010410-0025385

Visa Region

A national or multinational geographic area under the jurisdiction of a Regional Office, as specified in the *Visa International Certificate of Incorporation and Bylaws*. There are 5 Visa Regions:

- Asia-Pacific (AP) Region
- Canada (CAN) Region
- Central and Eastern Europe, Middle East and Africa (CEMEA) Region
- Latin America and Caribbean (LAC) Region
- United States of America (U.S.) Region

Visa Canada and Visa U.S.A. are under the jurisdiction of a Regional Board.

ID#: 010410-010410-0025386

Visa Reservation Service

Visa services provided by either a:

- Lodging Merchant to guarantee accommodations
- Car Rental Company to guarantee a Specialized Vehicle or Peak-Time reservation

ID#: 010410-010410-0025387

Visa Resolve Online

An online Visa service for the retrieval and transmission of dispute resolution information and documentation.

ID#: 050411-010410-0025388

Visa Risk Manager (Updated)

Effective through 28 November 2011, a suite of risk management products designed to help Issuers optimize loss prevention and maximize profitability through intelligent risk-management decisioning.

Effective 29 November 2011, an optional suite of subscription-based risk management products designed to help Issuers optimize loss prevention and maximize profitability through intelligent risk-management decisioning.

ID#: 160312-010410-0025389

Visa Salary

See Visa Payroll.

ID#: 081010-010100-0025714

Visa SavingsEdge – U.S. Region

Effective 15 July 2011, a U.S. Region program offered by Visa to eligible Visa Business Cardholders of Visa Business Issuers that enables enrolled Cardholders to receive discounts in the form of statement credits for qualifying purchases specified in the *Visa SavingsEdge Service Description – U.S. Region* made at participating Merchants.

ID#: 151011-150711-0026272

Visa Secure Electronic Commerce (Updated)

Effective through 14 March 2012, a payment service that provides payment information security over the Internet and other networks for Cardholders using a Card and Cardholder Access Device to conduct an Electronic Commerce Transaction.

ID#: 160312-010410-0025390

Visa Settlement Bank

A bank where Visa maintains its Settlement accounts and performs funds transfer for Settlement.

ID#: 010410-010410-0025391

Visa Signature - U.S. Region

A Visa Card that is issued in accordance with the requirements specified in "Visa Signature Cards."

ID#: 010410-010410-0025392

Visa Signature Business - AP Region

A Visa Card that is issued in accordance with the requirements specified in "Visa Signature Business Cards."

ID#: 160312-010111-0026123

Visa Signature Business - U.S. Region

Effective through 14 October 2011, a Visa Card that is issued in accordance with the requirements specified in "Visa Signature Business Cards."

Effective 15 October 2011, a Visa Business Card that is issued as specified in "Visa Signature Business Cards" and the *Visa Business Credit Cards Product and Implementation Guide - U.S. Region*.

ID#: 111011-010410-0025393

Visa Signature Card

A Product Name for a Visa Card that has attributes exceeding those of a Visa Gold Card and Visa Platinum.

ID#: 010410-010410-0025394

Visa Signature Preferred - U.S. Region

A Visa Card that is issued in accordance with the requirements specified in “Visa Signature Preferred Cards - U.S. Region.”

ID#: 010410-010410-0025396

Visa Smart Payment (Updated)

Effective through 13 November 2011, EMV-Compliant and VIS-Compliant Chip-based applications that provide payment service options and controls to Issuers of Chip Cards bearing the Visa Brand Mark or the Visa Brand Mark with the Electron Identifier that are not available using Magnetic-Stripe technology.

Effective 14 November 2011, EMV-Compliant and VIS-Compliant applications that provide payment service options and controls to Issuers of Chip Cards bearing the Visa Brand Mark or the Visa Brand Mark with the Electron Identifier.

ID#: 160312-010410-0025397

Visa Three-Domain Secure Services - U.S. Region (Updated)

Effective through 14 March 2012, Visa services that provide enrollment of Cardholders and authentication processing of Transactions that comply with the Three-Domain Secure Specification.

ID#: 160312-010410-0025398

Visa Traditional - U.S. Region

A Visa Consumer Credit Card excluding Visa Signature and Visa Signature Preferred.

ID#: 010410-010410-0025399

Visa Traditional Rewards Card - U.S. Region

A consumer credit product that enables Cardholders, based on their qualifying purchases, to earn units of a rewards currency consisting of either:

- Points that are redeemable for cash, cash-equivalent rewards (i.e., gift certificate, gift card, or statement credit), or any other reward option permitted upon prior approval by Visa
- Air miles that are redeemable for air travel

ID#: 010410-010410-0025400

Visa Transaction Alerts Service

An optional Visa service that enables Cardholder notification of Transactions occurring on their Cards or accounts.

ID#: 111011-130510-0025728

Visa Transaction Information - Canada Region

Any information or data regarding a Transaction that is contained on the Transaction Receipt.

ID#: 010410-010410-0025401

Visa Transaction Information - U.S. Region

Any Transaction information or data that is contained in either the VisaNet:

- Authorization message
- Clearing Record

ID#: 010410-010410-0025402

Visa Transit Card

A Visa Prepaid Card designated for use at transit Merchants. A Visa Transit Card may be provided by an employer to an employee to access tax-advantaged transit benefits or sold directly to consumers.

ID#: 081010-010410-0025403

Visa TravelMoney Wordmark

A Visa licensed Brand Mark meeting the specifications set out in the *Visa Product Brand Standards*.

ID#: 010410-010410-0025410

Visa U.S. Regulation II Certification Program - AP Region, LAC Region, and U.S. Region (New)

Effective 8 March 2012, a certification program that enables an Issuer in the U.S. Region or in a U.S. Territory to certify the status of its consumer debit, commercial debit, and prepaid portfolios in alignment with U.S. Federal Reserve Board Regulation II, 12 CFR Part 235.

ID#: 160312-080312-0026999

Visa U.S.A.

Visa U.S.A. Inc.

ID#: 010410-010410-0025412

Visa Utility Interchange Reimbursement Fee Program - U.S. Region

Effective through 14 October 2011, a Visa program that permits Acquirers to qualify for the Utility Program Interchange Reimbursement Fee for a Consumer Card, or a Visa Business (including Visa Signature Business) Transaction completed at a utility Merchant assigned Merchant Category Code 4900, "Utilities - Electric, Gas, Water, and Sanitary," as specified in "Visa Utility IRF Program."

Effective 15 October 2011, a Visa program that permits Acquirers to qualify for the Utility Program Interchange Reimbursement Fee for a Consumer Card, or a Visa Business (including Visa Business Enhanced and Visa Signature Business) Transaction completed at a utility Merchant assigned Merchant Category Code 4900, "Utilities - Electric, Gas, Water, and Sanitary," as specified in "Visa Utility Program Interchange Reimbursement Fee Qualification - U.S. Region."

ID#: 111011-010410-0025413

Visa Wordmark

A Visa-Owned Mark consisting of the word "Visa." See Visa Brand Name.

ID#: 010410-010410-0025415

Visa Worldwide Pte. Ltd.

The organization operating the Visa Network in the AP Region.

ID#: 010410-010410-0025416

Visa-Owned Marks

All Trademarks owned by Visa, including Plus and Interlink.

ID#: 010410-010410-0025216

Visa/Plus ATM

An ATM that:

- Displays the Visa Brand Mark and the Plus Symbol

- May also display the Visa Brand Mark with the Electron Identifier

ID#: 010410-010410-0025368

VisaNet

The systems and services, including the V.I.P. System, Visa Europe Authorization Service, and BASE II, through which Visa delivers Online Financial Processing, Authorization, Clearing, and Settlement services to Members, as applicable.

ID#: 230312-010410-0025218

Voice Authorization

An Approval Response obtained through interactive communication between an Issuer and an Acquirer, their VisaNet Processors, or the International Automated Referral Service, through telephone or facsimile communications.

ID#: 111011-010410-0025417

VisaNet Copy Request and Fulfillment Service

An automated process for transmitting Copy Requests, Retrieval Requests, and Fulfillments and monitoring the integrity and quality of the service through Visa Resolve Online.

ID#: 010410-010410-0025225

VisaNet Copy Request and Fulfillment Service Fees

Service-related fees that include, but are not limited to:

- Transaction fees
- Fulfillment incentive fees

ID#: 010410-010410-0025226

VisaNet Integrated Payment System - U.S. Region

See V.I.P. System.

ID#: 010410-010410-0025228

VisaNet Interchange Center

A Visa Inc. or a Visa Europe facility that operates the VisaNet data processing systems and support networks.

ID#: 010410-010410-0025229

VisaNet Processor

A Member, or Visa-approved non-Member, that is directly connected to VisaNet and that provides Authorization, Clearing, or Settlement services to Merchants and/or Members.

ID#: 111011-010410-0025230

VisaNet Settlement Service

The VisaNet system that provides Settlement reporting and funds transfer services to BASE II and V.I.P. System Clearing Processors, as specified in the appropriate VisaNet manuals.

ID#: 010410-010410-0025232

VisaVue Member Participation Agreement

Effective 8 September 2011, an agreement that specifies the terms and conditions for use of VisaVue Online.

ID#: 111011-010100-0026456

VisaVue Online

Effective 8 September 2011, an optional, web-based Visa Transaction reporting and analytic tool that enables Members to analyze their VisaNet Transaction data.

ID#: 111011-010100-0026455

VisaVue Service - U.S. Region

Effective through 7 September 2011, an optional, web-based Visa transaction reporting and analytic tool that enables Members to analyze their VisaNet transaction data.

ID#: 111011-010410-0025234

VisaVue Service Participation Agreement - U.S. Region

Effective through 7 September 2011, an agreement that specifies the terms and conditions for participation in the web-based VisaVue Service.

ID#: 111011-010410-0025235

W

Waiver (New)

Temporary formal consent, granted by Visa, that permits a Member or Members to not comply with one or more specific rules in the *Visa International Operating Regulations* for a specified period of time. A Waiver may include specific conditions, and may be repealed, modified, or extended at the discretion of Visa.

ID#: 160312-080312-0026498

Website

One or more Internet addresses at which an individual or organization provides information to others, often including links to other locations where related information may be found.

ID#: 010410-010410-0025430

Wire Transfer Money Order - U.S. Region

A check or money order purchased by a Cardholder from a Wire Transfer Money Order Merchant.

ID#: 010410-010410-0025434

Wire Transfer Money Order Merchant - U.S. Region

A Merchant that sells money orders by electronic funds transfer.

ID#: 010410-010410-0025435

Wire Transfer Money Order Transaction - U.S. Region

A Quasi-Cash Transaction representing the sale of a Wire Transfer Money Order for transfer to a payee (who may or may not be the Cardholder) by electronic funds transfer.

ID#: 081010-010410-0025436

Wordmark

A Mark consisting entirely of a word.

ID#: 010410-010410-0025438

Workout Period

In conjunction with the Global Merchant Chargeback Monitoring Program, a 3-month remediation period during which Visa manages a corrective-action plan between a Merchant and its Acquirer to bring the Merchant's international Chargeback activities within acceptable levels. The Workout Period is not applicable for:

- Acquirer-level thresholds
- High-Risk Merchants, as specified in "High Risk Merchant Category Codes"

ID#: 111011-010610-0025701

Workout Period - U.S. Region

Either:

- In conjunction with the Risk Identification Service (RIS) Online, a 90-calendar-day period during which Visa manages a corrective-action plan between a Merchant and its Acquirer to bring the Merchant's Suspect Transactions-to-sales and Fraud Activity-to-sales ratio within acceptable levels
- In conjunction with the Acquirer Monitoring Program, a 90-calendar-day period during which Visa monitors an Acquirer's remedial plan to bring the Acquirer's Fraud Activity-to-sales ratio below the program's Alert thresholds

ID#: 010410-010410-0025439

X

No glossary terms available for X.

ID#: 010410-010410-0025513

Y

No glossary terms available for Y.

ID#: 010410-010410-0025514

Z**Zero Floor Limit**

A Floor Limit with a currency amount of zero (i.e., Authorization is required for all Transactions).

ID#: 010410-010410-0025441

EXHIBIT E

Payment surcharges

Response to the Which? super-complaint

June 2011

OFT1349resp

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1 EXECUTIVE SUMMARY

- 1.1 The growth of online trade has brought many benefits. Retailers are able to reach a much wider audience to sell their products and consumers have access to a wider range of retailers.
- 1.2 However, online trade also creates some new concerns. One issue that has become increasingly prevalent is that some retailers are adding extra fees (or surcharges) to the price of a purchase based on a consumer's choice of payment mechanism, such as a debit or credit card. In effect, consumers are 'paying to pay'. These 'payment surcharges' are more common when making online transactions, where consumers are unable to pay by cash or cheque, than they are for face-to-face transactions.
- 1.3 Payment surcharges are particularly common in the airline sector – but are also imposed by some retailers in other sectors, including rail, ferries, taxis, event tickets, cinemas, car dealerships and hotels.
- 1.4 The amount that consumers spend on payment surcharges is high. For example, we estimate that UK consumers spent around £300 million¹ on payment surcharges in 2010² in the airline sector alone
- 1.5 The evidence provided by Which? indicates that consumers strongly object to 'paying for paying' – this is supported by the OFT's own consumer research conducted in 2010, which found that 87 per cent of consumers objected to extra charges for credit cards and 91 per cent objected to extra charges for debit cards.³

¹ Based on per journey surcharges and UK passenger numbers of 10 airlines operating in the UK

² UK airlines total operating revenue 2009 was £17.8bn (CAA data).

³ See OFT 2010 'Advertising of Prices Market Study' www.oft.gov.uk/OFTwork/markets-work/completed/advertising-prices/

The super-complaint

- 1.6 On 30 March 2011, Which? submitted a super-complaint to the OFT about retailers in passenger transport markets imposing surcharges on consumers for paying by debit or credit cards where consumers have no practical alternative ways of paying.
- 1.7 Which? identified three features which it thought resulted in consumer detriment:
- a. lack of transparency. Surcharges are often only revealed towards the end of a lengthy transaction process and so it can be difficult to compare prices across competing retailers
 - b. lack of a reasonable, practical alternative to avoid the fee, and
 - c. surcharges often appear to exceed reasonable estimates of retailers' costs of processing payments.
- 1.8 In line with the Which? super-complaint, our report focuses on the passenger transport sector, namely airlines, ferry operators and rail ticket resellers. However, we believe that the principles established within this report apply equally to all UK commercial traders.

Lack of transparency and reasonable alternatives

- 1.9 The practice of presenting a headline price and then adding extra charges as the consumer goes through the purchasing process, known as 'drip pricing', was highlighted in the OFT's *Advertising of Prices Market Study*. The report established, with a compelling range of evidence, that drip pricing is influential in changing consumers' shopping behaviour. In particular drip pricing:
- reduces the extent to which consumers shop around because searching and comparing between full price offers is more difficult
 - can affect consumer choices as by the time surcharges are revealed they have invested time in the transaction and feel committed to it. Consumers are then less likely to be willing to invest more time in

comparing offers, particularly if they expect to encounter similar practices elsewhere, and

- can affect consumers' purchasing decisions as they focus (or 'anchor') on the headline price and then fail to adjust their assessment of the total value of the offer sufficiently as additional charges are revealed, therefore overestimating the total value.

1.10 The OFT recognises that there may be some consumer benefits from separating optional charges from the headline price as it allows consumers to tailor products to include the options they want or need, but the study concluded that it is **misleading to separate compulsory charges from the headline prices**.

1.11 With the benefit of this previous research and evidence gathered as part of the research for the super-complaint, the OFT therefore considers that consumer detriment is most likely to arise where features a) and b) of the Which? super-complaint are both present. With respect to payment surcharges, the OFT has concluded that:

- payment surcharges are often presented as drip prices. Charges are only added to the total price late in the buying process, often after customers have gone through numerous web pages tailoring the product or service to their needs and providing personal information, and
- when the headline price is unachievable for the majority of consumers, because the payment mechanism which incurs no surcharge is only available to a small minority of consumers, paying some form of surcharge is, in effect, compulsory.

1.12 The OFT has found considerable evidence of practices which include both of these features in the passenger transport markets and, in particular, in the airline sector.

Level of charges

1.13 With respect to the level of surcharges, initial estimates suggest that in some cases the costs retailers incur to process payments may actually

be higher than indicated in the Which? super-complaint. However, getting a true picture would involve a detailed allocation of fixed costs which has not been possible within the super-complaint 90-day timetable.

- 1.14 The OFT does not consider that such a detailed analysis of costs is necessary at this stage. Consumer detriment occurs because the lack of transparency of surcharges and the lack of a practical alternative to avoid the surcharge reduce the extent to which consumers shop around and compare full price offers. This weakens the competitive pressure between retailers and can result in consumers not getting the best deal. We believe that making information on surcharges clearer and more timely would help consumers avoid them and encourage competition between retailers, driving down the price of genuinely optional surcharges.

Conclusions

- 1.15 The OFT accepts that where retailers charge different prices for different payment mechanisms, reflecting their underlying costs, this may benefit consumers by creating a signal to help them make efficient choices between payment mechanisms. However the OFT believes that headline prices need to be presented in a way that gives consumers a proper ability to shop around.
- 1.16 **The OFT's view is that retailers should make headline prices meaningful for comparison purposes by not imposing surcharges for debit cards, which we consider are currently the standard online payment mechanism.** Any costs the retailer incurs for processing debit card payments should be treated as part of the cost of doing business and should be included in the headline price.
- 1.17 Debit cards are the most commonly held payment card in the UK – over 85 per cent⁴ of consumers have access to a debit card – and therefore not surcharging consumers for using a debit card would make the

⁴ UK Card Association. Percentage of adult UK population who own a debit card 2009

headline price achievable for the majority of consumers enabling them to shop around and compare prices more easily. As technological advances, and in particular the growth of online retailing, move consumers away from using cash, we believe they would benefit from a new standard payment mechanism and not surcharging for debit cards would establish this.

- 1.18 Retailers should still be able to impose transparent surcharges to consumers who choose to use payment mechanisms which cost more to process and offer discounts to consumers who choose to use payment mechanisms that cost less to process.
- 1.19 We are also aware that whilst a high proportion of consumers have access to debit cards, many consumers often choose to pay by different payment mechanisms, for example, because they offer consumers the convenience of a credit facility.
- 1.20 For these consumers it is important that they are aware of, and are easily able to access clear information on, the surcharges that may apply when they choose to pay by a mechanism other than debit card. This will allow the consumer to find out more easily what the product will cost them and mean easier price comparisons between traders, increasing the incentives for firms to compete vigorously for consumers.
- 1.21 **We consider information on how much the consumer would have to pay to use mechanisms other than a debit card is necessary price information which consumers need to know in order to shop around effectively and make purchasing decisions and this information should therefore be easily available.**
- 1.22 The OFT's view is that retailers should therefore:
- provide clear information on the surcharges/discounts that apply to different payment mechanisms, when first displaying prices on a website. For example a clear link ('1 click') to a list of payment surcharges, where it is clear to consumers that they need to click on the link to obtain information on additional charges

- on all subsequent web pages, in close proximity to the total price, provide clear information on the surcharges/discounts that apply to different payment mechanisms or a clear link ('1 click') to a list of surcharges/discounts that apply to different payment mechanisms
- provide clear information on the existence of payment surcharges which apply to other payment mechanisms within any adverts (including print, television, outdoor or other media channels) which refer to prices, and
- ensure that consumers purchasing products by telephone or in-store are provided, in a clear and timely manner, with information on how their total cost will vary according to which payment mechanism they choose to use.

Implementation

1.23 In order to remove the detriment caused by drip pricing of what are, in effect, compulsory surcharges, the OFT:

- **Recommends that the Government introduces measures to prohibit retailers from imposing surcharges for payments made by debit card.** We consider that there are a number of options open to Government to implement this recommendation, for example prohibiting surcharges is permitted through the Payment Services Directive (PSD). However, the Consumer Rights Directive (CRD), which is in the process of being adopted,⁵ may also address our concerns. The CRD states that payment surcharges should be limited to retailers' processing costs, which we consider, when implemented in the UK, could significantly reduce consumer detriment. Regulation will ensure that a standard is achieved across the economy and we will work with the Government to ensure that our recommendation is progressed in the most effective and efficient way.

⁵ In June 2011 the CRD was adopted by the European Parliament plenary and is expected to be adopted by the Council of Ministers in due course.

- **In the short-term, seeks to improve the transparency and overall presentation of payment surcharges in the transport sectors, through action to ensure compliance with the Consumer Protection from Unfair Trading Regulations 2008 (CPRs).** Some retailers have already indicated that they are willing to change their practices in line with the OFT's recommendations and we will continue to work with these retailers to ensure the changes are made. For those retailers who are unwilling to make voluntary changes, or where commitments are not implemented within a reasonable timeframe, we will consider enforcement action. In due course we will also consider whether further enforcement action in other sectors is necessary.

1.24 The OFT considers it is necessary to recommend both a regulatory solution and enforcement action under the CPRs. This is to ensure a meaningful and consistent solution to the cross-economy issue of payment surcharges and to tackle individual retailers whose practices we consider are resulting in significant consumer detriment.

Thank you

1.25 As part of this study, we have consulted with consumer groups, trade associations, a large number of businesses from different sectors, other regulators and Government departments. We are grateful for all contributions and willingness to assist the OFT's team in its work.

2 INTRODUCTION

The super-complaint process

- 2.1 The right to submit a super-complaint was created by section 11 of the Enterprise Act 2002 (EA02). A super-complaint is defined under section 11(1) EA02 as a complaint submitted by a designated consumer body that 'any feature or combination of features, of a market in the UK for goods or services is or appears to be significantly harming the interests of consumers'. Which? is a designated consumer body for the purposes of the EA02.
- 2.2 Section 11(2) EA02 requires the OFT, within 90 days after the day on which it receives the super-complaint, to publish a response saying whether it has decided to take any action, or take no action, in respect of the complaint and, if it has decided to take action, what action it proposes to take. The response must state the reasons for the OFT's proposal (section 11(3) EA02).
- 2.3 This report sets out the OFT's reasoned response to the super-complaint from Which?

Issues raised in the super-complaint

- 2.4 On 30 March 2011, Which? submitted a super-complaint to the OFT about retailers in the passenger transport market – defined by Which? as airlines, ferry operators and rail intermediaries – surcharging consumers for paying by debit or credit cards (and in some instances other payment mechanisms) where consumers have no practical alternative ways of paying.⁶
- 2.5 Payment surcharges are additional charges which are presented to the consumer separately from the headline price. The OFT considers that payment surcharges are any charges which vary depending on the

⁶ For further detail on the super-complaint see: www.which.co.uk/documents/pdf/payment-method-surcharges---which---super-complaint-249225.pdf

payment mechanism the consumer chooses to use and/or which are only added to the total price when a consumer selects which payment mechanism they intend to use. As such they differ from booking fees or administration charges where all consumers pay the same fee.

- 2.6 Which? identified three features that they considered individually or in combination significantly harm consumers:
- a. lack of transparency. Surcharges are often only revealed towards the end of a lengthy transaction process and so it can be difficult to compare prices across competing retailers
 - b. lack of a reasonable, practical alternative to avoid the fee, and
 - c. surcharges often appear to exceed reasonable estimates of retailers' costs of processing payments.
- 2.7 Which? considered that these features made price comparisons more difficult therefore weakening the competitive pressure between retailers, and resulting in consumers making poor choices between competing providers. Furthermore Which? considered that consumers are often frustrated at being asked to 'pay for paying'.
- 2.8 In line with the Which? super-complaint the OFT has focused its assessment of payment surcharges in the passenger transport markets where these charges are most prevalent. However, as highlighted by Which?, there are examples of surcharging in other sectors and the principles established in this report apply equally to all UK commercial traders.

Information gathering

- 2.9 We have gathered evidence from a wide range of sources and sought the views of a variety of stakeholders.
- 2.10 Interested parties were invited to comment on the super-complaint and specific information requests were made to traders in the passenger transport markets and payment card issuers. We held meetings with HM Treasury (HMT), the Financial Services Authority (FSA), the Civil

Aviation Authority (CAA), the Office of the Rail Regulator (ORR), and the UK Card Association.

- 2.11 In addition we held two roundtable discussions, one with airlines and travel companies and one with ferry companies and rail ticket intermediaries to hear their views and discuss practical solutions to our concerns.
- 2.12 We have also reviewed the existing legislative framework that affects the practice of payment surcharges particularly in the passenger transport markets.
- 2.13 We have conducted our own in-house research into the practice of payment card surcharging in the passenger transport markets, reviewed the previous consumer research, behavioural psychology literature and experimental evidence conducted by the OFT as part of the *Advertising of Prices* Market Study⁷ published in December 2010, and drawn on existing data on payment card ownership within the UK.

Framework for assessment

- 2.14 The Which? super-complaint is framed as both a competition and a consumer protection issue. Which? is concerned that the lack of transparency around surcharges may result from the market power of some retailers and/or may distort competition by making consumer search and comparison more difficult. Which? also believes that some retailers can surcharge excessively either because they have market power or because surcharges are not transparent.
- 2.15 The OFT considers that effective competition and consumer protection are linked. Well-functioning markets depend both on competition working well and on consumers making good choices. Vigorous competition spurs traders to deliver what consumers want as efficiently and innovatively as possible, whilst well-informed, confident consumers who

⁷ See OFT 2010 'Advertising of Prices Market Study' www.of.gov.uk/OFTwork/markets-work/completed/advertising-prices/

shop around effectively play a key role in driving that competition. If consumers do not select the best deal for themselves, either because they cannot discern which offers are better or are provided with insufficient information to make an informed choice, traders are likely to be less motivated to deliver them.⁸

- 2.16 As discussed further in Chapter 5 it is not clear that market power is a significant driver of whether payment surcharges are either adopted or sustained within an industry. Travel markets are often competitive and may work well for consumers in a broader sense. Nonetheless, surcharging has settled as a standard practice by many providers, in part because competition seems to have focused on headline prices. As some providers try to lower headline prices to attract consumers, they have increased other charges including payment surcharges, which face less competitive constraint due to a lack of transparency.
- 2.17 The OFT therefore considers that consumer detriment from payment surcharges is driven by the lack of transparency and that how consumers understand and respond to surcharges, in particular the effect on their search behaviour, is key to identifying potential detriment. The OFT has therefore focused its investigation on these aspects.
- 2.18 We anticipate that addressing the transparency of surcharges will put pressure on retailers to reduce these surcharges and in response some retailers may choose to increase either headline prices or the prices of other options. Generally, retailers are free to make their own commercial decisions on pricing, provided that charges are transparent (so they are subject to competitive pressures), are clearly and accurately presented in a timely manner so as to avoid unfairly distorting consumers' decisions, and do not result in compulsory charges being presented separately from the headline price.

⁸ For more detail on the interaction between effective competition and consumer protection, see *'The future of the competition regime: increasing consumer welfare and economic growth'* John Fingleton, May 2011. www.offt.gov.uk/shared_offt/speeches/2011/1011.pdf

Structure of the report

- 2.19 Chapter 3 provides an introduction to the relevant UK and EU legislation which may affect the use of payment surcharges in the passenger transport markets.
- 2.20 Chapter 4 briefly considers the payment mechanism market.
- 2.21 Chapter 5 summarises the use of payment surcharges and the features which may affect the adoption of payment surcharges within an industry.
- 2.22 Chapter 6 considers the issues around the presentation of payment surcharges as a drip price and the availability of practical alternatives for consumers.
- 2.23 Chapter 7 briefly considers the issue of whether payment surcharges exceed reasonable expectations of costs incurred to process payments.
- 2.24 Chapter 8 sets out our response to the super-complaint and next steps.

3 THE REGULATORY FRAMEWORK

- 3.1 This chapter briefly describes the regulatory framework, within which it is necessary to consider the practice of payment card surcharging.
- 3.2 Both the OFT and the Civil Aviation Authority (CAA) have previously taken enforcement action to address misleading pricing in the airline sector. In 2007, thirteen airlines signed undertakings with the OFT under The Control of Misleading Advertisements Regulations 1988 (CMARs)⁹ to include taxes and fuel surcharges in headline prices. The CAA has also been working with airlines to ensure fixed compulsory charges are included in all headline prices, as required by the Air Services Regulation (ASR).¹⁰

Consumer Protection from Unfair Trading Regulations 2008 (CPRs)

- 3.3 The Consumer Protection from Unfair Trading Regulations 2008 (CPRs)¹¹ came into force on 26 May 2008 and implemented the Unfair Commercial Practices Directive (UCPD) into UK law. The CPRs contain:
- a general prohibition of unfair commercial practices (regulation 3)
 - prohibitions of misleading practices, whether by action (regulation 5) or omission (regulation 6)
 - a prohibition of aggressive practices (regulation 7), and
 - an outright prohibition of 31 specified practices that are prohibited in all circumstances (Schedule 1).

⁹ The CMARs were superseded by the Consumer Protection from Unfair Trading Regulations 2008 (CPRs) and (in respect of business to business advertising practices and comparative advertising) by the Business Protection from Misleading Marketing Regulations 2008 (BPRs).

¹⁰ www.caa.co.uk/application.aspx?catid=14&pagetype=65&appid=7&newstype=n&mode=detail&nid=1968

¹¹ www.legislation.gov.uk/ukdsi/2008/9780110811574/contents. OFT guidance on CPRs can be found at: www.offt.gov.uk/shared_offt/business_leaflets/cpregs/oft1008.pdf

- 3.4 The CPRs apply to 'commercial practices', that is any act, omission or other conduct by businesses directly connected to the promotion, sale or supply of a product to or from consumers (whether before, during or after a commercial transaction).
- 3.5 A commercial practice is unfair, in terms of the general prohibition (Reg 3), if (essentially) it is unacceptable according to an objective standard of what is professionally diligent.
- 3.6 A commercial practice is a 'misleading action' if it contains false information or information presented in any way that deceives or is likely to deceive the average consumer in relation to a range of matters, including the 'main characteristics of the product' (regulation 5(4)(b)) and/or the 'price or manner in which the price is calculated' (regulation 5(4)(g)).
- 3.7 A commercial practice is a 'misleading omission' if it omits or hides material information or provides such information in a manner which is unclear, unintelligible, ambiguous or untimely (regulation 6(c)). Material information is considered to be information that the average consumer needs to take an informed transactional decision.
- 3.8 For a practice to constitute a breach of regulation 3 (the general prohibition), regulation 5 (prohibition of misleading actions), regulation 6 (prohibition of misleading omissions) or regulation 7 (prohibition of aggressive practices) it must also cause, or be likely to cause, the average consumer¹² to take a transactional decision he would not otherwise have taken.
- 3.9 Whether or not a particular practice breaches the regulations will depend on all the circumstances of the individual case, and a full assessment of the practice will, therefore, always be required. The OFT, Local Authority Trading Standards Services and the sectoral regulators can take

¹² The 'average consumer' is considered to be reasonably well informed, observant and circumspect.

enforcement action under the CPRs in line with their enforcement policies.

Credit Card (Price Discrimination) Order (1990)

- 3.10 The Credit Card (Price Discrimination) Order 1991 came into force on 28 February 1991,¹³ and made it unlawful for any person to make or carry out any agreement relating to credit cards to the extent that it imposes or requires the imposition of a 'no discrimination' or 'no surcharging' rule.
- 3.11 A 'no discrimination' rule prohibits merchants from charging different prices to those who pay by credit card rather than by another means of payment. The Order does not require merchants to charge different prices for credit card transactions, but it does allow them to surcharge if they choose to.

Payment Services Directive 2007/64/EC (PSD)

- 3.12 Article 52(3) of the Payment Services Directive essentially gives Member States the option to forbid or limit surcharges:

'the payment service provider shall not prevent the payee from requesting from the payer a charge or from offering him a reduction for the use of a given payment instrument. However, Member States may forbid or limit the right to request charges taking into account the need to encourage competition and promote the use of efficient payment instruments.'

- 3.13 In December 2007 HM Treasury (HMT) consulted on transposing the Directive into UK law. Its conclusions were published in June 2008.¹⁴ On the issue of surcharging HMT stated that 'there was broad support for the Government not legislating to prohibit or limit the right of payees to

¹³ Credit Cards (Price Discrimination) Order 1990 (SI 1990/2159).

¹⁴ http://webarchive.nationalarchives.gov.uk/20100407010852/http://www.hm-treasury.gov.uk/fin_payment_services_directive.htm

request charges when payers chose to use a certain payment instrument'. HMT therefore did not transpose the restrictions of Article 52(3) into UK law via the Payment Services Regulations 2009 (PSRs).

Air Services Regulation (ASR)

- 3.14 The Air Services Regulation No 1008/2008 came into force on 1 November 2008. Although as an EU regulation it is directly applicable in the UK, there are some aspects which require UK secondary legislation to give effect to it. Currently there is no UK statutory instrument that creates penalties for infringement under the ASR.
- 3.15 In March 2010, the Department for Transport (DfT) consulted on the draft regulations which will permit the CAA and the OFT to take action to ensure compliance with the ASR on the transparency and non-discrimination of air fares.¹⁵ The draft secondary legislation proposed by the DfT was modelled closely on the regime in Enterprise Act 2002 and proposed that both the CAA and the OFT are enforcers for the purposes of enforcing article 23.¹⁶
- 3.16 Article 23 of the ASR essentially states that all charges which are unavoidable and foreseeable at the time the headline price is displayed, should be included in that price. It states that:

'The final price to be paid shall at all times be indicated and shall include the applicable air fare or air rate as well as all applicable taxes, and charges, surcharges and fees which are unavoidable and foreseeable at the time of publication. In addition to the indication of the final price, at least the following shall be specified:

- (a) air fare or air rate

¹⁵ www2.dft.gov.uk/consultations/closed/2010-16/index.html

¹⁶ Note it is not currently possible to enforce Article 23 of the ASR under the Enterprise Act 2002 (EA 02), as a breach of Article 23 does not meet the criteria of either a 'community infringement' or a 'domestic infringement' as set out in EA02

- (b) taxes
- (c) airport charges and
- (d) other charges, surcharges or fees, such as those related to security or fuel

where the items listed under (b), (c) and (d) have been added to the air fare or air rate. Optional price supplements shall be communicated in a clear, transparent and unambiguous way at the start of any booking process and their acceptance by the customer shall be on an 'opt-in' basis.'

- 3.17 The European Commission has provided the CAA with an information note on the ASR which includes a section on price transparency. This note is not an official interpretation of the Regulation and the views expressed do not bind Member States or other interested parties. However it does provide guidance. Paragraph 9.2.2 states:

'The final price to be paid shall at all times be indicated: this means that the final or 'all-inclusive' price needs to be indicated whenever there is a price quote, and this in all types of information, for example, advertisements or information given by the travel agent or a website. With regard to the booking process, the final price to be paid should be provided right from the beginning of the booking process. For example, websites should show the final price right from the first page and not add other unavoidable elements at a later stage of the booking process.'

Consumer Rights Directive (CRD)

- 3.18 The CRD proposal was issued by the European Commission in October 2008 with the aim of increasing consumer confidence when making cross border purchases, through a reform of some of the existing consumer protection directives. The original proposal merged four existing directives on Unfair Contract Terms, Sale of Goods and Guarantees, Doorstep Selling and Distance Selling, although this was reduced to the latter two directives as the proposal went through the European legislative procedures.

3.19 Other provisions on consumer rights in the Consumer Rights Directive include Article 19¹⁷ which states that:

'Member States shall prohibit traders from charging consumers, in respect of the use of a given means of payment, fees that exceed the cost borne by the trader for the use of such means'.

