Visa Level 4 Merchant Requirements
PCI DSS Validation &
QIR Technician Requirements
Effective January 31, 2017

Presenter:

Stewart Fey

Qualified Security Assessor

LBMC Security

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Agenda

- Housekeeping
- Presenters
- About Conexxus
- Presentation
- Q & A

Housekeeping

This webinar is being recorded and will be made available in approximately 30 days.

- YouTube (youtube.com/conexxusonline)
- Website Link (conexxus.org)

Slide Deck

- Survey Link – Presentation provided at end

Participants

- Ask questions via webinar interface
- Please, no vendor specific questions

Email: **info@conexxus.org**

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Presenters

Conexxus Host

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Speaker

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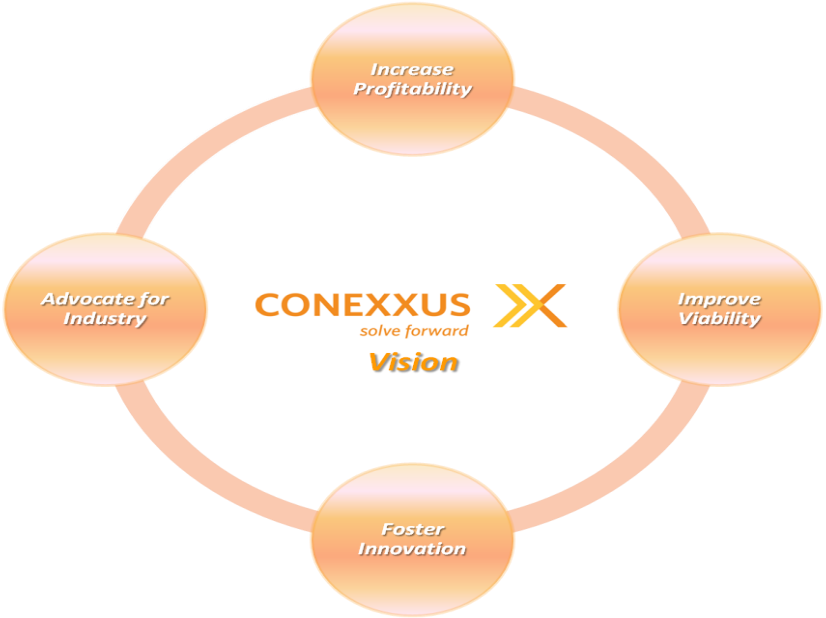
About Conexxus

- We are an independent, non-profit, member driven technology organization
- We set standards…
  - Data exchange
  - Security
  - Mobile commerce
- We provide vision
  - Identify emerging tech/trends
- We advocate for our industry
  - Technology is policy



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Conexxus Webinar Schedule

Month	Subject	Speaker(s)	Company
February 2017	How Stores Comply with Updated PCI Version	Tabitha Greiner Kimberly Ford Branden Williams	Acumera Valero DBA, CISSP, CISM
March 2017	SIEM Presentation	Matt Bradley	EchoSat
April 2017	Internet of Things & Impact of Bring Your Own Device to the Workplace	Bradford Lowey Jeff Gibson	Wayne Fueling EchoSat
May 2017	Customer Engagement Technologies to Enhance Sales and Profitability	Ed Collupy Gray Taylor Lesley Saitta	W. Capra Conexxus Impact 21

If you have a suggestion for a webinar, please contact Conexxus at info@conexxus.org.

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2017 Conexxus Annual Conference

Loews Annapolis Hotel

Annapolis, Maryland

April 23 – 27, 2017

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Agenda

- What is PCI Compliance?
- New Visa Requirements effective (Jan 31)
  - PCI QIR Program Overview
  - Visa new requirements to use PCI QIRs
  - How small merchants can comply
  - Enforcement and Penalties
  - PCI Validation Requirements for small merchants
  - VISA TIP program Overview
  - Benefits of using P2PE and Chip Readers
- PCI 3.2 Update
- Q&A

What is PCI?

- Commonly called PCI DSS – Stands for: “Payment Card Industry Data Security Standard”
- Industry security rules set by the major card brands to protect credit card information

Who Are the PCI Players?

- **The Payment Brands**
  - American Express, Discover, JCB, MasterCard, and VISA
  - Define compliance programs and enforcement
  - Assess fines & penalties

- **PCI Security Standards Council**
  - Maintain the PCI DSS standard
  - Gatekeepers for Qualified Security Assessor (QSA) and other PCI certifications

PCI Security Standards Council™

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Who Are the PCI Players (con't)?

- **Acquirers (Merchant Bank)**
  - Processes merchant payment card transactions
  - Responsible for merchant compliance with PCI DSS

- **Oil Brands**
  - Have contractual relationship with C-Store franchisees
  - Direct relationship with acquirers/POS vendors

Who Are the PCI Players (con't)?

