



Visa Integrity Risk Program

April 6, 2023

Visa and Acquirers share a common objective: To protect the Visa Payment System from illegal and illicit activities. Visa is updating and enhancing requirements for Acquirers and their agents who sponsor High Integrity Risk Merchants, as a result of the rapidly expanding payment ecosystem, increasing complexity of local laws and regulations and rising potential for illegal and illicit activities in certain areas. Visa has established the Visa Integrity Risk Program (VIRP) to create a framework that supports this objective. The VIRP ensures that Acquirers, and their designated agents, maintain proper controls and oversight processes to deter illegal transactions from entering the Visa Payment System. The VIRP replaces the Global Brand Protection Program.

The *Visa Integrity Risk Program Guide* for Acquirers provides an overview of the VIRP and describes what Acquirers must do to effectively deter, detect, and remediate illegal activity across our Payment System.

This document is a supplement of the *Visa Core Rules* and *Visa Product and Service Rules* (hereafter referred to as the “*Visa Rules*”). The requirements are binding upon participants in the services referenced. In the event of any conflict between any content in this document, any document referenced herein, any exhibit to this document, or any communications concerning this document, and any content in the *Visa Rules*, the *Visa Rules* shall govern and control.

Who should Use This Guide?

This guide is intended for use by Visa Acquiring Members and their registered Third-Party Agents. The information is aimed at employees involved in Merchant operations such as: underwriters, portfolio managers, risk managers, investigators, managers of Third-Party Agents, compliance

For any questions related to High Risk Acquiring or Merchants in LAC please email us at
VIRP_LAC@visa.com

1 VIRP Acquirer and Merchant Registration

1.1 High Integrity Risk Merchant Acquiring – Definition and Scope

Visa designates Merchants as High Integrity Risk when those Merchants operate in business types that are legal, but without proper controls are at heightened risk of processing transactions for activities that may not be legal.

High Integrity Risk Merchants are classified by business type and the level of risk they pose to the ecosystem. The High Integrity Risk levels consist of three tiers, with each tier requiring commensurate due diligence requirements. Visa will reassess the High Integrity Risk designation periodically and update these Program guidelines as appropriate.

1.1.1 High Integrity Risk Merchant – Tier 1

High Integrity Risk Merchants designated as “Tier 1” are those that operate businesses where there is a higher risk of illegal activity occurring without proper controls and that potential illegal activity could—either directly or by association—cause significant harm to the health, safety and/ or wellbeing of individuals.

The following card-absent business types are classified as High Integrity Risk Merchant – Tier 1:

- Adult Content – MCC 5967
- Dating and Escort Services – MCC 7273
- Gambling – MCC 7995
- Pharmacies – MCC 5122, 5912

1.1.2 High Integrity Risk Merchant – Tier 2

High Integrity Risk Merchants designated as “Tier 2” are those that operate businesses where there is a higher risk of illegal activity occurring without proper controls and the potential illegal activity could cause financial or other economic harm to individuals.

The following business types are classified as High Integrity Risk Merchant – Tier 2:

- Crypto Merchants: exchanges, wallet providers or on-ramp providers (card absent) – MCC 6051, 6012, with transactions required to use Special Condition Code 7
- Cyberlockers and similar remote digital file-sharing services (card absent) – MCC 4816
- Games of Skill (card absent) – MCC 5816

1.1.3 High Integrity Risk Merchant – Tier 3

High Integrity Risk Merchants designated as “Tier 3” are those that operate businesses outside of Tier 1 and 2, where there is a higher risk for non-compliance with applicable regulations or deceptive marketing practices without appropriate controls.

The following business types are classified as High Integrity Risk Merchant – Tier 3:

- High Integrity Risk Financial Trading Platforms (card absent) – MCC 6211
- Outbound Telemarketing (card absent) – MCC 5966
- Subscription “Negative Option” Merchants (card absent) - MCC 5968
- Tobacco Sales (cross-border card absent) – MCC 5993

1.2 High Integrity Risk Acquirer Registration

Acquirers are subject to all applicable Visa Rules and to the Global Acquirer Risk Standards (GARS). In addition, Acquirers processing for High Integrity Risk Merchants will also be subject to the requirements of this Program (as detailed below).

Acquirers must apply for and be granted High Integrity Risk Acquirer Registration prior to soliciting, contracting with, or processing for any Merchant (including Sponsored Merchants) classified as High Integrity Risk.

Furthermore, Acquirers seeking to support High Integrity Risk Merchants operating in Tier 1 categories will require separate and additional approval from Visa for each such Tier 1 Merchant category, before it may solicit or submit transactions for any such Tier 1 Merchant. For example, if an Acquirer receives approval to support an Adult Content Merchant under MCC 5967, and wants to expand into supporting a Merchant providing Dating and Escort Services under MCC 7273, an additional approval must be sought from Visa.

