VISA

Visa Debit ecommerce merchant acceptance

Frequently asked questions and flowchart

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Visa Debit. The convenience of debit. The security of Visa.

Visa Debit is a chosen method of payment in many countries around the globe.

With Visa Debit, consumers can pay directly from their bank account online and through mail order and telephone – wherever Visa Debit is accepted in Canada. With Visa Debit, you give your customers more payment options and potentially increase sales and serve a wider customer base.

The value of Visa Debit for ecommerce:

Customer convenience

Canadian consumers are increasingly comfortable buying goods online, and Canadian enterprises have reacted by selling more and more online. Canadian enterprises sold more than $136 billion in goods and services over the Internet in 2013, up 11% from 2012.[1] Accepting Visa Debit gives your customers another payment option, allowing you to promote service and choice.

Security and reliability

Visa Debit offers Visa's Layers of Security to help make debit payment secure for both you and your customers.[2] Security features like Visa's Zero Liability policy, *Verified by Visa*®, Address Verification Service (AVS), E-Promise, merchant/customer dispute resolution service and CVV2 (three-digit code) offer protection against counterfeit, lost or stolen account fraud.[3] This gives your customers the confidence to make purchases using Visa Debit.

Potential to increase sales

Visa Debit offers your business the opportunity to access an underserved customer base that prefers to use debit, as well as customer segments that may not have access to Visa credit, such as the youth market and new Canadians. Visa Debit is also a great option for recurring payments online, over the phone and by mail.

Seamless integration

Your customers never leave your site when using Visa Debit. They simply enter their information and the purchase is processed just like Visa credit transactions are processed today. Visa simply recommends enhanced check-out messaging to highlight the available payment methods for customers.

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[1] Digital technology and Internet use 2013, Statistics Canada, June 11, 2014.
[2] For transactions processed over the Visa network.
[3] Certain restrictions apply. See visa.ca for complete details.

Ecommerce merchant acceptance frequently asked questions

I want to accept Visa Debit but even though my systems and my acquirer systems are suitable, all authorizations get rejected.

The 2010 introduction of the *Code of Conduct for the Credit and Debit Card Industry in Canada* obligated Visa to reject all authorizations until a merchant has provided express consent to accept these transactions. Appropriate forms can be obtained from your acquirer.

From a technology standpoint, can I already accept Visa Debit for card-not-present (CNP) transactions like phone, mail, and online orders?

The data required for CNP acceptance of Visa Debit does not change from that already used for credit. Visa Debit enables consumers to make CNP transactions directly from their bank accounts. This functionality works the same way as Visa credit transactions. Customers simply provide their number, expiration date and Card Verification Value (CVV2), the 3-digit code on the back of the card.

In some cases the account holder's name will NOT appear on Visa Debit cards or reference cards, but the account holder is known to the card issuer. If the account holder's name appears on the card, it can be seen as an additional security measure.

There are no technical changes needed for most merchants to begin accepting Visa Debit by phone, mail, or online, if Visa credit payments are already accepted. Merchants should contact their acquirer for more information.

How does Visa Debit work for online payments? And how does it differ from Visa credit products in a card-not-present (CNP) environment?

Visa Debit allows consumers to debit funds directly from their bank account. Customers simply enter their information just as they do with Visa credit transactions today.

From a CNP processing perspective, Visa Debit processes like Visa credit transactions in an ecommerce channel, regardless of country of issuance. Visa Debit cards require the same processing procedures and are governed by the same rules. Visa simply recommends enhanced check-out messaging to highlight the available payment methods for customers.

From a customer experience standpoint, one fundamental difference may exist for account holders when Canadian-issued Visa credit cards and Visa Debit are used in the ecommerce environment. With Visa Debit, issuers may elect to follow a post-on-authorization model. Under this model, a customer's account will be debited at the time of the authorization. This differs from the current credit environment, where a reduction of available funds occurs at the time of the authorization, but is not actually charged to the account.

Visa has developed a series of helpful processing and acceptance references which can be found under the Visa Debit product section at **visa.ca/merchant/debit**.

