



ANZ FASTPAY AGREEMENT

MERCHANT OPERATING GUIDE
MARCH 2024

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GETTING STARTED

WELCOME TO ANZ

Welcome and congratulations on your decision to get your ANZ FastPay merchant facility.

This FastPay Merchant Operating Guide is provided to help you become familiar with the operation of ANZ FastPay and the acceptance of Debit Cards and Visa, Mastercard and UnionPay Credit Cards.

We recommend that you and your staff read this guide thoroughly and keep it accessible for future reference.

The FastPay Merchant Operating Guide forms part of your Agreement with us for ANZ FastPay and may be varied or replaced by us from time to time. Terms defined in the FastPay Terms and Conditions have the same meaning when used in this FastPay Merchant Operating Guide.

HOW TO CONTACT US

For service, financial or general enquiries:

- Call ANZ Merchant Business Solutions on 0800 473 453, or email nzmerchantbusiness@anz.com.
If you are calling from overseas please dial 0064 4 385 7067.

For telephone authorisation and settling of Credit Cards:

- Call the Credit Card Authorisation Centre on 0800 741 100.

For problems with your ANZ FastPay Terminal:

- Call our ANZ FastPay technical support team on 0800 249 435.

Postal address:

- ANZ Merchant Business Solutions
PO Box 2211
Wellington 6140

YOUR KEY RESPONSIBILITIES

The tasks and procedures detailed below and in this FastPay Merchant Operating Guide must be completed for you and your staff to fulfil your responsibilities as a Merchant:

- Follow all the instructions in this FastPay Merchant Operating Guide.
- Only process Card Present Transactions unless we have agreed you can process Card Not Present Transactions.
- Check your Merchant Service Fee on your monthly Merchant Statement regularly to ensure you're paying the correct rate.
- Accept and validate all Nominated Cards presented for payment – see page 4 for more detail.
- Follow the correct Authorisation procedures.
- Ensure the Cardholder authorises all Credit Card Transactions by using a Personal Identification Number (PIN) or signing on the ANZ FastPay Terminal screen when prompted unless the Transaction is by mail or telephone order or is a Contactless Transaction. Always follow ANZ FastPay Terminal prompts.
- Don't split a single Transaction into two or more Transactions.
- Don't give cash out (including Refunds).
- Don't impose a minimum or maximum amount on Credit Card or Debit Card Transactions.
- Retain paper or electronic records of all Transactions for 18 months. These must be kept in a secure place and securely destroyed after 18 months.
- Be alert to possible Credit Card fraud and report all instances – see page 18 for more detail.
- Ensure the logos of the cards you accept are clearly displayed at your point of sale where appropriate.
- Complete all Transactions in New Zealand dollars.
- Protect account and Transaction information and your ANZ FastPay Terminal by conforming to the requirements outlined on page 22.
- For Card Not Present Transactions, never store the CSC values (these are the three digit security codes on the reverse of Visa, Mastercard and UnionPay credit cards) after a Transaction has been authorised.
- If a Debit Card or Credit Card is accidentally left behind in your premises, you must:
 - retain the card in a safe place for a period of two Business Days; and
 - hand the card to the claimant only after having established the claimant's identity by comparing signatures with another card in the claimant's possession; or
 - if not claimed within two Business Days, cut the card in half and send it to ANZ Merchant Business Solutions, PO Box 2211, Wellington 6140.

WHICH CARDS SHOULD YOU ACCEPT?

ANZ FastPay provides you with the ability to accept all Visa, Mastercard and UnionPay Credit and Debit Cards, and New Zealand issued Debit Cards as payment for your goods and/or services.

You must accept all valid Nominated Cards bearing any of these logos without restriction on the amount of the Transaction. If you're applying a Surcharge Fee to Visa, Mastercard or UnionPay Credit Card Transactions you must advise the Cardholder and give them a chance to opt-out before processing the Transaction. You must also follow the procedures set out in Clause 21 of the FastPay Terms and Conditions.

Note: UnionPay Cards may be co-branded with another card scheme (e.g. Visa). Co-branded cards will be processed via the alternate scheme to UnionPay.



