

## FAQ

# CARDCLEAR

## Credit card centralisation for airlines

### Frequently Asked Questions

**Q. Where does CardClear fit into Accelya?**

**A.** CardClear is an independent credit card clearing service within Accelya. It is not part of the BSP operation.

**Q. Why do airlines use CardClear?**

**A.** There are a number of reasons.

- To centralise credit card processing through a single point.
- To enable the airline to set-up Global agreements with multi-currency acquirers so that they receive centralised settlement and payment for ALL their credit card data. This means that the airline does not need to maintain local credit card acquiring agreements with banks in each BSP country. This reduces overheads in managing these funds locally.
- Centralisation allows the airline to access their funds more easily.
- Funds may be settled in one or more of the major currencies instead of the local currency through the LCCB arrangement
- Option of using more than one Multi-currency acquirer.
- The airline has access to comprehensive fully reconciled reporting via a secure website with user access controlled by the airline.
- The web-tool provides the airline with the facility for On-line transaction query handling from anywhere in the world.
- Option to take daily electronic Reconciliation files which may be used by the airline to complete the accounting process in their Revenue Accounting systems to match the Acquirers Electronic Payment Advice, CardClear files and the periodic BSP HOTs.
- CardClear provides a dedicated Analyst based in the UK for a single point of enquiry and resolution for all the airline queries.

**Q. IATA – what is the connection between CardClear and IATA?**

**A.** The CardClear service has been endorsed by IATA as the preferred credit card centralisation service for its members. The service is co-branded by IATA under the IATA Card Services 'Card AXS' badge. Under this arrangement, CardClear provides the centralisation of the credit card data and output to Euroline (SEB) as the preferred bank card acquirer for VI/MC settlement.

**Q. The BSP – Where does IATA BSP fit in the CardClear service?**

**A.** IATA BSP processes credit card sales from IATA registered travel agents and provides daily (or weekly, bi-monthly) credit card files to CardClear for processing and submission to the card companies and bank card acquirers on behalf of airlines that have contracts with CardClear to provide the service.

**Q. Does the airline have to join the BSP LCCB (Local Credit Card Billing scheme) if they are using CardClear?**

**A.** Yes. The travel agent sales are received by the BSP. If the form of payment used was Credit Card, the transaction will need to be output via the LCCB process at the BSP to generate the Billing file for settlement. If the transaction is not processed through LCCB it will be reported on the airlines reports and BSP HOTs so that the airline can arrange payment themselves.

**Q. What is the Life-Cycle of an Airline Ticket transaction?**

**A. DAY 1** Agent tickets transaction on Day.

**DAY 2** BSP processes data received overnight and creates output file to CardClear. CardClear outputs to the acquirers and Card Companies.

**DAY 3** CardClear Reports and Acquirer Payment advice available for airline reconciliation. (Payment is made by acquirers to the settlement terms of the airline/acquirer contract.)

CardClear is endorsed by



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**Q. The DPC - Where does the IATA DPC (Data Processing Centre) fit into the CardClear process?**

**A.** Airline's travel agency sales are electronically sent to the DPCs each night by the GDS (Global Distribution Systems; ie; Amadeus, Galileo, Sabre, etc). The DPCs provide a Local Credit Card Billing (LCCB) processing service from the majority of the BSPs. This service, if enabled by the airline means that any tickets issued by a travel agent using a credit card as the Form of Payment (FOP) can then be settled via links with the local acquiring bank (VI/MC), and directly to AX, the DC Franchise and JCB, in that country. Transactions will be billed and settled in the local currency. Alternatively, the airline may request that their credit cards are output from BSP LCCB to CardClear.

**Q. How many IATA BSP locations are processed by CardClear?**

**A.** CardClear processes credit cards from over 100 IATA BSP Countries.

**Q. Which credit cards does CardClear process?**

**A.** CardClear process Visa, Mastercard, Eurocard, American Express, Diners Club, JCB & UATP.

**Q. How many airlines use the CardClear service?**

**A.** CardClear has contracts with over 100 airlines and is continually adding new airlines to the business.

**Q. Does sending the credit card data to CardClear delay the settlement and payment of the airline transactions?**

**A.** No. CardClear receives and output the credit card data on the same day. For most BSP countries, this is the same day that the LCCB sends the billing files to the local bank therefore no time is lost. Even for the countries where the file is received by CardClear up to a half day later than the local banks, the payment cycle is not necessarily impacted since the airline may need to move the funds to a different bank and the transfer time may be 1-3 days in any case.

**Q. How do I know that my credit card data is handled securely?**

**A.** Accelya UK which includes the CardClear Service, is fully PCI-DSS (Payment Card Industry-Data Security Standard) certified as of December, 2007. (Accelya UK works to the requirements of the PCI program to maintain on-going integrity of the security of cardholder data on behalf of all its customers.

