

PREPAID CARD GLOSSARY

- **ACH Remitter**: The bank that receives the electronic funds transfer via Automated Clearing House (ACH) to load funds to a prepaid card. A “known” remitter is one that is logged in the prepaid card processing data base. *(Synonym: Direct Deposit Bank)*
- **Acquirer**: A financial institution that is a member of an Association (e.g. Visa, MasterCard, Discover) and maintains the merchant card processing relationship. The Acquirer receives all transactions from the merchant to be distributed to the Issuers. *(Synonym: Acquiring Bank)*
- **Activation Method**: The rule by which a prepaid card is activated, generally upon card registration, upon first load or upon cardholder verification. When the activation rule is upon cardholder registration, a cardholder may activate by logging on the website printed on the back of his card, by calling the IVR or speaking to a cardholder services representative and providing the information requested.
- **Association**: An organization owned by financial institutions (e.g. Visa, MasterCard, Discover) that licenses bank card programs and sets transaction terms for merchants, card-issuing banks, and acquiring banks. Associations also perform operational functions for their members, including transaction processing and authorizations, interchange settlements and fee processing. *(Synonym: Card Association)*
- **Authorization Code**: A code comprised of alpha-numeric characters and symbols that is sent to the User’s email address of record if the User logs on to the Web Portal from an unknown device (e.g. computer). The User must retrieve the Authorization code from the email and enter it in the field provided. This validates that the User is authorized to access the Web Portal. The User may by-pass this step in the future by registering the device when prompted by the system to do so. Users should only register trusted devices, such as a work or home computer.
- **Bank Teller Withdrawal**: The method by which cardholders may withdraw available funds from their cards at bank locations that display the Association logo that is on their card (e.g. Visa, MasterCard, Discover). *(Synonyms: Cash Advance, OTC/Over-the-Counter Cash Withdrawal)*
- **BIN (Bank Identification Number)**: A six-digit number assigned by an Association (e.g. Visa, MasterCard, Discover) to a member institution, which identifies that institution in transaction processing. The BIN comprises the first six digits of a standard 16-digit card number.
- **Business Function**: A description of an individual’s function within the card program that is displayed in the Contacts section of the Web Portal. For example, a “Sales Representative” is a business function.
- **Card Agreement**: The agreement between the card issuer and the cardholder governing the terms and conditions applicable to the use of the card. *(Synonym: Cardholder Agreement)*
- **Card ID**: A 10-digit number unique to each card (virtual or plastic) used instead of the 16-digit Card Number to provide greater security to cardholders. The Card ID is printed on the bottom left corner of the back of the card.
- **Card Number**: 16-digit account number unique to each card (virtual or plastic). This is the number embossed on the front of the card.

- **Card Program**: The parameters that define what functions, features and limits apply to the prepaid cards in a BIN range. Program attributes include card type, fulfillment and funding methods, network access, fees, expiration dates, transaction restrictions, etc. (*Synonym: Program*)
- **Card Status**: A 2-letter code that indicates the status of the card account, such as Active (AC), Inactive (IA), Pre-active (PA), Upgraded (UG), Replaced (RP), Lost/Stolen (ST), Deactivated (DE), Expired (EX) or Reissued (RI). The Card Status drives what functions the card is allowed to perform, e.g. a Pre-active card can accept employer loads but cannot perform debit transactions until activated.
- **Card Upgrade** – The process of replacing a Client Issued Card (Instant Issue Card) with a Personalized Card. (*Synonym: Upgrade*)
- **Cardholder Information**: Demographic data related to each individual cardholder, such as First and Last Name, Mailing Address, Phone Number, Date of Birth, Social Security Number, etc.
- **Challenge Questions** – A set of three (3) questions for which the User has provided answers that are stored in the system and used to verify the User’s identity if his/her password is forgotten.
- **CIP (Cardholder Identification Program)**: The process of verifying a cardholder’s identity by matching personal information they provide upon card registration with data stored in a credit bureau database (e.g. Experian). (*Synonym: ID Verification*)
- **Client Issued Card** - An unregistered, non-personalized card kept on-hand at a Client or employer’s site. Client Issued Cards must be registered to a cardholder and activated before they may be used. (*Synonym: Instant Issue Card*)
- **Client Program**: The implementation of a card program. A Client Program inherits the parameters of the Program it rolls up to unless specifically modified by the Program Sponsor.
- **Contacts**: The names of individuals associated with the implemented card program displayed in the Web Portal along with information such as title, phone number, email address, address and business function.
- **Creation Date**: The date on which a card program is established in the prepaid transaction processing system.
- **Customer ID**: A unique number that identifies a cardholder in the processing system. The Customer ID remains the same and stays with the cardholder, allowing the system to automatically transfer card funds, cardholder information and other data to a new card if the card account number changes due to a lost/stolen replacement or upgrade.
- **Device**: A specific piece of electronic equipment that provides internet access, such as a personal computer, laptop, mobile phone or other communication tool. The Web Portal allows Users to register devices that they use often and trust to be secure. Any device that is unknown will cause the User to require authentication by retrieving an Authentication Code each time the User logs on.
- **Direct Deposit Bank**: The bank that receives the electronic funds transfer via Automated Clearing House (ACH) to load funds to a prepaid card. A “known” remitter is one that is logged in the prepaid card processing data base. (*Synonym: ACH Remitter*)