Is *Verified by Visa* (VbV) required for Visa Debit?

VbV is a program designed to make shopping online more secure. VbV is mandated for Visa Debit issuers and will be available for merchants to use if they wish. It is not required for merchants to use this, but will require no changes to processing if already in use on their website.

Is Card Verification Value 2 (CVV2) required for Visa Debit?

CVV2, also known as the Visa three-digit code, is the last 3 numbers on the back of Visa cards, printed at the end of the signature panel, in a white box outside of the signature panel, or on the front of a Virtual Visa Debit reference card. The 3-digit code is a crucial security feature that helps merchants validate purchases made with Visa credit cards or Visa Debit. By asking for more information to complete a Visa transaction during a phone or online transaction, Visa helps to mitigate potential fraudulent transactions. It is required to be on the card or reference card, and Visa always recommends the use of CVV2. However, if your existing processing does not make use of validation of CVV2, then Visa Debit will not make it a requirement to do so.

Is the Address Verification Service (AVS) required for Visa Debit?

AVS helps to ensure that the person making the purchase with Visa is the same person who receives the account's monthly statement. By matching the billing address the Visa issuer has on file against the billing address provided during check-out, merchants and Issuers work together to ensure that lost or stolen Visa cards or reference cards are not being used in card-not-present environments to purchase goods or services. For clients, AVS means that unless the correct billing address is provided online, mail or telephone order during check-out, the transaction will not be completed which may stop a fraudulent purchase from being made.

Do I need an additional drop down on the payment selection method of my web form for Visa Debit?

Although not required, many merchants do this to help customers understand that they accept Visa Debit. The addition or lack of a specific drop down is not a required feature. If the dropdown, explicitly states Visa credit, there may be some customers who may interpret this to mean that as a merchant, you do not accept Visa Debit.

Will I have to change my internal systems?

From the transmission of messages perspective no changes are required. If there are internal company settlement accounts which are, or are required to be, different for Visa Debit processing, then it is possible that some changes may be required. We recommend that you contact your acquirer to help you determine this.

Will my acquirer need to make any changes if we are already accepting Visa credit?

Providing your acquirer already accepts CNP transactions from you, then there is no change required for Visa Debit. There may be some internal processes required for an acquirer to process your transactions for Debit, which your acquirer can explain. Visa would be happy to assist should you and your acquirer have implementation questions.

How do I determine if the account number provided is Visa Debit or a Visa credit card number?

Visa has enabled your acquirer to provide you with that information based on data regularly updated by Visa.

Are there any additional costs to accept Visa Debit?

Your acquirer should be able to answer any questions about costs and processing fees required for acceptance, but interchange for Visa Debit is lower than it is for Visa credit card transactions.

Visa Canada interchange rates are available at **visa.ca**

How do I recognize Visa Debit?

While each Issuer's Visa Debit card is unique, certain standard features will enable you to recognize it:

Visa Debit on a bank card
With Visa Debit on a bank card, both Visa Debit and other network provider logos (e.g. *Interac*®) may be displayed.

21230 H (05/09) cpi-ca

CVV2 number

chip (foreign cards may not have)

AUTHORIZED SIGNATURE   NOT VALID UNLESS SIGNED

123

BANK LOGO   **VISA DEBIT**

card number — 4000 1234 5678 9010

4000

Good Thru 00/00

cardholder name (optional) — G RAYMOND

Interac   **VISA** DEBIT

Visa Debit identifier

other network logo (e.g. *Interac,* if enabled)

Virtual Visa Debit
With Virtual Visa Debit customers can shop online, over the phone or by mail order and safely pay directly from their bank account.

GEMALTO 40010801 12-11   VVD100E

Use this three digit security code when shopping online, over the phone or when placing a mail order.

CVV2

000

CVV2 number

"Virtual Visa Debit"

Use of Virtual Visa Debit is subject to the agreement pursuant to which it is issued and the account holder acknowledges receipt of such agreement by such use.

