

## Payments

# Best Practices for Card-Not-Present Transactions

Mail order/telephone order (MO/TO) and electronic commerce merchants must verify—to the greatest extent possible—the cardholder's identity and the validity of the transaction.

- Obtain a valid authorization for every transaction.
- If you receive a decline, require another form of payment.
- Obtain positive AVS and CVV matches for every transaction.
- Ship to only the address that received a positive AVS match when the transaction was authorized.
- Require a signature on delivery for products shipped.
- Face-to-face deliveries require imprint and signature (e.g., pizza delivery).

Always ensure, at a minimum, that you collect the following details from your customer:

- The card account number
- The name as it appears on the card
- The card expiration date as it appears on the card
- The cardholder's statement address
- Note how the transaction was processed—**phone, mail or e-commerce**.
  - If you are taking an order **over the telephone**:
    - Record the time and date of your conversation.
    - Make a note of the details of the conversation.
  - If you are taking an order **through the mail or via a fax**:
    - Obtain a signature on the order form.
    - Always retain a copy of the written order.
- Obtain proof of delivery whenever possible.

### Refund and Credit Policies:

Mail order/telephone order (MO/TO)—For proper disclosure, your refund and credit policies may be mailed, emailed, or faxed to the cardholder.

To complete the sale, the cardholder should sign and return the disclosure statement to you.

### Internet Orders:

Your website must communicate its refund policy to the cardholder and require the cardholder to select a "click to accept" or other affirmative button to acknowledge the policy.

Terms and Conditions of the purchase must be displayed on the same screen view as the checkout screen that presents the total purchase amount, or within the sequence of website pages the cardholder accesses during the checkout process.

### Refunds:

Only refund the original card.

- Do not process a refund on a different card number.
- Do not refund with cash.
- Do not issue a check as a refund.

### Internet orders with certain characteristics can be tip-offs to fraud:

- Larger than normal orders or orders that include several varieties of the same item.
- Orders made up of "big-ticket" items.
- "Rush" or "Overnight" shipping.
- Shipping outside of the merchant's country.