3.20 In June 2011 the proposed CRD was adopted by the European Parliament plenary and is expected to be adopted as it stands by the Council of Ministers in due course. It will then become binding on member states, with a requirement that they should transpose it into national law within a maximum of two years.

Committee of Advertising Practice (CAP Code) and Broadcasting Committee of Advertising Practice (BCAP Code)

3.21 The CAP code and BCAP code are advertising rules set down by the Advertising Standards Authority (ASA). The advertising codes contain wide-ranging rules designed to ensure that advertising does not mislead, harm or offend. Adverts must also be socially responsible and prepared in line with the principles of fair competition.

3.22 The Codes of Practice are a self-regulatory system recognised as one of the 'established means'¹⁸ of consumer protection. If certain types of adverts, including those that are misleading or contain an impermissible comparison, continue to appear after the ASA Council has ruled against them, the ASA can, where appropriate, refer the matter to the OFT for action under the CPRs.

3.23 Of particular relevance to drip pricing are the following rules

¹⁷ Article 19 within the text adopted by the European Parliament on 23 June 2011.

¹⁸'Established means' is a term used in the CPRs which refers to those systems and mechanisms outside the OFT and other regulators which have the effect of encouraging the control of unfair commercial practices under the Regulations.

- quoted prices must include non-optional taxes, duties, fees and charges that apply to all or most buyers. (3.18 of CAP code and 3.19 of BCAP code), and
- if a tax, duty, fee or charge cannot be calculated in advance, for example, because it depends on the consumer's circumstances, the advertisement must make clear that it is excluded from the advertised price and state how it is calculated. (3.19 of CAP code and 3.20 of BCAP code).

Payment scheme rules

- 3.24 Scheme rules are not regulations, but rules imposed by the payment card networks. Some schemes that issue multiple types of cards (for example, debit and credit cards for consumers, or consumer and corporate cards) apply rules, sometimes known as 'honour all cards' rules, requiring retailers to accept all card types if they accept any. Other schemes sometimes permit retailers, if they so choose, to accept only debit cards. However, typically retailers that accept other card types, such as credit cards, have to accept all card types.
- 3.25 Previously scheme rules included a 'no discrimination' or 'no surcharge' rule which prohibited merchants from surcharging for credit card payments, or from allowing a discount for cash payments. However, merchants, in the UK, have been permitted to impose payment surcharges on credit card transactions since 7 March 1991 when the Credit Cards (Price Discrimination) Order 1990 came into effect.

4 PAYMENT MECHANISMS

- 4.1 In this chapter, we briefly discuss how card networks in the UK operate and the potential benefits of allowing retailers to surcharge for accepting payments.
- 4.2 Payment mechanisms cover any method of payment consumers can use to purchase goods or services. They include cash, cheques, cards such as debit and credit cards, and more recent innovations like PayPal, which have been driven by the growth in online retailing.
- 4.3 All payment mechanisms incur costs for retailers to process. Payment cards and PayPal are subject to network operators' fees for processing transactions and in order to accept cash retailers bear their own costs such as security costs.

Card networks

- 4.4 The two major card networks in the UK, each offering both debit and credit cards, are VISA and MasterCard. Both operate a four-party system consisting of:
- the consumer who owns the card
 - the retailer providing the goods or services
 - the bank that issued the card to the consumer ('issuer'), and
 - the body (often a bank) that deals with the retailer ('acquirer').
- 4.5 When a retailer accepts a card payment, it incurs charges from its acquirer. The acquirer requests funds from the consumer's card issuer and charges the retailer a merchant service charge (MSCs) for processing the transaction. Sometimes acquirers also charge retailers separately for additional services, such as charge-backs where the transaction is reversed and funds returned (refunded) to the consumer.

4.6 In addition, retailers may incur fixed or variable charges if they choose to use intermediaries¹⁹ or choose to buy their own point-of-sale equipment, carry out their own fraud management or develop payment functions on websites. For more information on retailers' costs see Annexe C.

The role of surcharging in payment networks

4.7 The OFT considers there are potentially benefits to both consumers and retailers if retailers are able to impose differential charges for different payment mechanisms. Surcharging or discounting different payment mechanisms can signal the costs of accepting each mechanism and therefore can help consumers make efficient choices between them. Consumers are then able to decide whether the benefits to them of paying by, for example, credit card (such as the credit facility, protection against the effect of fraud²⁰ and Section 75 protection²¹) exceed the cost of paying by credit card. However, to achieve these signalling benefits, surcharges must be broadly in line with efficiently incurred costs.

4.8 Transparent differential pricing can restore the connection between the consumer, who makes the choice on what payment mechanism to use, and the retailer who pays for that choice and so counteract the market power of card networks. If retailers charge consumers the true cost of processing the payment mechanism, this puts direct pressure on payment card providers to compete to ensure that customers use their payment mechanism rather than their competitors'. This may in turn apply pressure on card networks to reduce their MSCs.

¹⁹ Intermediaries assist some retailers in accepting secure payments online or in other 'cardholder not present' contexts such as call centres or mail order. Many also provide fraud detection and management services to help retailers comply with Payment Card Industry Data Security Standards (PCI DSS).

²⁰ Consumers are better able to dispute fraudulent transactions

²¹ Section 75 of the Consumer Credit Act. If consumers pay for items between £100 and £30,000 on a credit card the card issuer is equally liable if something goes wrong with the transaction.

- 4.9 Whilst all payment mechanisms incur some processing costs, consumers have not historically incurred surcharges for paying by cash, that is, retailers have traditionally included the cost of accepting cash in the headline price. Furthermore, whilst the proportion of card payments remained relatively small the cost of surcharging card payments may have outweighed the additional revenue from surcharging, particularly where consumers could freely switch to paying by cash.
- 4.10 However, as card payments increasingly take the place of cash, particularly with the growth of online retailing where consumers do not have the option to switch to cash, consumers no longer benefit from having a standardised payment mechanism that is not surcharged. The OFT considers there are important benefits to consumers in having a realistic payment option that does not incur a surcharge both in terms of constraining retailers' ability to impose surcharges that significantly exceed efficiently incurred costs and easing consumers' comparison of offers between retailers.
- 4.11 The OFT believes there are also wider benefits, in terms of facilitating e-commerce, from establishing a standard payment mechanism that does not incur a surcharge for online retailing. The OFT's e-consumer protection strategy aims to empower consumers by improving transparency of transactions.²² The strategy sets out key priorities to help prevent misleading selling, deceptive online advertising and malicious practices. These measures include providing clarity on consumer law in relation to online shopping – the OFT prioritises investigations that will either have a high deterrent effect or lead to significant behaviour change across online markets, or that will provide clarity on emerging issues.

²² www.of.gov.uk/shared_of/consultations/eProtection/OFT1252.pdf

5 PAYMENT MECHANISM SURCHARGES

5.1 This chapter considers the use of payment mechanism surcharges and discusses features of the markets where payment surcharges are used.

Use of payment card surcharges

5.2 The OFT considers that payment surcharges are any charges which vary depending on which payment mechanism the consumer chooses to use and/or are only added to the total price when a consumer selects which payment mechanism they intend to use.

5.3 We note that consumer expectations are particularly important for identifying potential consumer detriment. In assessing consumer detriment, we consider those charges where the presentation of the charge is likely to lead a reasonably informed consumer to interpret it as a payment surcharge and not solely those charges which are referred to by retailers as payment surcharges.

5.4 The evidence in the Which? super-complaint showed that the use of payment surcharges is variable both across and within industries. However, it suggests that outside the passenger transport markets surcharging is less common, particularly for debit cards.

5.5 In 2007, the OFT conducted a survey of businesses²³ and found 81 per cent of businesses applied no surcharges at all, only 14 per cent of businesses applied surcharges to credit cards, nine per cent to charge cards, and six per cent to debit cards. The survey also found credit card surcharges ranged from less than one per cent of transaction value to over three per cent, whilst charges for debit card surcharges tended to be lower.

²³ Conducted as part of a Competition Act investigation into the charges that credit card networks levy on retailers, see: www.ofg.gov.uk/OFTwork/competition-act-and-cartels/ca98-current/interchange-fees

- 5.6 Comparing the results of this survey to the data in the super-complaint we found that the list of sectors referred to in the super-complaint covers a similar, but not significantly wider, range of markets as reported in the 2007 study and that the average level of surcharges had not changed significantly for most retailers.
- 5.7 However, in some markets, such as airlines, payment mechanism surcharges are widely used across retailers and have persisted for several years, despite evidence of customer dissatisfaction.²⁴
- 5.8 Furthermore, there is considerable variation in the way payment surcharges are calculated and imposed. Some traders only impose surcharges for credit cards, some set a fixed surcharge per transaction, some set surcharges as a proportion of the transaction value and some impose a fee per ticket or item purchased. A summary of payment card surcharges in the passenger transport markets is at Annexe B.

Online transactions

- 5.9 Surcharging appears to be more prevalent in industries where products are particularly complex, for example where they have several dimensions (such as time, quality and add-ons) along which the product can be tailored. Surcharging is also more prevalent online than offline. These factors are connected. Products which require significant tailoring or which have more complex pricing tariffs which need to be seen and understood by consumers often lend themselves to being sold online. The OFT considers that surcharging is more likely where these factors are present.
- 5.10 Further, online retailers may be more likely to surcharge simply because consumers do not have the option to pay with cash. If in-store retailers attempt to surcharge, consumers are often able to switch to paying with cash. Online, the lack of choice (without incurring the time or financial costs of applying for niche payment mechanisms) means consumers

²⁴ www.which.co.uk/documents/pdf/rip-off-card-surcharges-consumers-speak-out---which---super-complaint-dossier-249652.pdf

often have no choice but to pay the surcharge particularly if they consider all online retailers have similar practices and/or if they have to invest significant time tailoring products on a number of websites in order to discover the surcharges.

Market structure and surcharging

- 5.11 In general, the OFT considers that the ability for a firm to impose payment surcharges is driven by a lack of competitive constraint on the retailers' pricing structure, which is caused by a lack of price transparency and perceived scarcity rather than by market power.²⁵
- 5.12 However, in competitive markets, some of the profit from payment surcharges may be competed away as retailers compete to offer the lowest headline price to consumers.²⁶ In contrast, retailers with significant market power would not face the competitive pressure to reduce their headline price.

Lack of price transparency

- 5.13 Surcharging makes the total price the consumer pays less transparent – and can be used as a deliberate strategy to do so. The OFT considers that surcharging may persist in competitive markets, even where consumers have some awareness that they may incur surcharges, when charges are not easily discoverable. This may be the case when:
- consumers make infrequent purchases, limiting the opportunity for consumers to learn to avoid or fully assess these charges

²⁵ Surcharging may also persist if there are sufficient unaware (naïve) consumers. Firms will not advertise the surcharge, instead choosing to hide the price of the surcharge. Firms will then choose to offer low prices for the basic good and charge inflated prices for the surcharge. Competition will lower the base price since all consumers compare sellers according to the base prices, but competition will not affect the surcharge price, which only the naïve consumer purchases. The market has reached a 'bad equilibrium' due to the number of unaware consumers.

²⁶ More competition results in a higher 'waterbed effect'.

- consumers incur search costs to discover the surcharge, which reduce their incentives to compare prices when surcharges are revealed, and/or
 - the product and/or transaction processes are complex, tailored or not standardised between retailers, making comparisons and learning more difficult.
- 5.14 This lack of transparency reduces shopping around and therefore reduces competition between retailers. Lack of transparency is exacerbated where individual retailers frequently alter the surcharges they impose and where retailers across and between industries impose surcharges set at different levels or calculated in different ways, for example per item or per transaction charges. If surcharges vary over time or between retailers, consumers are unable to learn to take these charges into consideration when comparing headline prices, even where products are purchased relatively frequently.

Perceived scarcity

- 5.15 Some retailers may be able to drip surcharges to consumers, as the nature of the product or the way in which it is presented creates feelings of scarcity. Where consumers think an offer may not be available for long, they are more likely to check out the offer and more likely to purchase from the first retailer they visit, rather than comparing it with other offers, because they are concerned that they may miss out on the 'deal'.²⁷
- 5.16 This can be seen with airline prices where availability can change extremely quickly due to the yield management systems the airlines have in place and the limited number of seats for each destination. As such consumers may be more willing to pay surcharges, without comparing full offer prices with other retailers, as they are concerned that the offer

²⁷ See OFT 2010 *Advertising of Prices Market Study*. www.oft.gov.uk/OFTwork/markets-work/completed/advertising-prices/ - Chapter 8 'Time Limited Offers'.

will no longer be available. Retailers may therefore be able to increase surcharges above the competitive level.

Market power

- 5.17 As discussed, we do not consider market power is required for retailers to be able to surcharge. For example, in the airline industry the OFT and European Commission have previously considered that relevant markets should be defined narrowly either on a point-to-point or city-to-city basis. As such airlines may have some market power on some routes but not all and, given the wide use of surcharging across the industry and the fact that it is not route specific, it seems unlikely this has been driven by actual market power.
- 5.18 Indeed, retailers that have market power may be able to extract profits from consumers by increasing any charges, including the headline price. However, retailers with market power who wished to further increase demand by making the price less transparent may choose to impose surcharges.

Conclusion

- 5.19 The OFT considers that actual market power is not the primary driver of whether surcharging is introduced or persists within a market. Instead surcharging is more likely to persist where products or services have the following characteristics:
- consumers make infrequent purchases
 - consumers incur search costs to discover the surcharge
 - the product and/or transaction processes are complex, tailored or not standardised between retailers, and/or
 - the product is time limited or quantity limited.

6 LACK OF TRANSPARENCY AND REASONABLE ALTERNATIVES

- 6.1 The Which? super-complaint considers that the practice of advertising incomplete or partial prices, by omitting surcharges until a later stage of the purchasing process means that consumers are unable to effectively and efficiently shop around and make like-for-like comparisons. Which? also considered that the lack of reasonable or practical alternative payment methods to avoid or mitigate charges exacerbates the consumer detriment.
- 6.2 In this chapter we first explain why we consider only revealing effectively compulsory charges at a late stage of the purchasing process – drip pricing – results in consumer detriment, and then go on to set out the circumstances under which we would consider payment card surcharges should be considered as compulsory charges. Finally we set out the measures we consider necessary to address the consumer detriment.

Drip pricing

Impact on consumer behaviour

- 6.3 Drip pricing refers to the practice of displaying a price for a basic product or service and then adding further charges during the transaction process. Drip pricing can offer significant benefits to consumers when it allows retailers to genuinely tailor their product or service to their customers' needs. However these benefits only arise when the additional charges are optional for consumers.
- 6.4 Where compulsory charges are presented as drip prices, it is likely to result in consumer detriment since drip pricing is effective at changing the way consumers shop and at reducing their ability to compare full price offers across retailers. These effects mean that consumers may miss out on better deals and weakens competition between retailers, potentially allowing retailers to increase overall prices.

- 6.5 In December 2010 the OFT published a market study on the *Advertising of Prices*.²⁸ The study looked at the impact on consumer decision making of six pricing practices. Drip pricing was found to be the most likely to result in consumer detriment.
- 6.6 The study found that consumers may be less willing to shop around and compare prices when additional costs are revealed, because of the time and effort they have already invested in getting to that point in the transaction and the knowledge that they will incur further search costs to obtain full price offers from other retailers.
- 6.7 Furthermore, a review of the relevant behavioural psychology literature²⁹, conducted as part of the study, found that by revealing prices at a late stage of the transaction process and separating them from the headline price a number of behavioural biases are engaged which also make consumers less willing to shop around for the best price and more likely to underestimate the total price paid, in particular:
- people have a desire to be consistent with their previous actions (known as the 'commitment and consistency' principle) which means that even when the price starts to increase they tend to remain committed to the retailer, and
 - people seem to value a product more once they own or feel like they own it, such that they demand more to give up an object than they would be willing to pay to acquire it (known as 'endowment effect and loss aversion'). As consumers go through the transaction process, their feelings of ownership increase and therefore so too does their willingness to pay.³⁰

²⁸ See: www.of.gov.uk/OFTwork/markets-work/completed/advertising-prices/

²⁹ Section 3.2 of Ahmetoglu et al, 2010, *Pricing practices: their effects on consumer behaviour and welfare*

³⁰ The way information is presented to consumers has increased their valuation of the offer and therefore the amount they are willing to pay for it.

- 6.8 Drip pricing was also found to increase sales as consumers focus (or 'anchor') on the piece of information they consider most important, often the advertised price, and do not fully adjust their calculation of the total price, as additional charges are revealed, thereby overestimating the total value of the deal. The lower up-front price therefore attracts consumers and the first shop (or website) that they visit benefits from higher sales, as some consumers choose not to shop around even when additional charges are revealed. Consumers may therefore miss out on better offers elsewhere.
- 6.9 Of particular importance to the assessment of the Which? super-complaint is the behavioural psychology literature which also showed that simply separating a price into a base price and additional charge, even where they are displayed together, known as 'partitioned pricing', leads to higher demand and perceived value amongst consumers, as well as a lower recalled price, lower price estimation and lower search (shopping around) intentions.

Learning

- 6.10 It is not clear whether consumers are able to learn to avoid or to fully assess drip prices. Only four per cent of the consumers surveyed in the 2010 study were purchasing the product for the first time, and yet three quarters only became aware that there were going to be price rises during the purchasing process and only 26 per cent felt that the offer made it clear what was included in the headline price.
- 6.11 The evidence suggested that whilst some consumers learn to assess or avoid drip or partitioned pricing, learning effects decrease as the time between purchases increases and does not completely eradicate the detriment. The research strongly suggested that consumers are aware of the ways in which they can shop more efficiently and the different behaviours they could adopt next time, but there was little evidence of consumers actually modifying their behaviour as a result of previous experience.

- 6.12 Furthermore, where products are purchased infrequently, are 'low involvement',³¹ or where different traders use different ways to calculate and present charges, learning is more difficult to take forward into the next purchase.

Emotional reaction

- 6.13 To the extent that drip pricing makes it harder to compare prices it is also likely to cause frustration, wasted time and a belief that one could have got a better deal elsewhere. Indeed 75 per cent of consumers surveyed objected to drip pricing.
- 6.14 We also note that whilst 70 per cent of people surveyed thought that all compulsory charges should be included in the advertised price, when asked specifically about credit and debit card charges, 87 per cent of respondents objected to paying extra to use a credit card and 91 per cent objected to extra charges for paying by debit card.

Conclusion of previous research

- 6.15 The *Advertising of Prices* study concluded that **not including in the headline price all compulsory charges that the consumer has to pay is likely to result in consumer detriment.**
- 6.16 The OFT considers that an additional charge presented to the consumer is only truly optional where a reasonable proportion of consumers *can* choose, regardless of whether in reality they **do** choose, to pay the headline price without incurring a non-negligible time or financial cost to do so. Where it is not an option for a reasonable proportion of consumers to pay the headline price we consider the charge is effectively compulsory.

³¹ Products where consumers are less emotionally involved in the purchase, either because it is a frequent, low value purchase, such as milk or bread, or because consumers consider it to be necessities for which they do not gain direct enjoyment, such as gas or electricity.

- 6.17 Which? identified both drip pricing and the lack of a reasonable alternative as potential sources of consumer detriment with respect to payment surcharges in the passenger transport markets. The OFT considers that consumer detriment is more likely where both of these features are present. Specifically, where the payment surcharge is presented to the consumer as a drip price and where the consumer does not have a reasonable alternative payment mechanism to avoid the fee.
- 6.18 The OFT considers that a failure to provide upfront information on effectively compulsory charges can constitute a breach of the CPRs contrary to either or both of Regulations 5 and 6 of the CPRs (and could also constitute a breach of Regulation 3 of the CPRs), depending on the particular circumstances of the case.
- 6.19 In particular:
- regulation 5 of the CPRs states that a commercial practice by a trader is a 'misleading action' where the overall presentation in any way **deceives or is likely to deceive** the average consumer in relation to **the price or the manner in which it is calculated**, and/or
 - regulation 6(c) of the CPRs states that a commercial practice by a trader is a 'misleading omission' where **material information** is provided to the consumer in an unclear, unintelligible, ambiguous or **untimely manner** [emphasis added].
- 6.20 We now go on to consider whether and in what circumstances payment surcharges constitute dripped compulsory charges and therefore may be expected to result in consumer detriment.

Drip pricing of compulsory surcharges in the passenger transport markets

- 6.21 Payment mechanism surcharges are a form of drip or partitioned pricing, the surcharges are by definition not included in the headline price. Across the passenger transport markets the majority of retailers do not add the payment surcharge that the individual consumer selects to pay until the consumer has gone through four to six web pages, where

numerous decisions have to be made to tailor the product and where personal information often has to be provided (See Table 6.1). This can impose a significant time cost on consumers and deter them from spending similar amounts of time assessing other offers. This is particularly the case with airlines, where prices can change in 'real time', heightening consumers' concerns about investing additional time in comparing offers. The lengthy transaction process can increase a consumer's commitment to the purchase, giving them a greater sense of ownership of the product and making them less likely to 'walk away' and consider other offers once the surcharge is revealed.³²

Table 6.1 Number of web pages before the surcharge which applies to the individual consumer is added to the headline price

Trader	Number of pages	Trader	Number of pages
DFDS Seaways	8	Qjump	7
The Trainline	7	British Airways	6
Brittany Ferries	6	BMI Baby	6
Easyjet	6	Iberia	6
Stena Line	6	Jet2	5
LD Lines/Transmanche	5	My Train Ticket	5
Rail Europe	5	Thomas Cook	5
TUI Group Airlines	5	Air Berlin	4
Britain Express	4	Flybe	4
IOM Steam Packet	4	Irish Ferries	4
Monarch	4	Rail Easy	4
Rail Saver	4	Ryanair	4
Virgin Atlantic	4	Eurostar	3
P&O Ferries	3	Norfolkline Irish Sea Ferries	1

Source: OFT web research – conducted April – May 2011. List is not exhaustive.

6.22 It has been argued that the publicity around payment card surcharges within the airline sector means that airline customers have a better

³² 'Commitment and consistency' principle and 'endowment effect and loss aversion'.

understanding of the additional charges they face and are therefore less likely to be misled. However, the results of the 2010 consumer survey do not support this. Of the 794 consumers who answered questions on drip pricing, 176 specifically answered questions on their experience in the airline sector.³³ Of these consumers 78 per cent only became aware that there were going to be price rises during the purchasing process and only 18 per cent felt the offer made it clear what was included in the headline price, compared to 75 per cent and 26 per cent respectively across all respondents.

- 6.23 Furthermore, analysis of the websites of over 30 retailers in the passenger transport sector demonstrates that a range of different business models are employed by retailers affecting the level of surcharges and the way in which surcharges are calculated (for example, which payment mechanisms are surcharged, whether charges are per transaction or per ticket and whether charges are set as a percentage or as a fixed fee). We consider that in addition to the lack of transparency of surcharges, this variation in surcharges makes it considerably more difficult for consumers to compare full price offers from different retailers and reduces the opportunity for learning, thereby further reducing competition between retailers and the competitive constraint on surcharges.
- 6.24 A range of examples of the different types of charges imposed in the passenger transport markets is provided in Table 6.2. Further details on the range of surcharges imposed by retailers in the passenger transport markets are provided in Tables B.1-B.3 (Annexe B).

³³ Respondents were asked to answer questions based on a specific recent experience of 'drip' pricing. Respondent were free to choose an experience from any sector.

Table 6.2 Examples of surcharges in the passenger transport markets.

Trader	Credit card surcharge	Debit card surcharge
British Airways	£4.50 per passenger	£0
BMI Baby	£4.50 per journey (min £6.50)	£3 per journey (min £4)
EasyJet	£8 + 2.5% per transaction	£8 per transaction
Jet2	7% per transaction (min £4.99)	3.5% per transaction (min £4.99)
Ryanair	£6 per journey	£6 per journey
DFDS Seaways	2.5% per transaction (min £4)	£0
Irish Ferries	£5 per transaction	£5 per transaction
The Trainline	£3.50 per transaction	£0
Rail Easy	4.5% per transaction	75p per transaction

Source: OFT web research – conducted April – May 2011. List is not exhaustive.

Compulsory charges

- 6.25 We have established that payment surcharges in the passenger transport markets are often presented to consumers as drip prices. However, clearly where a sufficient proportion of consumers can easily switch to paying using a method which does not incur a payment surcharge the charge may be considered optional and the consumer detriment may be lower.
- 6.26 In the case of payment surcharges, we would consider the charges to be effectively compulsory if a reasonable proportion of consumers could not opt to pay the headline price without incurring additional costs/significant time. Costs may include:

- having to apply for a new payment mechanism which incurs a financial cost, and/or
- having to apply for a new payment mechanism where the application process is complex or lengthy, particularly where that may mean the product or service is no longer available either at all or at the current price.

6.27 The payment mechanisms for which retailers in the passenger transport markets do not impose a surcharge varies between providers. Different retailers do not impose a surcharge, either individually or in combination, on the following cards: credit cards, debit cards, VISA electron, Solo and Pre-paid Mastercard.

6.28 Current ownership levels of these cards varies. Sixty-two per cent of the UK adult population own a credit card, whereas over 85 per cent own a debit card³⁴ (See Table 6.3). Consumers frequently own more than one payment card and often more than one debit card.

Table 6.3 Card ownership in the UK, 2009

Card	Proportion of UK adult population who own card
Credit cards	62%
All Debit cards ³⁵	86%
- VISA Electron	11%
- Solo	4%
Pre-paid MasterCard ³⁶	< 5%

Source: UK Card Association

³⁴ UK Card Association 2009.

³⁵ There are four types of debit card in the UK – VISA debit, Maestro, VISA electron and Solo

³⁶ A maximum (assuming no multiple card ownership) of five per cent of UK adult population own a Pre-paid MasterCard or a Pre-paid VISA card. The proportion of consumers who own a Pre-paid MasterCard will therefore be less than five per cent.

- 6.29 Furthermore it is relatively difficult for UK consumers to gain access to a VISA electron or Solo card. VISA electron cards offer limited functionality, for example no overdraft facility, and tend to be aimed at young people, aged under 16. Of the major UK banks only HBOS still issues VISA electron cards. HBOS offer three accounts with VISA electron cards, two of which are aimed at under-17s. The Solo card scheme was decommissioned in March 2011 and no further cards will be issued.
- 6.30 Approximately five per cent of the UK population currently own a prepaid card and a significant proportion of these may be Pre-paid MasterCard. Anyone can obtain a Pre-paid MasterCard – there are no credit checks – however consumers do incur additional fees to obtain and/or use Pre-paid cards, for example card application fees and card loading fees. In addition, consumers cannot access Pre-paid MasterCard immediately, often having to wait up to 10 working days before the card is received.
- 6.31 The OFT considers that the current ownership levels of VISA electron, Solo and Pre-paid MasterCard mean that where these cards are the only payment mechanisms which do not incur a surcharge, the headline price is unachievable for a reasonable proportion of consumers. In addition, these cards are not sufficiently widely and freely available that consumers could switch to these payment mechanisms without incurring non-negligible time or financial costs.
- 6.32 The OFT therefore considers that where the only payment mechanisms retailers do not surcharge for are VISA electron, Solo and/or Pre-paid MasterCard, a reasonable proportion of consumers would have to pay some form of surcharge and in turn these surcharges should therefore be deemed as 'effectively' compulsory. Presenting payment surcharges as a drip price in these circumstances may be expected to result in consumer detriment.
- 6.33 Conversely, where retailers do not impose a surcharge for debit cards, the majority of consumers can achieve the headline price and the

surcharges that relate to other payment mechanisms may be considered as 'optional'.³⁷ Where information on the surcharges that relate to other payment mechanisms is clearly accessible to consumers, we do not consider separating these charges from the headline price will result in significant consumer detriment.

Non-debit card charges

- 6.34 It is important to note that even though debit cards are available to a significant proportion of UK consumers, that is not to say that consumers will choose to use debit cards in the majority of cases when purchasing passenger transport tickets. The OFT therefore considers that the charges that relate to other payment mechanisms are also likely to be important to consumers in making transactional decisions.

Table 6.4 Proportion of consumers paying by debit cards

Sector	Proportion of sales using debit card
Airlines	26%-60%
Ferries	25%-57%
Rail intermediaries	32%-78%

Source: based on figures provided by those firms who responded to the OFT information request

Conclusion

- 6.35 Where payment surcharges are presented to consumers as drip prices and are effectively compulsory for a reasonable proportion of consumers (as the payment mechanisms that do not incur a surcharge are not readily available to a reasonable proportion of consumers) we consider they are likely to result in consumer detriment by affecting consumers'

³⁷ We note that in some sectors consumers can pay by cash or cheque and that in these circumstances, provided there was no separate charge for paying by these mechanisms, these may be considered a reasonable alternative for the majority of consumers. However, non-card payments are rare in the passenger transport market, particularly online and it would need to be a plausible alternative payment mechanism for consumers.

ability to efficiently and effectively shop around and compare full price offers. This lack of transparency can therefore result in consumers not getting the best deal and can weaken the competitive constraint on payment surcharges as consumers do not efficiently compare offers.

- 6.36 The OFT maintains that there may be some signalling benefits from retailers being able to charge differential prices for different payment mechanisms and as such there may not be a single surcharge which can be easily factored into the headline price.
- 6.37 **The OFT therefore proposes that retailers make headline prices achievable for a reasonable proportion of consumers by not surcharging for debit card payments, that is including in the headline price the processing costs that relate to debit cards.**
- 6.38 The OFT considers that debit cards are currently the standard online payment mechanism. Debit cards are the most commonly owned payment card in the UK and as card payments increasingly take the place of cash, particularly with the growth of online retailing where consumers do not have the option to switch to cash, the OFT believes consumers would benefit from having a genuine option to avoid 'paying for paying' in terms of ensuring prices are transparent and consumers can shop around effectively.
- 6.39 Retailers would still be able to obtain the benefits of differential pricing, by offering discounts to consumers who opt to pay with mechanisms which cost less to process and imposing surcharges on consumers who choose to pay with mechanisms that cost more to process. By including the charge for using a debit card in the headline price this will impose a competitive constraint on the level of surcharges which apply to other payment mechanisms as the majority of consumers are able to avoid these surcharges and achieve the headline price.^{38 39}

³⁸ Only one per cent of the UK adult population has access to a credit card but not a debit card therefore credit card surcharges would only be effectively compulsory for a small minority of consumers.

6.40 The OFT therefore also proposes that sufficient, clear and timely information on the surcharges or discounts that consumers may incur if they choose to pay by other mechanisms is essential.

6.41 Whilst over 85 per cent⁴⁰ of consumers could choose to pay by debit card, in reality the proportion that do is much lower and the costs for paying by other payment mechanisms, such as credit card, can vary significantly between retailers.

6.42 The OFT therefore also proposes that retailers should:

- provide clear information on the surcharges/discounts that apply to different payment mechanisms, when first displaying prices on a website. For example a clear link ('1 click') to a list of payment surcharges, where it is clear to consumers that they need to click on the link to obtain information on additional charges
- on all subsequent web pages, in close proximity to the total price, provide clear information on the surcharges/discounts that apply to different payment mechanisms or a clear link ('1 click') to a list of surcharges/discounts that apply to different payment mechanisms
- provide clear information on the existence of payment surcharges which apply to other payment mechanisms within any adverts (including print, television, outdoor or other media channels), which refer to a price, and

³⁹ We note that credit cards provide a greater level of protection for consumers (Section 75 of the Consumer Credit Act), but do not believe that stopping surcharges for debit cards would necessarily move consumers away from using credit cards. It is already the case that a significant proportion of those retailers that do surcharge only surcharge for credit cards and of those which do surcharge for both credit and debit cards the majority charge a higher surcharge for credit cards. In these circumstances consumers already make a decision on whether to pay more for the additional benefits of credit cards and a significant proportion choose to do so.

⁴⁰ UK Card Association. Percentage of adult UK population who own a debit card 2009

- ensure that consumers purchasing products by telephone or in-store are provided with information on payment surcharges that apply to other payment mechanisms in a clear and timely manner.

Actions to be taken and other options considered

Drip pricing of compulsory surcharges

- 6.43 In order to address the consumer detriment resulting from retailers only adding surcharges which are effectively compulsory to the total price at a late stage of the booking process, the OFT considers that retailers need to make headline prices more comparable, by including in the headline price the costs of paying by debit card – that is not imposing a surcharge to consumers who pay by debit card.
- 6.44 We have considered a number of options to achieve this, including the possibility of enforcement action under the CPRs and a recommendation to Government to amend or implement UK legislation.
- 6.45 In considering enforcement action under the CPRs we have undertaken a preliminary assessment of the specific practices of the individual retailers in the passenger transport markets and have identified a number of retailers where we believe there is a case to be made that the retailer is engaged in commercial practices which may be in breach of the CPRs.
- 6.46 However, a CPRs case will only specifically clarify the issues of that individual case and as such may not provide long-term clarity and certainty with regard to other industries and/or practices. Furthermore it may not provide a wider solution as airlines continue to develop their payment structures.
- 6.47 We consider a legislative solution to be the optimal route in the long term. It would provide greater clarity for both businesses and consumers and could result in wider restrictions on businesses presenting prices in a way which unduly distorts consumers' decisions.
- 6.48 In addition, a legislative approach to prohibit retailers from surcharging for debit cards would create a standard payment mechanism that does

not incur a surcharge for online retailing, which we consider would facilitate price comparisons and therefore trade.

6.49 We therefore:

- **Recommend that the Government introduces measures to prohibit retailers from imposing surcharges for payments made by debit card.**

6.50 The OFT will work with Government to find an effective and efficient way to achieve this recommendation across the economy, which minimises the burden on business. We consider there are a number of ways that this could be attained, including through the UK implementation of the Payment Services Directive (PSD) or the Consumer Rights Directive (CRD).

6.51 Article 52(3) of the PSD gives member states the right to forbid or limit surcharges.⁴¹

'...Member States may forbid or limit the right to request charges taking into account the need to encourage competition and promote the use of efficient payment instruments.'

6.52 However, the issue of payment surcharges is currently being considered at the European level as part of the CRD proposals. A European initiative is likely to be more effective than national legislation as it will apply to firms operating across European borders.

6.53 Article 19 within the CRD text adopted by the European Parliament on 23 June 2011, requires member states to limit payment surcharges to cost.

Article 19 – Fees for use of means of payment

'Member States shall prohibit traders from charging consumers, in respect of the use of a given means of payment, fees that exceed the cost borne by the trader for the use of such means'.

⁴¹ See Chapter 3 for more information on the PSD.

- 6.54 The OFT considers that a cost-reflective solution may not fully address our concerns, as surcharges can legitimately vary between retailers and would still be dripped to consumers through the purchasing process. However, it may sufficiently reduce detriment if the 'cost borne by the trader' is restricted to the marginal cost the retailer incurs for processing each payment, as the additional surcharges will be minimal and the variation in surcharges between retailers will be reduced.
- 6.55 The CRD has been adopted by the European Parliament's plenary and is expected to be adopted by the Council of Ministers in due course. We will work with the relevant Government department to ensure the UK implementation of the CRD effectively addresses our concerns.