SECURITY CHECKS TO VALIDATE A NOMINATED CARD

The following checks must be made to ensure a Nominated Card is valid and can be accepted for payment. Failure to recognise a fraudulent card could result in a Chargeback (disputed Transaction) and a loss to your business.

Checks for Credit and Debit Cards

Most Credit and Debit Cards have the card details embossed on them

- Embossing should be even with all numbers the same size and shape (1)
- Check card expiry date is valid (UnionPay cards may not have an expiry date or display '00/00' – the ANZ FastPay Terminal will check whether the card is valid) (2)
- Ensure the Cardholder name is present and doesn't look like it has been tampered with (3)
- Check that the name on the card matches other information provided
- Check the signature matches that on the back of the card when the ANZ FastPay Terminal prompts for a signature or when processing an Electronic Off-line Transaction (Electronic Off-line Transactions are not applicable to UnionPay).

Note: Visa and Mastercard cards without embossing usually have the words 'Electronic Use Only' printed on them and must only be processed as an Electronic Transaction using an ANZ FastPay Terminal.

Card numbers

These start with a:

- '4' for Visa and have a total length of 16 digits
- '2' or '5' for Mastercard and have a total length of 16 digits
- '3', '4', '5', '6' or '9' for UnionPay and have a length between 13–19 digits.

Chip

Where an electronic microchip is embedded on the front of the Card, check there is no evidence of tampering (4).

Note: UnionPay Cards may be co-branded with another card scheme (e.g. Visa).

Signature panel

- You'll also notice there are three additional numbers on the signature panel known as the Card Security Code. These numbers are needed for Mail or Telephone Transactions (6)
- Check that there is a signature and no evidence of tampering (7).

Magnetic stripe

Check the card has a magnetic stripe on the reverse (8).



CARD PRESENT AND CARD NOT PRESENT TRANSACTIONS

Transactions can either be Card Present Transactions or Card Not Present Transactions. Your ANZ FastPay Letter of Offer and Acceptance details which types of Transactions you can accept.

A Card Present Transaction is where the Cardholder and their Nominated Card are present during the Transaction at your Premises or place of business. These Transactions are typically processed electronically via your ANZ FastPay Terminal.

A Card Not Present Transaction is where the Cardholder and their Nominated Card are not present during the Transaction. They are typically Transactions for a mail or telephone order. These Transactions can be processed by manually entering the Credit Card details in to your ANZ FastPay Terminal.

Card Not Present Transactions carry a higher risk of fraud because the Transaction isn't authorised by a PIN or signature. Therefore, it's more difficult to verify the Cardholder as the legitimate user of the card. Before you can accept Credit Card payments for Card Not Present Transactions, you must have approval from us for this facility.

If we've approved your business to accept Card Not Present Transactions they must be processed in strict accordance with the FastPay Terms and Conditions and this FastPay Merchant Operating Guide. Any Card Not Present Transactions processed by your business without our agreement, or that breach any aspect of this Agreement, may be charged back to you.

AUTHORISATION

All card Transactions must be authorised. An authorisation is our confirmation that, at the time at which a Transaction is processed, the card hasn't been reported lost or stolen or blocked for use, and that there are sufficient funds available to cover the cost of the Transaction. An authorisation doesn't guarantee payment. If at a later date the Transaction is found to be an Invalid Transaction, it may be charged back to you. See page 23 for more information on Chargebacks.

Authorisation procedures vary depending on the type of Transaction.

Card Present Transactions (excluding Contactless Transactions) require the Cardholder to enter a Personal Identification Number (PIN) into the ANZ FastPay Terminal. For Visa and Mastercard Credit Card Transactions, if you get an 'Accept with Signature' terminal message, the Cardholder can also authorise the Transaction by signing on the ANZ FastPay Terminal screen when prompted. For UnionPay Transactions, the ANZ FastPay Terminal will prompt a 'Signature Verified?' message and the Transaction will be authorised when the Merchant has confirmed verification by pressing 'Enter'. You must check the signature matches that on the back of the card.

Card Not Present Transactions can be authorised electronically if they're manually entered into the ANZ FastPay Terminal.

SETTLEMENT PROCEDURES

Settlement is the term used to describe the transfer of funds into your Nominated Settlement Bank Account.

