

Second Factor Authentication For Online Card Based Transactions - Verified By VISA (VBV)

Online Card based transactions – Need for Additional Security

Card-based transaction over the Internet was hitherto executed on the basis of some key details provided like card number, expiry date, name of the cardholder and the CVV number of the card. Needless to mention, this to a certain extent rendered the card-based online transactions vulnerable to frauds and misuse, if such sensitive card identification details are compromised / known to a fraudster, as these details are available on the card itself. In such a scenario, it was important to have a secured way of making payments which would protect all the parties involved – the customers, the merchants and the banks.

Second-factor Authentication

In this scenario, a need was felt to introduce a second factor authentication for online card based transactions using a password, which is not so far mandatory in such card-based online transactions. This password is to be chosen by the cardholder, is to be keyed in for all such online transactions on the Internet, where cards are not physically presented. This additional option of password as a second-factor authentication has been implemented by the Bank considering the inherent risks involved in online card-based transactions, from 1st of August 2009.

Verified by VISA

Major international card issuers like VISA and MasterCard facilitated the implementation of second-factor authentication based upon information not visible on the card, by building the technology platform called **3D Secure**.

Verified by VISA (VbV) and MasterCard Securecode are the names for the second factor authentication for VISA cards and MasterCard, respectively. The Bank has now implemented VbV as both its Credit cards as well as Debit cards are VISA enabled Cards.

Verified by VISA is a new way to add safety while transacting online. By adding a password to the existing VISA card, Verified by VISA ensures that only genuine

cardholders can use their VISA cards online.

The process is easy to activate for existing VISA cards and it is offered free of charge for the cardholder.

The objective of VbV is to create higher level of customer trust and confidence in the online shopping environment.

VbV is designed to enhance the confidence of both the cardholder and merchants in Internet dealings and would reduce the disputes and fraudulent activities related to the use of cards for Internet payments.

The Cardholders can also verify the VbV mark on the websites of online merchants and also during the authentication process.

Registration by Cardholders

The Cardholders are required to register for VbV one time **through the Bank's original website**, where a link is provided for registration.

On clicking the link, the cardholder needs to register for VbV using the in-wallet (certain information present in the card like card number, expiry date, Name, CVV No etc.) and out-of-wallet data elements (certain information not present in the card like date of birth of cardholders, ATM PIN in the case of debit cards etc).

Once the identity of the cardholder is authenticated by the Issuer-Switch, cardholder can enter the VbV password.

After completing the registration steps, the cardholder can make purchases at web portals of merchant establishments using this secure authentication.

Shopping online

Whenever the cardholder visits a shopping website and selects to pay using the card, after the card details are entered, cardholder needs to select the "Pay" button / option.

Merchant server would then query the VISA directory server to determine if the card account is registered for VbV. If the card account number is not registered for VbV, the merchant site would direct the cardholder to register.

If the card number is registered for VbV, then the system will display the password entry screen to the cardholder and will prompt to enter the VbV password.

If the VbV password entered by the cardholder is authenticated, the transactions get the first level of approval and proceeds for the second level of authentication at the Bank's Switch using the card details including the Card verification value i.e. CVV.

Security Tips to Customers

Customers are advised to register for VbV option in the Bank's original website and not in any fake site that may offer to do so.

Care shall be taken not to respond to any e-Mail requests, SMSs, website links that may request or prompt keying in of this VbV password, as phishing attacks could emanate for the VbV password also, as in the case of other sensitive account related information.

Customers shall remember that this additional authentication password is only for making online card based transactions and shall not be divulged to anyone, or on any other occasion or for any other transactions.

This additional authentication password is only intended to enable customers to transact online securely using cards and make payments/purchases in a secured manner.