General transparency and presentation of surcharges

- 6.56 However, achieving regulatory change may take a number of years and in the meantime we believe that consumer detriment, particularly in the airline sector where the practice of payment surcharging is most common, could be reduced by improving transparency. In particular, in the course of our investigation we have conducted a preliminary assessment of the presentation of payment surcharges on over 30 websites and identified a number of retailers where we consider the transparency levels of effectively compulsory surcharges is likely to breach the CPRs. We therefore propose to:
- **Seek to improve the transparency and overall presentation of payment surcharges in the transport sector, through action to ensure compliance with the Consumer Protection from Unfair Trading Regulations 2008 (CPRs).**
- 6.57 Some traders have indicated that they are willing to change their practices in line with the OFT's recommendations, by not imposing a surcharge for debit cards and by improving the transparency of the payment surcharges which apply to other payment mechanisms. We will continue to work with these traders to ensure these changes are made.
- 6.58 For those traders who are unwilling to make voluntary changes or where commitments to change practices have not been implemented within a

reasonable timeframe, and where there is scope for such action to be effective and consistent with our prioritisation criteria, we will consider enforcement action. In line with the OFT's general prioritisation principles,⁴² we will consider in due course whether enforcement action in other sectors is necessary.

- 6.59 We believe that improved transparency will help consumers avoid surcharges that they do not wish to pay and by enabling consumers to compare full price offers more easily will increase the competitive pressure on retailers to reduce the level of surcharges over time.

⁴² OFTs Prioritisation Principles: www.of.gov.uk/shared_of/about_of/oft953.pdf

7 EXCESSIVE CHARGES

- 7.1 The Which? super-complaint argues that payment card surcharges in the passenger transport markets, and potentially elsewhere, exceed reasonable estimates of retailers' costs of processing card transactions.
- 7.2 The OFT considers that consumer detriment arises because payment surcharges lack transparency and/or because the headline price is not achievable for the majority of consumers as the payment mechanism which does not incur a surcharge is not readily available. The lack of transparency of effectively compulsory surcharges may allow retailers to increase the level of surcharges, as by the time the charges are revealed consumers have invested time in the purchase and are therefore deterred from shopping around and comparing offers, weakening competition between retailers.
- 7.3 As discussed in chapter 6, the OFT considers that these concerns can be best addressed by making the headline price achievable for the majority of consumers by prohibiting surcharging for debit cards and improving the overall presentation and transparency of the surcharges that may apply to other payment mechanisms. This will make it easier for consumers to shop around and compare prices and therefore encourage competition between retailers. We consider that if surcharges for other payment mechanisms are sufficiently transparent this will put pressure on traders, acquirer banks and card networks to reduce charges, by opening up the surcharges to competitive pressures.⁴³
- 7.4 However, if the level of effectively compulsory surcharges truly reflects the marginal costs incurred by the retailer in processing the payment, the impact on the consumer of dripping the surcharge may be reduced, as the charge is likely to be minimal. Although the impact of the drip price effect may not be fully eliminated, as payment processing costs can

⁴³ Transparency will increase the exposure of surcharges to competitive pressures; however given the partitioned nature of the charges we consider the competitive pressure will remain less than on the headline price.

legitimately vary between retailers and consumers would still have to engage in lengthy purchasing processes to obtain total prices.

- 7.5 In response to the super-complaint we have not considered it necessary to reach a conclusion on the marginal cost of processing different payment mechanisms, as we consider establishing a standard free payment mechanism and improving transparency to be more appropriate.
- 7.6 However, in considering the options open to the Government to prohibit retailers from surcharging for debit cards we are mindful of the Consumer Rights Directive (CRD),⁴⁴ which would prohibit retailers from imposing payment surcharges that exceed cost.
- 7.7 Cost regulation can be relatively burdensome on both retailers and the taxpayer in that it can be difficult and expensive to assess and enforce. It would also require tight definition of the costs which retailers could recover, in order to limit the opportunity for retailers to interpret 'cost' more widely.
- 7.8 However, the CRD may provide a framework to address much of the consumer detriment arising from payment surcharges and we will work with the Government to ensure the UK implementation of the CRD – which may take up to two years – effectively addresses our concerns.
- 7.9 For completeness Annexe C sets out some background and data on the costs of processing card transactions collated as part of this study. We note that the costs incurred by retailers appear to be higher than indicated in the evidence submitted in the Which? super-complaint.

⁴⁴ See paragraph 6.53

8 OUTCOMES OF THE SUPER-COMPLAINT

8.1 The possible outcomes of a super-complaint include:

- taking action to improve compliance with the existing law, including enforcement action under the OFT's competition or consumer powers
- making recommendations to Government
- launching a market study into the issue or issues raised in the super-complaint
- making a market investigation reference (MIR) to the Competition Commission (CC)
- accepting undertakings in lieu of a MIR to the CC
- encouraging firms to take voluntary action, or
- a finding that the complaint requires no further action.

8.2 In Chapter 6, we set out the OFT's recommendations in response to the Which? super-complaint, specifically the OFT:

- **recommends that the Government introduces measures to prohibit retailers from imposing surcharges for payments made by debit card, and**
- **seeks to improve the transparency and overall presentation of payment surcharges in the transport sector, through action to ensure compliance with the Consumer Protection from Unfair Trading Regulations 2008 (CPRs).**

8.3 The OFT considers it is necessary to recommend both a regulatory solution and enforcement action under the CPRs. This is to ensure a meaningful and consistent solution to the cross-economy issue of payment surcharges and to tackle individual retailers whose practices we consider are resulting in significant consumer detriment.

Market Study

8.4 We consider that the consumer detriment resulting from the practices identified in the Which? super-complaint can be best addressed through the measures set out above and launching a market study is not merited.⁴⁵

Making a Market Investigation Reference (MIR) to the Competition Commission (CC)

8.5 A possible outcome from a super-complaint is a MIR to the CC. In order to do so the OFT must have reasonable grounds for suspecting that any feature, or combination of features, of a market in the UK for goods or services prevents, restricts or distorts competition in connection with the supply or acquisition of any goods or services in the UK, or part of the UK.⁴⁶

8.6 If this test is met, the decision on whether to make a reference rests on the exercise of the OFT's discretion. The OFT guidance⁴⁷ on MIRs sets out four criteria that must, in our view, be met before we decide to make a reference:

- alternative powers – whether it would not be more appropriate to deal with the competition issues identified by applying CA98 or using powers available to the OFT or, where appropriate, to sectoral regulators
- proportionality – whether the scale of the suspected problem, in terms of its adverse effect on competition or customer detriment

⁴⁵ In prioritising its work, the OFT takes into account a range of factors, including the impact on consumers of our work, as set out in our published guidance: OFT 953 'OFT Prioritisation Principles', October 2008.

⁴⁶ Section 131 of the Enterprise Act 2002.

⁴⁷ OFT guidance: 'Market Investigation References', March 2006.

arising from it, is such that a reference would be an appropriate response to it

- availability of remedies – whether there is a reasonable chance that appropriate remedies will be available, and
- undertakings in lieu – whether it would not be more appropriate to address the problem identified by means of undertakings in lieu of a reference.

8.7 In this case, the OFT considers that, even if the reference test is met, the consumer detriment resulting from payment surcharges can be better remedied through a combination of action under the OFT's consumer protection powers and a recommendation to the Government to prohibit surcharging for debit card payments. The OFT has not therefore reached a firm conclusion as to whether the reference test has been met, nor in respect of which relevant markets.

8.8 If a satisfactory resolution is not obtained, however, the OFT may choose to reconsider whether the reference test is met in relation to particular goods or services, and therefore whether a MIR would be an appropriate response.

8.9 We invite views on our proposed decision not to make a MIR to the CC. Interested parties are invited to submit responses to this consultation by 5pm on Tuesday 6 September 2011, either by email to surcharge.supercomplaint@oft.gsi.gov.uk, or in writing to:

Surcharge Super-complaint (6th Floor)
Office of Fair Trading
Fleetbank House
2-6 Salisbury Square
London
EC4Y 8JX

8.10 We will consider any responses received and will publish our final decision on a market investigation reference in due course.

Further investigation under CA98

8.11 We consider that the consumer detriment resulting from the practices identified in the Which? super-complaint can be best addressed through the measures set out above. There is no evidence that the threshold for a CA98 investigation has been met. There is no evidence that the imposition of payment surcharges results from agreements between firms. There is also no evidence that the practice amounts to an abuse of a dominant position by firms within a UK market either individually or together.

A PARTIES CONSULTED

AIB Merchant Services
Air Berlin PLC
Air France
American Express Services Europe LTD
Assertis LTD
BAI (UK) LTD
Barclays Merchant Services
Britain Express LTD
British Airways PLC
British Midland International LTD
British Retail Consortium
Chamber of Shipping
Cheapflight.com LTD
Citizens Advice
Civil Aviation Authority
Condor Ferries LTD
Consumer Council for Northern Ireland
Consumer Focus
Deutsche Lufthansa AG
DFDS Seaways PLC
Diners Club UK LTD
Easyjet PLC
Elavon Merchant Services
Eurostar International LTD
Expedia INC
Ferries Trains Plains LTD
Flybe Group PLC
HSBC Merchant Services
Iberia Group
Irish Ferries LTD
Isle of Man Steam Packet Company LTD

Jet2 LTD
Kelkoo.com (UK) LTD
Lastminute.com LTD
LD Lines
Lloyds Banking Group
Monarch Airlines
Office of Rail Regulator
Opodo LTD
P&O Ferries LTD
Passenger Shipping Association
Rail Europe LTD
Royal Bank of Scotland PLC
Ryanair Holdings PLC
SAS Scandinavian Airlines
SeaFrance LTD
Silverrail Technologies
Skyscanner LTD
Stagecoach Group PLC
Stena Line LTD
The Trainline LTD
Thomas Cook Group PLC
Trailfinders LTD
Travelbag LTD
Travelsupermarket.com LTD
TUI Travel PLC
Turkish Airlines PLC
Virgin Atlantic Airways LTD
Which?

B USE OF SURCHARGES IN THE UK

Surcharging across the economy

- B.1 The evidence provided in the Which? super-complaint indicates that surcharging outside travel markets is fairly limited. Surcharging in the non-travel sectors mentioned in the super-complaint is sporadic, with not all relevant retailers surcharging and those that do often do not surcharge debit cards.
- B.2 Other evidence also indicates that surcharging is not widespread outside travel markets and has not grown strongly in recent years. In 2007, the OFT conducted a survey⁴⁸ of 1052 businesses across the UK that accept card payments, including retailers, wholesalers and public sector bodies. The survey included businesses in the travel sector. It found that:
- Overall only 19 per cent of businesses that accepted card payments surcharged at least one card type. 81 per cent of businesses applied no surcharges at all.
 - Fourteen per cent of businesses applied surcharges to credit cards, nine per cent to charge cards, and six per cent to debit cards. Across all card types, around a quarter of businesses that surcharged only did so on transactions below a certain level.
 - Credit card surcharges ranged from less than one per cent of transaction value to over three per cent, with roughly equal numbers of businesses setting surcharges at each level. Around a tenth required a flat fee (usually between 50 pence and £1.30).
 - Debit card surcharges tended to be lower if charged as a proportion of transaction value, with more businesses charging a flat fee (usually between 10 pence and £1.00).

⁴⁸ Conducted as part of a Competition Act investigation into the charges that credit card networks levy on retailers.

- Businesses gave various reasons for not surcharging. For example, 18 per cent saw surcharges as unfair, 17 per cent saw them as bad customer service, 16 per cent were afraid to lose custom, whilst 14 per cent had simply never thought about surcharging.

B.3 Comparing the results of this survey to data in the super-complaint we find:

- the markets referred to in the super-complaint cover a similar, but not significantly wider, range of markets as was seen in the 2007 study
- the average level of surcharges – for example, generally not exceeding 3 per cent for credit cards, and lower or often waived for debit cards – does not seem to have changed significantly.

B.4 The British Retail Consortium (BRC) told the OFT that their members largely reject payment surcharging. They believe their members consider surcharging to be:

- impractical – as competition within the retail sector would put any retailer who imposed a payment surcharge at a competitive disadvantage, and
- unworkable – as it may be difficult for retailers to distinguish card types at the point of sale in store. BRC note that there are currently over 270 levels of interchange fee in the UK and complex hardware, software and staff training would be required to implement an accurate surcharging mechanism and process at the point of sale.

Surcharging in the passenger transport market

B.5 The Which? super-complaint identified just over 30 firms in the passenger transport market. The OFT has corroborated the data provided by Which? in light of recent changes in some firms' surcharges. Tables B.1- B.3 summarise the surcharges of these firms. The firms identified provide a good cross section of the practices used in each sector, but should not be treated as an exhaustive list of suppliers.

Table B.1 Surcharging⁴⁹ of firms in the airlines sector

Trader	Credit card surcharge	Debit card surcharge	Other
Air Berlin	€10 per passenger (Mastercard), €17 per passenger (other credit cards)	€10 per passenger	
British Airways	£4.50 per passenger	£0	Paypal £4.50, All other cards £0
BMI Baby	£4.50 per journey (min £6.50)	£3 per journey (min £4)	VISA electron £0
Easyjet	£8 plus 2.5% per transaction (min £12.95)	£8 per transaction	VISA electron £0
Flybe	£5 per journey (min £6.50)	£4.50 per journey (min £5.50)	VISA electron £0
Iberia	£4.50 per passenger	£0	All other cards £0

⁴⁹ This table relates to charges which the OFT consider to be payment surcharges. This includes any charges which vary depending on the payment mechanism the consumer chooses to use and/or which are only added to the total price the consumer has to pay once they select which payment mechanism they are going to use.

Jet2	7% per transaction (min £4.99)	3.5% per transaction (min £4.99)	Paypal 5% (min £4.99) VISA electron & Solo £0
Monarch ⁵⁰	£10 per transaction	£0	VISA electron £0
Thomas Cook	£4 per journey	£3 per journey	VISA electron & Pre-paid MasterCard £0
TUI Group Airlines (Thomson)	2.5% per transaction	£2.95 per transaction	VISA electron £0
Ryanair	£6 per journey	£6 per journey	Pre-paid MasterCard £0
Virgin Atlantic	1.5% per transaction	£0	All other cards £0

Source: OFT analysis of websites April-May 2011. List not exhaustive.

⁵⁰ Surcharges for Monarch have been updated following changes to their charging structure introduced on 1 June 2011.

Table B.2 Surcharging of firms in the ferry sector

Trader	Credit card surcharge	Debit card surcharge	Other
Brittany Ferries	£5 per transaction	£0	All other cards £0
Condor Ferries	£0	£0	All other cards £0
DFDS Seaways	2.5% per transaction (Min £4, Max £25)	£0	All other cards £0
IOM Steam Packet	£3 per transaction	£0	All other cards £0
Irish Ferries	£5 per transaction	£5 per transaction	Visa Electron £0
LD Lines/Transmanche	2% per transaction	£0	All other cards £0
Norfolkline Irish Sea Ferries	£4.50 (Visa), £6 (AMEX), £4 (MC) per transaction	£1 per transaction	Visa Electron £0
P&O Ferries	£4 per transaction	£0	All other cards £0
Stena Line	£5 per transaction	£0	All other cards £0

Source: OFT analysis of websites April-May 2011. List not exhaustive.

Table B.3 Surcharging of rail ticket re-sellers

Trader	Credit card surcharge	Debit card surcharge	Other
Britain Express (powered by Rail Easy)	4.5% per transaction	£0.75 per transaction	No Free Mechanism
Eurostar	£4 per transaction	£0	All other cards £0
Megatrain/Megabus	£0	£0	All other cards £0
My Train Ticket	2.25% per transaction	£0	All other cards £0
Qjump	£3.50 per transaction	£0	All other cards £0
Quno	£2.50 per transaction	£0.50 per transaction	No Free Mechanism
Rail Easy	4.5% per transaction	£0.75 per transaction	No Free Mechanism
Rail Europe	2.5% per transaction	£0	All other cards £0
Rail Saver (powered by Rail Easy)	4.5% per transaction	£0.75 per transaction	No Free Mechanism
Red Spotted Hanky	£0	£0	All other cards £0
The Trainline	£3.50 per transaction	£0	All other cards £0

Source: OFT analysis of websites April-May 2011. List not exhaustive.

C COST ASSESSMENT

- C.1 Retailers incur different costs of accepting cash, cards and other payment mechanisms. In this Annexe we identify what costs retailers may incur, and provide estimates of retailers' costs based on the information received from retailers and banks as part of the super-complaint.
- C.2 We note that the OFT is investigating, under the Competition Act 1998, the multilateral interchange fees (MIFs) charged by MasterCard and VISA to banks each time a card transaction is processed at a merchants outlet.⁵¹ The European Commission recently found that MasterCard's MIF arrangements contravene competition rules and MasterCard has subsequently appealed this decision. The UK Government has intervened in support of the Commission and it is expected that the judgement of the General Court will inform the OFT's ongoing investigation.

The cost of accepting card payments

- C.3 Retailers' external costs of accepting card payments are generally paid to acquirers (often banks) operating within payment card networks.⁵² Some retailers use payment services intermediaries alongside or instead of traditional acquirers. Retailers may also incur their own costs in connection with processing card payments.

⁵¹ See: www.offt.gov.uk/OFTwork/competition-act-and-cartels/ca98-current/interchange-fees/

⁵² Six major acquirers, including the largest high-street banks, acquire transactions within the VISA and MasterCard networks. Charge card networks like American Express and Diner's Club tend to deal with retailers directly, acting as their own acquirers. Extensive detail on the structure of payment card networks is available on the OFT's website in connection with Competition Act cases against some card networks. See: www.offt.gov.uk/OFTwork/competition-act-and-cartels/ca98-current/interchange-fees/

Fees to acquirer banks

- C.4 Fees paid to acquirers are often the largest, and for some retailers are the only, costs of accepting payment cards. They include:
- merchant service charges (MSCs) paid for processing each transaction. For credit cards, MSCs are usually a percentage of transaction value, whilst for debit cards they are usually a flat fee and significantly lower for all but the smallest transactions
 - other per-transaction fees. Some acquirers charge separate fees for services that others cover in MSCs. The most common separate fees are for charge-backs: returning funds to a consumer when a transaction is reversed, for example when goods are returned, and
 - overhead (often monthly) fees, such as fees for terminals or chip-and-pin devices.
- C.5 MSCs are usually the largest component of fees that retailers pay to acquirers. When a consumer makes a purchase from a retailer and the transaction is processed, the retailer pays an MSC in part to cover its acquirer's costs of requesting and processing funds from the consumer's card issuer. However, MSCs also tend to include a range of other costs that acquirers pass on to retailers.
- C.6 In general, around 70 per cent of the MSC is made up of the multilateral interchange fee (MIF) that the acquirer pays to the card issuer. MIFs cover issuers' costs including costs of providing payment guarantees and, for credit cards, may cover some costs of providing other benefits to cardholders.⁵³

⁵³ Through MIFs issuers pass on to acquirers and thence retailers some of the broader costs of running card networks. In return, retailers receive benefits including payment security, avoidance of any need to check consumers' creditworthiness and increased demand from consumers who favour cards.

C.7 Costs of accepting cards payment methods can vary widely between retailers, as larger retailers often have greater negotiating power with the card networks.

Fees to intermediaries

C.8 Payment services intermediaries⁵⁴ assist some retailers in accepting secure payments online or in other 'cardholder not present' situations such as through call centres or mail order. Intermediaries may charge for:

- providing equipment and services needed to accept online and other distance payments, such as payment functionality for retailers' websites,
- providing fraud detection and management services (in which some intermediaries specialise), or
- providing some or all of the merchant services usually provided by acquirers, up to full transaction processing. In these cases the intermediary typically deals with an acquirer but acts as a point of contact for retailers, charging a mark-up on the acquirer's relevant fees.

C.9 Some intermediaries that process transactions for retailers require retailers to put up cash deposits in readiness to refund cancelled purchases. A retailer may receive interest but could still forego higher savings rates or investment returns.

⁵⁴ Including Retail Decisions, Netbanx, Nochex, Paypoint.net, Payxpert and Sage Pay. Some acquirers also provide payment services such as functionality for retailers' websites or fraud management. Examples include Elavon and RBS-Worldpay. PayPal also helps some retailers accept cards and provides merchant accounts, as well as handling payments through the PayPal system.

Retailers' own costs

C.10 Retailers' own costs of processing card payments vary significantly. All elements needed to accept card payments can be provided by acquirers or payment service intermediaries and are often included in their fees. However, some retailers prefer to self-source, for example when acquirers offer less comprehensive services or when the retailer can manage its payment website more cheaply than an intermediary might. Retailers' own costs may therefore include:

- buying and maintaining point-of-sale equipment like chip-and-pin devices
- fraud monitoring and maintaining compliance with Payment Card Industry Data Security Standards (PCI DSS) to help prevent fraud, required by all the major card networks
- developing and running infrastructure to handle card payments, such as payment functionality for websites or call centres, and
- staff training.

C.11 Retailers' own costs are more varied than acquirers' or intermediaries' fees. Some retailers face no direct costs because all elements above are included in fees. When retailers do incur their own costs those may not be separable from general overheads of staying in business. For example, there may not be a significant extra marginal cost from adding payment functionality to a website which is necessary for being in business.

C.12 We note that retailers' costs of accepting cash include the costs of security and often, compared to card payments, greater time spent processing transactions at tills.

Which?'s estimates of retailers' costs

C.13 In the super-complaint Which? provides estimates of the lowest, average and highest fees that retailers may be charged by acquirers for processing card transactions, reproduced below:

Table C.1 Which?'s estimates of acquirers' fees

Card type	Lowest	Highest	Average
Debit card	£0.08	£0.16	£0.11
Credit card	0.88%	1.8%	1.34%

Source: Which? super-complaint 30 March 2011

C.14 These estimates are built up from data on multilateral interchange fees (MIFs) published by VISA and MasterCard. As mentioned above, MIFs can be around 70 per cent of MSCs. Which?'s estimate of lowest fees assumes a typical medium-sized retailer and, in particular, that MIFs may decrease in line with recent reductions in Europe, and with them MSCs. Which?'s estimates of average and high total fees include assumptions about other costs beyond MSCs (like charges for renting chip-and-pin devices) and assume smaller retailers may fail to obtain the cheapest rates on total fees from acquirers.

Data on retailers' costs

C.15 The OFT has obtained data directly from acquirers on fees for processing card transactions. We also requested information from the passenger transport providers mentioned in the super-complaint on their total costs of accepting card payments, including information on intermediaries' fees and providers' own costs. Since providers' responses varied in format and comprehensiveness the estimates of processing costs provided below are indicative.

Fees to acquirer banks

C.16 From acquirers, we obtained data on fees charged to all retailers and to the travel sector in particular.⁵⁵ We also received information on a range

⁵⁵ For some acquirers, average MSCs in travel markets are higher than averages elsewhere. But the highest MSCs can be found in other markets (up to six per cent). Average MSCs to travel providers may be relatively high to cover the insurance liabilities of card issuers, passed on to acquirers in MIFs and then to retailers in MSCs, since credit card legislation requires issuers to

of factors that cause fees to vary. For example, MSCs are often higher for online and other 'cardholder not present' transactions than for face-to-face transactions. MSCs may also vary according by retailer size, reflecting the greater bargaining power of larger retailers.

C.17 Table C.2 below shows, in summary and anonymised form, acquirers' fees to travel providers including airlines for processing online transactions. We have omitted data where there were overriding confidentiality concerns.⁵⁶

Table C.2 Acquirers' fees to retailers in the travel sector for processing card transactions

Charge	Minimum	Maximum	Average ⁵⁷
Merchant service charges			
Debit cards and prepay	£0.01	£1.50	£0.30
Credit cards	0.12%	4.70%	1.80%
Charge cards	-	-	-
Other per-transaction fees			
Charge-backs	£0	£15	Applicable MSC ⁵⁸
Periodic (usually monthly) fees			
Terminal rental (chip-and-pin, for example) per terminal per month	£20	£25	£20
General service fees	£0	£ hundreds	£0 for larger retailers

cover risks to purchases made by credit card. Travel purchases can be high-value and subject to disruption.

⁵⁶ We have omitted fees for charge cards because commercial confidentiality may be breached by showing even summary anonymised data, since there are only two main networks.

⁵⁷ Average MSCs are the (un-weighted) means of averages provided by acquirers. Acquirers' other fees are more variable in structure. Averages are OFT estimates

⁵⁸ The MSC charged to process the original transaction.

Source: Responses to OFT information request (April- May 2011)

- C.18 It is important to note that this table does not capture certain sources of variation in acquirers' fees. Merchant service charges can be blended, that is, offered at uniform rates across different card types and networks. Unblended rates can vary over time for the same retailer, for example if an acquirer offers premiums and discounts contingent on volumes of card payments, volumes of business in other areas or activity by the retailer to promote the card network.
- C.19 Nonetheless, the table provides a good indication of travel providers' average variable costs. It can be seen that the estimates for processing card payments provided to the OFT by the acquiring banks are somewhat greater than the estimates provided by Which?, although minimum MSCs are lower than Which?'s estimates.

Fees to intermediaries

- C.20 Intermediaries' fees are more varied than acquirers'. Some retailers pay for inclusive off-the-shelf services where the intermediary handles all aspects of online payments through its website. The smallest retailers (taking only a few hundred payments per month) can pay low monthly overheads for comprehensive services, avoiding dealing with acquirers directly or paying any per-transaction fees. Larger retailers usually pay confidential negotiated rates for anything from fraud management up to full web hosting and transaction processing. The travel providers mentioned in the super-complaint mostly have traditional acquirer relationships but some incur extra overheads from using intermediaries.
- C.21 From information provided to us, we have estimated that typical additional costs of using an intermediary for a provider with a traditional acquirer relationship include:
- charges to maintain online payment functionality (particularly for smaller providers), and
 - charges for fraud prevention and monitoring.

- C.22 The sum of such overhead costs appeared to equate to no more than 20 pence per transaction for any travel provider.⁵⁹

Retailers' own costs

- C.23 Retailers' own costs of processing payments, as mentioned above, are highly varied, and some travel providers reported no additional costs of card processing. This is unsurprising given the range of services offered by acquirers and intermediaries, leaving few remaining elements for some providers to cover independently. Other providers reported costs, for example relating to website development and management time, that may at least in part belong to general overheads or one-time investments rather than to ongoing direct costs of accepting card payments. Without greater access to confidential business information it is difficult to estimate relevant per-transaction costs.

Total costs

- C.24 Table C.3 below illustrates travel providers' typical costs of processing common-sized transactions. It applies the average MSCs for each card type and typical charge-back costs.⁶⁰ Though overheads charged by acquirers may be irrelevant to online transactions (for example terminal rental) and general service fees may be zero for some acquirers, we have assumed an average overhead of a penny per transaction, given the high number of transactions processed on average each month, to capture the costs borne by some retailers. We assumed monthly intermediaries' fees to be 10 pence per transaction (half of the maximum in returns to us, given the proportion who reported zero intermediary costs). We also

⁵⁹ Based on returns of varying formats and comprehensiveness. A small number of retailers using intermediaries for full payment processing also reported costs of putting up cash deposits to refund cancelled purchases.

⁶⁰ For charge-backs a fraction was added to the total per-transaction fee to reflect the probability of application. We assumed that five per cent of transactions are reversed and incur a charge-back fee, so added a probability-weighted (0.05 x applicable MSC) to MSCs.

allowed 10 pence per transaction for providers' own costs, which may be an overestimate on average since some travel providers process tens of thousands of transactions per month.

Table C.3 Illustrative costs of processing card transactions

Card type	Transaction size			
	£50	£100	£250	£500
Credit card	£1.16 (2.3%)	£2.10 (2.1%)	£4.94 (2.0%)	£9.66 (1.9%)
Charge card	£1.52 (3.0%)	£2.84 (2.8%)	£6.77 (2.7%)	£13.34 (2.7%)
Debit card	£0.53 (1.1%)	£0.53 (0.5%)	£0.53 (0.2%)	£0.53 (0.1%)

Source: OFT analysis

- C.25 It is important to emphasise that this table may underestimate some travel providers' costs, despite making relatively generous assumptions about providers' own direct costs. The table is based on average fees for any card network so does not reflect the higher MSCs likely to be paid by some smaller providers. We have also omitted occasional costs quoted by some providers but not others, such as costs due to failures by acquirers, card networks or intermediaries.
- C.26 The overall estimates of travel providers' costs of processing card payments appear to be higher than those provided by Which? in the super-complaint. However we would require more detailed data from a greater number of retailers in order to reach a more accurate estimate of actual costs.

D CARDHOLDING AND USAGE IN THE UK

D.1 In 2009, debit, credit, charge and prepaid cards were used to make more than eight billion purchases worth £396 billion in the UK.⁶¹ Nearly 93 per cent of UK adults held at least one plastic card (not including store cards):

- 86 per cent of adults held at least one debit card
- 62 per cent held at least one credit or charge card, and
- five to eight per cent are estimated to have held at least one prepaid card (with less than five per cent owning a Pre-paid MasterCard or Pre-paid VISA).⁶²

D.2 Debit and credit cards are almost entirely branded VISA or MasterCard. Charge cards are branded by those networks, American Express, Diner's Club and some smaller networks. Prepaid cards are issued within the major networks and by a number of individual banks and building societies.

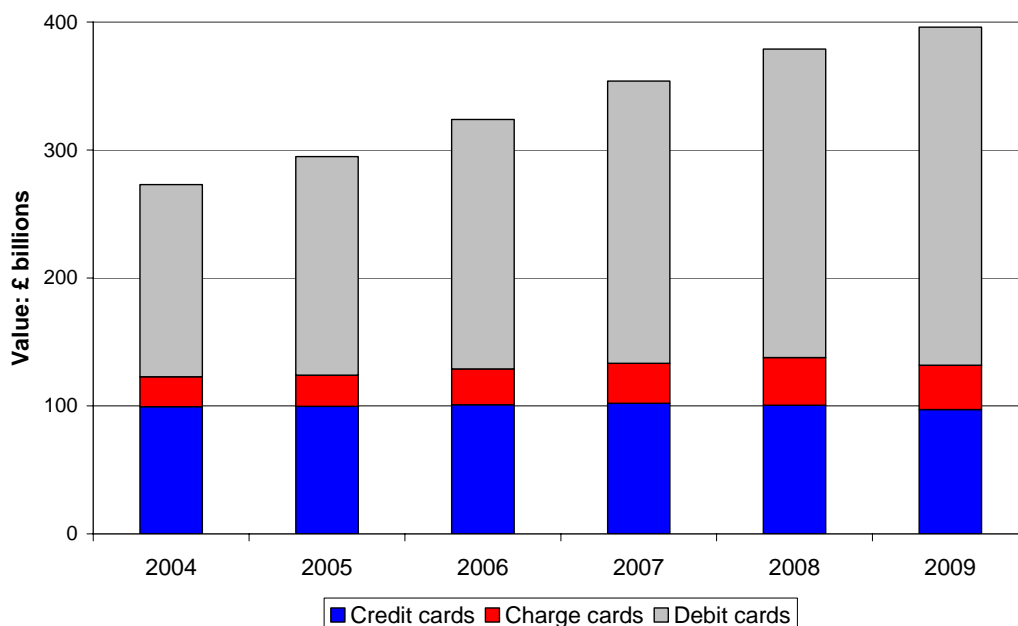
D.3 The full picture of cardholding and usage is complex, but some basic facts are relevant to a consumer's likelihood of encountering a payment card surcharge.

⁶¹ The latest comprehensive data available is from the UK Cards Association (*UK Plastic Cards 2010*) and run to the end of 2009. Data for 2010 will be available later in 2011.

⁶² Data on prepaid cards is less complete than for other card types. There were 2.5 million active prepaid cards issued by members of the UK Cards Association (including VISA and MasterCard) at the end of 2009. Since some cards are not reloadable and their balances will have declined to minimal amounts, the number of useable cards was less. Thus a maximum of five per cent of the UK adult population of 50 million may have held a prepaid card issued by a UK Cards member (with no multiple cardholding and if all cards remained usable). Several major issuers of prepaid cards are not members of UK Cards, including Broadcastle Bank, APS, Raphaels and the Newcastle Building Society. Including prepaid cards issued by them, the UK Cards Association estimates there to be up to four million issued.

- D.4 Overall, debit cards are used for more purchases than (more widely surcharged) credit or charge cards, with prepaid cards remaining niche:
- In 2009, debit cards were used for 67 per cent of all purchases by value within the UK (excluding cash withdrawals). Credit and charge cards were used for nearly 33 per cent. Prepaid cards were used for less than one per cent.
 - By number of UK purchases, debit cards were used for 75 per cent, credit cards for 25 per cent and prepaid cards for less than one per cent.
- D.5 As shown in Chart D.1 below, debit card usage has grown strongly whilst use of credit and charge cards has remained mostly flat. The chart omits prepaid cards for which little time series data is available, although evidence suggests ownership and usage was lower pre-2009.⁶³

⁶³ Based on data and notes from *UK Plastic Cards 2010* and discussions with the UK Cards Association. For example, total UK purchases using prepaid cards issued by UK Cards Association members were valued at £600 million in 2009 (0.16 per cent of total card purchases by value) and less than half that in 2008.

Chart D.1: All UK card purchases by card type

Source: UK Cards Association

D.6 Credit cards are used more often online, where surcharging (in general and particularly for credit cards) is more common:

- In 2009, credit and charge cards were used for 52 per cent of UK online card purchases by value. Debit cards were used for 48 per cent.
- Credit cards remain popular online for the reassurance they provide. However, debit cards are used increasingly often, with online use growing at 40 per cent a year on average over the five years to 2009.
- There is little data on the use of prepaid cards online, but even total purchases by prepaid cards would realistically represent no more than two per cent of all UK online card purchases.
- Online payment methods other than cards remain niche for purchases from retailers. PayPal is accepted by nearly 400 online

retailers (of which some surcharge for its use) but is used significantly less often for shopping than cards.⁶⁴

D.7 Another indicator of an individual's likelihood of having to pay a surcharge is the extent to which consumers hold multiple cards, allowing them to substitute for non-surcharged cards (for example to avoid a credit card surcharge by electing to pay by debit card). Consumers holding only one card type have no option to substitute. At the end of 2009:

- 32 per cent held only one or more debit cards and no other card types.
- One per cent held only credit or charge cards.

⁶⁴ PayPal acceptance figures are from PayPal's website. PayPal is used more widely between consumers or between businesses.

EXHIBIT F

Document Redacted

EXHIBIT G



Consumers Association of Canada

Credit Card Surcharge Survey
November 2009



Methodology

From November 3-4, 2009, Angus Reid Public Opinion conducted an online survey among a randomly selected, representative sample of 916 Canadian credit card holders. The margin of error for the total sample is +/- 3.2%, 19 times out of 20. The results have been statistically weighted according to Statistics Canada's most current education, age, gender and region Census data to ensure a representative sample of the entire adult population of Canada. Discrepancies in or between totals are due to rounding.

Angus Reid Public Opinion polls are conducted using Canada's premier online panel, Angus Reid Forum (www.angusreidforum.com), which is recruited via an industry-leading process that incorporates a randomized, widespread invitation approach and a triple opt-in screening procedure.

The panel is maintained through state-of-the-art sampling techniques and frequent verifications of personal identity, contact information, and demographic characteristics.