- **Merchants (C-Store Operators) & Service Providers**
  - Accept Credit Cards
  - Store/Process/Transmit Card Data
  - Must Comply with PCI Rules

What Does PCI Protect?

Protected Cardholder Data

1. The Full Contents of the Magnetic Stripe
2. The Credit Card Number
   - Also known as the PAN or Primary Account Number
3. Cardholder Name
4. The Card Security Code (aka: CVV2, CVC2 or CID)
5. The Expiration Date

PCI DSS allows the retention of certain parts of Cardholder Data, but not other parts.

PCI Data Security Standards Overview

- The PCI Data Security Standards are technical and operational requirements set by the Payment Card Industry Security Standards Council to protect credit card data.
- The standard is divided into 12 requirements outlining different aspects of security best practices.
- The standard requires compliance with approximately 330 individual security validation procedures.
  - 100% compliance required to pass
  - Compensating controls can be utilized when necessary and appropriate

Who Has to Comply With PCI DSS?

- All merchants and service providers who store, transmit, or process credit cards must comply with all requirements.
  - A merchant cannot outsource its PCI DSS responsibility
  - Merchants CAN outsource operational responsibility for maintaining security controls

- The card brands have outlined various reporting levels based on volume of card transactions.
  - Acquirer will determine a merchant's reporting level and reporting obligations
  - Merchant may have more than one acquirer (merchant ID)

What's The PCI QIR Program?

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PCI QIR Program Overview

- QIR stands for - Qualified Integrators and Resellers

- The QIR Program simplifies the process for identifying and engaging integrators and resellers qualified to help merchants install POS applications and terminals securely.

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New Requirements!

- As of January 31, 2017 - All Level 4 merchants must use a PCI certified QIR for POS app and terminal installs, integrations, and maintenance.

- As of January 31, 2017- All level 4 merchants must annually validate PCI DSS compliance or participate in the **TIP** program.

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Who Does This Apply To?

- Level 4 Merchants in the US and Canada
  - Generally small merchants
  - Process less than 20,000 VISA or MC e-commerce transactions
  - Process up to 1 million VISA transactions

Your bank/acquirer/oil brand will inform you of your level

How Can A Small Merchant Comply?

- Only hire QIR companies listed on the PCI SSC website https://www.pcisecuritystandards.org

(Note: Merchants are not required to use a QIR if they do the work in-house)

What Happens If I'm Not In Compliance?

- Subject to non-compliance fines (up to your acquirer)

- **Good News!** – VISA will not enforce compliance against individual merchants

Level 4 Merchants Must Annually Validate PCI Compliance (New)

Every year:

- Complete a self assessment questionnaire (SAQ)
- Submit an attestation of Compliance (AOC)

Every Quarter:

- Conduct a quarterly external vulnerability scan by an approved scan vendor (ASV)

Do I Have to Validate PCI Compliance?

- Short answer – Yes

- VISA's TIP Program excludes a merchant from annual compliance requirements

How Does An Organization Prove Compliance?

That depends on your reporting level…

Shown from least painful to most painful:

- Self Assessment Questionnaire (SAQ)
  - 11 different versions based on type of processing
- Results from an Approved Scanning Vendor (ASV)
- Qualified Security Assessor (QSA) Report on Compliance (RoC)

"SAQ-D" most likely applies to C-Store franchisees

Where Do I Start?

- Your Acquirer/Bank/Oil Brand will tell you what you must do
- PCI Council's Website – Small Business Section https://www.pcisecuritystandards.org

What is VISA's TIP Program?