- **Dispute**: A challenge to a card transaction initiated by a cardholder who believes he/she did not make or authorize the charge. Disputes must be submitted in writing and made within 90 days of the date of the transaction. *(Synonyms: Cardholder-Initiated Chargeback, Chargeback)*
- **Expiration Date**: The date that is embossed on the front of the card, after which the card is non-valid and inactive for use.
- **Features**: Services made available by the card program manager that provide cardholders with added card benefits (e.g. Text Alerts). *(Synonym: Products)*
- **Funding Account**: An account in the processing system which is funded by a client for the purpose of transferring funds to cardholders' cards. *(Synonyms: Virtual Funding Account, Virtual Funding Card)*
- **ID Verification (IDV)**: The process of verifying a cardholder's identity by matching personal information they provide upon card registration with data stored in a credit bureau database (e.g. Experian). *(Synonym: CIP – Cardholder Identification Program)*
- **Instant Issue Card** – An unregistered, non-personalized card kept on-hand at a Client or employer's site. Instant Issue Cards must be registered to a cardholder and activated before they may be used. *(Synonym: Client Issued Card)*
- **Interchange Fees**: Fees paid by the Acquirer to the Issuer to compensate for transaction-related costs. The Associations (e.g. Visa, MasterCard, Discover) establish interchange fee rates.
- **Issuing Bank**: The financial institution and member of an Association (e.g. Visa, MasterCard, Discover) that holds contractual agreements with, and issues cards to the cardholders. *(Synonym: Issuer)*
- **IVR (Interactive Voice Recognition)**: An automated system that allows cardholders to perform a variety of self-service functions via touch-tone phone, such as obtaining their card balances or enrolling in available services.
- **Line of Business**: The category of card program e.g. Payroll/Benefits, Rebates/Incentives. *(Synonym: Program Type)*
- **Load**: A credit of funds to a prepaid card.
- **Location**: A card program level that rolls up to the Client Program level. Each Client Program has at least one Location. A Location may be a specific, singular location such as a store or office, or a collection of locations such as a region, depending on the Client's implementation.
- **Logo**: An alpha-numeric identifier that is used by the electronic payments processor Fiserv to indicate a program or group of programs.
- **MCC (Merchant Category Code)**: A universal four-digit number used by the bankcard industry to classify the type of goods or services a business provides. MCCs may be used to set program rules and restrictions.
- **Merchant ID**: A unique identification number assigned to a merchant by the Acquirer within its merchant category to reference payments processed at its places of business.
- **Message Ticket**: The electronic application available to selected Users to submit a service request regarding a specific cardholder account. The Message Ticket identifies the type of request and automatically assigns it to the appropriate service provider.

- **Non-reloadable**: A card that allows only a single (one-time) load of funds. Velocity rules are set in the system not to allow any additional loads.
- **On Us (Tokens)**: The method that is used to generate and track transactions or events that cardholders are granted at no charge when they use their prepaid cards. An On Us Token is created by a defined trigger (e.g. a load) and is used when the cardholder performs one of the transactions defined as On Us (e.g. an ATM withdrawal). On Us Tokens may be “additive” so that the cardholder accumulates additional On Us Tokens, or they may be replaced when a new On Us Token is generated so there is not an accumulation of unused On-Us Tokens.
- **OTC (Over-the-Counter) Cash Withdrawal**: The method by which cardholders may withdraw available funds from their cards at bank locations that display the Association logo that is on their card (e.g. Visa, MasterCard, Discover). (*Synonyms: Cash Advance, Bank Teller Withdrawal*)
- **Padding**: A percentage added to a purchase amount or a fixed dollar amount submitted at time of pre-authorization of a purchase transaction to ensure adequate funds are available for the final purchase amount. Commonly applied to restaurants and salons where a cardholder often adds a gratuity to the final purchase. Examples of padding for a fixed amount include pay-at-the-pump gas purchases and reserving a hotel or rental car. (Note: Cardholders can avoid the pay-at-the-pump padding by paying inside and specifying to the cashier the amount of gas they want to purchase).
- **Pass Phrase** – A phrase of up to 60 alpha-numeric characters that is used to verify a User’s identity when the User contacts Client Support. The Pass Phrase may only be created and edited by the User.
- **Payment Network**: A system that acts as a gateway between Acquirers and Issuers for authorizing and funding transactions, and whose brand appears on the back of the card to indicate where a card is accepted (e.g. Visa, MasterCard, Discover). The network transmits and settles card transactions.
- **Permissions** – Rules that define the User’s access to Programs, Client Programs and Locations, where they may perform the functions provided by their User Role(s).
- **Personalized Card** – A card that is embossed with the cardholder’s name or other customized wording.
- **PIN (Personal Identification Number)**: A numeric code used as verification to complete a transaction via a payment card (e.g. ATM Withdrawal or POS purchase).
- **PIN Debit Purchase**: A purchase that a cardholder makes by presenting his/her card at a merchant location and entering a PIN into a keypad to complete the purchase. PIN Debit purchases may be made at any merchant location that accepts debit transactions, and also allows cardholders to get cash back in addition to their purchase amount. (*Synonyms: Debit Purchase, PIN Purchase*)
- **Platform**: The prepaid transaction processing system.
- **POS (Point of Sale) Transaction**: A transaction that a cardholder initiates by presenting his/her card at a merchant location. A POS transaction can be either a PIN Purchase, where the

cardholder completes the transaction by entering a PIN into a keypad, or a Signature Purchase, where the cardholder completes the transaction by signing a merchant receipt.