1.2.1 High Integrity Risk Acquirer Prerequisites

To apply for a High Integrity Risk Acquirer Registration an Acquirer must:

- Complete and submit the High Integrity Risk Acquiring Registration Application and associated required documents, depending on the chosen registration tier(s), to Visa¹
- Provide written attestation that no transactions for a Merchant that falls into one of the categories within VIRP have been or will be entered into the Visa Payment System until the High Integrity Risk Acquiring Registration has been approved
- Submit the designated one-time, non-refundable application fee²
- Undergo a financial review, have the required equity capital³, be investment-grade and/or commit to compensating controls (e.g., collateral requirements) as determined by Visa

¹ The application is available on VOL, Visa Program Request Management (PRM)

² Application fee dependent on appropriate tier(s)

³ Capital requirement dependent on appropriate tier(s)

- Comply with all Visa Rules, requirements, and policies
- Be in good standing in all Visa risk management programs
- Depending on the risk tier of the business types the Acquirer is applying for, comply with the requirements listed in the table below:

TIER 1 RISK ACQUIRER	TIER 2 RISK ACQUIRER	TIER 3 RISK ACQUIRER
<p>Undergo an initial control assessment for the specific High Integrity Risk Merchant Tier 1 category for which the Acquirer intends to acquire. Acquirers will be subject to periodic reassessments.</p> <p>Complete an annual control self-assessment for each approved High Integrity Risk Merchant Tier 1 category.</p>	<p>Undergo an initial control assessment for High Integrity Risk Merchant Tier 2 business types. Acquirers will be subject to periodic reassessments.</p> <p>Complete an annual control self-assessment for High Integrity Risk Merchant Tier 2 acquiring.</p>	<p>Register to process High Integrity Risk Merchant Tier 3 business types with Visa.</p> <p>Upon request, complete a control self-assessment for High Integrity Risk Merchant Tier 3 acquiring and submit to Visa.</p>

NOTE:

- Acquirers will require separate and additional approval from Visa for each Tier 1 Merchant category
- An Acquirer approved for any Tier 1 Merchant Category also has approval for all Tier 2 and Tier 3 High Integrity Risk Merchant Categories
- An Acquirer approved for Tier 2 has approval for all Tier 2 and Tier 3 High Integrity Risk Merchant Categories
- An Acquirer approved for Tier 3 has approval for Tier 3 High Integrity Risk Merchant Categories only

1.3 High Integrity Risk Agent Registration

Any Acquirer that contracts with Third-Party Agents—such as ISOs, payment facilitators, or digital wallet operators—that intend to solicit High Integrity Risk Merchants, must do the following:

- Ensure it properly registers all its Third-Party Agents, especially those that intend to work with High Integrity Risk Merchants
- Conduct proper due diligence of the Agent as required by the Visa Rules and the Global Acquirer Risk Standards (GARS)
- Conduct a thorough review of the Agent's Merchant due diligence and monitoring processes and ensure these achieve full compliance with Visa's requirements, including the requirements of this Program
- Provide an attestation that the Acquirer has completed due diligence of the agent as outlined in GARS
- Comply with its ongoing Agent oversight obligations as outlined in GARS
- Establish adequate assurance and formal oversight, at a minimum annually, of the Agent's ongoing compliance with the Merchant diligence and monitoring requirements as defined in this Program

1.4 High Integrity Risk Merchant Registration

All High Integrity Risk Merchants⁴ must be registered with Visa prior to submitting transactions.

Before onboarding High Integrity Risk Merchants, an Acquirer must conduct and attest to the following due diligence of its Merchant(s):

TIER 1 RISK MERCHANT	TIER 2 RISK MERCHANT	TIER 3 RISK MERCHANT
Conduct initial enhanced due diligence of the Merchant's control environment and other requirements as outlined in Section 3.1 for each Merchant.	Conduct initial enhanced due diligence of the Merchant's control environment and other requirements as outlined in Section 3.2 for each Merchant.	Acquirer performs initial due diligence of the Merchant's control environment and other requirements.
Attest to Visa that the Merchant satisfactorily passed the review, and that the Acquirer will continue to monitor the Merchant to prevent any illegal transactions.	Attest to Visa that the Merchant satisfactorily passed the review, and that the Acquirer will continue to monitor the Merchant to prevent any illegal transactions.	Acquirer monitors the Merchant to prevent any illegal transactions.
Register the Merchant with Visa and update any Merchant registrations with updated activity (e.g., URLs, etc.)	Register the Merchant with Visa and update any Merchant registrations with updated activity (e.g., URLs, etc.)	Register the Merchant with Visa and update any Merchant registrations with updated activity (e.g., URLs, etc.).

By registering a Merchant or Sponsored Merchant (together, "Merchant") operating a business defined as High Integrity Risk with this program, the Acquirer is certifying, and shall certify annually thereafter via the High Integrity Risk Annual Attestation that the Merchant is operating in compliance with the Visa Rules, meets the requirements outlined in this Program guide, and has effective controls in place to monitor and block, where necessary, illegal transactions. If Visa requires additional validation of the controls a Merchant has in place, the Acquirer will comply with such a request in the timeframe specified by Visa.

As a reminder, in accordance with Visa Rule ID#0003356, the Acquirer must have a written agreement with each of its Merchants that accept Visa cards, and the agreement must include language that requires the Merchant to do all the following:

- Perform its obligations under the Merchant Agreement in compliance with applicable laws and regulations
- Comply with the Visa Rules regarding use of the Visa-Owned Marks, Visa acceptance, risk management, Transaction processing, and any Visa products, programs, or services in which the Merchant is required to, or chooses to, participate
- Not knowingly submit any Transaction that is illegal or that the Merchant should have known was illegal
- Include the right of Visa to limit or terminate the Acquirer's agreement with the Merchant or the Payment Facilitator's agreement with the Sponsored Merchant.

⁴ This does not apply to Merchants assigned MCC 5122 or 5912 if the Merchant is accredited by the National Association of Boards of Pharmacy (NABP) in either the Healthcare Merchant Accreditation or Drug Distributor Accreditation (DDA) program or the LegiScript Healthcare Merchant Certification (HMC) Program.