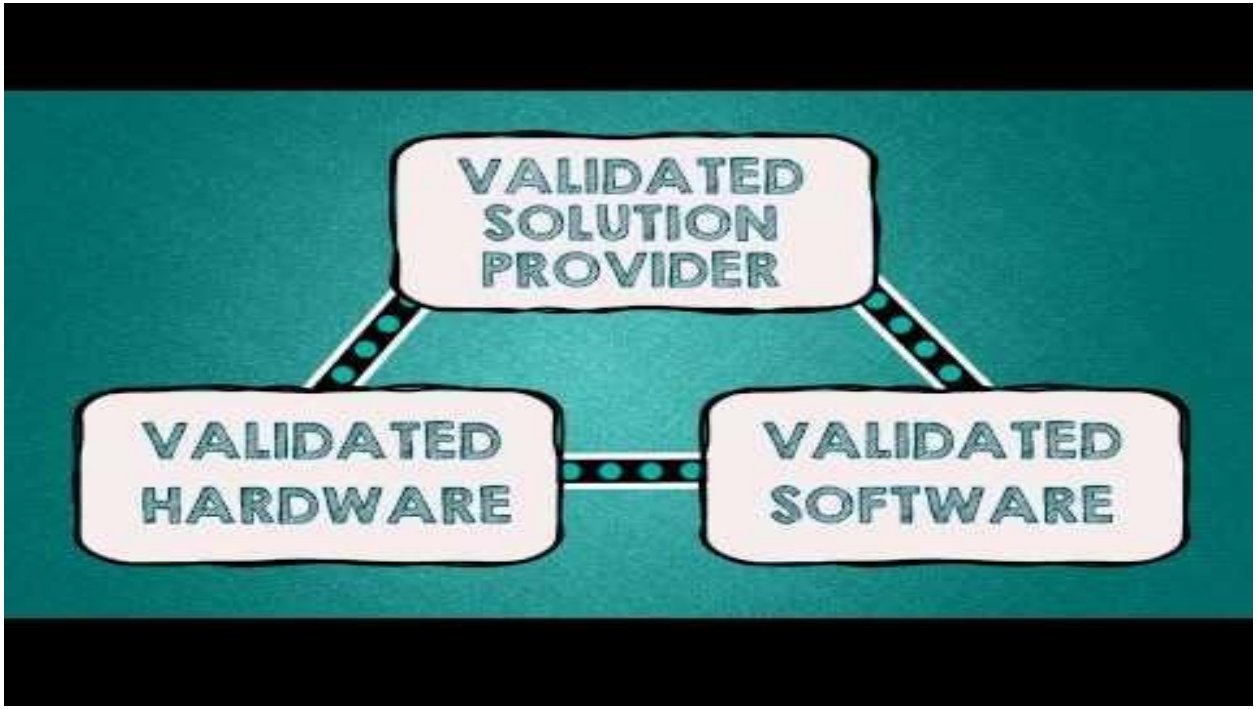
- Technology Innovation Program (TIP)
  - Encourages merchants to pursue EMV and P2PE solutions

Qualifying for TIP

- 75% of all transaction originate via EMV capable card readers or a validated P2PE solution
- Confirm sensitive authentication data is not stored after card authorization

https://usa.visa.com/support/small-business/security-compliance.html

PCI Security 101 – P2PE



Source: PCI Council's YouTube Channel

PCI Security 101 - EMV

Source: PCI Council's YouTube Channel

PCI DSS Version 3.2

- PCI updates its requirements ~~every 3 years~~ (regularly).
- Starting Nov 1st 2016 everyone must be using the new requirements in version 3.2.
- Several "big impact" changes.

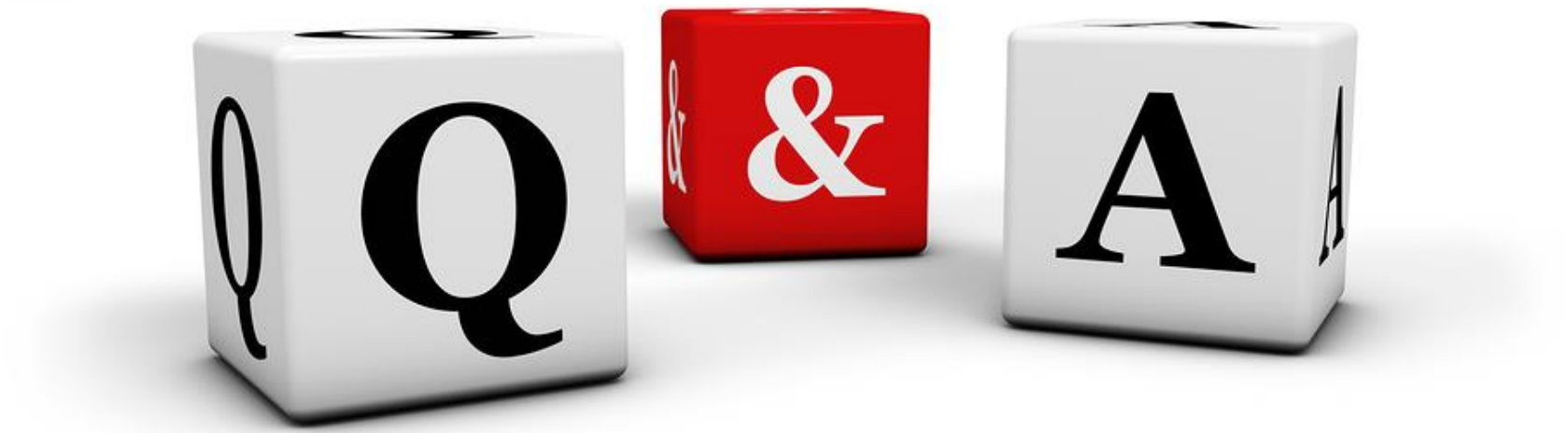
Multi-factor Authentication

- All admin type access must use multi-factor authentication

Merchant / Service Provider Relationship

- You can’t totally outsource PCI Compliance…

- Service Provider as part of its compliance process must identify the PCI Controls it is providing on behalf of a Merchant (and vise versa)



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- Website: www.conexxus.org
- Email: info@conexxus.org
- LinkedIn Group: Conexxus Online
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February 2017 @ 12:00 Eastern:

How Stores Comply with Updated PCI Version