In most cases you may set a time for settling your ANZ FastPay merchant facility. The time period between 10pm and 11pm daily isn't available as this is when we update your files to enable settlement of funds to your Nominated Settlement Bank Account.

We deposit the amount of your Transactions from Debit Cards and Visa, Mastercard and UnionPay Credit Cards into your Nominated Settlement Bank Account (see note below).

When your Merchant Facilities are settled	When funds are paid into your Nominated Settlement Bank Account
Before 10pm daily	Funds processed overnight, available next morning
After 10pm daily	Funds processed the following night, available the next morning

If you don't settle your ANZ FastPay facility within the time period chosen, we will automatically settle it at the end of your nominated settlement period. However, a summary of Transactions won't be provided.

When you settle your ANZ FastPay Terminal, always follow the steps detailed in your ANZ FastPay Terminal User Guide.

If you need to know the value of Transactions completed through your ANZ FastPay Terminal at a time other than at the end of your settlement period, then you can request a Transaction Sub-totals Report. Instructions for this are provided in your ANZ FastPay Terminal User Guide.

MONTHLY MERCHANT STATEMENT

You'll be sent a Merchant Statement at the end of each month. The Merchant Statement details all Credit Card and Contactless Debit Card Transactions you have processed in the month. It also shows the Merchant Service Fee amount due. This is the fee we charge for processing your Credit Card and Contactless Debit Transactions. Your Merchant Service Fee is debited from your Nominated Charges Bank Account on the 12th of each month (or the following business day where the 12th is a weekend or public holiday) for the previous month's Transactions. You'll receive a Merchant Statement for each facility you have with us. For example, you would receive your Merchant Statement and be billed separately for a Card Present and Card Not Present facility.

ANZ FASTPAY TERMINAL MESSAGE GUIDE

When a Transaction is completed, a message will be displayed on the ANZ FastPay Terminal. These messages advise you whether the Transaction has been accepted or declined and what action should be taken. Common messages are detailed in the following table:

Terminal Message	Definition
Approved	Transaction has been accepted
Invalid Account	Card isn't loaded to access the account selected
Signature Required	Signature verification required
Card Expired	The card's expiry date has been reached – don't release goods or services
Chip Declined	The Transaction wasn't approved – don't release goods or services
Declined – Contact Issuer	The Transaction wasn't approved – don't release goods or services Instruct the Cardholder to contact their Card Issuer
Do Not Honour	The Card Issuer won't allow the purchase. Inform the Cardholder that their bank hasn't approved the Transaction - don't release goods or services
Incorrect PIN	The Cardholder has entered an incorrect PIN. Request them to try again – don't release goods or services
Invalid Card	The card isn't supported on the Switch – don't release goods or services
Invalid Transaction	The Transaction attempted isn't supported on the card being used – don't release goods or services
Issuer Unavailable	The Switch can't contact the Card Issuer for an authorisation – don't release goods or services
Contact Issuer	The Transaction isn't approved – don't release goods or services. Instruct the Cardholder to contact their Card Issuer
PIN Tries Exceeded	The Cardholder has attempted the maximum number of PIN attempts. Seek another form of payment
Re-Try Transaction	Try the Transaction again – don't release goods or services

FREQUENTLY ASKED QUESTIONS

What does the monthly Merchant Service Fee cover?

The Merchant Service Fee is paid to cover our costs for authorising and processing your Credit Card Transactions and crediting the funds to your Nominated Settlement Bank Account. The Merchant Service Fee also covers costs for our Merchant Business Solutions Helpdesk to answer any queries you may have.

How is the Merchant Service Fee calculated?

The Merchant Service Fee is often calculated as a percentage of the total dollar value of Credit Card and Contactless Debit card Transactions processed for your business during the month.

For Interchange Plus pricing, the Merchant Service Fee is calculated as the actual interchange fee plus a margin that includes the cost to process the transaction. The margin includes scheme fees, network fees, float costs and an acquirer margin.

Are the funds credited to our account guaranteed?

If the Transaction has been properly authorised and the Transaction successfully completed, we will credit cleared funds to your Nominated Settlement Bank Account. However, this payment may still be reversed later if a Chargeback event occurs or the Transaction is later discovered to be an Invalid Transaction. For details, refer to the section on Chargebacks – see page 23.

