Visa's Best Practices for the PPCS

(Source: Visa's Quick-Start Guide: Best Practices for Visa Issuers)

Service Set-Up

1. Ensure that ongoing support of PPCS is consistent with cardholder disclosures and operational procedures.
   - Determine a method for setting an expiration date for a Stop/Revocation Order with a date appropriate for the order type:
     – Stop Order – 10 business days after the scheduled due date for this bill payment.
     – Revocation Orders – 1 year.
   - Determine if you will require the cardholder to follow up in writing for Stop/Revocation Orders as permitted under Regulation E (if applicable)
   - Identify a process for handling PPCS related mismatches:
     – Transactions with a Stop/Revocation Order but not stopped by Visa PPCS.
     – Incorrect transaction stopped by Visa PPCS.
   - Identify a process for handling stop payment and revocation orders when you are unable to locate a prior bill payment in the series:
     – First pre-authorized payment in the series.
     – Insufficient information provided by the cardholder to locate a prior payment in the series.
   - Determine what happens to Stop/Revocation Orders if a cardholder closes the account or you give the cardholder a new account.
   - Review and update the cardholder communications as needed (terms and conditions, fees, etc.).
   - Determine how to handle a Stop/Revocation Order for a transaction that has already been authorized.
     – Stop/Revocation Order for an authorized transaction will clear and settle.
     – Three-day notification requirement under Regulation E (if applicable) applies to the payment due date, which may differ from the authorization date, clearing date, and settlement date.
2. Determine which cardholder accounts should be able to participate in PPCS.
   - Establish procedures to limit PPCS orders to cardholder accounts within participating BINs.

Placing Stop/Revocation Orders

1. Educate cardholders about PPCS when the cardholder is placing a Stop/Revocation Order.
   - Clearly explain key provisions that may impact the Stop/Revocation Order placement, including:
     – Timing for placement of Stop/Revocation Order.
     – Maximum duration that a Revocation Order will remain in effect.
     – How to change or remove a Stop/Revocation Order.
   - Confirm the cardholder has already notified the merchant.
   - Consider asking the cardholder if they have obtained an automatic bill cancellation confirmation number from the merchant and record with the stop payment order

information collected from the cardholder. Some merchants provide this number to cardholders for all cancellations.

- Ask the cardholder if they have other "similar automatic bill payments" with this merchant and advise the cardholder that the Stop/Revocation Order may impact these like bill payments as well.

2. Restrict usage of Revocation of All Authorizations Order to closed account situations, as this PPCS order type will stop all automatic bill payments for an account.

- Verify that the account is closed.
- Determine if the transaction is an automatic bill payment or installment payment.
- Consider if transaction amount should be specified.

3. Collect sufficient information from the cardholder to place the Stop/Revocation Order.

- Obtain payment information to locate the authorization record for a prior automatic bill payment in the series.
- Determine if the cardholder is placing a Stop Order (one time) or a Revocation of Authorization Order for one specific merchant.
- Establish the frequency of the automatic bill payment that the cardholder wants to place a Stop/Revocation Order to assist with identifying an appropriate purge date for the Stop/Revocation Orders, including:
  - Date a prior transaction in the series posted to the cardholder's account.
  - Approximate timing of the next transaction in the series.
  - Timing of the last/final transaction in the series (i.e. date of last installment payment, etc.).
- Determine if the automatic bill payment amount is fixed or variable:
  - If variable, do not place the amount in the Stop/Revocation Order.
- Verify that the merchant is located in the U.S. Region.
  - If the merchant is outside of the U.S. Region, the transaction amount should not be used in the Stop/Revocation Order.

4. Collect and use the transaction amount in a Stop/Revocation Order whenever possible.

- If a bill payment transaction is acquired outside of the U.S. Region, the transaction amount should not be used in the Stop/Revocation Order.
  - Apply the full transaction amount, including cents, to a Stop/Revocation Order when the transaction amount for the automatic bill payment remains the same for every payment cycle.

5. Complete all applicable fields in the Stop/Revocation Order.

- PPCS requires ALL fields placed in a Stop/Revocation Order to match the corresponding fields in an authorization/clearing record to decline/return the record. The fields to match are:
  - Primary Account Number
  - Card Acceptor ID or Merchant Verification Value (MVV) from a prior payment authorization record in the series
  - Transaction Amount (should be collected and used when appropriate)
  - Merchant Name (first 9 positions) from a prior payment authorization record in the series
- In the case of Revocation of All Authorization Orders, only the card account number is used to match the authorization/clearing record to the PPCS order.
- Use the Card Acceptor ID or Merchant Name from the authorization record for a prior transaction in the series whenever possible.

- If the Card Acceptor ID or Merchant Name differ between the authorization record and the clearing record, create a Stop/Revocation Order for both Card Acceptor IDS.
- If the prior payment authorization record contains an MVV, us the MVV with the Card Acceptor ID and Merchant Name in the Stop/Revocation Order.
- Include all Merchant name information in the Stop/Revocation Order even if some of the data is not in the authorization or clearing record so the Stop/evocation Order passes the Visa Stop/Revocation message edits.
    - Merchant Name
    - Merchant City
    - Merchant Country Code
- Identify the order type:
    - Stop Order
    - Revocation Order
    - Revocation of All Authorization Orders
- Provide the date the Stop/Revocation Order should be automatically purged from PPCS

Service Usage and Support

1. Monitor cardholder activity to identify potential mismatches.
   - Review the PPCS report daily and report unusual activity to Visa.
       - Authorized transactions with a Stop/Revocation Order on file.
       - Cleared transactions with a Stop/Revocation Order on file.
       - Cleared transactions with an authorization code assigned to the transaction in error.
   - Review the actual Stop/Revocation Order whenever an automatic bill payment was reportedly authorized, cleared, declined, or returned as a result of PPCS.
   - Report confirmed PPCS errors to your Account Representative at Visa.
   - Review authorizations declined and clearing records returned as a result of PPCS.
2. Establish procedures to add, changes, and delete Stop/Revocation Orders.
   - Determine the source of the Transaction Identifier that is required to update or delete a Stop/Revocation Order.
       - Transaction Identifier assigned by Visa to the original Stop/Revocation Order – Field was blank in the original order.
       - Transaction Identifier not assigned by Visa to the original Stop/Revocation Order—Original order submitted to Visa already contained a Transaction Identifier in the field.
   - Provide the Transaction Identifier from the original Stop/Revocation Order when changing or deleting a Stop/Revocation Order.