

Global Partner Management Notice

Subject: Misuse of Authorization and Zero Floor Limit fees - Visa has published details on the new Acquirer Fee Reporting for the July 1 fees

Dated: May 21, 2009

Announcement:

Visa will make available to acquirers four new reports to identify transactions that are eligible for the new Misuse of Authorization and Zero Floor Limit fees.

Report Name	Description	Contents	Subscription Entity
FEE 100S	Misuse of Authorization System Summary	Provides summary counts and amounts by acquirer and merchant	Acquiring BIN or Processing Center Record (PCR)
FEE 100D	Misuse of Authorization System Detail	Provides transaction level detail	Acquiring BIN or PCR
FEE 200S	Zero Floor Limit Fee Summary	Provides summary counts and amounts by acquirer and merchant	Acquiring BIN
FEE 200D	Zero Floor Limit Fee Detail	Provides transaction level detail	Acquiring BIN

Note: This reporting represents all transactions that have failed the processing integrity criteria for the subscribing entity and, due to billing relationships and other factors, may not reconcile to billing invoices.

This reporting will be delivered through Open File Delivery (OFD) and in accordance with the following schedule:

Transactions Occur In:	Reporting Availability by:	Billing Collection on:
July	3 rd business day in August	August 15
August	3 rd business day in September	September 15
September	3 rd business day in October	October 15
October	3 rd business day in November	November 15
November	3 rd business day in December	December 15
December	3 rd business day in January	January 15

While the Misuse of the Authorization System Fee will still go into effect on July 1, 2009, there will be a three-month waiver on the financial impact of this fee **beginning on July 1 and ending on September 30, 2009**. During this waiver period, acquirers will see a line item on their billing statement containing the quantity of Misuse transactions with the application of a zero dollar (\$0.00) fee. Following the three-month waiver, fees will appear on October billing statements and may show transactions for both September and October.

Implementation Specifics

Acquirers interested in subscribing to these optional reports must complete the Processing Integrity Fee Report Request Form, submit it to their account manager, and implement the selected OFD file types.

Testing

Beginning July 1, 2009, Visa will provide testing to validate file format and connectivity.

Pricing

Standard report line (\$0.002) and data transmission fees (kilobyte fees) will apply.

Visa Recommendations for Best Practices

Visa has provided the below processing integrity best practices to mitigate the impact of these fees.

Acquirers should:

- Ensure that merchants properly reverse transactions that will not be cleared.
- Utilize the account verification message (instead of an authorization request) when consumer account information requires verification.
- Validate that every authorization is cleared with the appropriate matching elements.

Visa will provide detailed report layouts in Article 11.4.1—New Acquirer Fee Reports to be introduced in the U.S. Region in Version 2.0 of the *October 2009 VisaNet Business Enhancements Global Technical Letter and Implementation Guide*.

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Best Regards,

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