



Security and fraud prevention

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Fraud and the fear of fraud erode trust in the payments system. For that reason, Visa in conjunction with banks and other financial institutions invest heavily in technology and expertise to combat ever more sophisticated attempts to breach the system.

Visa works with member financial institutions, merchants, law enforcement agencies, technology partners and other organizations to develop and implement security initiatives, reduce fraud and manage risk effectively. The development of magnetic stripes, holograms and smart chip cards are some of the contributions Visa has made to the security of payment transactions around the world.

Fraud rates

Over the past six years, Visa's sales volume has more than doubled but in the same period, Visa's fraud rate has diminished by nearly one-half. Fraud within the global Visa system is at an all time low of just seven cents out of every \$100 transacted. In Asia Pacific, this figure is even lower, at three cents in every \$100 - another historically low number.

Visa evaluates technologies and establishes standards designed to secure transactions at the consumer, merchant and member levels – from the moment the card is presented, to the transfer and storage of transaction data, all the way to the settlement phase.

VisaNet, the core system, settles over 100 million transactions on an average day in 180 currencies safely and securely. It has had a 99.99 percent "uptime rate" over the past 10 years, and approves the average transaction in two seconds. But any system is vulnerable to technology failure or external attack, so Visa maintains a comprehensive set of backup facilities to ensure the system operates reliably in the face of virtually any contingency.

Card Features

The Visa card itself contains significant protection measures, from the encrypted electronic coding on its magnetic stripe to the unique three-dimensional dove hologram to the secure printing and lamination process. Chip cards provide yet another layer of protection. On top of all this, Visa uses a variety of innovative software technologies and programs to further protect cardholders from virtually any type of unauthorized use.

Visa New Zealand

In New Zealand, Visa is the leading payment brand with almost 2 million cards on issue and more than 100,000 merchant acceptance locations. NZ\$14 billion was spent at point of sale or withdrawn from ATMs in New Zealand using Visa cards in the year ended June 2005. Visa processes more than 100 million transactions in New Zealand annually. For more information, visit www.visa.co.nz.