

Merchant Guide Recurring and One-Click Payments

Overview

PagBrasil's recurring payment solution allows merchants to charge credit cards automatically at monthly, quarterly or yearly intervals, for instance. By collecting payments automatically, merchants can improve cash flow and avoid the hassle of chasing late and forgotten payments, while consumers benefit from the convenience of automatic payments.

On the other hand, products and services offered on a subscription basis, with one-click payments or upsells, are the most susceptible to the risk of chargebacks. As it is relatively easy to file for a chargeback in Brazil, comprehensive measures must be taken to prevent chargebacks.

The following requirements must be implemented and verified before PagBrasil can activate recurring payments for your live account. Note that the following specifications are based on Visa and MasterCard requirements and also take local Brazilian particularities into account.

General requirements for subscriptions

- Establish an OPT-IN consent agreement (T&C) with the cardholder, which must include:
 - The truncated version of the stored credentials (i.e., last four digits of PAN).
 - How the stored credential will be used.
 - Information about how the cardholder will be notified of any changes to the T&C.
 - The expiration date of the T&C, if applicable.
- Notify the cardholder in the event of a change to the consent agreement.
- Retain the agreement for duration of the consent; provide it to the issuer upon request.
- Where required by applicable laws or regulations, provide to the cardholder a record of the consent.
- Ensure that recurring payments are always clearly identified as such, including amount and frequency of subsequent charges.
- The subscription amount and frequency should never be changed without the explicit consent of the buyer.
- If the initial transaction (in which storage of credentials is communicated) is declined for any reason, the credential cannot be considered a stored credential, and the credential must not be used for any subsequent transactions.

- Notify customers by email 7-10 days before each billing.
- Provide a clear statement of the subscription and cancellation policy on the website or within your app, giving the buyer the right to terminate the recurring transaction at any time.
- Provide an easily accessible method for cancellation.
- Ensure that recurring billing is discontinued immediately upon the cardholder's request.
- Ensure that recurring billing is discontinued immediately for a customer that has requested chargebacks for recurring payments.
- Provide the cardholder with an easily accessible contact phone number for customer service inquiries.
- Implement the following three types of notification to the subscriber:

1- Subscription payment confirmation page

The subscription payment confirmation page must clearly indicate:

- That the customer has contracted a subscription.
- The truncated version of the stored credentials (i.e., last four digits of PAN)
- FREQUENCY and AMOUNT of the subscription billing (including all additional charges, such as for delivery of goods and services, convenience fee or surcharge - if permitted and applicable).
- A URL for cancellation of the subscription that ideally links to a "user area" with an easy click-to-cancel option, alternatively, "mailto" customer support.
- Your CONTACT details (email and, if possible, a Brazilian phone number) for any support inquiries or cancellation requests.
- Information about how the SOFT DESCRIPTOR will appear on the customer's credit card statement.

2- Subscription confirmation email

This is the first email to be sent immediately after a subscription is placed. It must contain the same points as above, plus:

- A URL for update of payment method (e.g. new credit card or Boletão, alternatively).

3- Debit notification email

This is the email to be sent before a subscription renewal is placed, 7-10 days prior to the charge. It must contain the same points as the subscription confirmation email.

Email templates

Find below the email templates in Brazilian Portuguese. You may use these templates and just fill your information into the placeholders or create your own email templates based on the requirements above.

Subscription confirmation email

Subject: Confirmação de assinatura com [Your Website URL]

Olá [Client's Name],

Sua assinatura [Subscription Plan Name] pelo valor de R\$ [Price in BRL] por [Subscription Period] foi confirmada.

Faça login em sua conta e gerencie sua assinatura na guia [Name of "My Account" Section]. Você poderá fazer upgrade ou cancelar sua assinatura a qualquer momento nesta opção.

As condições da assinatura encontram-se disponíveis aqui: [URL to T&C]

Se precisar de assistência ou para cancelar a sua assinatura, entre em contato com [Support Email Address] ou [Brazilian Customer Service Phone Number].

Atenção: Esta cobrança aparecerá na fatura do seu cartão como "PB*[Your Soft Descriptor], PORTO ALEGRE".

Atenciosamente,

Equipe [Your Company Name]

Debit notification email

Subject: Notificação de assinatura com [Your Website URL]

Olá [Client's Name],

Sua assinatura [Subscription Plan Name] pelo valor de R\$ [Price in BRL] por [Subscription Period] expirará em [Date of Renewal Charge] e será renovada automaticamente.

Faça login em sua conta e gerencie sua assinatura na guia [Name of "My Account" Section]. Você poderá alterar o método de pagamento, fazer upgrade ou cancelar sua assinatura a qualquer momento nesta opção.

As condições da assinatura encontram-se disponíveis aqui: [URL to T&C]

Se precisar de assistência ou para cancelar a sua assinatura, entre em contato com [Support Email Address] ou [Brazilian Customer Service Phone Number].

Atenção: Esta cobrança aparecerá na fatura do seu cartão como "PB*[Your Soft Descriptor], PORTO ALEGRE".

Atenciosamente,

Equipe [Your Company Name]

General requirements for one-click purchases and upsells

- Display complete buy page (and not only a “Yes”/”Buy now” button) pre-filled with the customer’s data.
- For one-click purchases, include a text like: “A charge will be made to your [customer’s card label] card previously used/registered/saved” (in Portuguese: “Débito será feito em seu cartão Visa utilizado/registrado/salvo anteriormente”), and also, “If you prefer, pay at your convenience with boleto bancário” (in Portuguese: “Se preferir, faça o pagamento comodamente com boleto bancário”).
- Display the truncated version of the stored credentials (i.e., last four digits of PAN)
- For upsells, include an OPT-IN OPTION with a text like: “I agree and understand that my card will be charged again once I click the button” (in Portuguese: “Concordo e entendo que o meu cartão vai ser cobrado novamente ao clicar no botão”).
- Provide clear information about the PRODUCT/SERVICE, the purchase AMOUNT and the sales/after-sales CONTACT details (phone/email/chat) on the payment page (buy page), payment confirmation page (thank you page) and in the confirmation email.
- Provide clear information about the REFUND POLICY on the payment confirmation page.
- Provide clear information about the SOFT DESCRIPTOR that will appear on the customer’s credit card statement on the payment confirmation page (thank you page) and the confirmation email.

Once implemented, please send to crm@pagbrasil.com a test user account, together with indications on how to review the recurring payment process, screenshots of the payment confirmation page and all emails related to the subscription process. We will then perform a homologation process before you go live.

Many thanks!

PagBrasil, June 2021.