CUSTOM
CANA
1-800
(1-800

WORLDW
506-

*Registered trademark of Visa International Service Association. Used under licence.

Virtual Visa Debit
FOR ONLINE, PHONE AND MAIL ORDER PURCHASES

Virtual Visa Debit
FOR ONLINE, PHONE AND MAIL ORDER PURCHASES

4510 1234 5678 1234

John Q Sample

VISA DEBIT

MONTH/YEAR
EXPIRATION: END OF ▶ 00/00

limited use disclaimer (e.g. "for online, phone and mail order purchases")

account number (this number is not embossed or raised)

account holder name

expiry date

Visa logo (in the bottom left hand corner)

How does Visa Debit work for in-store payments?

When Visa Debit is on a bank card, in-store debit transactions within Canada are processed using Interac. When the transaction is complete, funds are automatically debited from the cardholder's bank account.

How does Visa Debit work for bill payments?

There are two ways to pay bills with Visa Debit:

One-time payment
Cardholders control when and how much they pay either by initiating payments through the biller's website, by calling the biller directly, or mailing in a form.

Automatic recurring payment
Similar to Visa credit accounts, Visa Debit can be set up for payment of recurring bills. This ensures bills are paid on time, without cardholders having to think about them. The pre-authorized amount can be fixed or can fluctuate if the billing amount varies from month to month. Sufficient funds must be in the account when payments are deducted. Automatic bill payment can help customer's track and manage expenditures because every bill paid through Visa Debit is itemized on the customer's monthly and/or online bank statement.

How does Visa Debit work for advanced purchases? (i.e. hotel reservations or car rentals)

Visa Debit can be used to make advanced purchases. However, keep in mind that with debit, unlike with credit, the amount is withdrawn from the funds available in the customer's bank account at the time of purchase (authorization request). It is a commonly accepted merchant best practice to advise customers of this fact upfront on your company's website.

How do refunds work with Visa Debit?

Merchants have a variety of mechanisms available to execute refunds for unwanted merchandise, including simple return/refund claims using mail/courier and return of goods to a physical location. There are also a variety of ways to offer customers value in exchange, instead of refunds, depending on business needs, such as gift cards, store credits, etc.

If a customer decides to visit a physical location and return/exchange an item purchased online using Visa Debit, the transaction cannot be refunded through the Visa system because of restrictions under the *Code of Conduct for the Credit and Debit Industry Canada*. In this situation, a merchant may consider an alternative solution such as providing a store credit.

How will my customers know if I accept Visa Debit?

It is recommended that online merchants place additional acceptance messaging on their website to alert cardholders that Canadian-issued Visa Debit cards are also accepted.

Visa has developed a series of helpful processing and acceptance references which can be found under the Visa Debit product section at **visa.ca/merchant/debit**.

Do Visa Debit cards expire?

Yes. The expiry date on Visa Debit cards (or reference cards) is used to process card-not-present transactions (e.g. online transactions) and serves as a re-issue date for the card issuer.

To learn more

It's easy to start accepting Visa Debit. Contact your acquirer about how to start accepting Visa Debit today. You can also visit the Visa Debit product section at **visa.ca/merchant/debit** to find out more information.

Ecommerce merchant acceptance flowchart

Do I currently accept Visa credit payments online today?	**NO**	Your acquirer will be able to help you with an ecommerce solution which can be set-up quickly to allow you to start accepting these transactions.

YES

Do I use VBV, AVS and CVV2 today?	**NO**	VBV, AVS and CVV2 are not required; however, all cards issued will be capable of using these tools. If you wish to add this functionality, you may, but there is no requirement to do so.

YES

Have I signed an express consent form to accept?	**NO**	Obtain the correct form from your acquirer and complete.

YES

Can your acquirer process Visa Debit transactions for you?	**NO**	Have your acquirer inform Visa of your Acceptor ID number and Visa will ensure you have the ability to accept transactions while your acquirer completes any updates that need to be made.

YES

Review acceptance messaging best practices and begin accepting.

YES