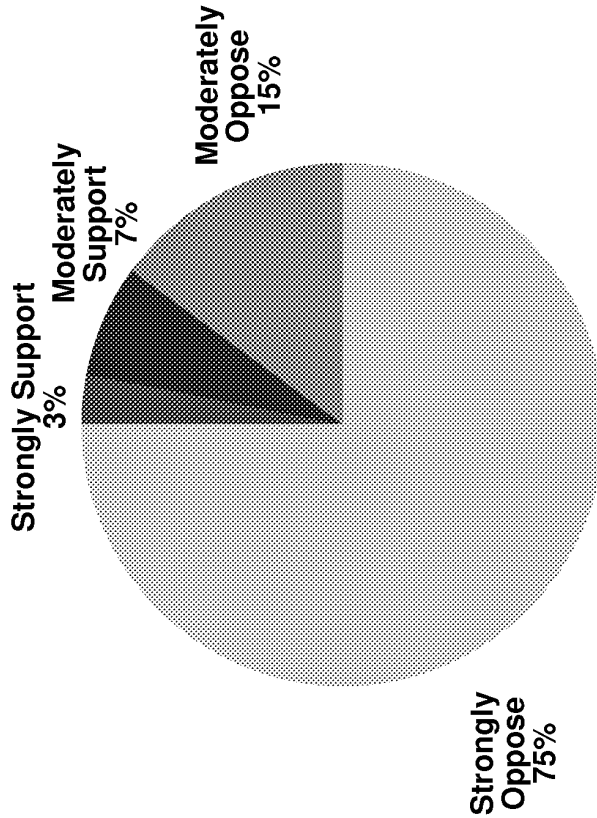
This premier online survey platform presents respondents with highly visual, interactive, and engaging surveys, ensuring that panel members provide thoughtful and reliable responses.



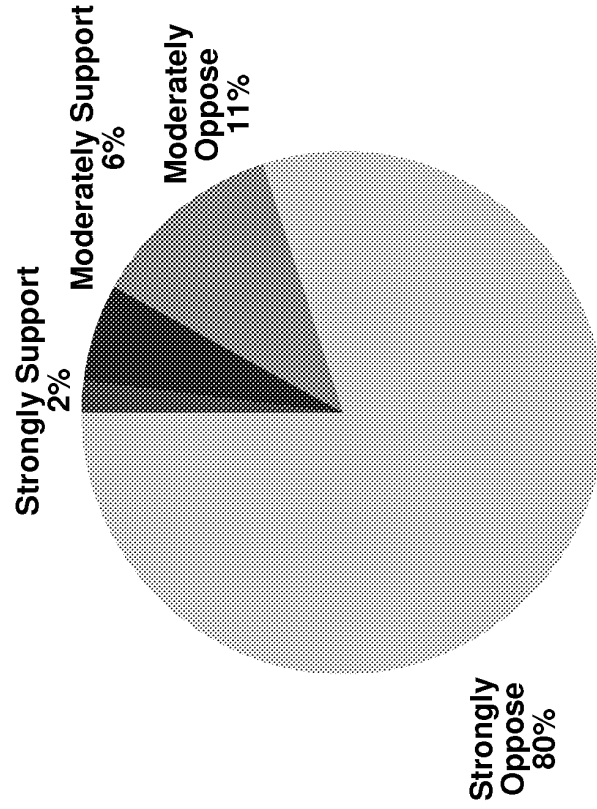
Opinions On Proposed Surcharge

Nine-in-ten Canadian credit card holders oppose the proposed credit card surcharge and opposition strengthens somewhat when the surcharge is expressed as a 3.5% fee on top of the retail price. Women are somewhat more likely than men to oppose the surcharge (93% vs. 87%) as are Basic primary credit cards user compared to Premium primary card holders (92% vs. 86%). Interestingly, those who support the proposed surcharge are more likely to believe that they already pay a fee for using their credit cards (24% vs. 14%) than those who do not support the surcharge.

**Support/Opposition to Surcharge
(no rate specified)**



**Support/Opposition to Surcharge
(3.5% rate specified)**



- Q.6 Some people have suggested that merchants should pass this fee on to customers when they choose to pay with a credit card to account for the fees charged to merchants by the credit card company. Do you support or oppose charging customers a surcharge on top of the retail price when they choose to pay by credit card?
- Q.7 Given that this surcharge could amount to as much as 3.5% of the retail price, do you support or oppose charging customers a surcharge when they choose to pay by credit card?



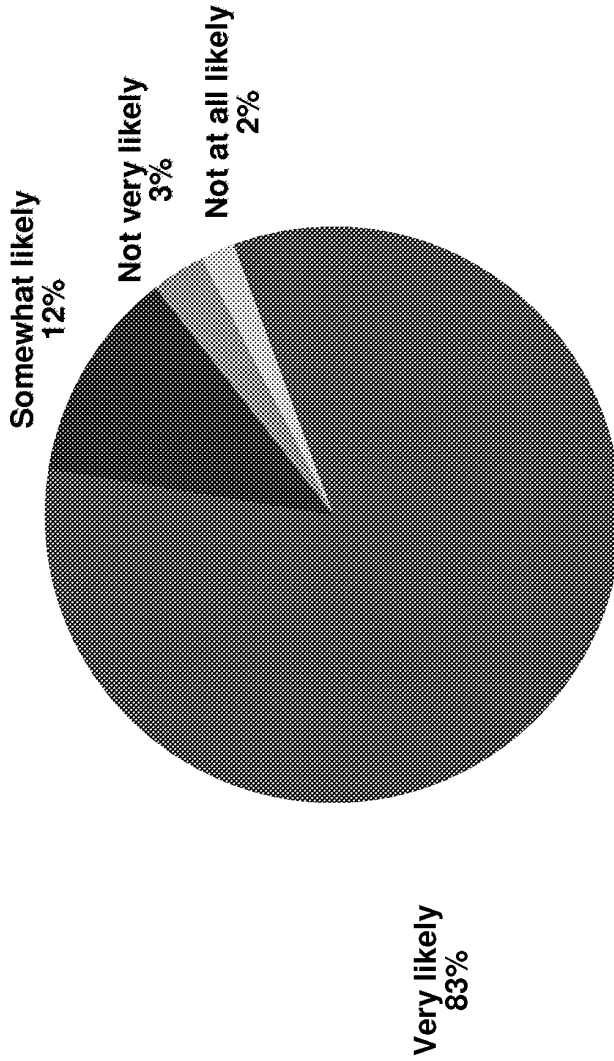
Base: Canadian Credit Card Holders (n=916)

Likelihood Of Changing Stores to Avoid Surcharge

The majority of Canadian credit card holders would be "very likely" to change where they regularly shop in order to avoid paying a credit card surcharge.

While there are no significant differences by gender, region or household income on this measure, Canadians over the age of 55 are somewhat more likely to be inclined to change stores compared to their younger cohorts as are those who use a reward/loyalty card as their primary credit card compared to those who do not.

Not surprisingly, those who oppose the surcharge are significantly more likely to say they will change stores to avoid paying the fee.



Q.8 If a store where you regularly shop were to start charging a fee of 3.5% for using your credit card, while another store selling the same items did not charge this fee, how likely would you be to change where you shop in order to avoid paying this fee?



Base: Canadian Credit Card Holders (n=916)

EXHIBIT H

PRIVILEGED & CONFIDENTIAL

Tim Wilson
Head of Visa Canada

January 10, 2011

Mr. Dan Kelly
Senior Vice President, Legislative Affairs
Canadian Federation of Independent Business
99 Metcalfe Street, Suite 1202
Ottawa, ON K1P 6L2

Dear Mr. Kelly,

Thank you for your letter dated December 17, 2010 in which you outline the Canadian Federation of Independent Business' (CFIB) consumer education campaign to alert the public to the cost to merchants of accepting credit cards.

In your letter, you wanted assurances from Visa Canada that there would not be any legal problems for your members who choose to participate in CFIB's point-of-sale campaign to promote the use of cash and debit as the merchant's preferred form of payment. I can assure you that Visa's policies do not in any way prevent the CFIB or its members from organizing and participating in this type of campaign, nor do our rules prevent merchants from promoting one form of payment over another.

Today, merchants have numerous options available to help manage costs, while receiving the many benefits of electronic payments. Visa's policies do not preclude retailers from offering an incentive to customers to use different forms of payment or offering discounts to consumers who pay with the retailer's preferred payment method whether it be cash, cheque, debit or another credit card payment network. There is an abundance of competition in the payments marketplace. Further, the Voluntary Code of Conduct for the Credit and Debit Card Industry (the Code) – which Visa has long supported – also requires that all networks permit merchants to discount by method of payment or payment network brand.

The fact that many merchants choose not to discount by method of payment or by brand is a sign of the value Visa provides to retailers and cardholders. Electronic payments make transactions quicker, more convenient and most importantly, more secure. Those are key reasons why Visa is accepted at millions of retailers worldwide.

Your letter also refers to your original recommendations for the Code of Conduct, which include allowing merchants the right to refuse or surcharge certain premium credit cards. We believe that providing merchants with the ability to refuse certain types of

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credit cards within payment networks such as Visa, or to surcharge transactions, would likely be harmful to consumers and the broader economy.

Allowing surcharging at point of sale is fundamentally anti-consumer and unfairly shifts the cost of electronic payments onto consumers. Our no surcharging rule was created specifically to protect consumers from retailers who seek to impose checkout fees and penalize consumers who choose the convenience, security and reliability of Visa over cash, cheques and debit.

In the few countries that permit surcharging today, such as Australia, evidence indicates that large retailers profit from the fees by shifting the cost of doing business onto consumers. In many instances, retailers actually charge consumers more than the cost of card acceptance, turning surcharging into a profit centre at the expense of consumers. For example, in 2009, CHOICE, a trusted and independent voice working for Australian consumers awarded Qantas Airlines the dubious honour of a Shonky award for its \$7.70 to \$25 per passenger credit card surcharges, while Cabcharge, the dominant company in the taxi payments industry, continues to levy a 10% surcharge for all cards (including debit cards which cost just cents to process).

Further, Canadian consumers are strongly against any form of surcharging by merchants. A November 2009 consumer survey by the Consumers' Association of Canada (CAC) found that 90 per cent of Canadians oppose permitting retailers to impose surcharges, with 75 per cent strongly opposing surcharging. Bruce Cran, President of the CAC, said in a news release on December 17, 2010, "The results speak for themselves. Canadians are overwhelmingly opposed to the suggestion that they should have to pay merchants for the privilege of paying them."

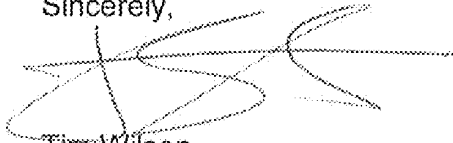
Additionally, Visa's honour all cards protection was put in place to prevent merchants from reaching into consumers' wallets and dictating which payment products they can use. The policy requires that a merchant who accepts Visa Credit products for payment must accept all cards within this category. Removing this pro-consumer policy will vastly undermine the value of payment cards, lead to consumer confusion and put consumers at risk of "bait and switch" tactics whereby merchants advertise acceptance with a Visa logo but then decline the card at the point-of-sale. This confusion would lead to delays at checkout and therefore may be detrimental to merchants as well.

Ultimately Visa feels that the CFIB is not communicating the full picture to consumers and its members by focusing only on the costs associated with electronic payments. By accepting Visa, retailers experience increased speed, efficiency, reliability and security, while also gaining immediate access to a billion cardholders, the potential for increased sales, and guaranteed payment. Importantly for your membership, electronic payments also facilitate a level playing field between small and large merchants; one example being that credit cards allow small merchants to extend immediate unsecured credit to their customers and increase their sales without bearing the credit risk.

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As always, Visa remains ready to discuss these and any other items that are of concern to the CFIB and its members.

Sincerely,

A handwritten signature in black ink, appearing to be 'Tim Wilson', written over a horizontal line.

Tim Wilson
Head of Visa Canada

cc: Hon. Jim Flaherty, Minister of Finance
Melanie Aitken, Commissioner of Competition
Ursula Menke, Commissioner, Financial Consumer Agency of Canada

EXHIBIT I

GAO

Report to Congressional Requesters

May 2008

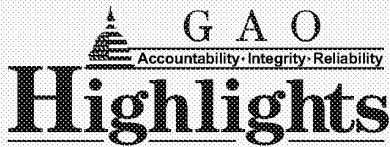
CREDIT AND DEBIT CARDS

Federal Entities Are
Taking Actions to
Limit Their
Interchange Fees, but
Additional Revenue
Collection Cost
Savings May Exist



GAO-08-558

May 2008



Highlights of GAO-08-558, a report to congressional requesters

Why GAO Did This Study

Federal entities—agencies, corporations, and others—are growing users of credit and debit cards, as both “merchants” (receiving payments) and purchasers. Merchants accepting cards incur fees—called merchant discount fees—paid to banks to process the transactions. For Visa and MasterCard transactions, a large portion of these fees—referred to as interchange—goes to the card-issuing banks. Some countries have acted to limit these fees. GAO was asked to examine (1) the benefits and costs associated with federal entities’ acceptance of cards, (2) the effects of other countries’ actions to limit interchange fees, and (3) the impact on federal entities of using cards to make purchases. Among other things, GAO analyzed fee data and information on the impact of accepting and using cards from the Department of the Treasury (Treasury) and the General Services Administration, reviewed literature, and interviewed officials of major card companies and three foreign governments.

What GAO Recommends

To expeditiously realize additional cost savings, Treasury should develop a full implementation strategy, including a completion timeline, cost savings estimates, and a resource assessment for its revenue collection review program. FMS did not comment on GAO’s recommendation, but agreed its program will improve overall federal financial management.

To view the full product, including the scope and methodology, click on GAO-08-558. For more information, contact Richard Hillman at (202) 512-8678 or hillmanr@gao.gov.

CREDIT AND DEBIT CARDS

Federal Entities Are Taking Actions to Limit Their Interchange Fees, but Additional Revenue Collection Cost Savings May Exist

What GAO Found

By accepting cards, federal entities realize benefits, including more satisfied customers, fewer bad checks and cash thefts, and improved operational efficiency. In fiscal year 2007, federal entities accepted cards for over \$27 billion in revenues and paid at least \$433 million in associated merchant discount fees. For those able to separately identify interchange costs, these entities collected \$18.6 billion in card revenues and paid \$205 million in interchange fees. Federal entities are taking steps to control card acceptance costs, including reviewing transactions to ensure that the lowest interchange rates—which can vary by merchant category, type of card used, and other factors—are assessed. While the Visa and MasterCard card networks have established lower interchange rates for many government transactions, some federal entities have attempted to negotiate lower ones, with mixed success. To identify savings from cards and other collection mechanisms, Treasury’s Financial Management Service (FMS)—which handles revenues and pays merchant discount fees for many federal entities—initiated a program in 2007 to review each entity’s overall revenue collections. FMS has identified potential efficiency and cost saving improvements at the eight entities it has reviewed thus far, but has yet to develop a full implementation strategy—including a timeline for completing all reviews, cost savings estimates, and resource assessment—that could help expeditiously achieve program goals.

Several countries have taken steps to lower interchange rates, but information on their effects is limited. Among the three countries GAO examined, regulators in Australia and Israel intervened directly to establish limits on interchange rates, while Mexico’s banking association voluntarily lowered some rates. Since Australia’s regulators acted in 2003, total merchant discount fees paid by merchants have declined, but no conclusive evidence exists that lower interchange fees led merchants to reduce retail prices for goods; further, some costs for card users, such as annual and other fees, have increased. Few data exist on the impact of the actions taken in Mexico (beginning in 2004) and Israel (beginning in the late 1990s). Because of the limited data on effects, and because the structure and regulation of credit and debit card markets in these countries differ from those in the United States, estimating the impact of taking similar actions in the United States is difficult.

Federal officials cited various benefits from card use—which totaled more than \$27 billion in fiscal year 2007, a 51 percent increase since fiscal year 1999 after adjusting for inflation—including the ability to make purchases more quickly and with lower administrative costs than with previously used purchasing methods. The banks that issue cards to federal entities also rebate a small percentage of their card purchase amounts; these rebates totaled \$175 million in fiscal year 2007. Preventing inappropriate card use poses challenges, and GAO and others have identified inadequate controls over various agencies’ card programs. However, tools and data provided by the issuing banks now allow entities to review transactions more quickly, increasing their ability to detect suspicious transactions.

United States Government Accountability Office

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Abbreviations

CFO	Chief Financial Officer
DeCA	Defense Commissary Agency
DOJ	Department of Justice
FMS	Financial Management Service
FTC	Federal Trade Commission
GDP	gross domestic product
GSA	General Services Administration
IAA	Israel Antitrust Authority
IRS	Internal Revenue Service
NAFI	nonappropriated fund instrumentality
OMB	Office of Management and Budget
PIN	personal identification number
RBA	Reserve Bank of Australia
TILA	Truth in Lending Act
VA	Department of Veterans Affairs

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United States Government Accountability Office
Washington, DC 20548

May 15, 2008

Congressional Requesters:

Consumers increasingly use credit and debit cards to make payments, including those to federal, state, and local governments for such things as park admission fees, driver licenses, and income taxes. According to a federal banking regulator, 47 billion credit and debit card transactions occurred in 2006, exceeding the approximately 31 billion check payments made that year.¹ As with other forms of payment, merchants and government entities incur various costs to accept credit or debit cards. The majority of the costs associated with accepting cards are the “merchant discount fees” paid to the banks that merchants use to process their transactions. Generally, for each Visa or MasterCard transaction, a portion of the merchant discount fee is paid from the merchant’s bank—called the acquiring bank—to the bank that issued the card. This portion, called the interchange fee, reimburses card issuers for a portion of the costs they incur in providing card services.² The balance of the merchant discount fee is retained by the acquiring bank to cover its costs of providing services. In addition to these fees, government entities that accept cards also incur other, less significant costs to install and maintain necessary equipment and to transmit card transaction data.

Interchange fee amounts are calculated using rates, typically between 1 and 2 percent of a purchase’s value.³ The two largest card networks (Visa and MasterCard) establish default interchange rates for their respective

¹Federal Reserve System, *The 2007 Federal Reserve Payments Study: Noncash Payment Trends in the United States: 2003-2006* (Dec. 10, 2007).

²In most cases the acquiring bank and the issuing bank for Visa and MasterCard transactions are different institutions. In contrast, American Express and Discover are “proprietary” networks that act as both the issuing and acquiring entities. As a result, they retain the entire amount of the merchant discount fee they receive from merchants’ sales to American Express and Discover card users. Accordingly, American Express and Discover transaction fees are included in the total merchant discount fee amounts presented in this report, but not in the interchange fee amounts.

³Interchange rates are typically a percentage of the payment amount plus a fixed fee per transaction (for example, \$0.05 or \$0.10). In some cases, the interchange rate may be a flat rate per transaction (for example, \$0.75).

systems.⁴ According to officials from one card network, in establishing default interchange rates, the networks take into consideration competitive factors of both card issuers and merchants as well as certain costs that are associated with issuing and accepting cards. Interchange rates vary according to a number of factors, including the type of merchant accepting the card, the method used to transmit the transaction information, and the type of card used. For example, “reward” credit cards, which provide their holders with cash rebates or points, typically have a higher interchange rate than standard credit cards. That is, a merchant accepting a reward credit card, depending on the merchant’s agreement with its acquiring bank, may pay a higher merchant discount fee for a purchase made with a reward credit card. Additionally, if a cardholder uses a debit card and enters a personal identification number (PIN), rather than signing a receipt to authorize the transaction, the transaction generally poses less risk to the card issuer, partly because the identity of the cardholder is more certain and therefore the interchange rate is lower.

As the popularity of credit and debit cards for making purchases and payments has grown, so has the amount of merchant discount fees paid by the merchants—including federal government entities—that accept cards. One source estimates more than \$36 billion in interchange fees was paid in 2006.⁵ These fees have been the subject of litigation in the United States, but they are not federally regulated. In some other countries, government authorities have taken steps to limit the amounts of these fees.

In addition to accepting cards for payments, federal entities also use cards to make purchases. The General Services Administration (GSA) administers the SmartPay® program, which provides cards for federal entities to purchase goods and services, including office supplies, fuel for government vehicles, and airline tickets and hotel visits for employees on

⁴Both Visa and MasterCard developed as membership organizations consisting of banks that participated in their respective payment systems. Because of this structure, traditionally they were referred to as credit card associations. MasterCard restructured to become a publicly held corporation, making its initial public offering of certain classes of stock in March 2006. Similarly, Visa became public, initiating its initial public offering during March 2008. For purposes of this report, we refer to Visa and MasterCard as card networks. The default interchange rates apply when there are no other interchange fee arrangements in place between an issuer and an acquirer.

⁵Merchants Payments Coalition, Inc. This estimate was calculated using 2006 estimates of a 1.9 percent combined (MasterCard and Visa) average interchange rate and a combined purchase volume of approximately \$1.9 trillion.

official travel.⁶ GSA negotiates master contracts with card-issuing banks on behalf of federal government entities, which then negotiate agreements with the banks to specify services and requirements for their card programs.

You asked us to review a number of issues concerning interchange fees, including their effect on the federal government—as both an acceptor and a user of debit and credit cards—and actions other countries have taken regarding these fees. This report examines (1) the benefits and costs, including interchange fees, associated with federal entities' acceptance of cards as payment for the sale of goods, services, and revenue collection; (2) actions taken in countries that have regulated or otherwise limited interchange fees and their impact; and (3) the impact on federal entities of using cards to make purchases.

To examine the benefits and costs associated with acceptance of cards, we analyzed data representing a broad a range of entities associated with the federal government, including executive, legislative, and judicial branch agencies; government corporations; and other federal instrumentalities that accept credit and debit cards for payment.⁷ Card transactions for the majority of executive, judicial, and legislative branch agencies and federal commissions, boards, and other entities are processed by the Department of the Treasury's (Treasury) Financial Management Service (FMS), which pays the associated fees for these entities. We reviewed data on the merchant discount fees FMS paid from fiscal years 2005 through 2007.⁸ We also reviewed data from several federal entities for which FMS does not

⁶The cards that government entities use typically are charge cards in which the entire bill must be paid at the end of the billing period, and typically there is no interest.

⁷We use the term "federal entity" throughout this report broadly to refer to departments, agencies, bureaus, government corporations, and any instrumentality or organization that, regardless of whether it receives federally appropriated funds, performs a function sanctioned by the federal government to achieve a federal objective or serve a federal interest. The latter groups of entities include, for example, Amtrak, the U.S. Postal Service, and commercial facilities operated at military bases. Therefore, our estimates of the costs associated with card acceptance by federal entities include some costs that are not directly borne by the government.

⁸Unlike what is done with most merchants, the interchange and other fees paid by FMS on behalf of the federal entities for which it processes card transactions that would constitute the merchant discount fee are not "discounted" from the amount of the card payment. Instead, FMS settles card transactions "at par," and all costs associated with card acceptance are paid separately. For convenience, we use the term "merchant discount fee" throughout this report to refer to the card acceptance fees paid by FMS.

settle transactions: Amtrak, the U.S. Postal Service, and a number of Department of Defense and Department of Homeland Security nonappropriated fund instrumentalities (NAFI), which operate retail stores or recreational facilities for the military.⁹ Among the entities included in our review, Amtrak, FMS, and the Postal Service provided data specifically showing the amount of interchange fees paid. For the other entities, we obtained the total amounts paid in merchant discount fees.¹⁰ The data we collected from federal entities were the best data available; however, because of limitations in and differences among the record keeping of the entities, the data may not be complete for all years, may treat some costs inconsistently, and in one case contain estimated, rather than actual, values. We reviewed the data for completeness and accuracy and determined that none of these limitations materially affect the findings we report. (For further information on data sources, as well as a more detailed discussion of our objectives, scope, and methodology, see app. I.) In addition, we reviewed Visa and MasterCard interchange rate tables and met with officials from Visa, MasterCard, American Express, and Discover to obtain information on how these companies determine the rates charged to federal entities. We met with federal entity officials responsible for settling card transactions to identify factors that could affect the interchange rates charged for the transactions. Further, we conducted semistructured interviews with five federal entities for which FMS processes card transactions, based on a selection of entities with the highest and lowest volumes of card transactions.¹¹ To report on actions taken in countries where interchange rates have been limited by regulation or other means and the effects of those actions, we reviewed available literature, contacted our counterparts (other audit institutions) in several countries, and interviewed officials of the Federal Reserve Bank of Kansas City and industry officials to identify various countries that had addressed interchange rates. To illustrate differing approaches to limiting

⁹NAFIs generally are operated with the proceeds of their activities, rather than with appropriated funds. While these entities do not receive appropriated funds, we included them in our study because they are associated with governmental entities and, to some extent, are controlled by and operated for the benefit of those entities.

¹⁰We also attempted to collect card acceptance costs from the Smithsonian Institution and from some Coast Guard NAFIs, but the decentralized way in which they maintained their data prevented their providing us with the information.

¹¹The federal entities that had high volumes of card acceptance were the Defense Commissary Agency, U.S. Mint, and the Department of Interior's National Park Service. The federal entities that had low volumes of card acceptance were the Corporation for National and Community Service and the National Endowment for the Arts.

interchange rates, we judgmentally selected three countries—Australia, Israel, and Mexico—that adopted diverse approaches and whose efforts had been under way for sufficient time to allow for study. To obtain more detailed information, we conducted literature reviews and interviewed regulators and officials in the three countries. To determine the impact on federal entities of using cards to make purchases, we reviewed policies and procedures developed for the GSA SmartPay program, collected and analyzed data on card use from GSA, and reviewed our prior reports. Finally, we interviewed officials from five entities that were among those with the highest volume of card use in fiscal year 2006 and officials from the bank whose total government card spending was the highest.¹²

We conducted this performance audit from June 2007 to May 2008 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Results in Brief

Federal entities realize various benefits from accepting credit and debit cards, but also incur various costs, including merchant discount and interchange fees, which they are taking steps to control. Federal entity officials told us that the benefits of accepting cards include more satisfied customers, fewer bad checks and cash thefts, and improved operational efficiency. In fiscal year 2007, federal entities collected a total of over \$27 billion in revenues through credit and debit card transactions and reported paying at least \$433 million in merchant discount fees, which include the interchange fees associated with Visa and MasterCard transactions.¹³ The three entities able to separately identify interchange fees—FMS, Amtrak, and the Postal Service—reported that in fiscal year 2007 those fees were about \$205 million, out of a total of about \$218 million they paid in merchant discount fees for Visa and MasterCard transactions. As card

¹²The federal entities that had a high volume of card use were the Department of Agriculture, Department of the Army, Department of Homeland Security, Department of Veterans Affairs, and the U.S. Postal Service.

¹³The fiscal year 2005 through fiscal year 2007 dollar values on the costs and revenues associated with card acceptance are current values and have not been adjusted for inflation.

acceptance has become more common, federal entities have worked to control the associated fees. For example, while the card networks already offer interchange rates for government transactions that are lower than those for many other merchants' transactions, FMS requires its acquiring bank to monitor how transactions are processed to ensure that federal entities' transactions receive the lowest interchange rates for which they are eligible. Some federal entities are working to lower their card acceptance fees by installing equipment needed to accept PIN debit cards, which generally have even lower interchange rates. Also, some federal entities have attempted to negotiate with the card networks to lower interchange rates applicable to their transactions, with varying success. In addition to its efforts focused on card acceptance, FMS initiated a program in 2007 to review the overall efficiency of revenue collection mechanisms used by the federal entities for which it provides services, with a goal of achieving cost savings. As of March 2008, FMS had reviewed eight federal entities under this program and identified potential cost savings and efficiencies at each. Because FMS began this program as a pilot, it has not developed a full implementation strategy. Such a strategy—including a timeline for completing the reviews, estimates for cost savings to be realized, and assessment of the adequacy of resources committed—would help ensure attainment of program goals as expeditiously as possible, as FMS expands the program to other federal entities.

Several countries have taken steps intended to lower interchange rates for a broad range of card transactions within their borders, but complete information on the impact of these actions generally is not available. Among the three countries we examined in more detail, public authorities in Australia and Israel intervened directly to establish limits on the rates that credit card issuers assess for interchange fees on merchant transactions, while in Mexico the association of card-issuing banks voluntarily lowered some interchange rates after a 2004 law gave the Mexican central bank the authority to regulate interchange fees. Research on the impact of the regulation of interchange fees in Australia in 2003 indicates that merchants have likely benefited, as the total merchant discount fees they pay have decreased. However, evidence suggests that the impact on cardholders in that country has been mixed: Australian regulators have not been able to discern whether merchants passed along any reduction in costs to consumers through lower prices. However, issuing banks generally have reduced the rewards offered on reward cards and increased annual and other card fees over the last 5 years. Limited information indicates that merchant discount rates have also declined in Mexico and Israel, but few data on the impact of the actions taken have been published. As the result of differences between the structure and

regulation of the U.S. credit and debit card markets and those of other countries, the potential for similar actions to be taken in the United States and the possible impact of such actions are uncertain. For example, the costs associated with issuing cards may be different given the much larger number of issuing banks in the United States than the other countries we studied.

Federal entities obtain numerous benefits when they use cards to make purchases, but also face challenges in minimizing unauthorized or fraudulent use. Card purchases by federal entities totaled more than \$27 billion in fiscal year 2007 (a 51 percent rise since fiscal year 1999 after adjusting for inflation), and card usage generally is expected to continue to grow as entities expand the range of items and services that they purchase with cards. For example, some entities have begun using purchase cards to make payments on contracts. Federal entity officials told us that using cards provides a variety of benefits, including lower administrative costs when compared with the slower, more labor-intensive purchasing methods that were previously used. For example, GSA estimated that total administrative cost savings from card use in fiscal year 2006 was \$1.7 billion. Further, under the SmartPay program, federal entities obtain rebates of a small percentage of the card purchases that they make from the card-issuing banks; these rebates totaled approximately \$175 million in fiscal year 2007. Officials stated that using cards also provides them with enhanced data on purchasing trends, which can be used to negotiate better pricing from vendors. Although receiving various benefits, federal entities using cards to make purchases have had to implement controls and procedures to prevent misuse. Implementing these controls can be challenging; we and others have reported on some entities' inadequate controls over their card programs that have resulted in instances of fraud and abuse. However, officials from some federal entities told us that the risk of fraud and abuse in card programs is less than or equal to that under previously used purchasing methods. Further, some officials told us that tools provided by the issuing banks allow for faster managerial review of transactions and increased capabilities to detect suspicious transactions.

In order to help expeditiously achieve savings to the government, this report recommends that the Secretary of the Treasury take steps to establish a full implementation strategy for FMS's revenue collection review program. Such a strategy should include a timeline for completing the reviews, cost savings estimates associated with individual reviews, and an assessment of the adequacy of the resources committed to the program. In commenting on a draft of this report, the manager of FMS's Internal

Control Branch did not directly address our recommendation, but agreed that the agency's revenue collection review program—which will evaluate the use of credit and debit cards along with other processes—will help improve overall financial management at federal agencies.

Background

As consumers increasingly use credit and debit cards for purchases, federal entities' acceptance of cards to pay for goods and services has also increased. The Treasury's FMS performs the processing for card transactions for executive, judicial, and legislative branch agencies, as well as a number of governmental commissions, boards, and other entities that choose to accept credit and debit cards as a method of payment. Some other federal entities, such as the U.S. Postal Service and Amtrak, operate their own credit and debit card-processing programs and pay the associated fees for processing card transactions. FMS operates the Credit and Debit Card Acquiring Service, a governmentwide service that allows the federal entities for which it collects revenues to accept Visa, MasterCard, American Express, and Discover credit cards, as well as some types of debit cards. The volume of card transactions that FMS processed increased by more than 30 percent from fiscal year 2005 to fiscal year 2007. In fiscal year 2007, FMS processed more than 65 million card payments made to federal entities. FMS pays the fees associated with card acceptance for the federal entities that participate in the Card Acquiring Service.¹⁴

A merchant—including a government entity—that accepts MasterCard or Visa credit and/or debit cards for payment of goods and services enters into a contract with an acquiring bank that has a relationship with Visa

¹⁴Unlike private sector entities that pay for these services on their own and can adjust the prices of their goods and services to cover the costs of card acceptance, some federal entities cannot adjust the pricing of their goods and services. For example, the amounts of some U.S. court fees are specified in statute (28 U.S.C. §§1914(a) [Federal Court fee to be paid by party instituting civil proceedings]); similarly, the authorizing statute for the Defense Commissary Agency—which operates grocery stores for military service members and their families—provides that the prices can only be assessed a 5 percent surcharge on top of the cost of the goods. See 10 U.S.C. § 2484(d).

and/or MasterCard to provide card payment-processing services.¹⁵ The merchant contract specifies the level of services the merchant desires, as well as the merchant discount fee and other fees that will apply to the processing of the merchant's card transactions. To provide card acceptance services to federal entities that participate in the Card Acquiring Service, FMS enters into an agreement with a financial institution that has been designated as a financial agent of the U.S. government to provide acquiring banking services. The agreement specifies the services to be provided to FMS and the federal entities that participate in the Card Acquiring Service.¹⁶ Visa and MasterCard establish and enforce rules and standards that may apply to merchants who choose to accept their cards. According to officials of the card networks, however, the networks are not involved in the relationship between a merchant and its acquiring bank.

Fees Allocate the Costs among Parties Associated with Card Transactions

Several parties are involved in a card transaction. For example, Visa and MasterCard transactions involve (1) the bank that issued a cardholder's card, (2) the cardholder, (3) the merchant that accepts the cardholder's card, and (4) an acquiring bank. The acquiring bank charges the merchant a merchant discount fee that is established through negotiations between the merchant and the bank. A portion of the merchant discount fee is generally paid from the acquiring bank to the issuing bank in the form of an interchange fee to cover a portion of the card issuer's costs to issue the card. The balance of the merchant discount fee is retained by the acquiring bank to cover its costs for processing the transaction. A merchant does not pay the interchange fee directly; rather, the interchange fee portion of the merchant discount fee is transferred from the acquiring bank to the issuing bank. Because issuing banks incur costs to issue cards to consumers, the interchange fee helps to allocate these costs among the parties involved in card transactions. Figure 1 illustrates the roles of each

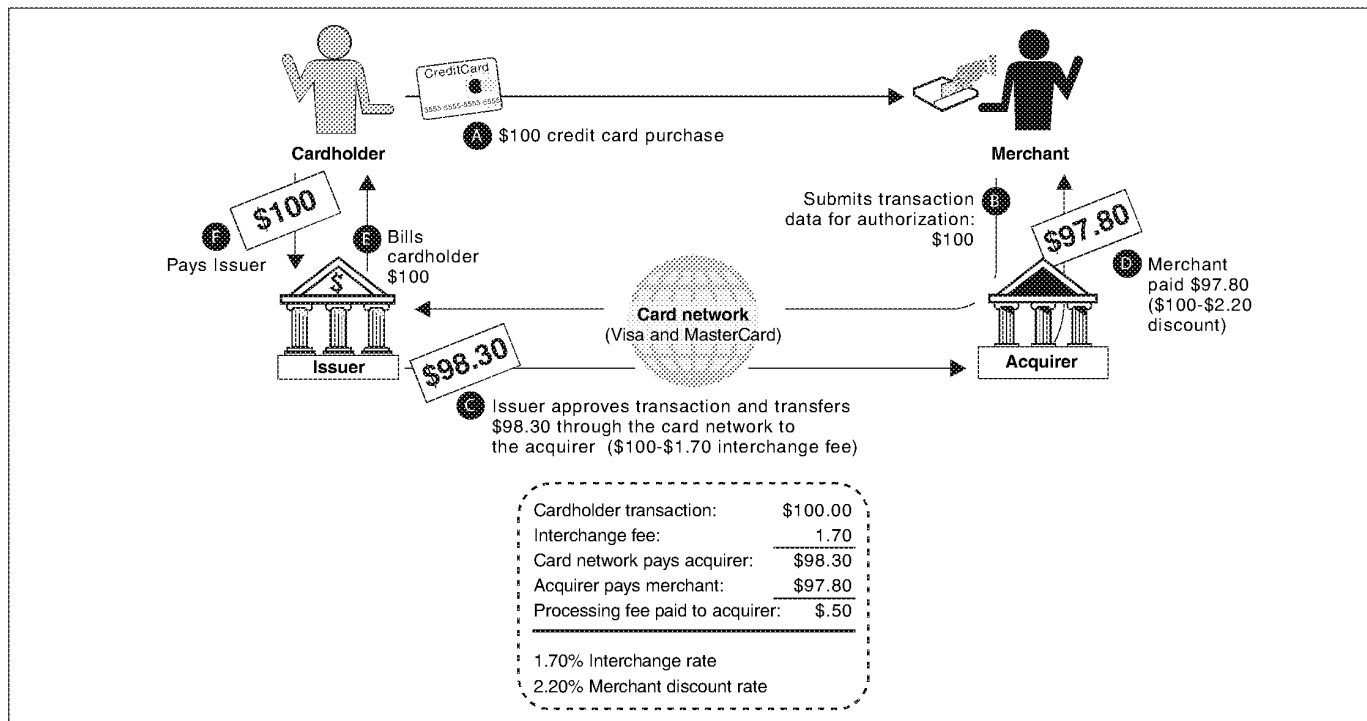
¹⁵In some instances, acquiring banks may contract with third-party entities to provide the card-processing services. In these instances, the third-party entities handle merchant services on behalf of the acquiring bank and may function as a sales agent for an acquirer. A merchant typically establishes a relationship directly with American Express if it wishes to accept this type of card. To accept a Discover card, a merchant may enter into a relationship directly with Discover, or it may enter into a relationship with an acquirer or third-party card processor that has a relationship with Discover.

