

First Data eCommerce Authentication Service  
Verified by Visa (3D Secure)

Email not displaying correctly?  
[View it in your browser.](#)



**Date:** 03/01/2019

**Status:** Initial Notification

**Subject:** First Data eCommerce Authentication Service

**Action Required:** Informational, action required

**Topic:** Debit Operations

**Verified by Visa (3D Secure)  
First Data eCommerce Authentication Service**

The rapid growth of eCommerce continues to transform the way consumers shop and make payments. However, that transformation has come with an equally rapid shift in fraud trends. As eCommerce transactions increase and chip card adoption grows, fraudsters have swiftly redirected their attention from counterfeit to card-not-present transactions.

**History**

3D Secure, 3 domains (Issuer, Merchant and Payment Networks), parties that participate was developed to address e-commerce fraud. It is a technical specification that historically enabled issuers to authenticate their cardholder through a user name and password.

As e-commerce transactions grew, the process became more and more cumbersome for

the cardholders as well as the merchants. We were also seeing the fraudsters register as your cardholders and authenticating them. Issuers found they had no chargeback rights and removed the service. As issuer dropped the service so did merchants. The system was not doing what it set out to do.

### **What's New**

EMVCO, the developer of EMV chip technology, came together and enhanced the authentication process by developing 3D Secure 2.0, a risk based authentication process that streamlines the user experience and improves fraud detection with approximately 100 different pieces of data.

At this time, not all merchants and processors are ready for 3D Secure 2.0. Visa has not sunset the original Verified by Visa and the date is to be determined. The original 3D Secure 1.0 has been upgraded to use Risk Based authentication, where enhanced data is being used to authenticate the cardholder. User name and password authentication has gone away and a zero touch authentication will take place. Zero touch authentications approve or deny based on the risk score that this is the cardholder. First Data will not require challenge questions nor will an OTP be sent to the cardholder.

There will be a period in time that the authentication will be routing through Enhanced Risk Based 1.0 or through 3D Secure 2.0 depending on how the merchant routes the transaction. In August 2019, if you are not participating in both authentication processes, you could lose your chargeback rights.

### **Pricing**

Implementation for your current program to move to both Enhanced 3D Secure 1.0 and add 3D Secure 2.0 will begin April 30, 2019. The cost to enhance 3D Secure 1.0 and add the new 3D Secure 2.0 is \$1300. There will be a monthly fee of \$210 and a \$0.15 per transaction fee.

### **Next Steps**

**We need to hear from you before March 15, 2019.**

If your Credit Union is going to participate in 3D Secure, please check the box on the attached Summary of Fees to participate, sign the SOF and return to [ATM-Debit@lsc.net](mailto:ATM-Debit@lsc.net)

If your Credit Union is not going to participate in 3D Secure please check the box on attached Summary of Fees, sign and return to ATM-Debit@lsc.net

Please [click here](#) for Summary of Fees document.

If you have any questions, please contact LSC Card Services at 800-304-2273