SHIFT4™

Business and Processing Guidelines

Cryptocurrency AFT

Version 1.2 | January 2024

Contents

Introduction

With the expansion of cryptocurrency usage and its unique business needs, various regulatory bodies have started to create standards of interaction between fiat money and cryptocurrencies.

This guide walks you through Visa's requirements for cryptocurrency transaction processing, limits and reporting, to ensure you are compliant and to provide you with a smooth processing experience.

Cryptocurrency Transactions

To regulate transactions made in interaction with cryptocurrency and to mitigate risk, Visa divides cryptocurrency purchases into two main categories, and adds a new transaction type for one of these business cases.
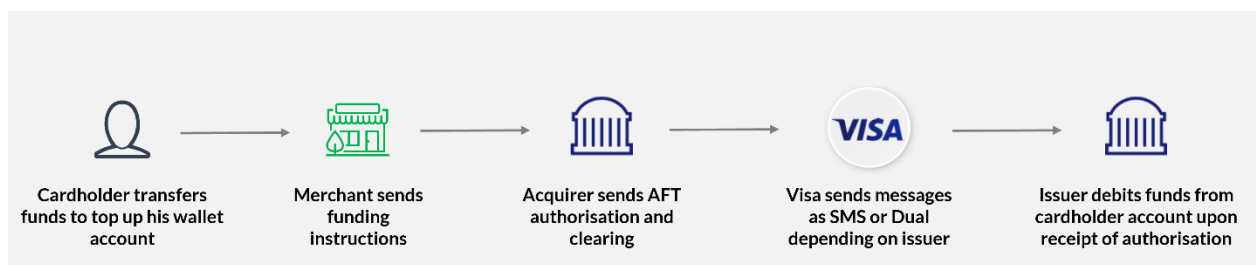
The first business flow is direct purchase of cryptocurrency, which converts fiat currency to crypto. The transaction used for this type of flow is 'purchase'.

The second flow is topping up a cryptocurrency wallet to load it with fiat currency, which will be converted to cryptocurrency at a later time. The transaction used for this type of flow is AFT.

Our risk team will review your business case and decide whether to register you for AFT transactions.

What is AFT?

AFT stands for "Account Funding Transaction". It is a transaction used to pull funds from a card account to fund a different account. See the flow below.

Cardholder transfers funds to top up his wallet account → Merchant sends funding instructions → Acquirer sends AFT authorisation and clearing → Visa sends messages as SMS or Dual depending on issuer → Issuer debits funds from cardholder account upon receipt of authorisation

The use of AFT is determined by the type of transactions you support.

There are two types of AFT transactions:

• FT: Funds Transfer – Stored value wallet. The consumer loads and stores fiat currency in a cryptocurrency wallet or exchange account.
• WT: Wallet Transfer – The consumer tops up a wallet in a wallet application

Transaction Processing: Technical Implementation

Visa requires that Account Funding Transactions will be processed through AFT transaction type for the business case described above. This chapter describes how to technically implement AFT.

AFT transactions will be processed through the purchase set up. You will keep sending transactions to your current Gateway MID, which will be adjusted to process only AFT transactions.

The recipients full name and address parameters are mandatory for AFT, and they should be sent on all transactions.

This change is reflected both in the Shift4 Payment Platform API and in the Alternative Payment Methods API, and is detailed in the tables below.

Source Payments API

Request Parameters

Name	Description	Requirement
j5	Funds Recipient's First name	M
j13	Funds Recipient's Surname	M
j6	Funds Recipient's Street Address	M
j7	Funds Recipient's City	M
j8	Funds Recipient's State/Province Code	C M for US and Canada
j9	Funds Recipient's Country Code	M

Response Parameters

Name	Description	Requirement
funding	This field has a value of "true" if the transaction is AFT. Otherwise, the field does not appear in the response.	O

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Alternative Payment Methods API

Request parameters

Object Name: recipient_info

Name	Requirement
first_name	M
surname	M
address.line_1	M
address.city	M
address.state	C M for US and Canada
country_code	M

Response parameters

Object Name: purchase_info

Name	Description	Requirement
funding	This field has a value of "true" if the transaction is AFT. Otherwise, the field does not appear in the response.	O

Additional Visa Requirements

Registration

Visa requires registering merchants that process Account Funding Transactions. We will register you if your business case requires the use of AFT. Registration is free and no action is needed from your side. We may ask you for additional information required for registering with Visa, such as your license, compliance policy and KYC policy.

AFT Amount Limits

Visa defines limits for Account Funding Transactions by limiting the daily, weekly, monthly, and per transaction amounts for processing AFT. Visa's limits are detailed in the following table:

	Domestic/Intra–EEA	International
Per single transaction	Velocity limit will apply	USD 25,000
Per 1 day	USD 100,000	USD 50,000
Per 7 days	USD 250,000	USD 100,000
Per 30 days	USD 500,000	USD 200,000

Processing AFT according to the limits requires Shift4's approval.

AFT Pricing

AFT transactions do not have special pricing. They incur the same scheme fees and interchange fees as purchase transactions.

Reports

Shift4's Data & Reporting suite was updated to reflect account funding transaction data in various reports and in the merchant statement.

The full specifications appear in the following API specifications that can be found in our Developer Portal:

• Reporting Data Transfer Specifications

• Merchant Statement Settlement Specifications

The table below shows the dedicated AFT values and columns in each report.

Report Name	Change Type	Column Name	Change Details	Report Column #
Authorisation Activity Report	New values	transaction_type	Account Funding Transaction Account Funding Transaction Reversal	7
Processing Activity Report	New values	transaction_type	Account Funding Transaction Account Funding Transaction Reversal	8
Daily Account Activity Report	New value	transaction_type	Account Funding Transaction	5
Monthly Merchant Balance Report	A new column presenting the total gross amount of all AFT transactions	Account Funding Transaction	Type/Length: Decimal (25,2)	10
Source Gateway Transactions Report	A new column indicating whether the transaction is an AFT or not	Transaction sub type	Type/Length: Varchar (32) Possible value: Funding	32
Merchant Settlement Statement CSV	New value	transaction_type	Account Funding Transaction	10

Chargebacks

When using AFT, the service is deemed to have been received once the funds have been transferred to the wallet. According to Visa's dispute rules, once the cryptocurrency has been successfully transferred to the wallet address supplied by the cardholder, the service is considered complete, and the issuer has no dispute rights if the cardholder is unable to withdraw the account balance or is locked out of the account. This, however, does not prevent issuers from raising fraud chargebacks.

Fraud and Chargeback Programs

Account funding transactions are included in the following Visa fraud and chargeback programs, and the programs' conditions apply to them accordingly:

• VFMP – Visa Fraud Monitoring Program

• VDMP – Visa Dispute Monitoring Program

The full details of the various programs, thresholds and policies can be found in Shift4's Fraud & Chargeback Policy in our Operational Terms and Conditions.

Change History

Version	Subject/Date	Description
1.2	January 2024	Addition of the *Technical Implementation* chapter
1.1	November 2023	Rebrand to Shift4
1.0	June 2023	First Release

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