How to Change Merchant Information

If you need to change any of the information that you initially provided to us, call ANZ Merchant Business Solutions on 0800 473 453.

Who pays the cost if one of our employees uses a card fraudulently?

Your business may be financially responsible for all card fraud, whether carried out by an employee, a Cardholder or both in collusion. To reduce the risk, ensure the rules outlined in this guide are explained to staff, and follow the tips for detection in the section on fraud – see page 18.

Can I charge for processing?

You can apply a Surcharge Fee to some or all Visa, Mastercard and UnionPay Credit Card Transactions. If applying a Surcharge Fee you must comply with the procedures set out in Clause 21 of the Terms and Conditions.

Can I give cash out with a card Transaction?

No, ANZ FastPay does not support cash-out transactions.

HOW TO PROCESS TRANSACTIONS

HOW TO PROCESS TRANSACTIONS USING YOUR ANZ FASTPAY TERMINAL

Card Present Transactions

Once the Nominated Card has been validated for payment, enter the Transaction type and amount into the ANZ FastPay Terminal and press enter. For more information about the security checks and how to validate a Nominated Card for payment, please refer to page 5.

- If the presented card is a chip card, process the Transaction by inserting the card into the ANZ FastPay Terminal and remove only after the ANZ FastPay Terminal says 'remove card'.
- If the presented card doesn't have a chip, process the Transaction by swiping the card through the magnetic swipe reader on the ANZ FastPay Terminal.

If the presented Card has a Visa PayWave, Mastercard Contactless or UnionPay QuickPass logo visible, the Cardholder can process the Transaction by tapping their card on the ANZ FastPay Terminal Contactless Reader. For more information about contactless payments please refer to the 'Contactless Transactions' section on the following page.

Credit Card Transactions

- For all Credit Card Transactions which aren't contactless, the Cardholder can authorise the Transaction by either using a Personal Identification Number (PIN) or by signing on the ANZ FastPay Terminal screen when prompted. Ensure that the signature on the back of the card matches the signature displayed on the ANZ FastPay Terminal.

If a PIN is being used to authorise the transaction and it's successful, an 'Accepted' message will appear on the ANZ FastPay Terminal. If the Cardholder is signing for a Visa or Mastercard an 'Accepted with Signature' message will appear on the ANZ FastPay Terminal. Check the signature and if satisfied, complete the Transaction.

- For any Credit Card Transactions using a UnionPay card (except Transactions that are a contactless transaction of NZ\$200 or less), the Cardholder must sign on the ANZ FastPay Terminal screen when prompted. A 'Signature Verified?' message will appear on the ANZ FastPay Terminal. Check the signature and if satisfied, press 'Enter' to complete the transaction.
- If a 'Declined' message appears on the ANZ FastPay Terminal, you can ask the Cardholder for an alternative form of payment or retain the goods.

Debit Transactions

- All Debit Transactions (unless the transaction is a contactless payment of NZ\$200 or less) must be authorised by the Cardholder using a PIN.
- An 'Accepted' message will appear on the ANZ FastPay Terminal if the Transaction is successfully authorised.
- If a 'Declined' message appears on the ANZ FastPay Terminal, you can ask the Cardholder for an alternative form of payment or retain the goods.

Note: UnionPay Debit Cards may not have an expiry date or display '00/00'. Your ANZ FastPay Terminal will determine the validity of the card.

Contactless Transactions

When processing a Contactless Transaction on your ANZ FastPay Terminal:

- If the value of the Transaction is NZ\$200 or less, a PIN or signature isn't required. An 'Accepted' message will appear on the ANZ FastPay Terminal once the card or Mobile Wallet has been tapped on the ANZ FastPay Terminal and the Transaction has been successful.
- If the value of the Transaction is over NZ\$200, a PIN or signature is required to authorise the Transaction (unless the Transaction is a Mobile Wallet Transaction). If a PIN is used, an 'Accepted' message will appear on the ANZ FastPay Terminal to confirm the Transaction has been successful. If a signature is being used to authorise the Transaction, the Cardholder must sign on the ANZ FastPay Terminal screen when prompted. An 'Accepted with Signature' message will appear on the ANZ FastPay Terminal. Please check the signature and if satisfied, complete the transaction.
- For any contactless transactions over the value of NZ\$200 using a UnionPay card, the Cardholder must sign on the ANZ FastPay Terminal screen when prompted. A 'Signature Verified?' message will appear on the ANZ FastPay Terminal. Please check the signature and if satisfied, press 'Enter' to process the Transaction.
- Mobile Wallet transactions may require verification by the Cardholder using a Consumer Device Cardholder Verification Method (CDCVM) such as passcode, pattern or Biometric ID. In these cases an 'Accepted' message will appear on the ANZ FastPay Terminal if the Transaction is successfully authorised. If the value of the Mobile Wallet transaction is for more than NZD\$200, a PIN may also be required.
- If a 'Declined' message appears on the ANZ FastPay Terminal, you can ask the Cardholder for an alternative form of payment or retain the goods.

Note: For all UnionPay Debit Cards issued outside New Zealand, the NZ\$200 contactless limit does not apply. The ANZ FastPay Terminal being used to process the Transaction will advise you what authorisation is required. Please follow the ANZ FastPay Terminal prompts.

Transaction Receipt

Transaction Receipts can be emailed to the Cardholder on request. If the Cardholder requests an additional copy, the Transaction Receipt can be re-emailed by searching for and locating the Transaction in the Transaction listing.

Card Not Present Transactions

If the Cardholder and their Nominated Card aren't present during the Transaction it's called a 'Card Not Present Transaction'. Card Not Present Transactions must be manually entered into your ANZ FastPay Terminal.

If you need to process a Card Not Present Transaction, you'll need to do the following:

1. Obtain the Credit Card number and expiry date from the Cardholder:
2. Follow the instructions on the ANZ FastPay Terminal screen and manually enter the Credit Card details into the ANZ FastPay Terminal.
3. The ANZ FastPay Terminal will seek an automatic authorisation:
 - If the Transaction is successfully authorised, an 'Accepted' message will appear on the ANZ FastPay Terminal.
 - If a 'Declined' message appears on the ANZ FastPay Terminal, the Transaction was unable to be processed successfully. You can ask the Cardholder for an alternative form of payment or retain the goods. You must retain the 'Merchant Copy' of all Transaction Receipts in a secure location for 18 months.

How to process a Refund using an ANZ FastPay Terminal

If a customer is returning goods which had been paid for using either a Visa, Mastercard or UnionPay Credit or Debit Card, don't give the customer a cash refund. Process the Refund back to the same card that was used for the original purchase.

Use the ANZ FastPay Terminal to process the Refund back to the same card used for the original purchase. For more information about how to Refund Transactions through your ANZ FastPay Terminal, please refer to your ANZ FastPay Terminal User Guide.

ANZ FASTPAY TERMINAL NOT WORKING

Your ANZ FastPay Terminal may not work for a number of reasons:

- Power outage
- Technical failure with the hardware or software
- Telecommunications failure
- Problem with the Switch.

A list of the most common reasons for your ANZ FastPay Terminal not working, and the message it will display, are provided below.

In the event the issue is a problem with the Switch or a telecommunications failure, ANZ FastPay Terminals can perform Electronic Off-Line Transactions, also known as Electronic Off-Line Vouchers (EOV). When your ANZ FastPay Terminal is in EOV mode the words 'EOV' or 'Offline' will be displayed on the ANZ FastPay Terminal screen. When processing Electronic Off-Line Transactions, the ANZ FastPay Terminal will return an 'Accepted', 'Declined' or 'Signature Required' response. For those Transactions that require a signature, the ANZ FastPay Terminal will prompt you to confirm you have verified the signature.

Select 'Yes' once the Cardholder has signed the FastPay Terminal screen where prompted and you have verified the signature; the EOV Transaction will then be approved.

If you select 'No', the EOV Transaction will be declined and will print a Declined Transaction Receipt. You won't receive the funds from the Transaction.

You may process Electronic Off-Line Transactions when your ANZ FastPay Terminal isn't connected to the Switch due to a fault or connectivity issue. However, not all card types are supported in EOV mode including UnionPay cards.