¹⁶FMS currently has only one designated financial agent that provides acquiring banking services for the Card Acquiring Service; prior to August 2006, FMS had two designated financial agents that provided acquiring banking services.

of the four parties in a typical credit card transaction and how fees are transferred among the parties.¹⁷ The figure shows that when a cardholder makes a \$100 purchase, the merchant pays \$2.20 in merchant discount fees for the transaction. This amount is divided between the issuing bank, which receives \$1.70 in interchange fees, and the acquiring bank, which receives \$0.50 for processing the transaction.

¹⁷PIN debit and signature debit transactions—in which a cardholder signs a receipt or an electronic screen to authorize the transaction—are processed in a similar manner. In a PIN debit transaction, however, the transaction is routed through the electronic funds transfer network to which the cardholder's depository institution is a member, rather than the Visa or MasterCard network. The transfer of fees associated with both PIN debit and signature debit transactions is the same as a credit card transaction.

Figure 1: Transfer of Fees in a Credit Card Transaction



Sources: GAO (analysis); Art Explosion (images).

Note: This is an illustrative example for a typical merchant. The method in which fees are transferred for a federal government entity may differ. For example, for FMS, the interchange and other fees that would constitute the merchant discount fee are not “discounted” from the amount of the card payment. Instead, FMS settles card transactions “at par,” and all costs associated with card acceptance are paid separately.

For American Express and Discover card transactions, generally only three parties are involved: the consumer, the merchant, and one company that acts as both the issuing and acquiring entities.¹⁸ Merchants that choose to accept these two types of cards typically negotiate directly with

¹⁸In the United States, American Express has licensed a number of banks to issue cards on the American Express network; however, it continues to act as the acquiring entity for merchants. Financial arrangements between American Express and third-party bank issuers are agreed upon independently, through separate bilateral agreements, and usually constitute a percentage of the transaction amount. Discover also has card-issuing agreements with financial institutions. For transactions that occur on Discover cards issued by these third-party issuers, Discover receives interchange fees from the acquiring bank and also pays the card issuer an interchange fee.

American Express and Discover over the merchant discount fees that will be assessed on their transactions. Because the issuing and acquiring institution are the same, no interchange fee is involved in the transaction. The merchant discount fees charged on American Express and Discover transactions are, however, set to cover some of the same types of costs that merchant discount fees (which include interchange fees) cover for Visa and MasterCard transactions.

Officials of both the Visa and MasterCard networks told us that they aim to set default interchange rates at a level that encourages banks to issue their cards and merchants to accept those cards. According to the network officials, the rates are set to recognize the value of card acceptance and to reimburse issuing banks for some of the risks and costs incurred in maintaining cardholder accounts, including lending costs, such as the cost of funding the interest-free loan period, the cost associated with cardholders that default on their loans, and losses stemming from fraud. Officials with one of the card networks noted that interchange fees help to reimburse issuers for bearing the costs that merchants would otherwise have to bear for the ability to make sales to customers on credit.

Both Visa and MasterCard develop and publish interchange rate tables that disclose the default rates that apply to various types of transactions. According to Visa and MasterCard officials, four main factors determine interchange rates applicable to a given transaction:

- Type of card—Different interchange rates apply to different types of card products. For example, both MasterCard and Visa have separate interchange rates for general purpose consumer credit cards, reward credit cards, commercial credit cards (issued to businesses), and debit cards. The rates vary because the costs, risks, and revenues associated with these different card products vary for issuers; they also reflect the networks' goal of providing incentives for both issuance and acceptance of cards. For example, reward cards involve higher interchange fees for a number of reasons: According to network officials, such cards tend to provide greater benefits to merchants (in the form of average transaction amounts that are typically higher than those on standard cards) and to cardholders (in the form of cash rebates or points).
- Merchant category—The card networks classify merchants according to the line of business in which they are engaged. Interchange rates may reflect unique characteristics of different merchant categories, such as average profit margins and the way in which merchants authorize transactions. For example, according to card network officials, because

the supermarket industry tends to have very low profit margins, the networks set interchange rates to encourage supermarkets to accept cards. Also, the method in which a merchant authorizes payments can affect the extent to which a card network's system is used. (For example, hotels typically must authorize a payment at least twice—once at guest check-in to ensure the customer is authorized for the minimum payment amount, and again at checkout to authorize the final payment amount.) Additionally, some merchant types may qualify for special incentive interchange rates if a card network determines the merchant category has growth potential for card acceptance. For example, government organizations and utility providers receive lower interchange rates to encourage them to accept cards.

- Merchant size (transaction volume)—Both MasterCard and Visa set lower interchange rates for merchants in some categories that conduct high volumes of card transactions over their networks. For example, according to Visa's default interchange rates that were in effect as of October 2007, supermarkets that conducted a minimum of about 7 million Visa card transactions in calendar year 2006 qualified for lower rates than supermarkets that conducted fewer Visa transactions.
- Mode in which a transaction is processed—Interchange rates also differ depending on how a card transaction is processed. For example, transactions that occur without a card being physically present, such as in Internet transactions, carry a greater risk of fraud; therefore, higher interchange rates apply to these transactions. Similarly, swiping a card through a card terminal, rather than key-entering the account number, provides more information to the issuing bank to verify the validity of a transaction; therefore, swipe transactions are assessed a lower interchange rate.

Interchange Fees Are Not Directly Regulated, but Are the Subject of Legislative Initiatives and Litigation

Interchange fees are not regulated at the federal level in the United States. The Federal Reserve, under the Truth in Lending Act (TILA), however, is responsible for creating and enforcing requirements relating to the disclosure of terms and conditions of consumer credit, including those applicable to credit cards.¹⁹ In addition, the Federal Reserve and other federal agencies, including the Office of the Comptroller of the Currency,

¹⁹Pub. L. No. 90-321, Title I, 82 Stat. 146 (1968) (codified as amended at 15 U.S.C. §§ 1601-1666). See GAO, *Credit Cards: Increased Complexity in Rates and Fees Heightens Need for More Effective Disclosures to Consumers*, GAO-06-929 (Washington, D.C.: Sept. 12, 2006).

the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, and the National Credit Union Administration oversee credit card issuers. As part of their oversight, these regulators review card issuers' compliance with TILA and ensure that an institution's credit card operations do not pose a threat to the institution's safety and soundness. The Federal Trade Commission (FTC) generally has responsibility for enforcing TILA and other consumer protection laws for credit card issuers that are not depository institutions.

As of early 2008, interchange fees were the subject of federal and state legislative proposals. For example, the Credit Card Fair Fee Act of 2008, introduced in March 2008, would, according to one of the bill's sponsors, establish a process by which merchants and issuing banks could agree to set interchange fees and other terms of access to covered electronic payments systems without violating federal antitrust laws. Additionally, the bill would establish a three-judge panel, called the "Electronic Payment System Judges," to make determinations of access rates and terms for electronic payments systems. The purpose of the panel would be to conduct proceedings to ensure that the rates and terms established by participants in the system are calculated to represent the rates and terms that would be negotiated in a perfectly competitive marketplace, that is, a marketplace of willing buyers and sellers in which neither has market power.²⁰ Also, under legislative initiatives pending in some states, merchants who are parties to payment card agreements would be given access to information about the issuing bank's interchange fees, including a schedule of all interchange fees charged by the bank, as well as notice of any change in the fees.²¹ State bills also would, among other things,

- prohibit a financial institution that issues a credit card or debit card from charging any fee, including interchange fees, based on the sales and use tax portion of a retail sales transaction.²²
- prohibit a financial institution from increasing the fee based on the size or cost of a transaction.²³

²⁰H.R. 5546, 110th Cong. (2008).

²¹See, e.g., H.B. 2857, 82nd Leg., (KS 2008); L.B. 174, 100th Leg., (NE 2007); A.B. 7775, NY 2007-2008 Regular Sess. (2007).

²²S.B. 1138, 213th Leg. (NJ 2008); H.B. 3321 51st Leg., 2d Sess. (OK 2008).

²³See, e.g., H.B. 2856, 82nd Leg. (KS 2008).

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- call on Congress to assess the impact on merchants of interchange fees and other discount fees and to require credit card issuers to be more open with merchants about the costs of the payment systems in which they participate.²⁴

As of March 2008, none of the initiatives had been enacted into law.

Interchange fees also have been a factor in lawsuits alleging violations of the antitrust laws by credit card networks and related parties.²⁵ The plaintiffs in those cases alleged that interchange fees were an example of the networks' unlawful exercise of market power. As of October 2005, merchants had instituted at least 14 class action lawsuits in four separate districts against Visa and MasterCard and their member banks, alleging specifically that the defendants fixed interchange fees at supracompetitive levels in violation of Section One of the Sherman Antitrust Act.²⁶ Currently, in a consolidated action pending in the United States District Court for the Eastern District of New York, merchants claim that interchange fees have an anticompetitive effect in violation of the federal antitrust laws.²⁷ Appendix II provides additional information on cases that include, among other things, allegations that interchange rates were a function of anticompetitive conduct in violation of antitrust laws.

Government Entities Also Use Cards

Under GSA's SmartPay program, GSA negotiates master contracts with banks to issue cards to federal entities that participate in the program. The first SmartPay master contracts were established in 1998 with five banks.

²⁴Sen. J. Mem. Res. 8020, 60th First Reg. Sess. (WA 2007); H.J.R. 53 (VT. 2008).

²⁵These include cases involving allegations that interchange fees are evidence of the use of market power to commit unlawful price fixing and tying. See, e.g., *In re Visa Check/Mastermoney Antitrust Litig.*, 297 F. Supp. 2d 503 (E.D.N.Y. 2003) (Wal-Mart I), *aff'd* sub nom., *Wal-Mart Stores, Inc. v. Visa USA, Inc.*, 396 F.3d 96 (2d Cir. 2005) (Wal-Mart II); see also *United States v. Visa U.S.A., Inc.*, 163 F. Supp. 2d 322 (S.D.N.Y. 2001), *aff'd*, 344 F.3d 229 (2d Cir 2003), *cert. Denied*, 543 U.S. 811 (2004).

²⁶15 U.S.C. §§ 1 – 7.

²⁷*In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation*, 398 F. Supp.2d 1356 (MDL Oct. 19, 2005). According to the Magistrate Judge assigned to the case, as of February 2006 "some forty class action lawsuits" had been brought "on behalf of a class of merchants against the defendant credit card networks and certain of their member banks." *In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation*, 2006 U.S. Dist. LEXIS 45727; 2006-1 Trade Cas. (CCH) P75,278 (E.D.N.Y.) As of March 2008, the action remained in pretrial proceedings.

These contracts are set to expire in November 2008 and will be replaced by new master contracts with four issuing banks under GSA's SmartPay 2 program. Participating federal entities choose a bank from among those under contract with GSA that offer services that meet their needs, and develop individual task orders that specify the products and services that the banks will provide them. In negotiating their individual task orders, these federal entities also can specify to the issuing banks other services they may need to operate their card programs. For example, banks can provide tools that the federal entities use to monitor card usage and expenses, or customer service support, such as 24-hour emergency card service for federal employees.

Federal Entities Are Taking Steps to Control Costs while Realizing the Benefits Associated with Accepting Credit and Debit Cards

Federal entities realize benefits from accepting credit and debit cards, including increased customer satisfaction, fewer bad checks and cash thefts, and improved operational efficiency. Realizing these benefits entails costs, principally the merchant discount fees associated with card transactions but also the costs for related equipment needed to process the transactions. In fiscal year 2007, federal entities from which we collected data reported paying \$433 million dollars in merchant discount fees for the processing of over \$27 billion in credit and debit card revenues. As card acceptance has become more common, federal entities have worked to control the associated fees, including reviewing the ways in which transactions are processed to ensure they qualify for the lowest possible interchange rates. Additionally, FMS began a pilot program in which it is reviewing the revenue collection mechanisms of the federal entities for which it provides services, with the aim of identifying cost savings and efficiencies. FMS has reviewed collection cash flows for eight federal entities thus far and has identified cost-savings opportunities. While it plans to conduct over 100 more reviews, it has not yet developed a full implementation strategy for the program. Such a strategy would help ensure that FMS achieves the program's goals as expeditiously as possible and increase overall savings to the government.

Federal Entities Receive Numerous Benefits Associated with Card Acceptance

The ability to accept credit and debit cards provides a variety of benefits to federal entities, including greater customer satisfaction and improved internal operations. Officials at several federal entities noted that card acceptance helped to ensure that the federal entities would remain competitive with private sector organizations. Many of the officials we spoke with told us that consumers expect to be able to use cards to make payments, and some stated that they did not think they could stop accepting cards. For example, Amtrak officials stated that customers

paying with cards account for about 85 percent of its sales and that if they did not accept cards, the number of people who ride their trains would decline significantly. Among the benefits mentioned by federal officials with whom we spoke was that card acceptance improves customer satisfaction with their organizations because consumers like to use their cards for convenience, credit card reward programs, and security reasons. Accepting cards also has enabled entities to conduct business via the Internet, which can reduce labor costs associated with sales and also can provide greater convenience to customers. For example, officials from the U.S. Mint stated that about 50 percent of their sales occurred through the Mint's Web site. Some entities also stated that the ability to accept cards has increased their sales volume.

Federal entity officials also noted that accepting cards reduces the amount spent on processing other forms of payment. By accepting cards, federal entities incurred less expense in transporting cash, lower losses from theft of cash, and had fewer bad check expenses. For example, officials at the Department of the Interior noted that cash transport costs can be high for some remote parks and wildlife refuges. Several federal officials also stated that accepting cards has reduced the costs associated with processing checks, and that funds are deposited in accounts faster when customers use credit or debit cards than when they use checks. Additionally, Amtrak officials told us that accepting cards onboard trains for ticket and food and beverage sales resulted in fewer instances of employee theft of cash.

Finally, many officials cited that card acceptance improved internal operations at their entities. For example, officials at the Department of the Interior stated that payments made by credit cards result in a more streamlined bookkeeping approach because card sales involve less paperwork (for reconciliation) than other payment forms. Defense Commissary Agency (DeCA) officials also stated that they believed that labor associated with reconciling sales at the end of the day declined as a result of the reduced volume of cash. Additional operational efficiencies mentioned by officials included a reduction in costs and exposure to fraud and errors from misplacing or miscounting cash and checks. Some officials stated that the efficiencies gained in their internal operations as a result of card acceptance allowed them to reallocate staff to different and more productive uses. For example, officials at the Department of the Interior explained that card acceptance at automated kiosks allowed them to reallocate some staff that used to collect entrance fees to more productive tasks. Amtrak officials also stated that customers' ability to

purchase tickets using cards, especially through the Amtrak Web site, has reduced their labor costs.

Because the federal entities that utilize FMS's collection services are not responsible for the associated card-processing costs, we could not determine how officials at these agencies would regard card acceptance if they had to pay these costs. However, an official at one federal entity that accepts cards and pays the associated costs noted that it is difficult to assess if the savings from receiving less revenue in the form of cash or checks (and more from cards) sufficiently offsets the entity's card-related processing costs, including the interchange fees. He also stated that it is uncertain whether the entity receives higher revenues from accepting cards, as some customers would likely spend the same amount with them regardless of the type of payment used. However, customers demand convenient payment alternatives, and for some of their products, private sector entities provide similar services, and thus he believed the ability to accept cards allows the entity to stay competitive with these entities.

The federal entities we contacted were not able to provide comprehensive data on any cost savings from accepting cards. We identified various government, academic, and industry studies that compared the cost of processing for different forms of payment; however, many of these studies found that precise estimates were difficult to calculate. Additionally, while most of the studies we reviewed found cash to be the least expensive payment form to process, the methodologies used in the studies were not consistent and the data contained in many of them were outdated.²⁸

As Card Revenues Have Increased, So Have Associated Costs

The volume of revenues accepted through credit and debit card payments was growing for the group of federal entities we reviewed. Data on revenues collected by FMS, which processes the card transactions for a large number of federal executive, legislative, and judicial branch agencies and other federal entities, show that while credit and debit card

²⁸David B. Humphrey and Allen N. Berger. 1990. "Market Failure and Resource Use: Economic Incentives to Use Different Payment Instruments." In *The U.S. Payment System: Efficiency, Risk and the Role of the Federal Reserve: Proceedings of a Symposium on the U.S. Payment System. Sponsored by the Federal Reserve Bank of Richmond*, ed. David B. Humphrey, pp. 45-86. Boston: Kluwer Academic Publishers. D. D. Garcia-Swartz, R. W. Hahn, and A. Layne-Farrar, "The Move Toward a Cashless Society: Calculating the Costs and Benefits," *Review of Network Economics*, vol. 5, no. 2 (2006). D. Humphrey, M. Willeson, T. Lindblom, and G. Bergendahl, "What Does It Cost to Make a Payment," *Review of Network Economics*, vol. 2, no. 2, (2003).

transactions accounted for only 0.23 percent of the total federal government revenues FMS collected in fiscal year 2007, its card collections have grown by almost 28 percent in just 2 years—from approximately \$5.5 billion in fiscal year 2005 to almost \$7.1 billion in fiscal year 2007 (in current dollars). As shown in table 1, the other federal entities from which we collected data also experienced an increase in card payments over the 3-year period, with the total reaching approximately \$27 billion in credit and debit transactions for fiscal year 2007.²⁹ (App. I contains a detailed discussion of our data sources and analysis of the data reported to us from the federal entities.)

Table 1: Credit and Debit Card Revenues Collected and Merchant Discount Fees Paid by Federal Entities, Fiscal Years 2005–2007

(in current dollars)

Fiscal year	Entity	Credit and debit card revenues collected (dollars in billions)	Merchant discount fees paid ^a (dollars in millions)	Average merchant discount rate
2005	Financial Management Service	\$5.5	\$70	1.26%
	NAFIs (all)	7.5	128	1.72
	U.S. Postal Service and Amtrak	9.3	143	1.54
	Total	22.3	341	1.53
2006	Financial Management Service	6.3	89	1.41
	NAFIs (all)	8.3	139	1.67
	U.S. Postal Service and Amtrak	10.4	160	1.54
	Total	25.0	387	1.55
2007	Financial Management Service	7.1	101	1.43
	NAFIs (all)	8.5	150	1.75
	U.S. Postal Service and Amtrak	11.5	182	1.58
	Total	\$27.1	\$433	1.60%

Source: GAO analysis of federal entity data.

Note: Not all entities from which we collected data operate on the federal fiscal year of October 1 through September 30; therefore, the data presented for fiscal years represent some costs associated with dates that fall outside of the federal fiscal year.

^aWe use the term “merchant discount fee” throughout this report to refer to the card acceptance fees paid by federal entities. For FMS, the merchant discount fees are not “discounted” from the amount of the card payment. Instead, FMS settles card transactions “at par,” and all costs associated with card acceptance are paid separately.

²⁹Not all entities from which we collected data operate on the federal fiscal year of October 1 through September 30; therefore, the data presented for fiscal years represent some costs associated with dates that fall outside of the federal fiscal year.

As revenues from card payments have increased, so has the total amount of merchant discount fees paid by the federal entities from which we collected data. These federal entities reported paying a total of almost \$433 million in merchant discount fees in fiscal year 2007 (see table 1). This figure represents an almost 12 percent increase over the amount paid in fiscal year 2006 and an almost 27 percent increase over the amount paid in fiscal year 2005. The average merchant discount rate increased about 4 percent from fiscal year 2005 to fiscal year 2007.

Among the entities included in our review, Amtrak, FMS, and the Postal Service provided data specifically showing the amount of interchange fees associated with their Visa and MasterCard transactions (their acquiring banks provide them with these data). These three entities paid a total of approximately \$205 million in interchange fees during fiscal year 2007, out of a total \$218 million in merchant discount fees specifically for MasterCard and Visa transactions.³⁰ These interchange fees accounted for the majority of total merchant discount fees these entities paid for accepting all card types. As card revenues and merchant discount fees increased for these three entities, so did the interchange fees they paid. Interchange fees increased by almost 36 percent, from almost \$151 million in fiscal year 2005 to \$205 million in fiscal year 2007 (in fiscal year 2006, they were \$179 million).

For a variety of reasons, some of the Department of Defense and Department of Homeland Security NAFIs were not able to separate interchange fees from the total merchant discount fees they paid. (For example, according to an official from one entity, its contract with its acquiring bank specified that all credit card transactions would be charged a fixed percentage fee, regardless of the interchange fees associated with a particular transaction; therefore, the entity did not have specific information on interchange fees.) The data provided by these entities showed that both card revenues and the associated merchant discount fees increased over the 2005 to 2007 period. Revenues from sales made on cards were about \$7.5 billion in fiscal year 2005 and over \$8.5 billion in

³⁰This estimate for interchange fees paid includes fees associated with PIN debit transactions as well as MasterCard and Visa credit and signature debit transactions. We were not able to determine the portion of the PIN debit interchange fees that were specifically paid for Visa and MasterCard PIN debit transactions. It is possible that some of the PIN debit transactions reported by these entities were routed through other debit networks and, therefore, are not necessarily Visa and MasterCard transactions. Also, some federal entities included quarterly fees paid to Visa and MasterCard in the interchange fees figures they reported; therefore, our estimated interchange fee amount includes these fees.

fiscal year 2007, an approximately 14 percent increase. The merchant discount fees for card payments at these entities also increased from approximately \$128 million in fiscal year 2005 to almost \$150 million in fiscal year 2007, an increase of almost 17 percent.

For some payments made using cards, the government does not bear merchant discount costs.³¹ For example, consumers can pay their income and business taxes to the Internal Revenue Service (IRS) using cards. To accept these payments, IRS has agreements with two private third-party entities that process payments for individuals or businesses that choose to use a credit or debit card to make a tax payment. The two private entities charge a convenience fee of 2.49 percent of the total tax payment for taxpayers who use their services, a portion of which covers the merchant discount fees paid by the third-party entity to its acquiring bank.³² In fiscal year 2007, these merchant discount fees totaled about \$47.5 million for approximately \$2.4 billion in tax payments, an 85 percent increase in tax payments made with credit and debit cards from fiscal year 2005.

In addition to the interchange and processing fees that make up the merchant discount fee, federal entities face other costs associated with the acceptance of credit and debit cards. For example, entities must pay for equipment and software for card transactions, such as point-of-sale terminals, keypads for PIN debit card transactions, computers, modems, and printers, and pay for their installation and maintenance. While FMS pays the merchant discount fees associated with card transactions for entities for which it settles transactions, it does not pay for the costs associated with equipment and software; these costs are the responsibility of the entities. Other costs of accepting cards include complying with industry security standards, known as the Payment Card Industry Data Security Standard, training employees to process and reconcile card transactions, and experiencing losses associated with fraudulent use of cards. However, information provided by some entities indicated that

³¹We did not include such transactions in compiling the total merchant discount fees paid by federal entities for card acceptance. Instead, we provide this information as an example of additional fees that are paid by consumers for card acceptance associated with government payments.

³²This fee also applies to debit card payments in which the taxpayer does not enter a PIN to authorize the transaction. Beginning in the 2008 tax season, both third-party entities will have implemented PIN-less debit capabilities in which a customer's card number will be recognized as a debit card and routed through the appropriate card network for a flat fee of \$2.95.

these additional costs were not significant compared to merchant discount fees.

Federal Entities Are Making Efforts to Reduce Card Acceptance Costs

As card acceptance has grown, federal entities have used several methods to manage their costs and reduce the fees associated with card transactions. One method is to ensure that their Visa and MasterCard transactions are processed so as to qualify for the lowest applicable interchange rate. Both Visa and MasterCard have a merchant category for federal entities, and the interchange rates for the transactions of merchants in these categories are lower than those for many other merchant categories.³³ As long as federal entities' transactions meet all applicable processing requirements—for example, they must be submitted for final settlement in a timely manner—the entities are charged the interchange rate applicable to those merchant categories. For example, as of April 2008, if transactions met all applicable processing requirements, government entities accepting a MasterCard consumer credit card as payment would pay an interchange fee of 1.55 percent of the transaction amount plus \$0.10, and if accepting a Visa consumer credit card, an interchange fee of 1.43 percent of the transaction amount plus \$0.05.³⁴ (In comparison, the interchange rate applicable to a MasterCard general purpose consumer credit card transaction at some fast food stores is 1.90 percent.) In some cases, card transactions at federal entities can be assessed a lower rate. For example, FMS officials told us that the DeCA's transactions qualify to be processed using the interchange rate applicable to the supermarket merchant category, which can range from 1.27 percent to 1.48 percent plus \$0.05 for MasterCard general purpose consumer credit card transactions, depending on the volume of card transactions processed.

Given that the method in which the card is accepted, transaction volume, and other factors can affect interchange rates, many federal entities have taken steps to ensure that the acceptance and processing procedures they follow result in the most advantageous interchange rates applying to their transactions. For example, Amtrak officials explained that by replacing card machines (that embossed paper receipts) with wireless card

³³This category is referred to as Public Sector for MasterCard and Customer Payment Service Retail 2 (Emerging Markets) for Visa.

³⁴Different interchange rates may apply when a commercial card is presented for payment at a federal entity.

terminals on trains, they were able to significantly reduce the interchange rates that applied to transactions made aboard their trains, because the electronic transaction qualified for a lower interchange rate than the paper transactions.

Moreover, FMS officials explained that before the agency signed the current agreement with their acquiring bank in August 2006, they carefully reviewed the bank's interchange management capabilities and incorporated provisions to ensure that the bank employs them. For example, the bank is responsible for monitoring how card transactions are being processed and the interchange rates they are being assessed. In addition, the bank provides FMS with daily and monthly reports that provide various levels of detail on the interchange fees paid. Both the bank and FMS officials review these reports to identify instances in which transactions may have been charged a higher interchange rate—known as a downgrade—because they were not processed under the requirements necessary to qualify for a lower rate. An FMS official stated that FMS then works with the acquiring bank and individual federal entity that processed the transaction to identify the reasons and to resolve the problem in order to avoid future downgrades. For example, an FMS official explained that in one instance a DeCA store had a broken card terminal in a checkout aisle that prevented employees from swiping cards. Instead, employees keyed in card information, which resulted in a number of transactions being downgraded and assessed a higher interchange rate. With the assistance of FMS's acquiring bank, the problem was identified and DeCA employees were told that should the problem reoccur, they are to use other terminals to process card transactions, which would ensure they would not be assessed a higher rate. An FMS official stated that under the current agreement with its acquiring bank, very few transactions have been downgraded; however, FMS still works to resolve these instances when they occur so that the total cost associated with government transactions can be reduced. Officials of two other federal government entities told us that they similarly review data provided by their acquiring banks to identify opportunities to reduce fees.

Another way that several federal entities have attempted to control fees associated with card acceptance is by expanding their ability to accept PIN debit card payments. For example, PIN debit transactions generally are assessed lower interchange rates than "signature" debits, and therefore some federal entities are beginning to implement the technology necessary to accept these transactions. While federal entities must make an investment in the equipment needed to process PIN debit transactions (for example, PIN pads), one entity told us that the much lower interchange

rates associated with PIN debit transactions justified the investment. An FMS official stated that the only entity for which it processes card transactions that currently has the ability to accept PIN debit cards is DeCA; however, as entities undergo equipment upgrades, FMS works with them to identify equipment that may lower overall collection costs. For example, one federal entity is in the process of developing a new terminal system for card collections, and as part of this process, FMS is encouraging the entity to implement a system that has the capability to process PIN debit transactions. Additionally, some of the military NAFIs with which we spoke adopted technologies necessary to accept PIN debit cards, stating that they too recognized the cost savings associated with these transactions.

Federal entities also can reduce card acceptance fees by changing the way in which they or their acquiring banks connect to various card networks. For example, Postal Service officials explained that they were in the process of converting to a new method of processing transactions called a payment switch, which will funnel all of the information from the Postal Service's 70,000 terminals into one settlement file at the end of the day. The file then is sent to a third-party card processor. The officials explained that the payment switch will reduce substantially the processing fee component of card payment costs, because the technology in the payment switch allows for routing each transaction to the lowest cost processor. Additionally, the payment switch will enable the Postal Service to send some card transactions directly to a card company rather than through the third-party processor, reducing the cost of accepting those transactions. FMS's current acquiring bank has also implemented changes in the method by which it processes PIN debit card transactions. FMS officials explained that the bank identified a method for routing PIN debit card transactions to different networks so that the costs for processing the transaction are minimized, resulting in annual savings of almost \$300,000 for FMS.

Federal Entities Have Attempted to Negotiate Lower Fees

Another way in which federal entities have acted to reduce card acceptance costs is by negotiating with their acquiring banks for lower merchant discount rates or with card networks for lower interchange rates. Some of the federal entities we reviewed have realized card acceptance savings by negotiating new acquiring bank services contracts. These entities were able to negotiate lower rates for the processing component of the merchant discount rate applied to their transactions. For example, by signing a new acquiring bank agreement, one federal entity received a substantial reduction in the processing fee component of

its merchant discount rate. Also, to obtain a more favorable merchant discount rate for their transactions, officials from some of the military service NAFIs have been working together to try to negotiate a lower merchant discount rate with American Express on the basis of the volume of transactions they provide to that company.

Officials at some of the entities with whom we spoke stated that they did not believe they could negotiate effectively with the card networks—MasterCard and Visa—for lower interchange rates for their transactions. However, some federal entities stated that they have attempted to negotiate and have had varying levels of success:

- FMS officials told us that they tried to negotiate lower interchange rates with both Visa and MasterCard by stating that some factors that are included in determining interchange rates do not necessarily apply to federal government transactions. For example, FMS officials argued that the federal entities that participate in the Card Acquiring Service pose less risk than other merchant types and that there is no risk of delinquency on the part of the Treasury. FMS officials stated that their negotiations were not successful and that they were not able to negotiate lower interchange rates.
- Officials from the Postal Service also explained their attempts to negotiate with the card networks. They stated that they believe lower interchange rates should be applied to their transactions for a variety of reasons. First, the Postal Service estimates that it is one of the top U.S. merchants in terms of card transaction volume. Second, there is less risk of fraud than some other merchants because most transactions are conducted face to face. Third, the Postal Service operates a large retail network with 35,000 offices, self-service terminals, mail and phone orders, plus a Web site that receives approximately 30 million hits per month and provides a great amount of visibility for the networks. Fourth, the Postal Service has its own law enforcement agency that investigates instances of fraud, including fraudulent use of cards where merchandise travels through the mail. These investigations result in the recovery of merchandise as well as stolen card data and in some cases the arrest of international criminals to the benefit of the credit card industry. They noted that the benefit of such a service to the card networks was not reflected in the interchange rates applicable to Postal Service transactions. The officials did state that they have had some limited success in negotiations with the card networks resulting in some small cost savings.
- Officials from another federal entity told us that they have had some success in receiving funds from one of the networks as a result of a joint

marketing program. The funds could be used to reduce interchange costs and/or for additional marketing efforts; however, the details of the negotiations are bound by confidentiality agreements and are considered proprietary information. The officials explained that negotiations of this type are not typical of federal entities because of the limited marketing opportunities available to most government entities.

Although some federal entities have had some success in negotiating lower interchange rates for their transactions, whether additional opportunities exist for further reductions in interchange rates is unclear. According to officials of MasterCard and Visa, among the factors that are considered when setting interchange rates is whether the industry or sector represents a new market for credit and debit cards. According to these officials, they see government payments as a market in which they hope to increase card acceptance and transaction volumes; thus, the interchange rates that Visa and MasterCard set for government transactions are lower than those of many other merchant categories. Additionally, officials at both MasterCard and Visa told us that opportunities exist for merchants, including federal entities, to negotiate for lower interchange rates assessed on their transactions. For example, the MasterCard officials explained an instance in which, in response to rapidly rising gasoline prices, they worked with gasoline merchants to develop a cap on the interchange fees that can be charged on petroleum purchases. Officials from both networks explained that they have individuals dedicated to developing customized arrangements with merchants and that these negotiations involve identifying mutually beneficial arrangements for both the merchant and the network. Also, we found it difficult to assess whether federal entities could negotiate rate reductions based on their relative transaction volume or aggregate card revenues, because we could not identify any publicly available data we could use to determine how the federal government's total transaction volume or aggregate card revenues compare with those of other large merchants.

FMS Has Begun a Program to Identify Cost Savings Opportunities, but Has Yet to Develop a Full Implementation Strategy

In addition to looking for opportunities to reduce card acceptance costs, FMS has initiated a program to review the overall cash management practices of federal entities. In its role as the federal government's central collection services provider, FMS provides federal entities with a number of alternative revenue collection mechanisms to meet their needs. It is also responsible for ensuring that the federal government's collection activities are efficient and that costs are minimized. Additionally, according to FMS,

the Deficit Reduction Act of 1984 authorizes FMS to conduct periodic cash management reviews of federal entities' financial operations.³⁵ In the past, FMS allowed federal entities for which it collected revenues to pick from the variety of collection mechanisms that FMS offered without examining the most cost-efficient mechanisms of collecting the revenue. However, the Office of Management and Budget's (OMB) 2004 assessment of FMS's collections program identified the need for FMS to develop additional techniques to convince the federal entities to reduce paper-based collections.

In 2007, FMS piloted a program to review the revenue collection mechanisms used by the federal entities for which it collects revenues, and how and from whom payments to these entities typically are made. The reviews are designed to identify inefficiencies in current collection mechanisms and to help FMS attain one of its strategic goals of providing timely collection of federal government revenues, at the lowest cost, through electronic means. According to FMS officials, the program is not focused on card transactions, but rather on overall payment management improvements. The reviews will allow FMS to work with federal entities to take advantage of advances in lower-cost technology that may have occurred since the entities began using their existing mechanisms. Among other things, FMS is examining whether entities are using paper collection mechanisms when they could instead be using electronic mechanisms, or—if electronic mechanisms are already being used—opportunities to reduce any associated fees by substituting cheaper electronic mechanisms. For example, if an entity accepts credit cards, FMS may also suggest cheaper collection alternatives, such as PIN debit cards or automated clearinghouse transactions.³⁶ Once it has reviewed an entity's collections and processes and identified improvements, FMS develops an agreement that details the changes to be made and the timeline for implementing them. FMS officials explained that while entities are not mandated to implement changes in their collection mechanisms, the

³⁵Pub. L. No. 98-369 § 2652, 31 U.S.C. § 3720; see also 31 C.F.R. Part 206 and Department of the Treasury, Financial Management Service, *Cash Management Made Easy* (Washington, D.C., 2002). These reviews examine and analyze agency management of the following programs: collections and deposits, disbursements, inventories, imprest funds (such as petty cash funds), and other cash held outside the Treasury. The federal entity and FMS agree on any recommendations from these reviews and on plans for improvement.

