Payments

Best Practices for Card-Not-Present Transactions

Mail order/telephone order (MO/TO) and electronic commerce merchants must verify—to the greatest extent possible—the cardholder's identity and the validity of the transaction.

- Obtain a valid authorization for every transaction.

- If you receive a decline, require another form of payment.

- Obtain positive AVS and CVV matches for every transaction.

- Ship to only the address that received a positive AVS match when the transaction was authorized.

- Require a signature on delivery for products shipped.

- Face-to-face deliveries require imprint and signature (e.g., pizza delivery).

Always ensure, at a minimum, that you collect the following details from your customer:

- The card account number

- The name as it appears on the card

- The card expiration date as it appears on the card

- The cardholder's statement address

- Note how the transaction was processed—**phone, mail or e-commerce**.

    - If you are taking an order **over the telephone**:

        · Record the time and date of your conversation.

        · Make a note of the details of the conversation.

    - If you are taking an order **through the mail or via a fax**:

        · Obtain a signature on the order form.

        · Always retain a copy of the written order.

- Obtain proof of delivery whenever possible.

Refund and Credit Policies:
Mail order/telephone order (MO/TO)—For proper disclosure, your refund and credit policies may be mailed, emailed, or faxed to the cardholder.

To complete the sale, the cardholder should sign and return the disclosure statement to you.

Internet Orders:
Your website must communicate its refund policy to the cardholder and require the cardholder to select a "click to accept" or other affirmative button to acknowledge the policy.

Terms and Conditions of the purchase must be displayed on the same screen view as the checkout screen that presents the total purchase amount, or within the sequence of website pages the cardholder accesses during the checkout process.

Refunds:
Only refund the original card.

- Do not process a refund on a different card number.

- Do not refund with cash.

- Do not issue a check as a refund.

Internet orders with certain characteristics can be tip-offs to fraud:

- Larger than normal orders or orders that include several varieties of the same item.

- Orders made up of "big-ticket" items.

- "Rush" or "Overnight" shipping.

- Shipping outside of the merchant's country.

Heartland

Best Practices for Card-Present Transactions

The cardholder and you—the merchant—are face-to-face and the card is present or the cardholder is swiping their card into an unattended terminal such as those found in parking garages, laundromats and vending machines.

- Always process chip cards as chip transactions.

- **Non-chip cards and/or non-chip terminals**: Swipe the card through the terminal in one direction only to obtain an approved authorization.

- Obtain a valid authorization for every transaction.

- If you receive a decline, do not re-swipe. Request another form of payment.

- Compare the name, last four digits of the account number and signature on the card to those on the transaction receipts.

- Request a signature. Have the cardholder sign the transaction receipt.

- Check the signature. Be sure that the signature on the card matches the one on the transaction receipt.

- Handling key-entered transactions on a **chip-enabled terminal**: If a card cannot be inserted or swiped it is recommended that you ask for another form of payment.

- Handling key-entered transactions on a **non-chip enabled terminal**: If a card cannot be swiped, the transaction can be key-entered. If you key-enter a transaction, you run the risk of accepting a counterfeit card because the magnetic stripe information is unavailable. If you do key in a card number, you must get an approval, an imprint of the card, and the cardholder's signature. If the card is an unembossed card and it will not swipe, it is recommended to get another form of payment.

  – Check the expiration date. Look at the "good thru" or "valid thru" date to be sure the card hasn't expired. If the card has a "valid from" date, be sure the card isn't being used before it is valid.

  – Make an imprint. Get a manual imprint of the card completed with transaction details and cardholder signature. Although this is not a guarantee against a fraud loss, your chances of remedying a fraud dispute are better.

- Face-to-face deliveries require an imprint and signature (e.g., pizza delivery).

Dealing with unsigned cards:

If the signature panel is left blank:

- Request a signature. Ask the cardholder to sign the card and provide current government identification, such as a driver's license or passport (if local law permits).

- Check the signature. Be sure that the cardholder signature on the transaction receipt matches the one on the card and the additional identification.

- If the cardholder refuses to sign the card, do not accept the card.

If the card has a "See ID" in place of a signature:

- Request a signature. Ask the cardholder to sign the card and provide current government identification, such as a driver's license or passport (if local law permits).

- Check the signature. Be sure that the signature on the card matches the one on the transaction receipt and the additional identification. If the signatures do not appear reasonably the same, ask for another form of payment.

Refund and credit policies:
For card-present transactions, proper disclosure must be legibly printed on the face of the transaction receipt near the cardholder signature line.

Refunds:
Only refund the original card.

- Do not process a refund on a different card number.

- Do not refund with cash.

- Do not issue a check as a refund.