TOKENIZATION AT MODO

Tokenization, or assigning alternate identifiers to refer to sensitive information, is a major component in delivering interoperability while remaining secure in how Modo creates interoperability for our clients. There are a multitude of tokenization strategies to choose from, and when you are working with a partner you might not agree on which strategy is best. With Modo, you don't have to change the tokenization strategy you like using, even if your partners or providers are going in different directions.

We tokenize everything for everyone at Modo using three different tokenization techniques

1. Native Tokenization
2. Non-routable Tokenization
3. Routable Tokenization

NATIVE TOKENIZATION

Modo's native tokenization scheme allows transactions to be managed by referencing Modo Universally Unique Identifiers (UUIDs) when referring to sensitive data. We do this with our Vault API, which allows you to store sensitive information and refer to it with a reference ID rather than referring to it directly.

For example, when initiating a transaction to move money from one account to another, Modo requires that the account information first be vaulted in exchange for a UUID. Once vaulted, the UUID can then be used to refer to any source or destination accounts when initiating new transactions. This significantly limits any possibility of exposing those credentials.

NON-ROUTABLE TOKENIZATION

Non-routable tokens can only be accepted by one system. This can include proprietary account numbers or references to accounts that are system specific, like PayPal or a loyalty program.

For example, our solution with Klarna takes advantage of non-routable tokens by abstracting payments using a single use card account reference rather than referring to a payment card number directly. This means everything is tracked but no card data is exposed.
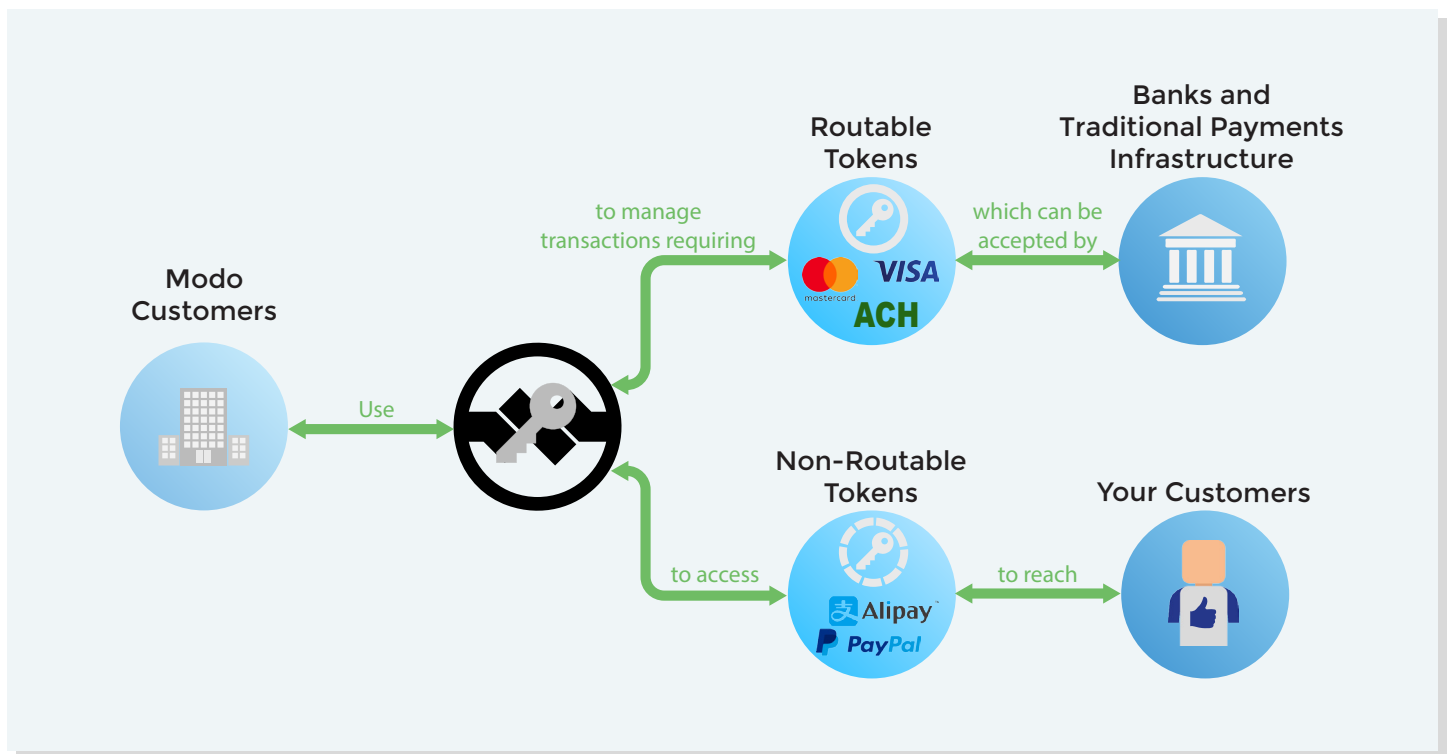
ROUTABLE TOKENIZATION

Routable tokens, including virtual card numbers (VCNs) or virtual accounts, can be used to abstract or hide user specific account information from third-party payment systems. Routable tokens (DPANs) are real, virtual card numbers that are run on card rails but are acting as a proxy for the card number of a real person thereby protecting them from harm.

Any token may or may not be single use. Together these abstractions not only create a secure and flexible environment, they vastly simplify PCI requirements for our customers, facilitating some of the interoperability between disparate payment systems, making integrating with your systems easier.

WHY IS MODO BETTER?

Modo focuses on creating interoperability throughout the payments ecosystem. And since everybody in the ecosystem has a different idea about tokens we support all of those. Modo is uniquely able to do this because we tokenize everything for everyone, and can create any token you can imagine.

With true payments interoperability, we don't want to keep you tied down in a siloed system by requiring you to use a specific token strategy. Come with what you have, and we'll work with that! And unlike most tokenization schemes, once Modo vaults a credential you can get that credential back out. You will own your credentials even if you tokenize with us! This is just one of the reasons why we're the better, faster way to connect payment systems.