When processing Electronic Off-Line Transactions, the Transaction is stored in the ANZ FastPay Terminal's memory, which will later be processed when the connection to the Switch is restored. The ANZ FastPay Terminal will attempt to connect to the Switch every 10 minutes.

Please note, you can only process Electronic Off-Line Transactions when:

- The Cardholder is present at the time of the Transaction.
- If a signature has been requested, the Transaction Receipt is signed by the Cardholder and the signature is comparable with the signature on the card, or if prompted the Cardholder enters their PIN.
- The Transaction isn't a Refund Transaction.

- The Transaction isn't greater than \$300.

You should also be aware that:

The Card Issuer can apply an EOV Transaction limit to a chip card, and if this is less than the EOV limit set on the ANZ FastPay Terminal, the Card Issuer's limit will prevail and the card may decline in an EOV Transaction. The Card Issuer may also restrict whether the card can be used in an EOV Transaction.

ANZ FastPay Terminals connected to the Verifone network can process and store up to 200 Transactions a day up to a total maximum value of \$5,000 for credit and/or debit

Terminal Message	Description
Comms Error	Telecommunications outage
Time Out	Communications or network fault
No Response from Host or Response Error	EFTPOS network outage
Unable to Process	Terminal hardware fault
Transmission Error	Phone line or PABX fault at site
System Fault	Host issuers fault while authorising card
Power Failure	Power cut or failure

card Transactions. When this limit is reached, no further Transactions can be processed until the ANZ FastPay Terminal is reconnected to the Verifone network, or the EOV Transaction limit is reset. The EOV Transaction limit resets every midnight.

If the ANZ FastPay Terminal fails to upload stored Transactions when the connection is fixed, please contact the ANZ Merchant Business Solutions Helpdesk on 0800 473 453.

FRAUD PROTECTION AND CHARGEBACKS

FRAUD PROTECTION AND MINIMISATION TIPS

Fraud can be committed by persons using stolen Credit Card details, your employees or both in collusion and can cause significant financial and reputational loss for your business. Your business is liable for all card fraud committed through your ANZ FastPay facility.

If a Credit Card Transaction turns out to be fraudulent, it may be charged back to you and it could end up costing your business more than the original sale. High Chargeback levels can also attract penalties from the Nominated Card Schemes, including fines, and could result in the termination of your ANZ FastPay facility.

The more you know about the potential risks, the more you'll be able to protect your business against fraud and costly Chargebacks. Some Transactions carry a higher risk of fraud than others.

Higher-Risk Transactions

- Card Not Present Transactions, particularly from:
 - First-time customers
 - Email orders
 - Phone orders
 - Mail orders
- Manually entered Transactions – where the Credit Card number is manually entered into the ANZ FastPay Terminal instead of swiping or inserting the card.
- Transaction where an authorisation has not been obtained.

Lower-Risk Transactions

- Card Present Transactions where the Transaction is completed through your ANZ FastPay Terminal.

In providing you with suggestions on how to reduce the risk of fraudulent Transactions in your business, we make no representation as to the effectiveness of those suggestions or guarantee a reduction in or protection from fraudulent Transactions.

Card Not Present Transaction Fraud

If you've been approved by us to process Card Not Present Transactions, the recommended steps below can help you identify and reduce the risk of Card Not Present fraud in your business.

- In addition to obtaining the card information required to complete the Transaction, i.e. Credit Card number, expiry date and Cardholder name, also obtain the Cardholder's physical address, a contact telephone number, the name of the bank and the country the card was issued in.
- All Card Not Present Transactions, regardless of their value, must be authorised. Authorisation confirms that funds are available and the Credit Card hasn't been reported lost or stolen. An authorisation doesn't guarantee payment or that the Cardholder is the legitimate user of the Credit Card. If a Transaction is later found to be fraudulent or disputed by the Cardholder, it may become subject to a Chargeback.
- Monitor your Transactions regularly – keep an eye out for any recurring or sequential data elements. Look for Transactions that might be 'testing' your system (e.g. many sales to the same address).
- Be wary of sending goods to overseas addresses.
- Be wary of orders originating from free email services, i.e. yahoo, hotmail, gmail. They don't require a billing relationship or verification that a legitimate Cardholder opened the account.
- Be wary of urgent orders. Fraudsters will often want their illegally obtained items as soon as possible for quick resale.
- Be wary of orders shipped to a single address but made on multiple cards. Also check for multiple Transactions on one card or similar cards with a single billing address, but multiple shipping addresses.
- Don't send goods that aren't part of your core business.
- Develop and maintain customer databases to track buying patterns and identify changes in buying behaviour.
- For telephone orders, wait a short period of time after the call is terminated, then call the given telephone number and ask for the caller. Confirm details of the order and record the date and time you spoke with the customer.
- If a courier delivers the goods, ensure the courier company returns the delivery acknowledgment so the signature of the recipient can be verified. Ensure goods aren't left at vacant premises or left with a third party.
- If the Cardholder collects the goods, ensure the following:

