

Visa Account Updater For Issuers

Increase Revenue, Enhance Cardholder Convenience and Lower Customer Service Costs



Issuer Benefits

- Maintains continuity of payment relationships by reducing the opportunity to switch payment method or cancel the service when account information changes.
- Helps achieve deeper penetration into the account-on-file segment, including the \$2.2 trillion* bill payment segment.
- Improves customer service by minimizing declined transactions and increasing authorization approvals.
- Can increase revenue by minimizing customer switching of payment choice, thereby saving the revenue stream from recurring transactions.
- Helps decrease expenses by avoiding extra cost of processing declines, chargebacks and customer service.
- Helps reduce impact of card upgrades and helps to retain customers by making payments with Visa more convenient.

* See back for details.

Visa® Account Updater (VAU) enables the electronic exchange of updated account information among participating merchants, acquirers and Visa card issuers.

Serving as an automated, dedicated and secure clearinghouse, VAU delivers updated cardholder account information in a timely, efficient and cost-effective manner, benefiting acquirers, merchants, issuers and cardholders.

VAU makes it easier for issuers to retain cardholders by maintaining continuity in the payment relationship after account information changes occur. Using a secure protocol, issuers submit updated information to VAU. The updates are made available to acquirers quickly and cost-effectively. Acquirers request account information on behalf of their enrolled merchants, then forward it on to them.

For merchants that maintain customer account information on file—like recurring and auto bill payment providers, subscription services, certain online merchants and preferred customer travel and entertainment programs—VAU makes accepting Visa an even more attractive option. At the same time, it increases the authorization approval rates while decreasing costs caused by outdated account information.

The Value of VAU

VAU helps avoid disruption in customer relationships and recurring payments due to Visa account information changes. Account-on-file cardholders are among an issuer's most valuable customers. By committing to use their accounts regularly, they provide an issuer with a dependable revenue stream, and are less likely to close their accounts over time.

On average, 30 percent of accounts incur a change to an account number or expiration date, or they are closed every year. When cardholders are inconvenienced—especially by unpredictable changes such as product upgrades and lost or stolen card replacements—they may not update all of the merchants with whom they have ongoing relationships. Consequently, account-on-file merchants continue to bill using out-of-date information, resulting in declined transactions and extra costs. In addition, when they contact the cardholder for updated information, they run the risk of payment switching or service cancellation.

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Cardholder Benefits

- Offers a seamless account update process.
- Provides uninterrupted service from participating merchants.
- Reduces negative experiences caused by declines.
- Does not require cardholder action to communicate changes to participating merchants.



VAU provides updated account information to merchants so that recurring transactions can continue without interruption. It is used prior to an authorization attempt and does NOT replace or alter normal authorization rules. The service simply enables higher probability of authorization approvals for non-credit-related decline reasons.

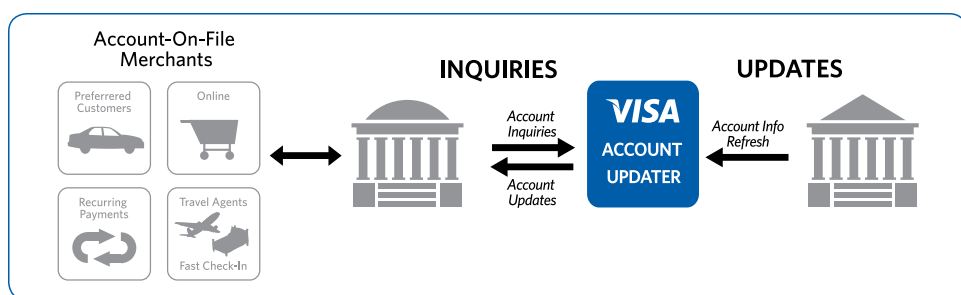
VAU creates value for all parties in the payment process.

How VAU Works

Issuers and acquirers must meet VAU service participation requirements. Acquirers can only enroll merchants who have been individually evaluated and qualified by Visa.

Issuers submit electronic updates to VAU when a cardholder's account information changes due to a product upgrade, a portfolio conversion, card expiration, loss or theft, account closure or other reasons, such as combining accounts after marriage. VAU handles any risk or unique privacy situations using a "contact cardholder" notice.

Through their acquirers, enrolled merchants submit inquiries regarding accounts with which they have ongoing relationships. VAU processes inquiries against its database and provides responses to the acquirer. Visa will only respond to specific data elements within an inquiry file from a preregistered merchant. Responses include account number or expiration date updates, closed account advices and contact cardholder advices. The acquirer forwards the responses to the requesting merchants, who must then update on-file accounts *before* requesting an authorization.



For More Information

- Contact your Visa Account Executive; or
- Call Visa Customer Service at **1-888-847-2242**; or
- Email the Visa Account Updater Product Office at **updater@visa.com**.
- Issuers and acquirers can visit Visa Online at **www.us.visaonline.com** in the U.S. or **www.visainfo.ca** in Canada.

All VAU data is transmitted through a secure direct connection between the endpoint and Visa via Open File Delivery (a component of Visa's Direct Exchange) or the Visa File Exchange Service. VAU information is stored in a database inside Visa's firewall, and browsing access is not allowed.

VAU provides daily and monthly management reports to both issuers and acquirers. Report delivery and access varies by each region. See the VAU Implementation Guide for details.