



# The Green Sheet

The Financial Services Industry Source for Education, Inspiration and Actionable Advice

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## PCI: Card Associations Unite to Fight Fraud With Collaborative Standard

**W**e've been hearing, and talking, about compliance in the payments industry a lot lately.

As awareness of protecting financial information grows, the card Associations, acquirers, equipment manufacturers, merchants and even consumers are all concerned about identity theft, database hacks, card skimming, phishing, Web sites offering stolen account numbers for purchase, check forgery and the numerous schemes that keep surfacing on a regular basis.

Because of the far reaching implications resulting from system breaches, protecting the security of transaction data grows more important all the time. No one benefits when the issues are not addressed: Merchants lose money, card brands lose value, and individuals lose good credit ratings and the time it takes to repair them.

Conducting business in the payment processing business is far more com-

**"PCI is based on a lot of well-known security practices and common sense, but it's also based on our own experiences over the last couple of years in response to breaches. The standard is focused specifically on the payment card industry and what an entity can do to protect card data that is stored."**

- John Verdeschi,  
Vice President, eBusiness  
and Emerging Technologies,  
MasterCard International

plex now than ever before: There are now more people using more payment methods in more locations, and transaction data come in contact with more touch points along the way.

This means there is also far more potential for crooks to get involved.

See PCI Standard on Page 63

### NotableQuote

**"A bit scared and accompanied by my brother, I met with the attorney on the morning of the arbitration meeting ... This quiet, quintessential old Southern lawyer was the complete opposite of the two young East Coast boys sitting across from him, trying desperately to explain how this big corporation threatened their entire livelihood."**

See Story on Page 80



**"In a perfect world, I see telemarketing shops pitching an online application to merchants over the phone, and at the same time, feet-on-the-street ISOs doing an online application through a Web-enabled PDA, having the merchant sign on screen with a stylus and doing a download within five to 10 minutes after submitting the application."**

- Michael Nardy  
CEO, EPI



# ELECTRONIC PAYMENTS

## Web Improves Merchant Account Management

**Product: bankcardAPP.net**

*Company: Electronic Payments Inc.*

**A**ttracted by the Web's real time and "always on" capabilities, more and more processors offer their ISO and merchant level salesperson (MLS) partners ways of doing business with their merchants using the Internet, from reporting and lead generation to merchant application submissions.

Electronic Payments Inc. (EPI), a payment and transaction processing company, recently released bankcardAPP.net, a secure, Web-based portal for ISOs/MLSs.

The bankcardAPP.net portal integrates with EPI's ISOInterface, an online ISO management center. It provides ISOs/MLSs with a sign-on screen merchant application that offers instant approval, programming and MID issuance.

The online application component of the portal offers a document- and picture-upload feature. Using the application, EPI can set up merchant accounts that are ready to process within 30 minutes.

The portal provides ISOs/MLSs with access to their merchant accounts. They can review transaction and batch data online or view merchants' contact information and digitized copies of their merchant applications.

The system also offers help with leads. It can locate a sales representative in the area for a merchant to talk to. If a merchant signs up and chooses to work with that rep, then that ISO/MLS is assigned the account (even after a sale) and services it and earns residuals on it.

"In a perfect world, I see telemarketing shops pitching an online application to merchants over the phone, and at the same time, feet-on-the-street ISOs doing an online application through a Web-enabled PDA, having the merchant sign on screen with a stylus and doing a download within five to 10 minutes after submitting the application," said EPI's Chief Executive Officer Michael Nardy.

"The early bird gets the proverbial bankcard worm, so to

**Merchants ALWAYS  
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Technology**

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speak, eliminating the time between submission to approval to download and deployment is going to help ISOs increase their sales tremendously."

EPI can customize the system not only for ISOs, but also banks and associations.

### Electronic Payments Inc.

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800-966-5520 ext. 221

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## A Solution for Plastic Micropayments

### Product: Peppercoin 3.0

Company: Peppercoin Inc.

**M**icropayments, wee transactions that are small in dollar value but growing in number and revenue-potential in the payments system, are not your typical transactions, so how will merchants accept credit and debit cards for them?

Peppercoin Inc. offers its small transaction suite of software, called Peppercoin 3.0, which enables merchants to accept plastic for micropayments.



Even better, acquiring banks, issuing banks, credit card Associations and payment processors can capture a share of the revenue from micropayment transactions by offering Peppercoin's solution to their merchant customers.

First Data Merchant Services, Chase Merchant Services and Moneris Solutions are some of the acquirers working with Peppercoin.

Peppercoin 3.0's small-payment platform provides pay-as-you-go, prepaid, subscription and post-paid options, and merchants can experiment and change their offerings over time if needed.

For instance, vending machine operators and parking systems use Peppercoin's software, which enables them to accept credit and debit cards for payment.

The product supports digital, mobile and physical POS markets. Merchants can offer their products and services through different channels, and acquiring banks and payment processors can select one small-payment platform to address their different needs.

In addition, the suite is compliant with the card Associations' rules and regulations and meets the following data security requirements: Visa's Cardholder Information Security Program (CISP), MasterCard's Site Data Protection (SDP), American Express' Data Security Operating Policy (DSOP) and Discover's Information and Security and Compliance (DISC).

The solution will be available in Q2 2005. ■

### Peppercoin Inc.

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[www.peppercoin.com](http://www.peppercoin.com)

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