



Electronic Transactions Association

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Michael E. Smith  
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Re: ETA Support of Visa Payment Application Security Mandates

On behalf of the Electronic Transactions Association (ETA) and its member companies, I am writing to express our strong support for the recently announced payment application security mandates for the U.S. region. While we believe that satisfying the five compliance milestones will be a challenge for the entire acquiring industry, this challenge is superseded by the critical need to do everything in our power to adequately secure cardholder data.

The establishment of a requirement that new Level 3 and Level 4 merchants must comply with the Payment Card Industry Data Security Standards (PCIDSS), or use PABP-compliant applications by 10/1/2008, sends a strong message to retailers that adoption of these practices cannot be avoided by switching to another acquirer who may offer less stringent security requirements. Moreover, this requirement will help preserve existing customer relationships and weed out any unscrupulous service providers seeking to benefit from the situation.

One of the recurring barriers to the use of PABP-compliant applications is the cost to upgrade or replace existing systems that, from the retailers' perspective, are functional. Moreover, anecdotal evidence suggests that some payment application providers may be using compliance requirements primarily as an opportunity to increase sales. ETA applauds the efforts of Visa to hold payment application providers responsible by making public a list of compliant applications and making available information on those known to be vulnerable. We encourage Visa (and the other card networks) to consider additional measures to facilitate timely and ubiquitous compliance by payment application providers and to provide incentives for these companies to support their products in the marketplace.

Finally, ETA advocates that the PABP be incorporated into the PCIDSS as soon as possible in order to create uniform and consistent data security requirements across all brands. ETA stands ready to support Visa's efforts to create a safe and secure payments environment and we encourage you to leverage the ETA and its members to advance these efforts.

Sincerely,

Carla Balakgie, Executive Director  
Electronic Transactions Association