³⁶The automated clearinghouse is a processing and delivery system that provides for the distribution and settlement of electronic financial transactions. Debits and credits are cleared electronically, rather than through the physical movement of checks or cash.

agreements will provide for an “inefficiency charge” that will assess penalties to the entity if the agreed-upon recommendations are not implemented by the dates stipulated in the agreement. Such charges will be calculated on a per transaction basis and require that the entity transfer funds to the Treasury to cover the amount.

In determining which entities to review for the pilot phase, FMS officials said that their focus for the program was first on the 24 Chief Financial Officer (CFO) agencies identified in the Chief Financial Officers Act of 1990.³⁷ FMS officials said that they also focused on entities that showed the most potential for savings that could be realized by revising their collection mechanisms. Criteria used for selecting agencies to participate in the pilot program included (1) the dollar volume of the entity’s collections, (2) the amount of revenue not collected in electronic form (that is, cash and checks), and (3) entities with whom FMS previously experienced good cooperation in converting paper processes to electronic mechanisms.

As of March 2008, FMS had reviewed collection cash flows at eight federal entities and had drafted agreements to implement revised collection procedures with each.³⁸ The results confirm that opportunities for improvement exist, although only two of the eight agreements have been signed (the agency’s goal for the program for fiscal year 2008 is to have at least six of the eight agreements signed). Through the eight agreements that have been developed, FMS has identified various potential process improvements and changes that would result in recurring cost savings. For

³⁷See 31 U.S.C. § 901(b). The agencies listed in this provision are the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, Justice, Labor, State, Transportation, the Treasury, Veterans Affairs, and the Environmental Protection Agency, the National Aeronautics and Space Administration, the Agency for International Development, the General Services Administration, the National Science Foundation, the Nuclear Regulatory Commission, the Office of Personnel Management, the Small Business Administration, and the Social Security Administration.

³⁸The eight entities ranged from individual agencies or bureaus to entire federal departments, due to differences in the complexity of entities’ revenue streams. The entities that participated in the pilot included the Department of Agriculture—Forest Service, Department of Defense—Defense Commissary Agency, Department of Education—Federal Student Aid and Administrative Office; Department of Homeland Security—Customs and Border Protection; Department of Housing and Urban Development; Department of the Treasury—Internal Revenue Service; Department of Labor—Employment and Training Administration and Employment Standards Administration; and National Aeronautics and Space Administration.

example, FMS staff determined that replacing the check-processing method DeCA used with a more advanced method that converts paper checks to electronic images at the point of sale would produce savings each time a check is presented at a DeCA location. FMS officials told us that they previously had developed a general estimate for cost savings that could be achieved by converting from paper collection mechanisms to electronic collection mechanisms before beginning the program; however, they have not developed cost savings estimates that would be achieved by implementing the specific actions that they have recommended at each of the entities they have reviewed thus far. At our request, FMS officials developed an estimate of the cost savings associated with a recommendation contained in one of the draft agreements they have prepared. FMS estimated that if IRS converted 67 million payments currently being received in paper to transactions processed by an electronic system, savings of approximately \$40 million annually would result.

FMS officials stated that they have begun to prioritize the order in which they will conduct reviews for the remainder of the federal entities. They estimate that they will conduct reviews, and draft agreements, with as many as 85 entities within the 24 CFO agencies. An FMS official estimated that the average length of the reviews they plan to complete should take approximately 6 to 9 months; however, each of the reviews that have been conducted as part of the pilot have taken longer. FMS officials attributed the extra length of time to conduct reviews during the pilot phase to the fact that the program is new, and they have spent time developing a standard review process and templates for the agreements. Additionally, the officials explained that much of the success and length of time a review takes is dependent on the willingness of the entities to work with FMS and to incorporate the recommended changes into their existing mission and goals. After reviews of the CFO agencies are completed, FMS officials anticipate that an additional 29 reviews will be conducted for the non-CFO agencies for which FMS provides collection services. The FMS staff responsible for conducting these reviews consists of five full-time staff members that constitute a new customer relationship management group formed in the last few years, and performing the reviews currently consumes the majority of these staff members' time. In addition to these five staff members, FMS has a director who oversees the program, as well as staff in various program areas within FMS that assist in different stages of the reviews.

Because FMS began this program as a pilot, it has not developed a full implementation strategy that could help ensure an appropriate resource

commitment and timely attainment of its goals. For example, FMS officials told us they have not developed a timeline for completion of the reviews for all agencies because they are focused on the 24 CFO agencies. However, because this program will help FMS achieve its strategic goal of increasing the percentage of federal government revenues collected electronically—a percentage that has remained constant for the last 3 fiscal years—establishing a targeted timeline for completing the remaining reviews could help FMS ensure that it makes progress toward this goal. In addition, in its 2004 review, OMB noted that FMS lacked policies and techniques for convincing federal entities to eliminate paper-based collections. Including in its reviews estimates of the cost savings to be achieved by implementing the recommended changes could help FMS emphasize to the entities the importance of acting on the recommendations that it identifies. Finally, FMS has already found that reviews are taking more time to complete than it initially anticipated. The cost savings associated with implementing the efficiencies identified in the reviews are both immediate and recurring. Accordingly, as the pilot program is fully implemented, ensuring that it has adequate resources for completing the reviews expeditiously would help achieve the program's goals.

Other Countries Have Acted to Influence Interchange Rates, but Limited Information Is Available on the Effects of These Actions on Consumers

Authorities in as many as 26 countries have taken or considered actions intended to either limit interchange fees or improve card payment systems. In the 3 countries we examined in more detail—Australia, Israel, and Mexico—reforms designed to effect reductions in interchange rates were undertaken as part of broader efforts to change payment systems or card markets; thus, isolating the effects of the interchange interventions is difficult. Further, differences regarding the regulatory and market structures between these countries and those of the United States make it difficult to estimate the effects of any similar actions in the United States.

Foreign Jurisdictions Have Taken Actions Regarding Cards

According to information from regulators, card networks, and others, actions regarding card fees, issuer practices, or payment system functioning in general have been taken or considered in as many as 26 countries as well as the European Union in the last 18 years.³⁹ These actions were described as, among other things, agreements between card networks or issuing banks and governmental authorities, as well as decisions by antitrust tribunals and commissions. For example, in December 2007 the European Commission issued a decision finding that MasterCard's interchange fees for cross-border transactions in the European Economic Area violate European Community Treaty rules on restrictive business practices.⁴⁰ In addition, the commission recently announced that it would conduct an inquiry into whether Visa's interchange fees similarly violate the treaty rules.⁴¹ In some cases, the actions taken are under appeal in these jurisdictions.

In reviewing information available from U.S. and foreign regulators, card networks, and other sources, we determined that Australia, Israel, and Mexico had taken actions affecting various parts of their card and payment system markets in recent years, including actions specifically addressing merchant discount or interchange fees. However, data on the impact of the actions taken in these three countries are limited. The following sections summarize the actions in the three countries.

Australia

A 1998 amendment to Australia's Reserve Bank Act created the Payment Systems Board within Australia's central bank, the Reserve Bank of Australia (RBA), and tasks the board with ensuring the efficiency, competition, and stability of that country's payment system. In 2000, RBA published the results of a study that it conducted with the Australian Competition and Consumer Commission, which concluded that prices to cardholders for various forms of card payments did not generally reflect the relative costs of those forms of payments. The authors of the 2000 study noted that merchant discount rates for credit card transactions averaged 1.78 percent, which included average interchange rates of 0.95

³⁹Included in the countries identified by the sources are Argentina, Australia, Austria, Brazil, Canada, Chile, Colombia, Denmark, France, Hungary, Israel, Mexico, New Zealand, Norway, Panama, Poland, Portugal, Romania, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Turkey, and the United Kingdom. GAO did not conduct an independent survey or in-depth legal analysis of actions taken by foreign countries.

⁴⁰IP/07/1959, Brussels, 19 December 2007.

⁴¹MEMO/08/170, Brussels, 26 March 2008.

percent. RBA officials explained to us that because card users do not directly pay some of the costs of using cards, including interchange fees, consumers' use of credit cards at the expense of other lower-cost payment methods, such as debit cards was inefficient for their economy as a whole.

To help remedy this perceived inefficiency, RBA first attempted to encourage voluntary action on the part of the credit card industry. When these attempts were unsuccessful, RBA set a ceiling applicable to average credit card interchange rates, which took effect in 2003.⁴² RBA officials explained that to determine how to assess appropriate interchange rate levels, they worked with card networks to identify the range of costs incorporated in the calculation of interchange rates. After considering these costs, RBA officials decided that costs associated with transaction processing, fraud and fraud prevention, authorizing transactions, and financing the period between the time the merchant is paid and the time that the issuer receives payment should be covered by the interchange fees, while costs associated with credit losses should not be. To lower interchange rates from their then current levels, the central bank set a benchmark rate that excluded the disallowed costs, and required that the weighted average of the rates set by each four-party credit card system—which at that time included Visa, MasterCard, and a domestic card brand called Bankcard—not exceed that benchmark.⁴³ RBA officials stated that they chose to use a cost-based method because it appeared to be a transparent and objective way to lower interchange rates. As a result of the reforms, the average interchange rate in the Visa and MasterCard networks declined from 0.95 percent to around 0.50 percent. In addition to the actions taken to limit credit card interchange fees, the central bank also took several other actions designed to promote efficiency and competition in the payment systems during the same period.

Israel

In the late 1990s, officials at the Israel Antitrust Authority (IAA) considered actions to address a lack of competition in their country's credit card market. The market was dominated by two companies, each of which issued and acquired its own major card brand. The rates of merchant discount fees charged by these companies differed according to merchant type, and estimates of the average merchant discount rate at that

⁴²In Australia, the credit card market is structured differently from the debit card market, and the regulation of debit interchange fees has proceeded in a different manner. We focus our discussion on developments affecting credit card interchange fees.

⁴³Bankcard was a domestic credit card that closed in the first half of 2007.

time varied. Some estimated averages reported in 1997 and 1998 ranged from 1.9 percent to 2.46 percent. In 1998, a second company began issuing Visa cards and acquiring Visa transactions in Israel. According to IAA officials, the two Visa issuers executed an agreement between them that included provisions setting the interchange rates applicable to transactions involving their cards. IAA declared the agreement between the companies to be a restraint of trade under Israeli antitrust law, but granted the agreement several exemptions in return for a gradual reduction in the interchange fees, under the condition that Visa conduct an issuer cost study that would provide the IAA with data to establish a suitable and acceptable interchange fee. After these exemptions expired and the IAA found the data provided by the Visa companies to be incomplete, the law required that banks obtain approval of their agreement from the Israeli Antitrust Tribunal—a court with exclusive jurisdiction over noncriminal governmental antitrust proceedings. After years of discussions on the appropriate costs to be covered and different methodologies for setting interchange rates, the Israeli Antitrust Tribunal issued a decision in 2006 that the costs that could be considered in calculating interchange rates included those relating to

- processing transaction authorizations,
- financing the period between when the merchant is paid and when the issuer receives payment, and
- payment guarantee (including both costs involving losses due to cardholder fraud and costs related to prevention of such fraud).

At the same time that this decision was reached, the two Visa issuers, along with Israel's single MasterCard issuer, agreed with IAA to contract with merchants to accept both Visa and MasterCard transactions and to gradually reduce interchange rates. Under this agreement, interchange rates are to gradually drop from their October 2006 level of 1.25 percent to 0.875 percent by 2012. As of January 2007, interchange rates fell to 1.2 percent in keeping with the agreement. In addition, in accordance with the tribunal's decision many of the categories based on merchant type will be eliminated. However, the transactions of government entities that accept cards in Israel will continue to be eligible for a lower interchange rate, also in accordance with the tribunal's decision, under the theory that government entities do not benefit from the payment guarantee, because they have other ways of guaranteeing payment (for example, confiscating assets), and so the interchange fee charged on its acceptance transactions should not include that cost. Although the Antitrust Tribunal has

temporarily approved this agreement, it has stated that final approval cannot occur until an independent expert appointed by IAA determines that the agreement is consistent with the tribunal's approved methodology for setting fees.

Mexico

Given responsibility for ensuring the proper functioning of payment systems, the Banco de Mexico (the Mexican central bank) has been encouraging the use of more efficient means of payment. In 2004, the Banco de Mexico was granted specific authority to regulate interchange fees in response to concerns by legislators in that country regarding the amount that banks were charging for services as well as the lack of sufficient information for cardholders and merchants. Shortly after the 2004 law was passed, the Association of Mexican Banks, which establishes interchange rates in Mexico, undertook a review of interchange rates and under the supervision of the Mexican central bank, began to develop a method to set them. In addition, the association and the central bank reviewed the way in which interchange rates applied to merchants. For example, five different interchange rates could be applied to transactions, depending on the merchant's expected annual sales volume, with merchants with higher sales volumes receiving lower rates. Mexican central bank officials explained to us that they believed this led to discrimination against small merchants, and as part of the reforms, the bank association introduced new categories that were based on merchant type rather than size.

To address interchange rates, the bank association under the supervision of Banco de Mexico established a method to set a "reference" interchange rate. In contrast to the cost-based approaches used by Australia and Israel, the bank association used a model that balances issuing and acquiring banks' profits (net of interchange) through the interchange fee. Prior to these developments, the interchange rates for credit cards averaged about 2.73 percent. Since that time rates have declined. In February 2005, the association reduced the credit card interchange rate by an average of 43 basis points and also eliminated the highest bracket of rates for credit cards.⁴⁴ Because some of the disadvantages of the previous system persisted despite this intervention, in October 2005 the association proposed a new mechanism for setting a reference interchange rate, which accounts for issuer and acquirer revenues and expected network growth in addition to issuer and acquirer costs. The association then adjusted the

⁴⁴A basis point is equal to .01 percent or 1/100th of a percent.

single reference rate to account for differences in merchant type, resulting in 22 different merchant categories, most of them with different applicable interchange rates. The association and the central bank continue to work together to refine this method. As of January 2008, the effective reference interchange rate for credit cards was lowered to 1.61 percent.

Limited Information on the Effects of Interchange Rate Intervention Suggests Some Benefit to Merchants and a Mixed Picture for Consumers

In the three countries we examined, incomplete information is available on the impact of actions to reduce interchange rates, but available data indicate that merchants appear to have benefited, while the impact on consumers has been mixed. Because the actions relating to interchange rates in these countries generally coincided with various other changes in credit and debit card markets, researchers' ability to isolate and measure the specific effects of interchange rate intervention has been limited. However, merchants in these countries generally appear to have received benefits in the form of lower merchant discount rates. Data on merchant discount rates for credit cards in Australia show a significant decline in these rates since the reforms were instituted and suggest that changes in interchange rates have been reflected in merchant discount rates. The Australian central bank reported that the average merchant discount rate for Bankcard, MasterCard, and Visa had fallen by around 62 basis points to 0.79 percent between the September quarter of 2003, just prior to the reforms, and the December quarter of 2007, which was greater than the decline in interchange rates over that period. Merchant discount rates for American Express and Diners Club cards, although not regulated by the central bank, also fell by 0.29 and 0.18 percentage points, respectively, between September 2003 and December 2007. In September 2007, the central bank estimated that, in the aggregate, merchants' costs for card acceptance over the previous financial year were about \$920 million lower than they would have been absent the reforms. Similar reductions also have occurred in Mexico as the credit card merchant discount rates across all businesses declined an average of 8 percent, from 2005 through 2006. According to information provided by IAA, average merchant discount rates have declined in Israel since 1998, especially for Visa cards; however, other factors may have contributed to the overall decline in merchant discount rates in Israel. For example, other regulatory actions relating to limiting merchant discount rates also were being taken during this period. In addition, officials from the antitrust authority expressed the belief that the increased competition in the Visa issuing market since 1998 has contributed to the lower merchant discount rates.

Evidence relating to impacts on consumers since the interchange rate intervention in these countries is limited. In Australia, where the reforms

have been in effect long enough to allow for some study, cardholders have experienced a decline in the value of credit card reward points for most cards and an increase in annual and other consumer credit card fees. For example, RBA estimated that average annual fee revenue from fees, such as cash advances and late payments on bank-issued personal credit cards has doubled from around \$40 per account in 2002 to around \$80 in 2006, although it did not estimate the total amount paid by all cardholders. RBA officials attributed these changes to their reforms of the credit card system. Although card users may receive fewer rewards and experience higher fees when using their cards, consumers in Australia that want to use cards to finance purchases may benefit from the lower-interest cards that issuers began increasingly offering after the reforms were implemented. Regulators indicated that banks altered their business models when interchange fees were reduced to focus more on attracting cardholders who carry a balance. This may have been due, in part, to decreased revenue from interchange fees. In addition, Australia's central bank has not been able to discern whether merchants have passed along their reduction in the costs of accepting cards—resulting from the reforms—in the prices charged for retail goods and services. An RBA official told us, however, that while such an effect would not likely be measurable, he believed competition among merchants would lead merchants to pass some portion of a reduction in their costs along to consumers. RBA's assessment of the reforms' effects on overall welfare is positive and it estimates that welfare gains are likely substantial.

In addition to the impact on merchants and consumers in the three countries we examined, other developments in these countries' payment system markets have occurred since interchange rates were lowered. For example, in Australia, the central bank found that over the past few years, the number and value of debit card payments grew more quickly than those of credit card payments. The central bank stated that this difference reflects slowing growth in the number of credit card transactions—in part resulting from cutbacks in credit card rewards and the introduction of surcharges—as well as increasing growth in the number of debit card transactions due in part to new types of deposit accounts offered by banks that make debit card transactions more attractive. Additionally, the combined market share of MasterCard, Visa, and Bankcard decreased, and the combined market share of American Express and Diners Club correspondingly increased by about 1 percent to around 16 percent of the

value of credit card transactions.⁴⁵ The Mexican central bank reports that the number of credit and debit card payments increased significantly in the last few years. In addition, several new banks have entered the issuing and acquiring markets and concentration in these markets has decreased, although both markets still continue to be relatively concentrated compared to that of the United States. In Israel, IAA officials told us that too little time has passed to evaluate the effects of their reforms; however, they expect that the creation of a single interchange system will yield efficiency gains and promote competition for the benefit of consumers.

Potential Effects of Taking Similar Actions on Interchange Fees in the United States Are Uncertain

The extent to which similar actions to lower interchange rates in the United States might reduce costs to merchants and consumers is unclear. While actions in the three countries examined appear to have reduced the costs to merchants for accepting cards, less information was available on the impact on consumers. In Australia, for example, costs for card users appear to have increased, but having these individuals experience higher costs could be considered more efficient and appropriate than merchants passing their card acceptance costs along to all consumers through higher prices for goods and services, as RBA concluded was occurring before the reforms. However, whether consumers choosing to make purchases with other forms of payment have experienced any benefits was not clear.

In addition, variations in payment systems across the countries we studied suggest that interchange levels may not be the only relevant factor to consider when examining card costs in the United States compared with those of other countries. For example, although average interchange rates for credit cards in the United States are higher than the rates that have been set in the countries we reviewed, one industry group found in 2005 that the amount of the processing fee component included in the total merchant discount rate applied to credit card acceptance transactions in many other developed countries around the world is actually greater than in the United States. Therefore, comparing only interchange rates may not give an accurate picture of the relative costs of card acceptance to merchants. Further, because interchange rates are reportedly intended to balance costs across consumers, merchants, and issuing and acquiring banks, differences in interchange levels between the United States and other countries could be the result of different cost structures for the

⁴⁵In Australia, until recently American Express cards were issued exclusively by American Express in a proprietary model similar to that in the United States.

banks in these markets. For example, Israel has fewer than 10 card issuers, and officials at the Federal Reserve Bank of Kansas City estimated in 2006 that the four largest banks in Australia issued 55 percent of cards. In contrast, we reported in 2006 that the United States has more than 6,000 depository institutions that issue credit cards, and therefore the costs of issuing credit cards in this country could be different than in countries with many fewer issuing banks.⁴⁶

Finally, the regulatory and legal structure in the United States differs from those of other countries. For example, unlike in Australia and other countries we reviewed, in the United States there is no entity specifically tasked with regulating or overseeing the competitive aspects of the interchange fee structure or the fees' effects on consumers. To the extent that the imposition of interchange fees would constitute an anticompetitive or unfair business practice prohibited by the antitrust laws or the Federal Trade Commission Act, the Department of Justice (DOJ) and FTC, respectively, could take measures to ensure compliance with those laws. In 1998, DOJ sued Visa and MasterCard for alleged antitrust violations relating to the networks' "exclusivity rules," which prohibited member banks from issuing Discover or American Express cards.⁴⁷ The court found that the exclusivity rules were a substantial restraint on competition in violation of the Sherman Act. Although the imposition of interchange fees was not found to violate the law, the trial court noted that the defendants' ability to impose and change the fees was evidence of market power, which was an element in proving the anticompetitive nature of the exclusivity rules.⁴⁸ Further, DOJ officials told us that under its authority to enforce the antitrust laws, DOJ is again looking into issues concerning the payment systems industry. (Also, as previously noted, interchange fees have been a factor in lawsuits alleging violations of the federal antitrust laws by credit card networks and related parties. In addition, private parties are pursuing civil actions that address interchange fees under these same laws.⁴⁹) FTC officials expressed to us the view that the FTC does not have authority to regulate interchange fees. Also,

⁴⁶GAO-06-929, p.10.

⁴⁷*United States v. Visa U.S.A., Inc.*, 163 F. Supp. 2d 322 (S.D.N.Y. 2001), *aff'd*, 344 F.3d 229 (2d Cir 2003), *Cert. Denied*, 543 U.S. 811 (2004).

⁴⁸163 F. Supp. 2d at 340; see 244 F. 3d at 239-40.

⁴⁹In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation, 398 F. Supp.2d 1356 (E.D. NY Oct. 19, 2005).

officials of the Board of Governors of the Federal Reserve noted that the Federal Reserve does not have a specific mandate to regulate interchange fees in the United States.⁵⁰

Card Usage by Federal Entities Provides Numerous Benefits, but Creates Control Challenges

Many federal entities use cards to make purchases of goods and services needed for their operations, spending more than \$27 billion on purchase, travel, and fleet cards in fiscal year 2007.⁵¹ Officials we interviewed from five federal entities that were high-volume users of cards for goods, travel, and automotive expenses told us that using cards reduces their administrative expenses, provides income from the rebates they receive from the issuing banks, and provides other benefits. Although generally citing few drawbacks to the use of charge cards, federal entity officials acknowledged challenges in controlling use of cards, but also noted that the data available on card use and tools provided by the issuing banks help them address these challenges.

Entities' Use of Cards Has Grown Significantly and Is Expected to Increase Further

More than 350 federal entities participate in GSA's SmartPay program—which provides purchase, travel, and fleet cards for these entities to use. Federal entities pay no direct costs for the general use of cards.⁵² According to card network officials, the banks that issue cards to federal entities are compensated in part by the interchange fees they receive when a government entity or employee uses a card to make a purchase.

In fiscal year 2007, federal entities used cards to purchase more than \$27 billion of goods and services. This represents an inflation-adjusted increase of 51 percent over fiscal year 1999 spending levels (see fig. 2). Most of this spending occurred using purchase cards, which account for nearly 70 percent of total federal entity card spending, while about one-quarter of card spending was done using travel cards and about 5 percent using fleet cards. The number of transactions has also increased by 50 percent since 1999, from about 60 million transactions to over 90 million in

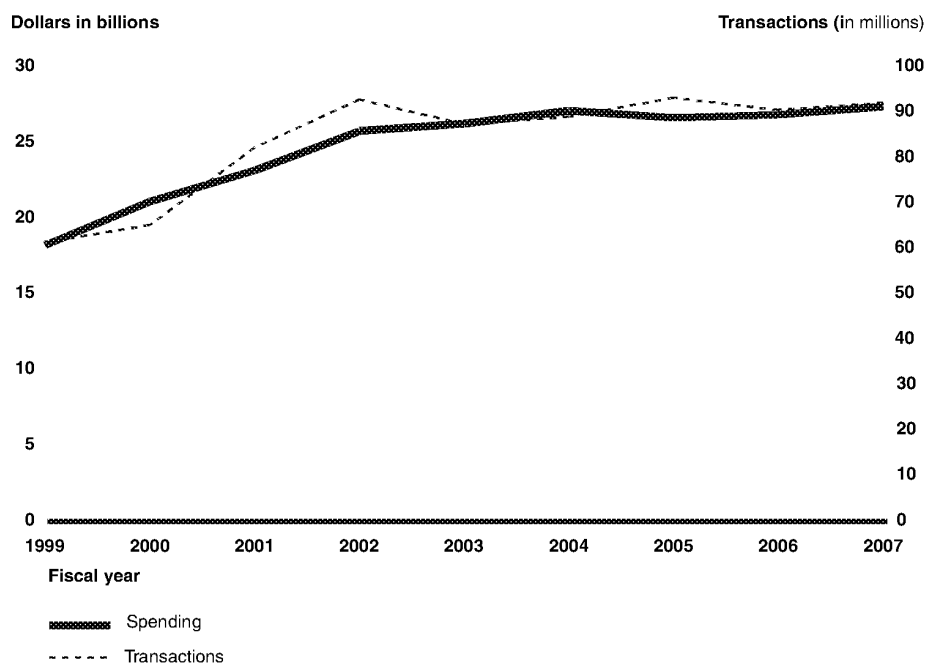
⁵⁰The Board of Governors of the Federal Reserve has regulatory authority over the processing of payments but does not regulate the fees that banks pay for participating in private credit card payments systems.

⁵¹Fleet cards are used for fuel and supplies for government vehicles.

⁵²Although federal entities pay no direct costs to issuing banks for the general use of cards, some products and services, such as traveler's checks, do entail fees.

2007. However, the rate of growth of both spending and transactions has slowed in recent years.

Figure 2: SmartPay Spending and Total Number of Transactions, Fiscal Years 1999-2007



Source: GAO analysis of GSA data.

Note: Spending amounts adjusted for inflation to constant 2007 dollars.

According to the Director of GSA’s Office of Charge Card Management, the increases in spending and the number of transactions in the early years of the SmartPay program were due to entities adjusting their purchasing behaviors from previously used systems, such as purchase orders, and learning how to use their cards to make additional purchases. Although the number of transactions remained roughly constant between fiscal years 2002 and 2007, the average transaction value rose from about \$240 to about \$300, accounting for the growth in total spending during this time. According to the Director, the number of transactions has remained relatively stable in current years because, for the most part, entities have transitioned from most of their previously used purchasing systems and are now making only small changes to their programs to improve efficiencies.

The Director of GSA's Office of Charge Card Management also told us that card use by federal entities is expected to continue growing as the entities identify additional ways of using cards and implement new payment technologies. For example, officials from the Department of Veterans Affairs (VA) told us that they are working with the bank that issues the department's purchase cards to find new ways to increase card usage. They explained that in 2003 they developed a process for making payments through the card system to non-VA medical providers for services provided to veterans who are unable to visit a VA center for medical care, reducing the number of checks they must issue and increasing both the number of electronic payments made and their card use rebates. Additionally, officials stated that VA is reviewing its purchase records to attempt to shift more purchasing to vendors that accept cards. Similarly, the U.S. Army has developed an automated payment system that uses purchase cards for most of the \$400 million per year it pays schools and other institutions for soldiers' tuition assistance. GSA officials also expect the new products and services that will be available under the SmartPay 2 program will lead to increases in overall card spending. Some of these products include prepaid cards, contactless cards, and cards in foreign currencies.⁵³

Officials Cite Various Benefits Associated with Using Cards, Including Administrative Cost Savings and Rebates

According to federal entity officials we spoke with, one of the primary benefits associated with card usage is the administrative cost savings compared with procurement methods that card usage has partially replaced, such as purchase orders, imprest funds, and blanket purchase agreements. For example, obtaining goods or services under a purchase order system requires that a purchase request be filled out and approved, then sent to a procurement office, which issues it to a vendor. When government entities use a card, however, goods or services can be directly purchased by cardholders, who then review their statements at the end of the billing cycle and forward the statement to an approving official. Officials from the Department of Agriculture said that if cards were not used, staff would need to complete purchase orders for each of the 1.5 million transactions per year that currently are made using purchase cards. Officials from the Department of Homeland Security estimated that the department would require four to five times the current number of

⁵³A prepaid card is one that is programmed to have a monetary value, and charges to that card cannot exceed the balance. Contactless cards store data on a microchip embedded in the card, which can be read by passing the card in front of a special card reader.

staff who operate its travel card program if it paid for travel expenses without cards. In addition, officials at the Department of Agriculture stated that new tools, such as an automated process to reset charge card passwords, may further reduce the costs of administering their program.

Estimates of per transaction administrative costs savings from card usage vary, making it difficult to estimate total administrative cost savings. GSA estimated total administrative cost savings from card use in fiscal year 2006 to be \$1.7 billion. An official from GSA told us that this estimate was based on per transaction saving estimates by the Purchase Card Council. In 1994, the council, an interagency group, asked 17 civilian government organizations to perform a detailed cost-benefit analysis comparing the use of purchase orders versus purchase cards for transactions of \$2,500 and below. The per transaction savings estimates for the 17 organizations ranged from \$1.42 to more than \$142, with an average of about \$54. More recently, in a 2006 research study, the Association of Government Accountants surveyed four civilian agencies with an approach similar to that of the Purchase Card Council and reported savings estimates of \$60 to \$166 per transaction, with a weighted average of about \$87.⁵⁴ In comparison, a 2005 survey of almost 1,300 purchase card program administrators from corporations, nonprofits, and government entities found, for state and federal government entities, a \$53 administrative cost savings per transaction compared to purchase orders.⁵⁵ Finally, a 1997 analysis by the U.S. Army Audit Agency showed that the average cost to the U.S. Army of processing a purchase order was about \$155 compared to about \$62 for a card, a savings of about \$93 per transaction.⁵⁶

Another benefit of card use for federal entities is the receipt of rebates from the banks that issue their cards. Rebate amounts, which, after adjusting for inflation, have almost doubled since fiscal year 2002 to \$175 million in fiscal year 2007 (see fig. 3), are based on a number of factors, mainly the volume of net spending on cards and how quickly balances on the cards are paid. GSA establishes a minimum rebate rate that federal entities should receive, but entities can choose to negotiate with their

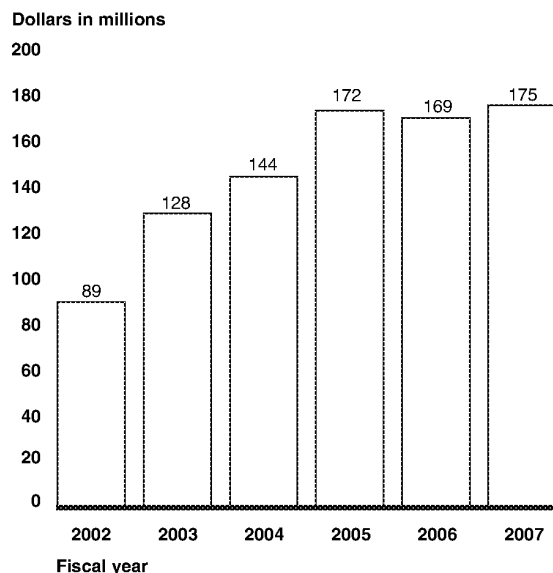
⁵⁴AGA Corporate Partner Advisory Group Research, "The Federal Purchase Card: Use, Policy, and Best Practice," *AGA CPAG Research Series*, Report No. 4 (April 2006).

⁵⁵Richard J. Palmer and Mahendra Gupta, "The 2005 Purchasing Card Benchmark Survey Report" (2006).

⁵⁶U.S. Army Audit Agency, "Savings from Acquisition Reform" Audit Report: AA 97-58 (Alexandria, Virginia: Jan. 7, 1997).

issuing banks for additional amounts. Between 1998 and 2007, the minimum rate was 6 basis points of the net volume of spending on the cards, while under the SmartPay 2 program, the minimum rebate rate will increase to 8 basis points.⁵⁷ A GSA official stated that typically in federal entities' negotiations with issuing banks, the rebate rate is increased as an incentive for an entity to choose a particular bank to issue its cards. According to the GSA official, however, some entities negotiate for specialized services rather than increased rebate amounts, and GSA encourages agencies to examine their programs holistically when negotiating terms.

Figure 3: Total Rebates Received from SmartPay Card Use, Fiscal Years 2002-2007



Source: GAO analysis of GSA data.

Note: Rebate amounts adjusted for inflation to 2007 constant dollars.

Federal entities differ in how they use their rebates. Two of the federal entities we spoke with return the rebates directly to the location that originated the relevant transaction, one adds the rebates into general

⁵⁷ GSA receives 4 of the basis points, termed the Industrial Funding Fee. This fee totaled approximately \$9 million in fiscal year 2007 and is used by GSA to administer the SmartPay program as well as one other GSA program.

income for the entity, and one other allocates rebates to a working capital fund for initiatives of general benefit to the entity.

Officials from federal entities also cited several other benefits associated with using cards to make purchases. For example, officials from several entities told us that the increased data on purchases that is available to them by using charge cards allows for better management and/or tracking of spending. According to officials at the Department of Agriculture, purchase card data allowed them to examine their purchasing patterns and identify opportunities for savings. They explained that by using purchase cards to buy office supplies, they received data on the transactions, which they used to negotiate a contract with a vendor to buy supplies in bulk that resulted in millions of dollars in savings per year.⁵⁸ Officials from several entities also told us that cards allow them to make purchases more quickly and/or more conveniently than previously used methods of purchasing. For example, officials from one entity told us that once the approval process is completed for a particular purchase, it can be made immediately, whereas previously used methods take a longer time to complete. According to officials from another entity, the ability to obtain cash advances on cards benefits them because it eliminates the need for imprest funds, which, according to officials from a different entity, are harder to monitor for fraud. Other benefits cited by officials from one entity included compensating vendors doing business with the government more quickly and greater ability to resolve disputes with vendors because charges can be reversed until the dispute is resolved.