- **Pre-authorization**: The procedure of placing a “hold” on funds in a purchase transaction initiated by the cardholder. A pre-authorization is used to validate that the card is active and that funds are available on the card for the amount of the purchase. In some cases, the pre-authorization hold is a higher amount than the purchase transaction to allow for circumstances where the final purchase amount may be higher, see Padding.
- **Product Eligibility**: Indicates whether a card program or a specific card is eligible for a card service or feature (e.g. Text Alerts). Eligibility is defined by the card program manager.
- **Products**: Services made available by the card program manager that provide cardholders with added card benefits (e.g. Text Alerts). (*Synonym: Features*)
- **Program ID**: The unique number assigned by the processor system to identify a card program.
- **Program Sponsor**: A level of access to the Web Portal granting Users privileges to multiple card programs at various program levels (Program, Client Program, Location, etc.).
- **Program Type**: The category of the card program, e.g. Payroll/Benefits, Rebates/Incentives, Retail, Gift Card, etc. (*Synonym: Line of Business*)
- **Program**: The parameters that define what functions, features and limits apply to the prepaid cards in a BIN range. Program attributes include card type, fulfillment and funding methods, network access, fees, expiration dates, transaction restrictions, etc. (*Synonym: Card Program*)
- **Reg E (Regulation E)**: A Federal Reserve regulation that sets rules, liabilities, and procedures for electronic funds transfers (EFT), and establishes consumer protections using EFT systems. (*Synonym: Electronic Funds Transfer Act*)
- **Registration Date**: The date that a card is registered to a specific cardholder.
- **Registration Status**: Indicates whether a card is registered to a specific cardholder or unregistered.
- **Reloadable**: A card that is allowed to have more than one load of funds. The program manager defines what sources of funds are permitted (e.g. employers, government benefits, cash loads).
- **Restriction Type**: Description of the category of program restrictions based on MCCs, such as gambling, healthcare, etc.
- **Restrictions**: Rules that prohibit card purchases at certain merchant types or allow purchases only at certain merchant types, based on MCCs, e.g. a card that is restricted from use at gambling establishments will be declined if the cardholder attempts to use it there.
- **Role**: The set of functions that a Web Portal User is granted. Roles are pre-defined by the program manager. A role is assigned or unassigned to a specific User upon approval.
- **Screen Name** – A unique, system generated name that is used to identify a User when performing certain functions in the Portal, such as submitting Message Tickets. The format for the screen name is the User’s 3-5 character program prefix plus first initial and last name (e.g., ABC Corp employee Susan Jones = ABCSJONES).
- **Signature Purchase**: A purchase that a cardholder makes by presenting his/her card at a merchant location and signing a merchant receipt to complete the transaction. Signature

Purchases can be made at any merchant location that accepts the association brand displayed on the cardholder's card (e.g. Visa, MasterCard, Discover). Card purchases made online or via telephone are also considered Signature Purchases. *(Synonym: Credit Purchase)*

- **SMS (Short Messaging System)**: A text message sent to a mobile phone subscriber, generally limited to 160 characters.
- **Subtracting Events**: Events that use an available On Us Token.
- **Tax ID**: The unique identifier for a company or individual for IRS/tax purposes.
- **Trigger Events**: Events that generate an On Us Token for cardholder use.
- **Upgrade** – The process of replacing a Client Issued Card (Instant Issue Card) with a Personalized Card. *(Synonym: Card Upgrade)*
- **Upgrade**: The ability to replace an Instant Issue card with a Personalized Card that is embossed with the cardholder's name or other customized wording.
- **User** – An employee or agent of the Client that has been provided with access to the Web Portal for management of the Client's card program(s).
- **User Administrator** – A User with access permissions to set up and modify other Users within his/her User group (Program/Client Program/Location).
- **User ID** – The User's email address, which is used in combination with a password to log on to the Web Portal. The User ID is unique for each User.
- **Validation Date**: The date on which a cardholder provides defined criteria such as date of birth and Social Security Number, or a temporary passcode, or other ID to confirm that the intended recipient is in possession of the card.
- **Velocity Settings**: Rules that establish the limits on the number and dollar amounts of various transactions that a card is allowed to perform, e.g. number and dollar amount of daily credits to the card or number and dollar amount of ATM withdrawals. Cards have a velocity setting for the maximum balance allowed on the card.
- **Virtual Funding Account**: An account in the processing system which is funded by a client for the purpose of transferring funds to cardholders' cards. *(Synonyms: Funding Account, Virtual Funding Card)*