

VISA®

All changes below will be effective April 19, 2013 unless stated otherwise

New Visa Commercial Interchange Fee Programs for Prepaid Card Transactions

- Visa will introduce new interchange fee programs that will apply to U.S. domestic Visa Commercial (Business, Corporate, and Purchasing) prepaid card transactions that are not PIN-authenticated and non-regulated.
- These new interchange fee programs will have new, fee descriptions and rates that will apply to card-present and card-not-present transactions
- Regulated transactions will continue to clear using the U.S. regulated interchange fee programs.
- As a result of these new interchange fee programs, Visa will no longer assess existing commercial credit interchange fee program to Visa commercial prepaid transactions
- The new interchange fee programs are as follows:

| Visa Fee Program | Visa Fee Descriptor | Rate |
|-------------------------------------|---------------------|------------------|
| Commercial Retail-Prepaid | US COMM RTL PP | 2.15% + US\$0.10 |
| Commercial Card Not Present-Prepaid | US COMM CNP PP | 2.65% + US\$0.10 |
| Commercial Standard-Prepaid | US COMM STD PP | 2.95% + US\$0.10 |

New Purchasing Large Ticket Program for Prepaid Transactions

- Visa will introduce a new U.S. Purchasing Large Ticket Prepaid interchange fee program that will apply to Visa Purchasing prepaid transactions which meet the criteria below:
 - All merchant category codes qualify except **3000–3999, 4112, 4411, 4511, 4722, 5812, 5814, 7011, or 7512**
 - Must be qualified for one of the following CPS programs:
 - CPS Card Not Present
 - CPS Electronic Commerce Basic
 - CPS Electronic Commerce Preferred – Retail
 - Must meet level 2 and level 3 data requirements
 - Must meet 8 day clearing timeliness

| Visa Fee Program | Visa Fee Descriptor | Rate |
|------------------------------------|---------------------|--------------------|
| VI Purchasing Large Ticket-Prepaid | PUR LG TKT PP | 1.45% + US \$35.00 |

New Visa Utility Interchange Program for Visa Business Debit and Prepaid Card Transactions

- Visa will introduce a new U.S. Visa Utility interchange fee program to support transactions on non-regulated Visa Business debit and prepaid cards which meet the following criteria:
 - Merchant category code = 4900 (Utilities – Electric, Gas, Water and Sanitary)
 - MVV (Merchant Verification Value) must be valid
 - CPS-qualified with one of the following CPS programs:
 - CPS/Card Not Present
 - CPS/Electronic Commerce - Basic
 - CPS/Electronic Commerce Preferred – Retail

| Visa Fee Program | Visa Fee Descriptor | Rate |
|-----------------------------------------|---------------------|----------|
| Visa Utility Business Debit and Prepaid | CPS/UTIL BUS DB | US\$1.50 |

New Commercial Prepaid Interchange Fee Programs for PIN-Authenticated Visa Transactions

- Visa will introduce a new U.S. Commercial Prepaid interchange fee program for PIN-authenticated non-regulated Visa transactions.

| Visa Fee Program | Visa Fee Descriptor | Rate |
|------------------------------------------------------|----------------------------|------------------|
| PIN-Authenticated Commercial Prepaid – Non-Regulated | PIN AUTH COMM PP | 2.15% + US\$0.10 |

New Interlink Commercial Card Fee Program for Non-Regulated Prepaid Transactions

- Visa will introduce a new U.S. Interlink interchange fee program that will apply to Commercial prepaid card transactions
- This new interchange fee program will apply to all non-regulated Commercial prepaid transactions regardless of the merchant category code

| Visa Fee Program | Visa Fee Descriptor | Rate |
|-----------------------------------|----------------------------|------------------|
| Interlink Commercial Prepaid Card | INTERLNK COMM PP | 2.15% + US\$0.10 |

Changes to U.S. Dispute Processing Chargeback and Retrieval Request Revisions Made to Visa International Operating Regulations

