

Directives for accepting UnionPay

The processing of payments using UnionPay cards differs in some aspects from the handling of other card products. When accepting a UnionPay card, please observe the following guidelines and advice.

Accepting cards where the cardholder and card are present (“presence transaction”)

Magnetic Stripe Cards

UnionPay cards with magnetic stripe are issued either as UnionPay cards only, or as co-branded (Dual-branded) cards that feature an additional brand on the card such as MasterCard, Visa, JCB, American Express or Diners.

Chip Cards

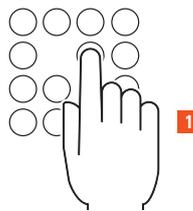
UnionPay issuers are currently in the process of replacing their magnetic stripe cards with UnionPay chip (EMV) cards. Other than the magstripe cards, these chip cards do not feature an additional dual-brand on the card anymore. There are also chip cards issued without magstripe. They are pure UnionPay cards and therefore cannot be processed through a dual-brand.

UnionPay magstripe- or chip (EMV) cards are issued either as a credit- or as a debit card. The UnionPay contactless function is not supported outside of mainland China.

Cardholder Verification (PIN & Signature)

In most cases, when accepting UnionPay cards via the electronic payment infrastructure (terminal), the PIN is always required (with the exception of certain chip cards for which the cardholder must be identified by means of signature only). The PIN can either be a personal code or a random six-digit combination of numbers.

Please note that UnionPay cards always require the signature of the cardholder, even if the cardholder already identified him-/herself by entering the PIN. In case that there is no signature line printed on the terminal receipt, please have the cardholder sign somewhere on the receipt.



1 Entry of PIN

2 Signature on sales slip



Authorization

UnionPay Authorizations must be generated electronically, which is automatically the case for regular purchase transactions processed via the terminal. Manual authorization of transactions by telephone is not permitted by UnionPay. Dual-branded UnionPay cards are exempt from these restriction, as manual authorization by telephone is possible via the dual-brand (either MasterCard, Visa, JCB, American Express, Diners), but not via the UnionPay brand itself*.

Reservation (PreAuthorization)

Please note that reservations (also referred to as “preauthorization”) are only possible using UnionPay credit cards. Reservations with UnionPay debit cards will be rejected.

Ensure that the cardholder always uses the same card and same terminal for reservation, reservation upgrade and booking after reservation. Otherwise, transactions (especially the booking after reservation) may be rejected.

Reservation upgrades (increasing the prior reservation amount) are only allowed for hospitality and car rental merchants. UnionPay declines reservation upgrades from merchants that do not belong to one of these two merchant segments.

* Steps for authorization & settlement with a dual-brand card:

1. Obtain authorization by telephone for the dual-brand.
2. Carry out manual settlement for the dual-brand using an imprinter and manually issued sales slip, and add the authorization number received to the sales slip.

Reservations with UnionPay credit cards are valid for a maximum of 20 days only, after which they expire. As a best practice, in order to prevent the expiry of a reservation, a new reservation with the UnionPay credit card should be initiated at the time of the check-in. For further details, please see our factsheet "Hotel reservation guarantee per credit card".

Manual Transactions (PKE, Imprinter, Sales Slips)

Manual entering of credit transactions ("PAN Key Entering") via terminal is only allowed for hospitality and car rental merchants or if done via the dual-brand. UnionPay does not permit manually issued sales slips neither, with the exception of the hospitality and car rental segment (in connection with the "Hotel Reservation Guarantee", "Hotel Advance Deposit", or "No Show" functions, which are available for hospitality merchants only), or once again if done via the dual-brand. Mail-/Phone Order transactions are not allowed with UnionPay cards neither.

Refunds

If you require a lowering of the transaction amount, for example because the amount was typed in incorrectly or the card was charged twice, please initiate a refund transaction via terminal for the required amount (see the terminal user guide manual on how to process a refund transaction via terminal). Manual refund requests (for example by paper) cannot be processed. Make sure that the refund transaction is done on the same card as the card used for the purchase, and whenever possible on the same terminal as well. Otherwise UnionPay might decline the refund transaction. Furthermore, a refund may not exceed the original purchase amount. If you require to additionally charge a UnionPay card, but the cardholder (the UnionPay card) is not present anymore, please contact the SIX customer support.

Manual Booking of No Shows

The manual booking (as the UnionPay card is not present) of a so called "No Show" with UnionPay credit cards is only possible if there was a prior reservation done on the same card. A booking of a no show (see "Manual Settlement") is not possible without a prior reservation. For further information on the rules regarding the booking of no shows, please also observe the "General Business Conditions for Cashless Payments" and the "Manual Settlement" information sheet, as well as our factsheet "Secure processing of card payments in the hotel business".

Late Charges

Subsequent charges ("late charges") are only allowed in the hotel sector and for car rental agencies. To prevent late charges, ensure that all charges are taken into account at the time of booking (during check-out). Please note: Late charges (as stated above only allowed in the hotel sector and for car rental agencies) require a new dedicated authorization, otherwise they will be rejected by UnionPay. For details see our factsheet "Secure processing of card payments in the hotel business".

Late Presentment

Union Pay declines any transaction that is presented after 29 days after the transaction date. In order to prevent such declines, please make sure that you send in the transactions to the SIX processing as soon as possible (whenever possible on a daily basis).

Hotline for UnionPay Cardholders

If your UnionPay customer has an issue or queries relating to his/her payment card, please advise them to contact one of the following hotlines:

- UnionPay Hotline: 00800 800 95516
- Cardholder bank hotline: Telephone number on the reverse of the UnionPay card

Your local point of contact can be found at: www.six-payment-services.com/contact

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