- The Credit Card is presented at the point of collection
- Check that the name on the Credit Card is the same
- The Credit Card security features are checked
- The Cardholder signs the delivery acknowledgment form
- The signature is the same as that on the back of the Credit Card
- Ask for suitable identification (photo ID preferable)
- Be suspicious if someone collects goods on behalf of the Cardholder.

Card Present Transaction Fraud

Individuals using Credit Cards fraudulently in Card Present Transactions often behave unusually. While the following behaviours don't necessarily indicate criminal activity, be alert for customers who:

- Make indiscriminate purchases without regard to size, colour or price.
- Are unnecessarily talkative or delay a selection repeatedly, until you're flustered.
- Hurry you at closing time.
- Purchase an extended warranty without hesitation even though it may be costly.
- Refuse clothing alterations even though they are included in the price of the garment.
- Make purchases, leave the store, and return a short while later to make additional purchases.
- Pull the Credit Card out of a pocket rather than a wallet.

Always use common sense as your guide but if you are suspicious of a customer's card please ask the customer to pay by other means, this could be by bank transfer, cash or another card.

You should never make any physical attempt to prevent a suspicious customer from leaving your Premises.

Employee Fraud

Be alert to changes in employee behaviour or sudden evidence of an increase in their wealth and take the following steps to reduce the risks of employee fraud in your business.

- Restrict access to your Refund PIN

- Limit the number of employees with access to your merchant number.
- Always balance EFTPOS settlements and refunds.
- Check your settlement amounts balance with the daily sales amounts (to check refunds are not being inappropriately received).
- If your Agreement allows you to process manual 'key entered' Transactions in to your ANZ FastPay Terminal watch out for high volumes of these types of Transactions being processed through your ANZ FastPay Terminal.
- Be wary of staff taking cash sales and balancing by processing fraudulent card Transactions.

PROTECTING ACCOUNT AND TRANSACTION INFORMATION

If you accept Credit Card details from your customers, you are responsible for ensuring that the customer's payment details are secure at all times.

The Payment Card Industry Data Security Standard defines 12 industry best practices for handling and protecting Credit Card details. All businesses and third-party service providers that store, process or transmit Credit Card data must be compliant with the PCI standard.

The PCI Standard details what needs to be protected and/or made secure and provides you with a framework of how to control the risks and keep Credit Card details in your possession safe and secure. The aim of the standard is to ensure a business, regardless of its size, follows good business practice for processing, storing and transmitting Credit Card details.

You must:

1. Install and maintain a firewall configuration to protect Cardholder data.
2. Don't use vendor-supplied defaults for system passwords and other security parameters.
3. Ensure Credit Card information is never stored anywhere. Only retain the last four digits of the card number and ensure that the leading digits are not recorded.
4. Encrypt transmission of Cardholder data across open, public networks.
5. Use and regularly update anti-virus software or programs.
6. Develop and maintain secure systems and applications.
7. Restrict access to Cardholder data by business need-to-know.
8. Assign a unique ID to each person with computer access.
9. Restrict physical access to Cardholder data.
10. Track and monitor all access to network resources and Cardholder data.
11. Regularly test security systems and processes.
12. Maintain a policy that addresses information security for employees and contractors.

A full copy of the latest Payment Card Industry Data Security Standards is available online at: www.pcisecuritystandards.org.