While Minimizing Card Abuse Poses Control Challenges, Banks Provide Tools to Help Entities Address Them

Officials at the federal entities with whom we met cited only a few drawbacks associated with the use of cards, though officials from some entities mentioned the risk of fraud and misuse. However, these officials told us that the risk of these occurrences is less than or equal to that under previously used procurement systems. Although the instances of fraud and misuse on cards may be infrequent, we and several inspectors general have reported internal control weaknesses in charge card programs at federal entities and instances of fraud and abuse. For example, in 2001 and 2002 we issued reports on control weaknesses in purchase card programs

⁵⁸We have previously reported that the use of purchase cards presents an opportunity for entities to negotiate discounts from major purchase card vendors, but agencies generally have not seized those opportunities. See GAO, *Contract Management: Agencies Can Achieve Significant Savings on Purchase Card Buys*, GAO-04-430 (Washington, D.C.: Mar. 12, 2004).

at the Air Force, Army, and Navy. The reports contained over 100 recommendations targeted at improving the design and implementation of controls over card use and establishing guidelines for disciplining those who misuse their government purchase cards.⁵⁹ In 2003, we reported that the military services had begun or implemented nearly all of those recommendations, some of which were included in legislative requirements for the Department of Defense.⁶⁰ In addition, earlier this year we reported on breakdowns in internal controls in various federal entity purchase card programs, which in some instances resulted in fraudulent, improper, and abusive use of purchase cards.⁶¹

For the most part, fraud and misuse can be limited through strong internal controls in card programs of federal entities. GSA and OMB have issued guidance on internal controls intended to reduce the risk of misuse of cards. For example, GSA develops guidance through training courses for federal entities and publishes guidelines for oversight and information on detecting misuse and fraud. Additionally, OMB has issued several memorandums related to oversight of card programs. For example, a 2002 OMB memorandum provided that each federal entity review the adequacy of its internal controls for purchase and travel card expenditures, and required entities to submit action plans detailing any risks associated with these programs and identifying the internal controls that will be used to manage these risks. In 2005, OMB also issued an appendix to its 1995 circular on management accountability and control, which consolidated and updated governmentwide card program requirements and included minimum requirements and best practices on several aspects of card programs. Some of the best practices to limit fraud and misuse identified in these guidance documents included implementing appropriate training for cardholders, approving officials, and other staff; deactivating cards that

⁵⁹GAO, *Purchase Cards: Control Weaknesses Leave Two Navy Units Vulnerable to Fraud and Abuse*, GAO-02-32 (Washington D.C.: Nov. 30, 2001); *Purchase Cards: Control Weaknesses Leave Army Vulnerable to Fraud, Waste, and Abuse*, GAO-02-732 (Washington, D.C.: June 27, 2002); *Purchase Cards: Navy Is Vulnerable to Fraud and Abuse but Is Taking Action to Resolve Control Weaknesses*, GAO-02-1041 (Washington D.C.: Sept. 27, 2002); *Purchase Cards: Control Weaknesses Leave the Air Force Vulnerable to Fraud, Waste, and Abuse*, GAO-03-292 (Washington, D.C.: Dec. 20, 2002).

⁶⁰GAO, *Purchase Cards: Steps Taken to Improve DOD Program Management but Actions Needed to Address Misuse*, GAO-04-156 (Washington, D.C.: Dec. 2, 2003).

⁶¹GAO, *Governmentwide Purchase Cards: Actions Needed to Strengthen Internal Controls to Reduce Fraudulent, Improper, and Abusive Purchases*, GAO-08-333 (Washington D.C.: Mar. 14, 2008).

are not used; requiring charge card transaction or statement reconciliation on the part of the cardholder in a timely manner; ensuring managerial review of charge card purchases; and implementing policies outlining appropriate administrative and/or disciplinary actions for charge card misuse.

Finally, officials from some of the federal entities we interviewed told us that the tools and data provided by their card-issuing banks helped them to limit the risk of misuse of cards by enabling them to track and limit the types of purchases made on the cards. For example, some entities block the use of cards at certain merchant types, to help ensure that the cards are used only for approved goods and services, or limit transaction amounts, cash withdrawals, and other activities. Officials from several entities noted that the data on card transactions they receive from their issuing bank allow them to monitor for potentially fraudulent or inappropriate transactions. For example, an official from one entity told us that the data allowed it to identify suspicious transactions based on specified dollar amounts, charges to certain vendors, and other types of transactions that could involve misuse. Officials from another entity noted that security features on cards help identify suspect charges by generating alerts for questionable transactions and by sending an e-mail to the cardholder every time a transaction occurs on his or her account in order to verify whether the transaction was approved by the cardholder.

Conclusions

Federal entities' acceptance of credit and debit cards provides a number of benefits, including client and customer convenience, but also entails costs. In collecting over \$27 billion in revenue via cards in 2007, the transactions of federal entities included within the scope of this report resulted in more than \$430 million in merchant discount fees, including at least \$205 million in interchange fees (paid by entities that provided us with data specifically on interchange fees). Federal entities have undertaken a number of worthwhile actions to ensure that card acceptance costs are minimized. Further, FMS's program to comprehensively examine the revenue sources and collection mechanisms used by the many entities for which it performs collections shows great promise for achieving savings and identifying improvements for revenue collection, whether through cards or other mechanisms. Since its initiation on a pilot basis in 2007, this program has already identified potential cost savings or efficiency improvements at the eight entities FMS has examined to date. Because such savings would be recurring—in that they are applicable to future transactions—this program appears to be a valuable effort for FMS to complete in a timely manner. Ensuring that FMS's program implementation strategy has

additional elements, such as a timeline for completing the reviews, cost savings estimates, and an assessment of the adequacy of the resources committed will increase the likelihood of FMS achieving its goals as expeditiously as possible. Establishing a timeline for completion would allow FMS management to determine whether the program is being implemented expeditiously, including taking action if interim milestones are not being met. Generating cost savings estimates would appear to provide FMS with an additional tool for prompting entities to implement the improvements that are identified. Further, establishing a timeline for monitoring progress and estimating the cost savings to be realized could also allow FMS to better assess whether the level of resources committed to the program is appropriate. Perhaps most important, developing a full implementation strategy would allow FMS to identify potential cost savings for its collection activities—and federal entities to begin realizing them—more quickly, resulting in larger overall financial benefits to the government.

Other countries have examined the significance of interchange fees as part of credit and debit card payments, and several have taken or are considering actions to improve efficiencies and reduce costs involving their card payment systems. In one of the three countries we examined that has acted to limit interchange fees, available evidence suggests that the costs for merchants from accepting cards has declined but the direct costs for consumers using cards may have increased. However, a number of factors may be influencing costs, and additional data and study would be needed to more definitively assess the effects of these actions. Further adding to the difficulty of estimating the potential effects of such actions in the United States, are differences in the structure and regulation of the U.S. card payment market from those of the other countries we examined.

Federal entities have realized benefits from using cards to make purchases of needed goods and services, including supplies, travel expenses, and vehicle operating costs, and have taken actions to address the challenge of ensuring that cards are used only for intended purposes. In addition to increased efficiency in administrative processes and cost savings, in fiscal year 2007 card use also produced about \$175 million in additional operating funds through the rebates provided by the banks that issue government cards. Agencies have acknowledged the continuing need to ensure adequate monitoring and to have controls in place to minimize fraudulent and abusive use of their cards. The ability to analyze data on card activities—a capability that the issuing banks are providing to agencies—appears to be a valuable tool, in that it helps federal entities

manage their card activities and potentially reduces costs for the government.

Recommendation for Executive Action

In order to help expeditiously achieve savings to the government, including those associated with accepting cards, we recommend that the Secretary of the Treasury take steps to establish a full implementation strategy for FMS's revenue collection review program. Such a strategy should include a timeline for completing the reviews, cost savings estimates associated with individual reviews, and an assessment of the adequacy of the resources committed to the program.

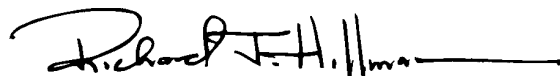
Agency Comments and Our Evaluation

We requested comments on a draft of this report from the Treasury and GSA. In an e-mail providing the Treasury's comments, the manager of FMS's Internal Control Branch noted that our report acknowledges that the acceptance of credit and debit cards has provided significant benefits to the agencies and the public, and that as agencies implement more e-commerce initiatives and interact more with the public through the Internet, credit and debit card acceptance is likely to continue to increase. While FMS did not directly address our recommendation, the manager agreed that FMS's revenue collection review program, in which the acceptance of credit and debit cards is only one of many processes that will be evaluated, will help improve overall financial management at federal agencies. FMS also provided technical comments, which we have incorporated where appropriate. In addition, GSA reviewed a draft of this report and, in an e-mail from the Director, Internal Control and Audit Division, Office of the Controller, indicated agreement with the report's contents regarding the SmartPay program.

We are sending copies of this report to various other interested congressional committees and members and to the Secretary of the Treasury; the Administrator, General Services Administration; and other interested parties. We will also provide copies to others on request. This report will also be available at no charge on GAO's Web site <http://www.gao.gov>.

Please contact me at (202) 512-8678 or hillmanr@gao.gov if you or your staff have any questions about this report. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report are listed in appendix III.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Richard J. Hillman", followed by a horizontal line extending to the right.

Richard J. Hillman
Managing Director, Financial Markets
and Community Investment

List of Requesters

The Honorable Arlen Specter
Ranking Member
Committee on the Judiciary
United States Senate

The Honorable Herb Kohl
Chairman
Subcommittee on Antitrust, Competition Policy and Consumer Rights
Committee on the Judiciary
United States Senate

The Honorable Thomas R. Carper
Chairman
Subcommittee on Economic Policy
Committee on Banking, Housing, and Urban Affairs
United States Senate

The Honorable Tom Davis
Ranking Member
Committee on Oversight and Government Reform
House of Representatives

The Honorable Darrell Issa
Ranking Member
Subcommittee on Domestic Policy
Committee on Oversight and Government Reform
House of Representatives

The Honorable John E. Sununu
United States Senate

Appendix I: Objectives, Scope, and Methodology

Our objectives were to examine (1) the benefits and costs, including interchange fees, associated with federal entities' acceptance of cards as payment for the sale of goods, services, and revenue collection; (2) actions taken in countries that have regulated or otherwise limited interchange fees and their impact; and (3) the impact on federal entities of using cards to make purchases.

To determine the benefits received by federal entities from the acceptance of credit and debit cards, we conducted semistructured interviews with five judgmentally selected federal entities that participate in Financial Management Service's (FMS) Credit and Debit Card Acquiring Service, which is a governmentwide service that allows federal entities to accept payment by Visa, MasterCard, American Express, and Discover cards, as well as some types of debit cards. FMS provides this service to any executive, judicial, and legislative branch agency; government corporation; commission; board; or other federal entity that determines that the acceptance of cards is needed for revenue collection. Three of the five entities we contacted were among those that conducted the highest volume of card transactions, and two entities were among those that conducted the lowest volume of card transactions.¹ We also reviewed and summarized studies and reports on the costs associated with processing different forms of payment to identify how these costs compared with the costs associated with card acceptance.

To estimate the costs associated with federal entities' acceptance of cards as payment, we collected data from as broad a range of entities associated with the federal government as possible. To determine the federal entities from which to collect data, we met with FMS who provided us with data on all federal entities that participate in its Credit and Debit Card Acquiring Service. FMS provided us data on revenues collected through card transactions and the merchant discount, interchange, and processing fees it paid for these entities' acceptance of cards for fiscal years 2005 through 2007. Additionally, FMS officials provided us with a list of Department of Defense and Department of Homeland Security nonappropriated fund instrumentalities that have independent authority to collect revenue and thus handle their own card collections. We reviewed data for these entities as well. These entities included

¹The federal entities that had high volumes of card acceptance were the Defense Commissary Agency, U.S. Mint, and the Department of the Interior's National Park Service. The federal entities that had low volumes of card acceptance were the Corporation for National and Community Service and the National Endowment for the Arts.

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- Air Force Services Agency,
 - U.S. Army and MWR Command,
 - Army and Air Force Exchange Service,
 - Marine Corps Community Services,
 - Navy Exchange Service Command,
 - Navy Morale, Welfare and Recreation,
 - Coast Guard Exchange System, and
 - Coast Guard Morale, Well-being, and Recreation.

The U.S. Postal Service, Amtrak, and Smithsonian Institution operate their own card collection programs as well and do not utilize FMS's services, thus we collected data directly from those entities for fiscal years 2005 through 2007. Smithsonian Institution and the Coast Guard Morale, Well-being, and Recreation were unable to provide us data on their card collection programs for this period of time because they do not maintain centralized program data on card revenues and fees. Instead, their card operations are decentralized among the various locations in which they operate. We also collected data from two private entities that accept tax payments made by credit and debit cards on behalf of the Internal Revenue Service (IRS). These two entities—Official Payments Corporation and LINK2GOV—provide this service at no cost to IRS and instead charge taxpayers who choose to use their services a convenience fee for doing so. While we report the card acceptance fees associated with federal tax payments for these two entities, we do not include them in the total amount of card acceptance fees paid by federal entities. We did not attempt to determine additional federal entities beyond those listed here that may operate their own card collection programs and therefore pay fees related to card acceptance.

From each of the entities that we collected data, we requested three pieces of information for fiscal years 2005 through 2007:

- total amount of revenue collected in credit and debit cards,
- total amount of interchange fees assessed on card transactions, and

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- total amount of merchant discount fees (for processing fees as well as interchange fees) assessed on card transactions.

Only three entities—Amtrak, FMS, and the Postal Service—were able to separately identify the amounts they paid in interchange fees. For the other entities, we obtained the total amounts paid in merchant discount fees. The data we collected on the costs associated with card acceptance from the federal entities were the best data available; however, because of limitations in and differences among the record keeping of the entities, the data may not be complete for all years, may treat some costs inconsistently, and in one case contain estimated, rather than actual, values. For example, not all entities could provide us with complete data for all 3 fiscal years, and some entities treated certain costs inconsistently, such as including cost information for chargeback fees in their merchant discount fee data.² In another case, a federal entity used data from other time periods to estimate some of the pieces of information we requested. We reviewed these data for completeness and accuracy and determined that none of the limitations materially affect the findings we report. However, due to these limitations, the actual figures presented are best viewed as approximations, or estimates in some cases, rather than precise figures. The dollar values for this objective are reported as current dollars.

In addition to analyzing data from federal entities on the revenues and costs associated with card acceptance, we also reviewed some federal entities' contracts or agreements with acquiring banks. To determine the interchange fees applicable to the federal entities' card transactions, as well as the factors that cause interchange fees to vary, we reviewed MasterCard and Visa interchange rate schedules effective beginning October 2007 and April 2008. We also reviewed historical interchange rate schedules for rates that were effective August 2003 through April 2007 that were provided by an acquiring bank. Additionally, we interviewed government officials responsible for settling card transactions, and officials from American Express Company, Discover Financial Services, MasterCard Incorporated, Visa Inc., and Fifth Third Bancorp—FMS's current acquiring bank—to gather information on how government entities' card acceptance fees are assessed and steps being taken to manage the fees.

²A chargeback fee is any disputed credit or signature debit sale that is returned to an acquiring entity for reimbursement of the cardholder's account.

Appendix I: Objectives, Scope, and Methodology

To examine actions taken in countries that have limited interchange fees, we reviewed available literature, contacted our counterparts (other audit institutions) in several countries, and interviewed Federal Reserve and industry officials to identify various countries where regulators or others had taken such actions. We judgmentally selected countries for further examination from among those identified based on three criteria: (1) actions had been taken that required actually determining interchange rates, (2) information available on the methods they used to determine the rates had been made available (3) efforts had been under way for sufficient time to allow for study. To allow for illustration of diverse approaches to limiting interchange fees, we sought to include countries that had taken different types of actions. In addition, in order to study the impacts of these actions, we sought to include countries where the effects of the intervention had been the subject of empirical study. On the basis of these criteria, we selected three countries—Australia, Israel, and Mexico—for more detailed study. We conducted further literature reviews on these countries and conducted interviews with officials involved in the efforts to limit rates in each of these countries to learn about the measures taken, other measures that were considered, and any empirical data on the effects of the interchange limitation. Additionally, we met with officials from the Board of Governors of the Federal Reserve System, Department of Justice, and the Federal Trade Commission to learn how the regulatory and legal structure in the United States addresses interchange fees.

To determine the impact on federal entities of using cards to make purchases, we obtained and analyzed fiscal years 1999 through 2007 General Services Administration (GSA) SmartPay program data on spending, transactions, and rebates received. On the basis of our review and testing of GSA's data for a separate engagement, we determined that these data were sufficiently reliable for the purposes of this engagement. Dollar values have been adjusted for this objective to fiscal year 2007 constant dollars using the gross domestic product (GDP) price index.³ Additionally, we reviewed policies and procedures related to card usage from GSA and other government entities, as well as our prior reports, and academic and government reports. To obtain their views on the benefits and drawbacks of card usage, we interviewed officials from GSA, 5 federal entities that were among the 10 entities with the highest spending and most transactions on cards in fiscal year 2006, the bank that issued cards

³Based on U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts, table 1.1.4, last revised Jan 30, 2008.

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which accounted for the highest government card spending in fiscal year 2006, and one academic researcher with extensive work on government use of cards.

We conducted this performance audit from June 2007 to May 2008 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Summary of Major Federal Antitrust Actions Surrounding Interchange Rates

The following identifies key cases concerning interchange fees.

NaBanco

In this 1980s case, NaBanco claimed that the setting of credit card interchange fees by Visa member banks constituted unlawful price fixing.¹ NaBanco was a third-party enterprise that processed credit card transactions for its client acquiring banks, who were members of the Visa network. NaBanco alleged that the imposition of an interchange fee affected the amount it could collect for its service, and that under Visa's rules the fee had an anticompetitive effect. The court ruled that NaBanco did not satisfy its burden of proof under a "rule of reason" analysis to show that interchange fees were a restraint of trade.

Department of Justice proceeding

In 1998, Department of Justice (DOJ) sued Visa and MasterCard for alleged antitrust violations.² In that proceeding, the government focused on two points. First, the department claimed that because the boards of Visa and MasterCard were dominated by many of the same banks, intersystem competition was reduced. Second, DOJ challenged the networks' "exclusivity rules," which prohibited member banks from issuing Discover or American Express cards. The court ruled against the government on the first claim (DOJ did not appeal) but found that the exclusivity rules were a substantial restraint on competition in violation of the Sherman Act. The district court invalidated the exclusivity rules, enjoined the defendants from restricting banks from issuing other cards, and permitted Visa and MasterCard issuers to terminate any contractual obligations to abide by the exclusivity rules. Although the imposition of interchange fees was not found to violate the law, the court noted that the defendants' ability to impose and change the fees was evidence of market power, which was an element in proving the anticompetitive nature of the exclusivity rules.³

¹*National Bancard Corp. v. Visa U.S.A., Inc.* 596 F. Supp. 1231 (S.D. Fla 1984), *aff'd*, 779 F.2d 592 (11th Cir. 1986).

²*United States v. Visa U.S.A., Inc.*, 163 F. Supp. 2d . 322 (S.D.N.Y. 2001), *aff'd*, 344 F.3d 229 (2d Cir 2003), *Cert. Denied*, 543 U.S. 811 (2004).

³163 F. Supp. 2d at 340; see 244 F. 3d at 239-40.

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Rates**

Pending Class Action—U. S. District Court (E.D.N.Y.)

In a class action pending in the United States District Court for the Eastern District of New York, merchants claim that interchange fees have an anticompetitive effect in violation of the federal antitrust laws.⁴ This case is a consolidation of numerous separate actions. As of October 2005, merchants had instituted 14 class action lawsuits in four separate districts against Visa and MasterCard and their member banks. According to the Magistrate Judge assigned to the consolidated case, as of February 2006 “some forty class action lawsuits” had been brought “on behalf of a class of merchants against the defendant credit card networks and certain of their member banks.”⁵

Kendall decision

In March 2008, the Federal Court of Appeals for the Ninth Circuit upheld the District Court’s dismissal of a claim in which merchants alleged that the merchant discount fees set by Visa, MasterCard, Bank of America, Wells Fargo Bank, and U.S. Bank violated Section 1 of the Sherman Act,¹⁵ U.S.C. § 1, and Section 16 of the Clayton Act, 15 U.S.C. § 26.⁶ The court ruled that the plaintiffs failed to plead evidentiary facts necessary to support such a claim. Specifically, the court found that the merchants failed to allege facts necessary to support their theory that the banks conspired or agreed with each other or with Visa and MasterCard to restrain trade. With respect to the allegations against the banks, the court observed that “merely charging, adopting or following the fees set by a Consortium is insufficient as a matter of law to constitute a violation of Section 1 of the Sherman Act.” Further, the court concluded that the interchange fee set by Visa and MasterCard was not imposed directly upon the merchants as an anticompetitive measure but instead constituted a cost imposed on the banks which the banks passed on to the merchants as a rational business decision.

⁴In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation, 398 F. Supp.2d 1356 (E.D. NY Oct. 19, 2005).

⁵In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation, 2006 U.S. Dist. LEXIS 45727; 2006-1 Trade Cas. (CCH) P75,278 (E.D.N.Y.)

⁶*Kendall v. Visa U.S.A., Inc.*, 518 F.3d 1042 (9th Cir. 2008).

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

Richard J. Hillman, (202) 512-8678 or hillmanr@gao.gov

Staff Acknowledgments

In addition to the individual named above, Dave Wood, Director; Cody Goebel, Assistant Director; Rudy Chatlos; Isidro Gomez; Christine Houle; Christopher Krzeminski; Marc Molino; Paul Thompson; Ann Marie Udale; and Ethan Wozniak made key contributions to this report.

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EXHIBIT J

FILED
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U.S. DISTRICT COURT E.D.N.Y.
★ JUL 20 2011 ★
BROOKLYN OFFICE

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK**

_____)
UNITED STATES OF AMERICA,)
STATE OF ARIZONA,)
STATE OF CONNECTICUT,)
STATE OF IDAHO,)
STATE OF ILLINOIS,)
STATE OF IOWA,)
STATE OF MARYLAND,)
STATE OF MICHIGAN,)
STATE OF MISSOURI,)
STATE OF MONTANA,)
STATE OF NEBRASKA,)
STATE OF NEW HAMPSHIRE,)
STATE OF OHIO,)
STATE OF RHODE ISLAND,)
STATE OF TENNESSEE,)
STATE OF TEXAS,)
STATE OF UTAH, and)
STATE OF VERMONT,)
)
Plaintiffs,)
)
v.)
)
AMERICAN EXPRESS COMPANY,)
AMERICAN EXPRESS TRAVEL)
RELATED SERVICES COMPANY, INC.,)
MASTERCARD INTERNATIONAL)
INCORPORATED, and VISA INC.,)
)
Defendants.)
_____)

Civil Action
No. CV-10-4496

(Garaufis, J.)
(Reyes, M.J.)

FINAL JUDGMENT AS TO DEFENDANTS
MASTERCARD INTERNATIONAL INCORPORATED AND VISA INC.

WHEREAS, Plaintiffs, the United States of America and the States of Arizona,
Connecticut, Idaho, Illinois, Iowa, Maryland, Michigan, Missouri, Montana, Nebraska, New

Hampshire, Ohio, Rhode Island, Tennessee, Texas, Utah, and Vermont filed their Amended Complaint on December 21, 2010, alleging that Defendants each adopted rules that restrain Merchants from encouraging consumers to use preferred payment forms, harming competition and consumers in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1, and Plaintiffs and Defendants MasterCard International Incorporated and Visa Inc., by their respective attorneys, have consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law;

WHEREAS, Defendants MasterCard and Visa have not admitted and do not admit either the allegations set forth in the Complaint or any liability or wrongdoing;

AND WHEREAS, Defendants MasterCard and Visa agree to be bound by the provisions of this Final Judgment pending its approval by the Court;

NOW THEREFORE, before any testimony is taken, without trial or adjudication of any issue of fact or law, without this Final Judgment constituting any evidence against or admission by Defendants MasterCard or Visa regarding any issue of fact or law, and upon consent of MasterCard and Visa, it is ORDERED, ADJUDGED AND DECREED:

I. JURISDICTION

This Court has jurisdiction over the subject matter of this action and over MasterCard and Visa. The Complaint states a claim upon which relief may be granted against MasterCard and Visa under Section 1 of the Sherman Act, as amended, 15 U.S.C. § 1.

II. DEFINITIONS

As used in this Final Judgment:

1. “Acquiring Bank” means a Person authorized by MasterCard or Visa to enter into agreements with Merchants to accept MasterCard’s or Visa’s General Purpose Cards as payment for goods or services.

2. “American Express” means American Express Company, a New York corporation with its principal place of business in New York, New York, and American Express Travel Related Services Company, Inc., a Delaware corporation with its principal place of business in New York, New York, their successors and assigns, and their subsidiaries (whether partially or wholly owned), divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

3. “Brand” means the brand or mark of a General Purpose Card Network.

4. “Customer” means a Person that pays for goods or services.

5. “Department of Justice” means the United States Department of Justice, Antitrust Division.

6. “Discover” means Discover Financial Services, a Delaware corporation with its principal place of business in Riverwoods, Illinois, its successors and assigns, and its subsidiaries (whether partially or wholly owned), divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

7. “Form of Payment” means cash, a check, a debit card, a prepaid card, or any other means by which Customers pay for goods or services, and includes particular brands (*e.g.*, Star, NYCE) or types (*e.g.*, PIN debit) of debit cards or other means of payment.

8. “General Purpose Card” means a credit or charge card issued pursuant to Rules of a General Purpose Card Network that enables consumers to make purchases from unrelated

Merchants without accessing or reserving funds, regardless of any other functions the card may have.

9. “General Purpose Card Network” means any Person that directly or indirectly assembles a group of unrelated Merchants to accept and a group of unrelated consumers to make purchases with General Purpose Cards bearing the Person’s Brand, and includes General Purpose Card Networks such as Visa, MasterCard, American Express, and Discover.

10. “Issuing Bank” means a Person authorized by MasterCard or Visa to enter into agreements with cardholders for the use of that Defendant’s General Purpose Cards for payment at a Merchant.

11. “MasterCard” means MasterCard International Incorporated, a Delaware corporation with its principal place of business in Purchase, New York, its successors and assigns, and its subsidiaries (whether partially or wholly owned), divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

12. “Merchant” means a Person that accepts MasterCard’s or Visa’s General Purpose Cards as payment for goods or services.

13. “Person” means any natural person, corporation, company, partnership, joint venture, firm, association, proprietorship, agency, board, authority, commission, office, or other business or legal entity, whether private or governmental.

14. “Plaintiff States” means the States of Arizona, Connecticut, Idaho, Illinois, Iowa, Maryland, Michigan, Missouri, Montana, Nebraska, New Hampshire, Ohio, Rhode Island, Tennessee, Texas, Utah, and Vermont.

15. “Rule” means any rule, bylaw, policy, standard, guideline, or practice applicable to Merchants in the United States.

16. “Type” means a category of General Purpose Cards, including but not limited to traditional cards, rewards cards, or premium cards (e.g., a “Visa Signature Card” or a “World MasterCard”).

17. “Visa” means Visa Inc., a Delaware corporation with its principal place of business in San Francisco, California, its successors and assigns, and its subsidiaries (whether partially or wholly owned), divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees, but shall not include Visa Europe Limited and its wholly owned affiliates.

18. The terms “and” and “or” have both conjunctive and disjunctive meanings.

III. APPLICABILITY

This Final Judgment applies to MasterCard and Visa and all other Persons in active concert or participation with any of them who receive actual notice of this Final Judgment by personal service or otherwise.

IV. PROHIBITED CONDUCT

A. The purpose of this Section IV is to allow Merchants to attempt to influence the General Purpose Card or Form of Payment Customers select by providing choices and information in a competitive market. This Final Judgment should be interpreted to promote such efforts and not limit them. Accordingly, neither MasterCard nor Visa shall adopt, maintain, or enforce any Rule, or enter into or enforce any agreement that directly or indirectly prohibits, prevents, or restrains any Merchant in the United States from

1. offering the Customer a discount or rebate, including an immediate discount or rebate at the point of sale, if the Customer uses a particular Brand or Type of General Purpose Card, a particular Form of Payment, or a Brand or Type of General Purpose Card or a Form of Payment other than the General Purpose Card the Customer initially presents;
2. offering a free or discounted product if the Customer uses a particular Brand or Type of General Purpose Card, a particular Form of Payment, or a Brand or Type of General Purpose Card or a Form of Payment other than the General Purpose Card the Customer initially presents;
3. offering a free or discounted or enhanced service if the Customer uses a particular Brand or Type of General Purpose Card, a particular Form of Payment, or a Brand or Type of General Purpose Card or a Form of Payment other than the General Purpose Card the Customer initially presents;
4. offering the Customer an incentive, encouragement, or benefit for using a particular Brand or Type of General Purpose Card, a particular Form of Payment, or a Brand or Type of General Purpose Card or a Form of Payment other than the General Purpose Card the Customer initially presents;
5. expressing a preference for the use of a particular Brand or Type of General Purpose Card or a particular Form of Payment;
6. promoting a particular Brand or Type of General Purpose Card or a particular Form or Forms of Payment through posted information, through the size, prominence, or sequencing of payment choices, or through other communications to a Customer;

7. communicating to a Customer the reasonably estimated or actual costs incurred by the Merchant when a Customer uses a particular Brand or Type of General Purpose Card or a particular Form of Payment or the relative costs of using different Brands or Types of General Purpose Cards or different Forms of Payment; or

8. engaging in any other practices substantially equivalent to the practices described in Sections IV.A.1 through IV.A.7 of this Final Judgment.

B. Subject to compliance with the antitrust laws, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, and any other applicable state or federal law, nothing in this Final Judgment shall prohibit MasterCard or Visa from

1. enforcing existing agreements or entering into agreements pursuant to which a Merchant selects General Purpose Cards bearing the Defendant's Brand as the only General Purpose Cards the Merchant will accept as payment for goods and services;

2. enforcing existing agreements or entering into agreements pursuant to which a Merchant agrees that it will encourage Customers to use co-branded or affinity General Purpose Cards bearing both the Defendant's Brand and the co-brand or affinity partner's name, logo, or brand as payment for goods and services and will not encourage Customers to use General Purpose Cards bearing the Brand of any other General Purpose Card Network;

3. enforcing existing agreements or entering into agreements pursuant to which a Merchant agrees (i) that it will encourage Customers, through practices enumerated in Sections IV.A.1 through IV.A.8 of this Final Judgment, to use General Purpose Cards bearing the Defendant's Brand as payment for goods and services, and (ii) that it will not use one or more practices enumerated in Sections IV.A.1 through IV.A.8 of this Final Judgment to

encourage Customers to use General Purpose Cards bearing any other Person's Brand as payment for goods and services; *provided that* (a) any such agreement is individually negotiated with the Merchant and is not a standard agreement or part of a standard agreement generally offered by the Defendant to multiple Merchants, and (b) the Merchant's acceptance of the Defendant's General Purpose Cards as payment for goods and services is unrelated to and not conditioned upon the Merchant's entry into any such agreement;

4. adopting, maintaining, and enforcing Rules that prohibit Merchants from encouraging Customers to pay for goods or services using one of its General Purpose Cards issued by one particular Issuing Bank rather than by another of its General Purpose Cards issued by any other Issuing Bank.

C. Subject to Section IV.A of this Final Judgment, nothing in this Final Judgment shall prohibit MasterCard or Visa from adopting, maintaining, and enforcing Rules that prohibit Merchants from disparaging its Brand.

D. Neither MasterCard nor Visa shall adopt, maintain, or enforce any Rule, or enter into or enforce any agreement, that prohibits, prevents, restrains, deters, or inhibits an Acquiring Bank from supplying a Merchant, on a transaction-by-transaction or other basis, information regarding the costs or fees the Merchant would incur in accepting a General Purpose Card, including a particular Type of General Purpose Card, presented by the Customer as payment for that Customer's transaction.

V. REQUIRED CONDUCT

A. Within five business days after entry of this Final Judgment, MasterCard and Visa shall each delete, discontinue, and cease to enforce in the United States any Rule that it would be

prohibited from adopting, maintaining, or enforcing pursuant to Section IV of this Final Judgment.

B. Within five business days after entry of this Final Judgment, Visa shall modify the following portion of its Visa International Operating Regulations “Discount Offer – U.S. Region 5.2.D.2” as follows:

Current language:

Discount Offer – U.S. Region 5.2.D.2

In the U.S. Region, any purchase price advertised or otherwise disclosed by the Merchant must be the price associated with the use of a Visa Card or Visa Electron Card.

A U.S. Merchant may offer a discount as an inducement for a Cardholder to use a means of payment that the Merchant prefers, provided that the discount is:

- Clearly disclosed as a discount from the standard price
- Non-discriminatory, as between a Cardholder who pays with a Visa Card and a cardholder who pays with a “comparable card”

A “comparable card” for purposes of this rule is any other branded, general purpose payment card that uses the cardholder’s signature as the primary means of cardholder authorization (e.g., MasterCard, Discover, American Express). Any discount made available to cardholders who pay with “comparable cards” must also be made available to Cardholders who wish to pay with Visa Cards. Any discount made available to a Cardholder who pays with a Visa Card is not required to be offered to cardholders who pay with “comparable cards.”

Modified language:

Discount Offer – U.S. Region 5.2.D.2

A U.S. Merchant may request or encourage a Cardholder to use a means of payment other than a Visa Card or a Visa Card of a different product type (e.g., Visa Classic Card, Visa Traditional Rewards Card, Visa Signature Card) than the Visa Card the consumer initially presents. Except where prohibited by law, the Merchant may do so by methods that include, but are not limited to:

- Offering the consumer an immediate discount from the Merchant's list, stated, or standard price, a rebate, a free or discounted product or service, or any other incentive or benefit if the consumer uses a particular general purpose payment card with an acceptance brand other than a Visa Card or other particular means of payment
- Offering the consumer an immediate discount from the Merchant's list, stated, or standard price, a rebate, a free or discounted product or service, or any other incentive or benefit if the consumer, who initially presents a Visa Card, uses instead another general purpose payment card or another means of payment
- Expressing a preference for the use of a particular general purpose payment card or means of payment
- Promoting the use of a particular general purpose payment card with an acceptance brand other than Visa or means of payment through posted information, through the size, prominence, or sequencing of payment choices, or through other communications to consumers
- Communicating to consumers the reasonably estimated or actual costs incurred by the Merchant when a consumer uses a particular general purpose payment card or means of payment or the relative costs of using different general purpose payment cards or means of payment.

C. Within five business days after entry of this Final Judgment, MasterCard shall modify its *MasterCard Rules*, Rule 5.11.1 "Discrimination" in the United States as follows:

Current language:

A Merchant must not engage in any acceptance practice that discriminates against or discourages the use of a Card in favor of any other acceptance brand.

Modified language:

A Merchant may request or encourage a customer to use a payment card with an acceptance brand other than MasterCard or other form of payment or a Card of a different product type (e.g., traditional cards, premium cards, rewards cards) than the Card the consumer initially presents. Except where prohibited by law, it may do so by methods that include, but are not limited to: (a) offering the customer an immediate discount from the Merchant's list, stated, or standard price, a rebate, a free or discounted product or service, or any other incentive or benefit if the customer uses a particular payment card with an acceptance brand other than

MasterCard or other particular form of payment; (b) offering the customer an immediate discount from the Merchant's list, stated, or standard price, a rebate, a free or discounted product or service, or any other incentive or benefit if the customer, who initially presents a MasterCard, uses instead another payment card or another form of payment; (c) expressing a preference for the use of a particular payment card or form of payment; (d) promoting the use of a particular general purpose payment card with an acceptance brand other than MasterCard or the use of a particular form or forms of payment through posted information, through the size, prominence, or sequencing of payment choices, or through other communications to customers (provided that merchants will abide by MasterCard's trademark standards relating to the display of its marks); or (e) communicating to customers the reasonably estimated or actual costs incurred by the Merchant when a customer uses particular payment cards or forms of payment or the relative costs of using different general purpose payment cards or forms of payment.

D. Within ten business days after entry of this Final Judgment, MasterCard and Visa shall each furnish to the Department of Justice and the Plaintiff States an affidavit affirming that it has made the specific changes to its Rules required by Sections V.B (for Visa) and V.C (for MasterCard) of this Final Judgment and describing any additional changes, if any, it made pursuant to Section V.A of this Final Judgment.

E. MasterCard and Visa shall each take the following actions to ensure that Merchants that accept its General Purpose Cards as payment for goods or services (i) are notified of this Final Judgment and the Rules changes MasterCard and Visa make pursuant to this Final Judgment; and (ii) are not restricted, discouraged, or prevented from engaging in any of the practices enumerated in Sections IV.A.1 through IV.A.8 of this Final Judgment:

1. Within ten business days after entry of this Final Judgment, MasterCard and Visa shall each furnish to the Department of Justice and the Plaintiff States, for the approval of the Department of Justice, a proposed form of written notification to be provided to Acquiring Banks for distribution to Merchants:

- a. describing the Rules changes each made pursuant to this Final Judgment; and
- b. informing Merchants that they are permitted to engage in any of the practices enumerated in Sections IV.A.1 through IV.A.8 of this Final Judgment.