**Q. How often does CardClear send settlement files to the acquirers?**

**A.** CardClear creates outputs to the Card Companies and Acquiring banks MON through FRI to match the acquirers processing schedule. (CardClear does not process on UK Bank Holidays). CardClear has the capability to output multiple times per day, every day if necessary.

**Q. How does an airline know that CardClear has output all the data received to the airlines acquirers?**

**A.** The CardClear team in the UK monitor that all expected files are accounted for each day and the CardClear system has inbuilt reconciliation which will alert if any data received has not been output for settlement. The CardClear team also generate regular reports to ensure that active Merchant set-ups are receiving airline credit card data as expected.

**Q. What reporting does CardClear provide to its customers?**

**A.** CardClear provides Daily Itemised and Summary reports in PDF format. Reports are delivered to a secure website where the reports are available for download for two months. CardClear also provides an Electronic daily Reconciliation file for updating the airline Revenue accounting systems. Management Information Reports containing both graphical and numeric statistics are delivered to the airlines account on the web-tool each month.

**Q. Does CardClear process airlines Direct Sales & Internet Sales?**

**A.** Yes. CardClear accepts files from airlines and processes the transactions in the same way that it handles BSP transactions.

**Q. What is required so that an airline can have Direct Sales processed by CardClear?**

**A.** This requires a secure technical link between the airline and Accelya UK for file delivery and use of a file format that is compatible with both Accelya UK and the airlines systems. For further information please contact CardClear.

**Q. How does the Airline receive payment on a ticket sale?**

**A.** Airlines receive payments for tickets direct from their acquirer and the card



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companies based on agreed fees and payment terms at the contract stage. The payment cycle varies depending on the airline's negotiated arrangements with their acquirers. The airline will receive regular Payment Advice reports from the acquirers. The funds from the settled transactions are deposited to the bank accounts that have been specified by the airline. Payments are made in the currency agreed by the airline with their acquirer. This may be local currency in some cases, but most airlines will prefer to have deposits of USD, GBP and EUR as these are the currencies primarily used for international payments for aircraft, aviation fuel, insurance and other major overheads and investment.

**Q. Can airlines have credit cards settled by any acquirer of their choice?**

**A.** CardClear currently has links to over 18 card companies and acquirers. If an airline customer requested that we start a relationship with a different acquirer, it would be reviewed by the business. If the new acquirer link is seen as beneficial to CardClear customers in general then the technical development will be progressed.

**Q. What currencies can CardClear process?**

**A.** CardClear can process ANY currency. The only restrictions are the ones stipulated by the acquirers and card companies.

**Q. Are there any restrictions on CardClear processing?**

**A.** CardClear processing is flexible and the platform has functionality to enable variations to suit the airline and acquirer needs on processing and reporting. The only restrictions tend to be those imposed by the cards schemes and restrictions on export of credit card data in some parts of the world. Latin America, India, Bangladesh and China fall into this category.

**Q. Is there a minimum charge for the CardClear service?**

**A.** No. CardClear charge on the basis of the number of transactions processed. There is a standard charge of GBP0.20p per electronic transaction. However, CardClear will negotiate discounted rates for Global contracts.

**Q. How do I pay for the CardClear service?**

**A.** CardClear customers are invoiced in GBP for the transactions processed in each calendar month.

**Q. Is the airline charged VAT (Value Added Tax) on the CardClear invoice?**

**A.** EU law requires EU based companies to provide a VAT number. There are three possibilities:

1. If the airline is EU based and making payment from within the EU, then a VAT number is required. If the VAT number is used on the invoice then the airline does not have to pay VAT.
2. If the airline is EU based and is making payment from the airline UK office then VAT will be applied to the invoice.
3. If the airline is NOT an EU based airline and is making payment from outside of the UK, VAT does not apply.

**Q. Is there anything that CardClear requires the airline to do?**

**A.** Yes. To enable CardClear to provide the best service possible we will require:

- A signed CardClear contract
- A signed request for Log-on access to the CardClear web-tool.
- Business, Operational and PCI Security contacts at the airline.

**Q. Is there a CardClear website?**

**A.** Yes, go to: <https://www.accelya.com/cardclear>

**Q. How do I join CardClear?**

**A.** Easy. Contact the CardClear team at: [cardclear@accelya.com](mailto:cardclear@accelya.com)  
They will provide all the start-up information that you will require including a copy of the CardClear contract. As soon as the contract has been signed and the airline provides the Merchant numbers CardClear will be ready to implement the service.

*Accelya is the Regional processor for IATA BSP in Southern Europe, Southern Africa, Latin America, the Middle East & North Africa.*

*Accelya is the largest data processing provider to the airline industry outside the USA, handling over 121 million transactions per annum.*