



Visa Direct

Risk & Compliance FAQs

Does the data included in the payment message meet the regulatory requirements of issuers?

Visa Direct OCT transactions contain a data set about sender, receiver, intermediate entities, purpose and use case. There may be additional requirements in certain markets, for example, purpose of payment. System edits in VisaNet decline or reject certain transactions that do not contain the required data. Issuers are solely responsible for their own compliance with applicable laws and regulations.

What are the transaction controls that Visa has in place to meet its own compliance requirements?

- Sanctions screening on certain transactions.
- Default transaction and velocity limits.
- Issuers are solely responsible for their own compliance with applicable laws and regulations.

What tools are available to issuers who accept Visa Direct Original Credit Transactions (OCTs) (Explaining the Visa Net velocity and value controls)

- Inclusion of data on sender, receiver, intermediate entities, purpose and use case accompanying the OCT. Every transaction may not contain all previously mentioned data, please refer to published guides for exact information.
- Issuer configurable Transaction and velocity limits on OCTs.
- Issuers can subscribe to Visa's sanctions screening score accompanying cross-border money transfer OCTs. Issuers should always consult and seek approval from their internal compliance teams on sanctions screening controls and processes and are solely responsible for their own compliance with applicable laws and regulations. Optional compliance controls and risk management tools and services are provided solely for the convenience of Issuers and Visa makes no warranties with respect to them or their results.
- Issuers can subscribe to a Consolidated Data Report of AML data fields in cross-border money transfer OCTs.

Can an issuer request to block specific high-risk countries?

Please consult your Visa representative for information – on an exception basis, it is possible to block specific high-risk countries if they are not within the issuer risk appetite.

If the issuer does not have screening in place on card rails, can they reject the OCTs or avail of the Visa screening score?

Every issuer needs to evaluate what is sufficient according to their own proprietary risk and control policies. Cross-border OCTs are an incoming payment to the bank, like incoming cross-border payments via SWIFT or ACH. Visa strongly suggests that you contact your in-house teams handling AML controls and sanctions screening on incoming SWIFT and ACH transfers, as these teams will typically be fully aware of regulatory requirements for accepting incoming cross-border payments. Your in-house compliance and legal teams can provide guidance on any additional controls that might be required to align with the banks' existing risk and control policies. Optional compliance controls and risk management tools and services are provided solely for the convenience of Issuers and Visa makes no warranties with respect to them or their results. Issuers are solely responsible for their own compliance with applicable laws and regulations.

Does Visa have systematic limits?

- Visa applies default value and velocity controls to Visa Direct OCTs.
- Issuers can use Visa's Issuer OCT Transaction Controls and velocity limits to set their own customized limits which will then be controlled by VisaNet. Issuers can set limits for cross-border Money Transfers and non-Money Transfers, by count and amount, for 1-, 7- and 30-day periods. Issuer limits must be at or above VisaNet minimum limits. Issuers who wish to set their own velocity limits should consult their Visa representative.

What is the approval process for originating programs?

- Visa Direct transactions are originated by Visa Acquirers, who have undergone a rigorous due diligence review, and are bound by Visa Rules, including requirements to comply with Applicable AML Laws and regulations in their jurisdiction.
- Visa conducts due diligence on each new Visa Direct program for its own internal risk control purposes, including, but not limited to appropriate due diligence on originator Know Your Customer (KYC) and sanctions screening processes for new Money Transfer originating entities.
- Visa holds acquirers accountable for due diligence on Visa Direct origination programs. Visa also conducts its own due diligence for internal purposes on Visa Direct programs and participants. Only acquiring BINs with approved origination programs can originate OCTs, and approved acquirers can only originate approved transaction types. New programs must submit a Program Information Form (PIF) that includes information on:
 - Program geographic scope: domestic or cross-border, target destination countries.
 - Program details: Business Application Identifier (BAI), access channels, funding sources.
 - Compliance: Licensing details, user KYC and screening, AML policies, sanctions screening.
 - Risk controls: Transaction limits, velocity controls.
- PIF is also contracted with merchant/Acquirer to comply with:
 - Local law and regulations (state, federal, and foreign where applicable).
 - Visa Rules and OCT Global Implementation Guide.
 - Requirements regarding AML/ATF, and suspicious activity monitoring and reporting.
- PIF reviewed by AML/Sanctions Compliance, Credit Settlement Risk, Product and where deemed necessary – Legal and High Brand Risk.
 - Functional areas must approve before a program can go "live."
 - Visa completes a Risk Assessment during the review process and programs that fall outside Visa's risk appetite are not approved.
- Issuers are solely responsible for their own compliance with applicable laws and regulations.

Does Visa have post-implementation monitoring?

Visa conducts extensive post-implementation compliance monitoring of OCTs and works with Merchants and Acquirers to remediate compliance issues, including, where necessary, suspension or termination of programs in case of continued lack of response or non-compliance.

