



FACT SHEET

Visa's security agenda for New Zealand

Visa is working with New Zealand financial institutions and merchant communities to implement a comprehensive five-year agenda to strengthen the security of the payments system in New Zealand.

The agenda consists of seven key security initiatives which will be implemented to fight fraud and keep fraud rates low into the future. These are:

- Moving to 100 percent chip card issuance. By 1 April 2010, banks and other financial institutions must issue all new Visa credit cards on chip; by 1 April 2012 all new Visa debit and reloadable prepaid cards must be on chip; and by 1 April 2014, 100 percent of all Visa cards must be on chip.
- Ensuring all merchant acceptance terminals must be chip capable and activated by 1 July 2011.
- Ensuring all new Automated Teller Machines (ATMs) commissioned must be chip capable by 1 April 2011.
- Introducing a broad rollout of PIN (Personal Identification Number) verification for all domestic transactions, with signatures no longer accepted from 1 April 2012. However, non-New Zealand issued magnetic stripe cards will continue to be accepted with signatures as will overseas-issued chip cards without PINs.
- Issuers must enrol all Visa cards for Verified by Visa, a free service for cardholders that provides a password for secure online shopping, by 1 April 2012.
- All merchants who take online transactions must check the three-digit card verification code (known as CVV2) from 1 April 2012
- Small and medium sized (Level 4) merchants will be required to implement higher levels of data security. Acquiring banks will be required to provide Visa with a program for their merchants to comply with the Payment Card Industry Data Security Standard (PCI DSS) by 30 April 2010 that includes a strategy for risk profiling, merchant education and compliance reporting twice per year.

These initiatives are aimed at addressing online fraud; fraud resulting from lost, stolen and counterfeit cards and from the possible theft of personal financial information.

All of the initiatives will provide greater protection against fraud for cardholders, merchants and financial institutions, while some will also help to reduce the time it takes to make an electronic transaction.

For more information about Visa's security programs, visit:

www.visa.co.nz