- Effective April 20, 2013, Visa will implement the following changes to the dispute processing rules to ensure the dispute process is faster, easier and more efficient for all members. In addition, this will increase global alignment of the dispute rules and regulations:
 - **Chargeback Reason Code 30 “Services Not Provided or Merchandise Not Received”** will be modified to require issuers to supply a detailed description of the goods or services purchased by the cardholder within the chargeback documentation unless it is prohibited by law
 - **Chargeback Reason Code 75 “Transaction Not Recognized”** will be modified to no longer require issuers to list which transaction field(s) were not recognized by the cardholder. However, this does not change what is required to be provided by you to remedy the dispute. The following information should be supplied by you when responding to a chargeback reason code 75:
 - A copy of the transaction receipt or a detailed description of the goods or services purchased by the cardholder and, if applicable, any other additional information available
 - **Chargeback Rule Modifications:**
 - The following chargeback reason codes will be considered invalid if the transaction was electronically captured at the point of sale (i.e., magnetically swiped, chip or contactless).
 - 75-Transaction Not Recognized
 - 81-Fraud Card Present
 - 83 Fraud Card Not Present
 - Issuers will maintain chargeback rights for these reason codes if the transaction was key-entered or a result of an unattended transaction.
- You should continue to fulfill all retrieval requests received with the appropriate transaction documentation, within the timeframe specified on their notification
- You should continue to obtain the cardholder signature at the point of sale as required by Visa International Operating Regulations. Visa will be monitoring to ensure that the signature requirements are being followed.

- Visa will be updating their International Operating Regulations to clarify as well as add additional types of compelling evidence that can be utilized during the dispute resolution process for the following chargeback reason codes:
 - Reason Code 30 —Services Not Provided or Merchandise Not Received
 - Reason Code 53 —Not as Described or Defective Merchandise
 - Reason Code 81 —Fraud-Card-Present
 - Reason Code 83 —Fraud-Card-Not-Present
- Compelling evidence can be provided during the representment stage to allow you the opportunity to show that the cardholder participated in the transaction
 - The following are examples of acceptable types of compelling evidence for the chargeback reason codes indicated:

| Reason Code | Allowable Compelling Evidence |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 30; 53; 81 and 83 | Evidence, such as photographs or e-mails, to prove a link between the person receiving the merchandise and the cardholder or to prove that the cardholder disputing the transaction is in possession of the merchandise |
| 30; 81 and 83 | For a card-not-present transaction in which the merchandise is picked up at the merchant location, any of the following: <ul style="list-style-type: none"> •Cardholder signature on the pick-up form •Copy of identification presented by the cardholder •Details of identification presented by the cardholder |
| 30; 81 and 83 | For a card-not-present transaction in which the merchandise is delivered, documentation (evidence of delivery and time delivered) that the item was delivered to the same physical address for which the merchant received an AVS match of —Y or —M A signature is not required as evidence of delivery |
| 30; 81 and 83 | For an e-commerce transaction, which represents the sale of digital goods downloaded from a website, one or more of the following: <ul style="list-style-type: none"> •Purchaser's IP address •Purchaser's e-mail address •Description of the goods downloaded •Date and time goods were downloaded •Proof that the merchant's website was accessed for services after the transaction date |
| 30; 81 and 83 | For a transaction in which merchandise was delivered to a business address, evidence that the merchandise was delivered and that, at the time of delivery, the cardholder was an employee of the company at that address (e.g. confirmation that the cardholder was listed in the company directory or had an email address with the company's domain name). A signature is not required as evidence of delivery. |
| 30; 81 and 83 | For a Mail/Phone Order transaction, a signed order form |

- Acceptable Types of Compelling Evidence by Reason Code Continued

| Reason Code | Allowable Compelling Evidence |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 30; 81 and 83 | For a passenger transport transaction, any of the following: <ul style="list-style-type: none"> •Proof that the ticket was received at the cardholder's billing address •Evidence that the boarding pass was scanned at the gate •Details of frequent fly miles claimed, including address and telephone number, that establish a link to the cardholder •Evidence of additional transactions related to the original transaction, such as purchase of seat upgrades, payment for extra baggage, or purchases made on board the aircraft |
| 81 and 83 | For a card-not-present transaction, evidence that the transaction uses data, such as IP address, email address, physical address, and telephone number, that had been used in a previous, undisputed transaction |
| 81 and 83 | Evidence that the transaction was completed by a member of the cardholder's household |