Further information is also available from the following websites:

- www.mastercard.com/nz/merchant/en/security/what_can_do/SDP/merchant/index.html
- <https://www.visa.co.nz/support/small-business/security-compliance.html>

SECURING YOUR ANZ FASTPAY TERMINAL

ANZ FastPay Terminals are equipped with a number of in-built security features which are designed to help protect your customers' information. By implementing the recommendations below, you can help protect your business, your customers and your reputation from Credit Card and Debit Card fraud or misuse through your ANZ FastPay Terminal.

Always ensure that your ANZ FastPay Terminals are secure and under supervision during operating hours.

- Ensure that only authorised employees have access to your ANZ FastPay Terminals and they are fully trained on their use.
- When closing your store, always ensure that your ANZ FastPay Terminals are securely locked and not exposed to unauthorised access.
- Never allow your ANZ FastPay Terminal to be maintained, swapped or removed without advance notice from us. Be aware of unannounced service visits, only allow authorised personnel to maintain, swap or remove your ANZ FastPay Terminal, and always ensure that security identification is provided.
- Inspect your ANZ FastPay Terminals on a regular basis – ensure that there are no cables running from your terminals and that the casing has not been tampered with.
- Check your ANZ FastPay Terminal is located where it should be each time you open your store or premises and is including your correct details on emailed Receipts.
- Record your ANZ FastPay Terminal's serial number and store it in a secure location. Check the serial number matches this record each morning.
- Make sure that any CCTV or other security cameras located near your ANZ FastPay Terminals cannot observe Cardholders entering details.

Contact ANZ Merchant Business Solutions on 0800 249 435 immediately if:

- Your ANZ FastPay Terminal is missing.
- You or any member of your staff is approached to perform maintenance, swap or remove your ANZ FastPay Terminal without prior notification from ANZ and/or security identification is not provided.
- Your ANZ FastPay Terminal issues incorrect Receipts.
- Your ANZ FastPay Terminal is damaged or appears to have been tampered with.

CHARGEBACKS

A Chargeback occurs when a Cardholder (or their bank) raises a dispute in connection with a Credit Card Transaction processed by you. You and your business are financially liable for all Chargebacks. If the dispute is resolved in favour of the Cardholder, the Transaction is charged back to you and the value is debited from your Nominated Bank Account(s). As the Merchant, you could possibly lose the value of the sale as well as

incurring a Chargeback Fee.

A Chargeback can occur up to 120 days (or 180 days for UnionPay) from the date a Transaction is processed, or from the date the goods or services were expected to be received by the Cardholder. We require you to store all Transaction Receipts for 18 months after the Transaction processing date. After 18 months, the Receipts can be securely destroyed.

If a Cardholder approaches you disputing a Transaction and you're unable to resolve the issue, you should refer the Cardholder to their Card Issuer.

If a Transaction is disputed, the bank that holds the account of the Cardholder in question will notify us and we will notify you of the dispute. If our Transaction records cannot show sufficient proof of the Transaction, you'll be notified of the problem in writing and asked to respond in writing within seven days with sufficient information to validate the Transaction.

If you fail to respond within seven days, cannot provide sufficient proof of the Transaction, or we find proof that you have breached your Agreement, the Transaction may be charged back to you. If you are subject to an excessive number of Chargebacks, we reserve the right to charge for the processing of these disputes.

You can minimise the possibility of Chargebacks by following the procedures in this Merchant Operating Guide. For Card Not Present Transactions, if a fraudster is intent on defrauding you, it's very difficult to protect yourself. While we recommend you follow the procedures in the guide, it's up to you to decide the level of checking and what processes you have in place to reduce the chance of fraud. Usually any fraud will manifest itself in the form of a Chargeback well after you have sent the goods.

Some of the most common reasons why a Transaction may be disputed by a Cardholder (becoming the subject of a Chargeback) include:

- Processing errors
- Unauthorised use of card
- Unauthorised Transaction
- Invalid card account number
- Incorrect Transaction amount
- Credit Card expired at time of sale
- Goods not received by purchaser, wrong goods sent or goods are defective.

There are additional reasons why a Transaction may become the subject of a Chargeback, and these are determined from time to time by us and/or Visa, Mastercard and UnionPay.

Note: When prompted, a signature is mandatory for all UnionPay Credit Card Transactions.