Within five business days after receiving the approval of the Department of Justice, the Defendant shall direct its Acquiring Banks to furnish to each of the Merchants in the United States with which the Acquiring Banks have entered an agreement to accept the Defendant's General Purpose Cards as payment for goods or services (i) a paper or electronic copy of the approved notification and (ii) a paper or electronic copy of this Final Judgment (or an Internet link to this Final Judgment). MasterCard and Visa shall direct the Acquiring Banks to provide such information in their next billing statement or within thirty days of their receipt of MasterCard's or Visa's direction, whichever is shorter.

2. Within five business days after entry of this Final Judgment, MasterCard and Visa shall each adopt a Rule forbidding its Acquiring Banks from adopting, maintaining, or enforcing Rules with respect to MasterCard or Visa General Purpose Cards that the Defendant would be prohibited from adopting, maintaining, or enforcing pursuant to Section IV of this Final Judgment.

F. MasterCard and Visa shall each notify the Department of Justice and the Plaintiff States, within five business days of such adoption or modification, if it adopts a new Rule that limits or restrains, or modifies an existing Rule in a manner that limits or restrains how Merchants accept, process, promote, or encourage use of Forms of Payment other than General

Purpose Cards or of General Purpose Cards bearing the Brand of another General Purpose Card Network.

VI. COMPLIANCE INSPECTION

A. For purposes of determining or securing compliance with this Final Judgment, or of determining whether the Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time duly authorized representatives of the Department of Justice, including consultants and other persons retained by the Department of Justice, shall, upon written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to MasterCard or Visa, be permitted:

1. access during the Defendant's office hours to inspect and copy, or at the option of the United States, to require the Defendant to provide to the United States and the Plaintiff States hard copy or electronic copies of, all books, ledgers, accounts, records, data, and documents in the possession, custody, or control of the Defendant, relating to any matters contained in this Final Judgment; and

2. to interview, either informally or on the record, the Defendant's officers, employees, or agents, who may have their individual counsel present, regarding such matters. The interviews shall be subject to the reasonable convenience of the interviewee and without restraint or interference by the Defendant.

B. Upon the written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, MasterCard and/or Visa shall submit written reports or respond to written interrogatories, under oath if requested, relating to any of the matters

contained in this Final Judgment as may be requested. Written reports authorized under this paragraph may, at the sole discretion of the United States, require a Defendant to conduct, at its cost, an independent audit or analysis relating to any of the matters contained in this Final Judgment.

C. No information or documents obtained by the means provided in this section shall be divulged by the United States to any person other than an authorized representative of (i) the executive branch of the United States or (ii) the Plaintiff States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by a Defendant to the United States and the Plaintiff States, the Defendant represents and identifies in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure, and the Defendant marks each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure," then the United States and Plaintiff States shall give the Defendant ten (10) calendar days notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

VII. RETENTION OF JURISDICTION

This Court retains jurisdiction to enable any party to this Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify any of its provisions, to enforce compliance, and to punish violations of its provisions.

VIII. NO LIMITATION ON GOVERNMENT RIGHTS

Nothing in this Final Judgment shall limit the right of the United States or of the Plaintiff States to investigate and bring actions to prevent or restrain violations of the antitrust laws concerning any Rule of MasterCard or Visa, including any current Rule and any Rule adopted in the future.

IX. EXPIRATION OF FINAL JUDGMENT

Unless this Court grants an extension, this Final Judgment shall expire ten years from the date of its entry.

X. PUBLIC INTEREST DETERMINATION

Entry of this Final Judgment is in the public interest. The parties have complied with the requirements of the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16, including making copies available to the public of this Final Judgment, the Competitive Impact Statement, and any comments thereon and the United States' responses to comments. Based upon the record before the Court, which includes the Competitive Impact Statement and any comments and response to comments filed with the Court, entry of this Final Judgment is in the public interest.

Date: July 20, 2011

Court approval subject to procedures set forth in the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16

United States District Judge

EXHIBIT K

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK**

<hr/>)	
UNITED STATES OF AMERICA,)		
STATE OF CONNECTICUT,)		
STATE OF IOWA,)		
STATE OF MARYLAND,)		
STATE OF MICHIGAN,)		
STATE OF MISSOURI,)		Civil Action
STATE OF OHIO, and)		No. CV-10-4496
STATE OF TEXAS,)		
)		
)		
Plaintiffs,)	(Garaufis, J.)	
)	(Pollak, M.J.)	
v.)		
)		
AMERICAN EXPRESS COMPANY,)		
AMERICAN EXPRESS TRAVEL)		
RELATED SERVICES COMPANY, INC.,)		
MASTERCARD INTERNATIONAL)		
INCORPORATED, and VISA INC.,)		
)		
)		
Defendants.)		
<hr/>)	

COMPETITIVE IMPACT STATEMENT

Plaintiff United States of America (“United States”), pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act (“APPA” or “Tunney Act”), 15 U.S.C. § 16(b)-(h), files this Competitive Impact Statement relating to the proposed Final Judgment submitted for entry in this civil antitrust proceeding.

I.

NATURE AND PURPOSE OF THE PROCEEDING

The United States and the States of Connecticut, Iowa, Maryland, Michigan, Missouri, Ohio, and Texas (“Plaintiff States”) brought this lawsuit against Defendants American Express

Company, American Express Travel Related Services Company, Inc. (collectively, “American Express”), Visa Inc. (“Visa”), and MasterCard International Incorporated (“MasterCard”) on October 4, 2010, challenging certain of Defendants’ rules, policies, and practices that impede merchants from providing discounts or benefits to promote the use of a competing credit card that costs the merchant less to accept (“Merchant Restraints”). These Merchant Restraints have the effect of suppressing interbrand price and non-price competition in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1.

Shortly after the filing of the Complaint, the United States filed a proposed Final Judgment with respect to Defendants Visa and MasterCard. The proposed Final Judgment is described in more detail in Section III below. The United States, Plaintiff States, Visa, and MasterCard have stipulated that the proposed Final Judgment may be entered after compliance with the APPA, unless the United States withdraws its consent. Entry of the proposed Final Judgment would terminate this action as to Visa and MasterCard, except that this Court would retain jurisdiction to construe, modify, and enforce the proposed Final Judgment and to punish violations thereof. The case against American Express will continue.

II.

DESCRIPTION OF THE EVENTS GIVING RISE TO THE ALLEGED VIOLATION

A. Industry Background

Defendants provide network services for general purpose credit and charge cards (“General Purpose Cards”). Visa is the largest provider of network services in the United States and MasterCard is the second-largest, closely followed by American Express.

General Purpose Cards are forms of payment that allow cardholders to make purchases without accessing or reserving the cardholder's funds at the time of sale. General Purpose Cards include credit and charge cards issued to consumers and businesses, but do not include cards that can be used at only one merchant (*e.g.*, department store cards), cards that access funds on deposit (debit cards), or pre-paid cards (*e.g.*, gift cards). Acceptance of General Purpose Cards is widespread among merchants because many of their customers prefer to pay with such Cards, due to convenience, security, the ability to defer payment, and other factors.

Defendants, as providers of General Purpose Card network services, operate the infrastructure necessary to authorize, settle, and clear payments made with their General Purpose Cards. Millions of merchants around the United States that accept General Purpose Cards are consumers of network services.

The typical transaction involving a Visa or MasterCard General Purpose Card involves several steps. When a cardholder presents a card to a merchant, the bank that issued the card (the "issuing bank" or "issuer") authorizes the transaction using the card's network. Then the merchant's bank (the "acquiring bank") pays the merchant the amount of the purchase, minus a fee (the "merchant discount fee" or "card acceptance fee") that is shared among the acquiring bank, the network, and the issuing bank. The acquiring bank and the network collect relatively small portions of the merchant discount; the bulk of the merchant discount is collected by the issuing bank in the form of an "interchange fee." Interchange fees are set by the network and vary based on many factors such as the merchant's industry, the merchant's annual charge levels, and the type of card used in the transaction (*e.g.*, rewards card vs. non-rewards card).

American Express issues most of its General Purpose Cards directly to cardholders and generally provides network services directly to merchants. For each transaction, American Express imposes a merchant discount fee, which is typically a percentage of the transaction price. American Express has for many years maintained the highest merchant fees of any network, and American Express card acceptance often costs merchants substantially more than acceptance of other General Purpose Cards.

When merchants agree to accept a particular brand of General Purpose Card, they must use the network services provided by that brand. Merchants cannot reasonably replace General Purpose Card network services with other services or reduce usage of these network services, even if such network services are substantially more expensive for merchants relative to services that enable other payment methods. The challenged Merchant Restraints obstruct the ability of a merchant to vary the amount of network services it buys in response to changes in the merchant's cost of acceptance by encouraging customers at the point of sale to use less-costly General Purpose Cards or other methods of payment.

B. The Challenged Merchant Restraints

When merchants agree to accept Visa or MasterCard General Purpose Cards, they sign a contract agreeing to abide by the rules promulgated by the network, including the Merchant Restraints at issue in this case. Merchants face penalties, including termination of their contracts, if they violate these rules.

The Visa Merchant Restraints challenged in the Complaint prohibit a merchant from offering a discount at the point of sale to a customer that chooses to use an American Express, Discover, or MasterCard General Purpose Card instead of a Visa General Purpose Card. Visa's

rules do not allow discounts for other General Purpose Cards, unless such discounts are equally available for Visa transactions. *See* Complaint ¶ 26 (citing Visa International Operating Regulations at 445 (April 1, 2010) (Discount Offer – U.S. Region 5.2.D.2)).

The MasterCard Merchant Restraints challenged in the Complaint prohibit a merchant from “engag[ing] in any acceptance practice that discriminates against or discourages the use of a [MasterCard] Card in favor of any other acceptance brand.” *See* Complaint ¶ 27 (quoting MasterCard Rule 5.11.1). This means that merchants cannot offer discounts or other benefits to persuade customers to use an American Express, Discover, or Visa General Purpose Card instead of a MasterCard General Purpose Card. *Id.* MasterCard does not allow merchants to favor competing card brands. *Id.*

The challenged Merchant Restraints imposed by Defendants deter or obstruct merchants from freely promoting interbrand competition among networks by offering customers discounts, other benefits, or information to encourage them to use a less-expensive General Purpose Card brand or other payment method. The Merchant Restraints block merchants from taking steps to influence customers and foster competition among networks at the point of sale, such as: promoting a less-expensive General Purpose Card brand more actively than any other brand; offering customers a discount or other benefit for using a particular General Purpose Card that costs the merchant less; posting a sign expressing a preference for another General Purpose Card brand; prompting customers at the point of sale to use another General Purpose Card brand in their wallets; posting the signs or logos of General Purpose Card brands that cost less to the

merchant more prominently than signs or logos of more costly brands; or posting truthful information comparing the relative costs of different General Purpose Card brands.¹

C. The Relevant Markets

The Complaint alleges two distinct relevant product markets: the market for General Purpose Card network services to merchants, and the market for General Purpose Card network services to travel and entertainment merchants (“T&E market”). In each case, the relevant geographic market is the United States.

1. The General Purpose Card Network Services Market

A relevant product market for this case is the provision of General Purpose Card network services to merchants. For such merchants, there are no reasonable substitutes for network services. Competition from other payment methods would not be sufficient to prevent a hypothetical monopolist of General Purpose Card network services from profitably maintaining supracompetitive prices and terms for network services provided to merchants over a sustained period of time or from imposing anticompetitive conditions on merchants.

Defendants possess market power in the network services market. In 2003, the United States Court of Appeals for the Second Circuit affirmed that Visa and MasterCard hold market power in a General Purpose Card network services market. *United States v. Visa U.S.A., Inc.*, 344 F.3d 229, 238-39 (2d Cir. 2003). American Express’ share of General Purpose Card

¹ Federal law mandates that networks permit merchants to offer discounts for cash transactions. Additionally, the new Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, by adding section 920 to the Electronic Fund Transfer Act, 15 U.S.C. § 1693 *et seq.*, now forbids networks from prohibiting merchants from offering a discount for an entire payment method category, such as a discount for use of any debit card. All General Purpose Card networks operate under these laws. The Complaint does not seek relief relating to these two types of discounting.

transaction volume today is close to MasterCard's, and similar to MasterCard's share at the time of the Second Circuit's decision.

Because of the Merchant Restraints, a merchant is obstructed in its ability to reduce its purchases of one network's services by encouraging its customers to choose a competing network's General Purpose Card. A merchant may resist a Defendant's high card acceptance fees only by no longer accepting that Defendant's General Purpose Cards. This all-or-nothing choice does not effectively constrain Defendants' market power because merchants cannot refuse to accept these General Purpose Cards without alienating customers and losing significant sales. The Merchant Restraints leave merchants less able to avoid Defendants' supracompetitive prices than they otherwise would be.

Defendants' ability to discriminate in the prices they charge different types of merchants, unexplained by cost differences, also reflects their market power. Defendants target specific merchant segments for differential pricing based on those merchants' ability to pay and their inability to refuse to accept Defendants' General Purpose Cards.

Significant barriers to entry and expansion protect Defendants' market power, and have contributed to Defendants' ability to maintain high prices for years without threat of price competition by new entry or expansion in the market. Barriers to entry and expansion include the prohibitive cost of establishing a physical network over which General Purpose Card transactions can run, developing a widely recognized brand, and establishing a base of merchants and a base of cardholders. Defendants, which achieved these necessities early in the history of the industry, hold substantial early-mover advantages over prospective subsequent entrants. Successful entry today would be difficult, time consuming, and expensive.

2. *The T&E Market*

Another relevant market consists of General Purpose Card network services provided to merchants in travel and entertainment businesses (*e.g.*, merchants offering air travel, lodging, or rental cars). The T&E market is what is sometimes termed a “price discrimination market.” Merchants in this market share distinct characteristics in their usage of General Purpose Card network services, can be readily identified by Defendants, and are subject to price discrimination by Defendants. Price discrimination occurs when a seller charges different customers (or groups of customers) different prices for the same services, when those different prices are not based on different costs of serving those customers.

Here, Defendants charge merchants in the T&E sector higher fees than they charge most other merchants. The high fees to T&E merchants are not based on Defendants’ higher costs of serving their T&E merchants. Each Defendant can charge T&E merchants high fees because those merchants are even less able to substitute away to other networks than other merchants.

Competition from other payment methods would not be sufficient to prevent a hypothetical monopolist in the T&E market from either profitably maintaining supracompetitive prices and terms for network services to T&E merchants over a sustained period of time or imposing anticompetitive conditions on T&E merchants in that market. A hypothetical monopolist could price discriminate profitably against T&E merchants even if other merchants were paying lower prices for network services.

Each Defendant holds market power in the T&E market. As with the market for General Purpose Card network services, discussed above, significant barriers to entry and expansion protect the market for network services to T&E merchants.

D. The Competitive Effects of the Alleged Violation

The Complaint alleges that Defendants' Merchant Restraints suppress price and non-price competition by prohibiting a merchant from offering discounts or other benefits to customers for the use of a particular General Purpose Card. These prohibitions allow Defendants to maintain high prices for network services with confidence that no competitor will take away significant transaction volume through competition in the form of merchant discounts or benefits to customers to use lower cost payment options. Defendants' prices for network services to merchants are therefore higher than they would be without the Merchant Restraints.

Absent the Merchant Restraints, merchants would be free to use various methods, such as discounts or non-price benefits, to encourage customers to use the brands of General Purpose Cards that impose lower costs on the merchants. In order to retain merchant business, the networks would need to respond to merchant preferences by competing more vigorously on price and service to merchants. The increased competition among networks would lead to lower merchant fees and better service terms.

Because the Merchant Restraints result in higher merchant costs, and merchants pass these costs on to consumers, retail prices are higher generally for consumers. Moreover, a customer who pays with lower-cost methods of payment pays more than he or she would if Defendants did not prevent merchants from encouraging network competition at the point of sale. For example, because certain types of premium General Purpose Cards tend to be held by more affluent buyers, less affluent purchasers using non-premium General Purpose Cards, debit cards, cash, and checks effectively subsidize part of the cost of expensive premium card benefits and rewards enjoyed by those cardholders.

The Complaint also alleges that the Merchant Restraints have had a number of other anticompetitive effects, including reducing output of lower-cost payment methods, stifling innovation in network services and card offerings, and denying information to customers about the relative costs of General Purpose Cards that would cause more customers to choose lower-cost payment methods. Defendants' Merchant Restraints also have heightened the already high barriers to entry and expansion in the network services market. Merchants' inability to encourage their customers to use less-costly General Purpose Card networks makes it more difficult for existing or potential competitors to threaten Defendants' market power.

Finally, the Complaint alleges that these anticompetitive effects are not outweighed by any allegedly procompetitive goals of the Merchant Restraints, and there are less restrictive alternatives by which Defendants would be able reasonably to achieve any procompetitive goals.

III.

EXPLANATION OF THE PROPOSED FINAL JUDGMENT

The prohibitions and required conduct in the proposed Final Judgment achieve all the relief sought from Visa and MasterCard in the Complaint, and thus fully resolve the competitive concerns raised by those Defendants' Merchant Restraints challenged in this lawsuit.

The proposed Final Judgment prohibits Visa and MasterCard from adopting, maintaining, or enforcing any rule, or entering into or enforcing any agreement, that prevents any merchant from: (1) offering the customer a price discount, rebate, free or discounted product or service, or other benefit if the customer uses a particular brand or type of General Purpose Card or particular form of payment; (2) expressing a preference for the use of a particular brand or type of General Purpose Card or particular form of payment; (3) promoting a particular brand or type

of General Purpose Card or particular form of payment through posted information; through the size, prominence, or sequencing of payment choices; or through other communications to the customer; or (4) communicating to customers the reasonably estimated or actual costs incurred by the merchant when a customer pays with a particular brand or type of General Purpose Card. Proposed Final Judgment § IV.A.

For purposes of the Final Judgment, the “brand” of a General Purpose Card refers to its network (*e.g.*, American Express, Discover, MasterCard, or Visa). *Id.* § II.3. The “type” of a General Purpose Card refers to the network’s card categories, such as premium cards (*e.g.*, a “Visa Signature Card” or a “World MasterCard”), rewards cards, or traditional cards. *Id.* § II.16. The term “form of payment” is defined as any means by which customers pay for goods and services, including cash, a check, a debit card, a prepaid card, or other means. *Id.* § II.7. The definition includes particular brands or types of debit cards.

The purpose of Section IV.A is to free merchants to influence the method of payment used by their customers by providing them information, discounts, benefits, and choices at the point of sale. For example, merchants will be able to encourage customers, using the methods described in Section IV.A, to use one General Purpose Card instead of another, to use one type of General Purpose Card instead of another (such as by offering a discount for the use of a cheaper non-rewards Visa card instead of a premium-level Visa rewards card), or to use a different General Purpose Card or form of payment than the General Purpose Card the customer initially presents to the merchant. Merchants will also be able to encourage the use of any other payment form, such as cash, check, or debit cards, by using the methods described in Section IV.A.

To clarify the scope of the conduct prohibited by the proposed Final Judgment, Section IV.B provides that Visa and MasterCard would not violate the Final Judgment if they established agreements with merchants, pursuant to which: (1) the merchant agrees to accept only one brand of General Purpose Card; (2) the merchant encourages customers to use co-branded or affinity General Purpose Cards with the merchant's own brand on the card, and not other General Purpose Cards; or (3) the merchant encourages customers to use only one brand of General Purpose Card.² The General Purpose Card networks likely will compete with each other to enter these types of agreements, to the benefit of merchants and consumers.

Section IV.B also allows Visa and MasterCard to have a network rule that prohibits a merchant from encouraging customers to use the General Purpose Cards of one issuing bank instead of those of another issuing bank.

Section IV.C allows Visa and MasterCard to have a network rule that prohibits a merchant from disparaging the network's brand, as long as that rule does not restrict a merchant's ability to encourage customers to use other General Purpose Cards or forms of payment.

To facilitate merchants' ability to encourage customers to use particular General Purpose Cards, Section IV.D prevents Visa and MasterCard from denying merchants access to information from their acquiring banks about the cost of each type of General Purpose Card.

² Visa and MasterCard may enter into the latter type of agreement subject to certain conditions: (a) the agreement is individually negotiated with the merchant and is not part of a standard merchant contract; and (b) the merchant's acceptance of the Defendant's General Purpose Card is unrelated to, and not conditioned on, the merchant's entry into the agreement. *Id.* § IV.B.3.

Section V of the proposed Final Judgment requires Visa and MasterCard, within five days of entry of the Judgment, to “delete, discontinue, and cease to enforce” any rule that would be prohibited by Section IV of the Final Judgment. *Id.* § V.A. Sections V.B and V.C require Visa and MasterCard to make specific changes to their rules and regulations governing merchant conduct to implement the requirements of Section IV. Section V also directs Visa and MasterCard, through their acquiring banks, to notify merchants of the rules changes mandated by the Final Judgment, and of the fact that merchants are now permitted to encourage customers to use a particular General Purpose Card or form of payment. Acquiring banks must also provide merchants with a copy of the Final Judgment. Finally, Section V requires Visa and MasterCard to adopt rules that prohibit their acquiring banks from adopting, maintaining, or enforcing any rule that would be inconsistent with the prohibitions of Section IV of the Final Judgment.

To aid in enforcement, the proposed Final Judgment requires Visa and MasterCard to notify the Department of Justice of any future rule change that limits or restrains “how Merchants accept, process, promote, or encourage use of Forms of Payment other than General Purpose Cards or of General Purpose Cards bearing the Brand of another General Purpose Card Network.” *Id.* § V.F.

The proposed Final Judgment expressly states that there is no limitation on the United States’ (or the Plaintiff States’) ability to investigate and bring an antitrust enforcement action in the future concerning any rule of either Visa or MasterCard, including any rule either of them may adopt in the future. *Id.* § VIII.

Merchants that currently accept only Visa or MasterCard, or both, will benefit immediately from the Final Judgment by having the freedom to encourage their customers to choose the merchants' preferred method of payment. Merchants will have several new options available to accomplish this, such as offering customers a price discount, a rebate, a free product or service, rewards program points, or other benefits; placing signs that encourage customers to use particular payment methods; prompting customers to use particular General Purpose Cards or other forms of payment; or communicating to customers the costs of particular forms of payment.

Merchants that accept American Express cards, including the vast majority of the major retailers in the United States, will be unable to influence customers' payment methods because the anticompetitive American Express Merchant Restraints will continue to constrain those merchants pending the outcome of this litigation. American Express stands as the last obstacle to achieving the full benefits of competition now suppressed by the challenged Merchant Restraints. The United States will continue this case against American Express to obtain complete relief for the affected merchants, and for the benefit of their customers.

IV.

REMEDIES AVAILABLE TO POTENTIAL PRIVATE LITIGANTS

Section 4 of the Clayton Act, 15 U.S.C. § 15, provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages the person has suffered, as well as costs and reasonable attorneys' fees. Entry of the proposed Final Judgment will neither impair nor assist the bringing of any private antitrust damage action. Under the provisions of Section 5(a) of the Clayton Act,

15 U.S.C. § 16(a), the proposed Final Judgment has no prima facie effect in any private lawsuit that may be brought against Defendants.

V.

**PROCEDURES AVAILABLE FOR MODIFICATION
OF THE PROPOSED FINAL JUDGMENT**

The United States, Plaintiff States, Visa, and MasterCard have stipulated that the proposed Final Judgment may be entered by the Court after compliance with the provisions of the APPA, provided that the United States has not withdrawn its consent. The APPA conditions entry upon the Court's determination that the proposed Final Judgment is in the public interest.

The APPA provides a period of at least sixty (60) days preceding the effective date of the proposed Final Judgment within which any person may submit to the United States written comments regarding the proposed Final Judgment. Any person who wishes to comment should do so within sixty (60) days of the date of publication of this Competitive Impact Statement in the Federal Register, or the last date of publication in a newspaper of the summary of this Competitive Impact Statement, whichever is later. All comments received during this period will be considered by the United States Department of Justice, which remains free to withdraw its consent to the proposed Final Judgment at any time prior to the Court's entry of judgment. The comments and the response of the United States will be filed with the Court and published in the Federal Register.

Written comments should be submitted to:

John R. Read
Chief, Litigation III Section
Antitrust Division
United States Department of Justice
450 Fifth Street, NW, Suite 4000
Washington, DC 20530

The proposed Final Judgment provides that the Court retains jurisdiction over this action, and the parties may apply to the Court for any order necessary or appropriate for the modification, interpretation, or enforcement of the Final Judgment.

VI.

ALTERNATIVES TO THE PROPOSED FINAL JUDGMENT

The United States considered, as an alternative to the proposed Final Judgment, proceeding to a full trial on the merits against Visa and MasterCard. The United States is satisfied, however, that the prohibitions and requirements contained in the proposed Final Judgment will fully address the competitive concerns set forth in the Complaint against Visa and MasterCard. The proposed Final Judgment achieves all or substantially all of the relief the United States would have obtained through litigation against Visa and MasterCard, and will avoid the delay, risks, and costs of a trial on the merits of the Complaint.³

³ The Antitrust Division has investigated a number of Defendants' other merchant rules, including the prohibition on surcharging, that are not challenged in this Complaint. Tunney Act review is limited to the scope of the complaint and the court may not "reach beyond the complaint to evaluate claims that the government did *not* make and to inquire as to why they were not made." *United States v. Microsoft*, 56 F.3d 1448, 1459-60 (D.C. Cir. 1995); *see also infra* § VII, at 20. The proposed Final Judgment contains a clause preserving the rights of the United States and providing that "[n]othing in this Final Judgment shall limit the right of the United States or of the Plaintiff States to investigate and bring actions to prevent or restrain violations of the antitrust laws concerning any Rule of MasterCard or Visa, including any current Rule and any Rule adopted in the future." Proposed Final Judgment §VIII. At this time, the

VII.

**STANDARD OF REVIEW UNDER THE APPA FOR THE
PROPOSED FINAL JUDGMENT**

The Clayton Act, as amended by the APPA, requires that proposed consent judgments in antitrust cases brought by the United States be subject to a sixty-day comment period, after which the court shall determine whether entry of the proposed Final Judgment “is in the public interest.” 15 U.S.C. § 16(e)(1). In making that determination, the court, in accordance with the statute as amended in 2004, is required to consider:

- (A) the competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration of relief sought, anticipated effects of alternative remedies actually considered, whether its terms are ambiguous, and any other competitive considerations bearing upon the adequacy of such judgment that the court deems necessary to a determination of whether the consent judgment is in the public interest; and
- (B) the impact of entry of such judgment upon competition in the relevant market or markets, upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including consideration of the public benefit, if any, to be derived from a determination of the issues at trial.

15 U.S.C. § 16(e)(1)(A) & (B). In considering these statutory factors, the court’s inquiry is necessarily a limited one as the United States is entitled to “broad discretion to settle with the defendant within the reaches of the public interest.” *United States v. Microsoft Corp.*, 56 F.3d 1448, 1461 (D.C. Cir. 1995); *see also United States v. Alex Brown & Sons, Inc.*, 963 F. Supp. 235, 238 (S.D.N.Y. 1997) (noting that the court’s role in the public interest determination is “limited” to “ensur[ing] that the resulting settlement is ‘within the reaches of the public interest’”) (quoting *Microsoft*, 56 F.3d at 1460), *aff’d sub nom. United States v. Bleznak*, 153

United States takes no position on whether any Visa or MasterCard rule not challenged in the Complaint is in violation of the antitrust laws.

F.3d 16 (2d Cir. 1998); *United States v. SBC Commc'ns, Inc.*, 489 F. Supp. 2d 1 (D.D.C. 2007) (assessing public interest standard under the Tunney Act); *United States v. InBev N.V./S.A.*, 2009-2 Trade Cas. (CCH) ¶76,736, 2009 U.S. Dist. LEXIS 84787, No. 08-1965 (JR), at *3, (D.D.C. Aug. 11, 2009) (noting that the court's review of a consent judgment is limited and only inquires "into whether the government's determination that the proposed remedies will cure the antitrust violations alleged in the complaint was reasonable, and whether the mechanism to enforce the final judgment are clear and manageable.").⁴

As the United States Court of Appeals for the District of Columbia Circuit has held, a court considers under the APPA, among other things, the relationship between the remedy secured and the specific allegations set forth in the United States' complaint, whether the decree is sufficiently clear, whether enforcement mechanisms are sufficient, and whether the decree may positively harm third parties. *See Microsoft*, 56 F.3d at 1458-62. With respect to the adequacy of the relief secured by the decree, a court may not "engage in an unrestricted evaluation of what relief would best serve the public." *United States v. BNS, Inc.*, 858 F.2d 456, 462 (9th Cir. 1988) (citing *United States v. Bechtel Corp.*, 648 F.2d 660, 666 (9th Cir. 1981)); *see also Microsoft*, 56 F.3d at 1460-62; *Alex Brown*, 963 F. Supp. at 238; *United States v. Alcoa, Inc.*, 152 F. Supp. 2d 37, 40 (D.D.C. 2001); *InBev*, 2009 U.S. Dist. LEXIS 84787, at *3. Courts have held that:

⁴ The 2004 amendments substituted "shall" for "may" in directing relevant factors for court to consider and amended the list of factors to focus on competitive considerations and to address potentially ambiguous judgment terms. *Compare* 15 U.S.C. § 16(e) (2004), *with* 15 U.S.C. § 16(e)(1) (2006); *see also SBC Commc'ns*, 489 F. Supp. 2d at 11 (concluding that the 2004 amendments "effected minimal changes" to Tunney Act review).

[t]he balancing of competing social and political interests affected by a proposed antitrust consent decree must be left, in the first instance, to the discretion of the Attorney General. The court's role in protecting the public interest is one of insuring that the government has not breached its duty to the public in consenting to the decree. The court is required to determine not whether a particular decree is the one that will best serve society, but whether the settlement is "*within the reaches of the public interest.*" More elaborate requirements might undermine the effectiveness of antitrust enforcement by consent decree.

Bechtel, 648 F.2d at 666 (emphasis added) (citations omitted).⁵ In determining whether a proposed settlement is in the public interest, a district court "must accord deference to the government's predictions about the efficacy of its remedies, and may not require that the remedies perfectly match the alleged violations." *SBC Commc 'ns*, 489 F. Supp. 2d at 17; *see also Microsoft*, 56 F.3d at 1461 (noting the need for courts to be "deferential to the government's predictions as to the effect of the proposed remedies"); *Alex Brown*, 963 F. Supp. at 239 (stating that the court should give "due deference to the Government's evaluation of the case and the remedies available to it"); *United States v. Archer-Daniels-Midland Co.*, 272 F. Supp. 2d 1, 6 (D.D.C. 2003) (noting that the court should grant due respect to the United States' "prediction as to the effect of proposed remedies, its perception of the market structure, and its views of the nature of the case").

Courts have greater flexibility in approving proposed consent decrees than in crafting their own decrees following a finding of liability in a litigated matter. "[A] proposed decree

⁵ *Cf. BNS*, 858 F.2d at 464 (holding that the court's "ultimate authority under the [APPA] is limited to approving or disapproving the consent decree"); *United States v. Gillette Co.*, 406 F. Supp. 713, 716 (D. Mass. 1975) (noting that, in this way, the court is constrained to "look at the overall picture not hypercritically, nor with a microscope, but with an artist's reducing glass"); *see generally Microsoft*, 56 F.3d at 1461 (discussing whether "the remedies [obtained in the decree are] so inconsonant with the allegations charged as to fall outside of the 'reaches of the public interest'").

must be approved even if it falls short of the remedy the court would impose on its own, as long as it falls within the range of acceptability or is ‘within the reaches of public interest.’” *United States v. Am. Tel. & Tel. Co.*, 552 F. Supp. 131, 151 (D.D.C. 1982) (citations omitted) (quoting *United States v. Gillette Co.*, 406 F. Supp. 713, 716 (D. Mass. 1975)), *aff’d sub nom. Maryland v. United States*, 460 U.S. 1001 (1983); *see also United States v. Alcan Aluminum Ltd.*, 605 F. Supp. 619, 622 (W.D. Ky. 1985) (approving the consent decree even though the court would have imposed a greater remedy). To meet this standard, the United States “need only provide a factual basis for concluding that the settlements are reasonably adequate remedies for the alleged harms.” *SBC Commc’ns*, 489 F. Supp. 2d at 17.

Moreover, the court’s role under the APPA is limited to reviewing the remedy in relationship to the violations that the United States has alleged in its complaint, and does not authorize the court to “construct [its] own hypothetical case and then evaluate the decree against that case.” *Microsoft*, 56 F.3d at 1459; *see also InBev*, 2009 U.S. Dist. LEXIS 84787, at *20 (“the ‘public interest’ is not to be measured by comparing the violations alleged in the complaint against those the court believes could have, or even should have, been alleged”). Because the “court’s authority to review the decree depends entirely on the government’s exercising its prosecutorial discretion by bringing a case in the first place,” it follows that “the court is only authorized to review the decree itself,” and not to “effectively redraft the complaint” to inquire into other matters that the United States did not pursue. *Microsoft*, 56 F.3d at 1459-60. As the United States District Court for the District of Columbia recently confirmed in *SBC Communications*, courts “cannot look beyond the complaint in making the public interest

determination unless the complaint is drafted so narrowly as to make a mockery of judicial power.” *SBC Commc’ns*, 489 F. Supp. 2d at 15.

In its 2004 amendments, Congress made clear its intent to preserve the practical benefits of utilizing consent decrees in antitrust enforcement, adding the unambiguous instruction that “[n]othing in this section shall be construed to require the court to conduct an evidentiary hearing or to require the court to permit anyone to intervene.” 15 U.S.C. § 16(e)(2). This language effectuates what Congress intended when it enacted the Tunney Act in 1974. As Senator Tunney explained: “[t]he court is nowhere compelled to go to trial or to engage in extended proceedings which might have the effect of vitiating the benefits of prompt and less costly settlement through the consent decree process.” 119 Cong. Rec. 24,598 (1973) (statement of Senator Tunney). Rather, the procedure for the public interest determination is left to the discretion of the court, with the recognition that the court’s “scope of review remains sharply proscribed by precedent and the nature of Tunney Act proceedings.” *SBC Commc’ns*, 489 F. Supp. 2d at 11.⁶

⁶ See *United States v. Enova Corp.*, 107 F. Supp. 2d 10, 17 (D.D.C. 2000) (noting that the “Tunney Act expressly allows the court to make its public interest determination on the basis of the competitive impact statement and response to comments alone”); *United States v. Mid-Am. Dairymen, Inc.*, 1977-1 Trade Cas. (CCH) ¶ 61,508, at 71,980 (W.D. Mo. 1977) (“Absent a showing of corrupt failure of the government to discharge its duty, the Court, in making its public interest finding, should . . . carefully consider the explanations of the government in the competitive impact statement and its responses to comments in order to determine whether those explanations are reasonable under the circumstances.”); S. Rep. No. 93-298, 93d Cong., 1st Sess., at 6 (1973) (“Where the public interest can be meaningfully evaluated simply on the basis of briefs and oral arguments, that is the approach that should be utilized.”).

THE COMMISSIONER OF
COMPETITION
Applicant

-and-

VISA CANADA CORPORATION
et al.
Respondents

Court File No. CT-2010-010

THE COMPETITION TRIBUNAL

**WITNESS STATEMENT OF WILLIAM
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