

FAQ for CVV2 Mandate

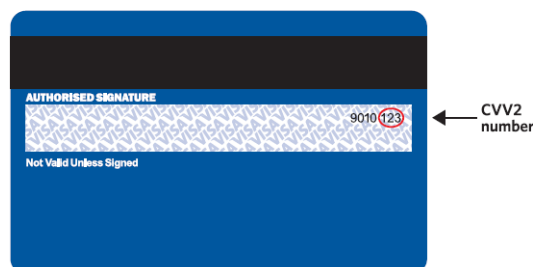


Question: What is CVV2?

Answer: CVV2 - Stands for Card Verification Value 2.

All Visa cards (and some Visa Electron cards) bearing a full account number on the face of the card will also have a CVV2 code.

It is printed on the upper right portion of the signature panel and follows the last four digits of the Primary Account Number (the entire Primary Account Number may or may not appear).



Question: Why the need for CVV2?

Answer: The CVV2 number is used to help prevent fraud.

The CVV2 code helps validate that the cardholder is making a purchase with a genuine card that is linked to a legitimate account. Visa studies indicate that CVV2 is an effective deterrent to fraud in the CNP environment and can reduce fraud in some environments by more than 60%.

Very importantly the use of CVV2 provides you, the Merchant with additional chargeback protection rights.

Question: What type of Sale Transactions is this mandate applicable to?

Answer: This mandate is applicable to:

- Mail Order/Telephone Order (MOTO) transactions
- E-Commerce Transactions

Question: When did CVV2 become mandatory and when should I be compliant?

Answer: Visa CVV2 is mandatory as from the 1st of December 2008. Elavon expect all merchants to be processing CVV2 data from VISA cards by March 1st 2009.

Question: How do I use CVV2 in my MOTO Sale Transaction?

Answer: This scenario below is an example of CVV2 usage at a merchant location for MOTO:

A customer will ring the shop and request to buy for example a dress. To make a sale, the sales advisor takes the card details, this being the card number and expiry date. The sales advisor enters these into the credit card machine. The credit card machine must then request the CVV2 number. The sales advisor asks the card holder for the CVV2 number. The sale cannot proceed unless the CVV2 number is entered into the credit card machine, after which, the sale transaction proceeds as normal.



Question: How do I use CVV2 in my E-Commerce Sale Transaction?

Answer: This scenario below is an example of CVV2 usage at a merchant location for E-Commerce:

A customer will make a purchase online. At the checkout, the customer enters the the card number, the expiry date and the CVV2 number. The CVV2 field must be a mandatory field. The website must not allow the transaction to progress without it. Afterwards, the sales transaction proceeds as normal.

3 Step Sale Process for MOTO and E-Commerce Ordering:

Answer: With regard to making sales over the MOTO or E-Commerce channels, please think of the CVV2 number as a necessary must.

1. The Card Number
2. The Expiry Date
3. The CVV2 Number

These **3** items are necessary for all MOTO and E-Commerce orders.

Question: What do I do if my Credit Card Machine does not request CVV2?

Answer: Please contact your payment provider to have CVV2 implemented as a necessary requirement immediately.

Question: What do I do if my Web Site does not request CVV2?

Answer: Please contact your web developer and/or payment provider to have CVV2 implemented as a necessary requirement immediately.

Question: What will happen if I do not implement CVV2?

Answer: This is in breach of Visa rules. You, the Merchant, are in contract with Elavon and must abide by Visa rules. Please ensure that the usage of CVV2 in your MOTO and E-Commerce sale transactions is made compulsory to your business. Failure to implement CVV2 will result in transactions being declined by the Issuer. Monetary fines may also be imposed on your business. Visa may revoke your ability to process Visa cards.

For terminals that have been provided by Elavon

1. The CVV2 data is automatically requested for MOTO and E-Commerce sales.
2. The CVV2 data is removed once the sale transaction is complete.



For terminals that have NOT been provided by Elavon

Please contact your payment provider to ensure:

1. The CVV2 data is automatically requested for MOTO and E-Commerce sales.
2. The CVV2 data is removed once the sale transaction is complete.

Question: Can I be exempted for the use of CVV2

Answer: Yes, Visa Europe recognises that some merchants will be unable to comply with this mandate as their business model would require storage of CVV2 data, which is prohibited under the PCI DSS rules. These merchants are therefore excluded from this mandate. This will primarily affect, but is not limited to, the merchant sectors below where transaction processing relates to account on file transactions and transactions where the final amount is not yet known at time of authorization:

- Recurring and installment payments
- Hotels/Lodging
- Car Hire
- T&E deferred or amended charges
- Health care incidental expenses
- Account on file CNP transactions
- Split transactions e.g. holiday deposits
- Business travel agents

Generally in these instances, CVV2 cannot be present beyond the first transaction because merchants, as a result of the data security rules, will typically not have CVV2 details available to them for subsequent CNP transactions.