Increased convenience with **Contactless** payments

American Express contactless payment technology enables Card Members and Merchants to complete payments with added speed and convenience.

Contactless payments enable the card and terminal to interact and complete a transaction without inserting the card into the terminal.

American Express cards that contain a contactless-enabled chip will typically have a magnetic stripe and EMV contact chip technology so the card can continue to be used in acceptance environments that have not migrated to contactless acceptance.

The American Express contactless specification is called Expresspay. It is an EMV based payment specification that uses a contactless interface to communicate with a terminal and ensures global interoperability of American Express contactless payment transactions regardless of where they are processed. Once Expresspay is enabled, contactless transactions can be initiated in both EMV and non EMV markets.

American Express Contactless Payments delivers benefits as:

- Enables faster transactions leading to increased operational throughput
- Allows for different form factors e.g., fobs, mobile phones
- Reduces cash handling for merchants
- Increases convenience, making it easier to process a transaction

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How **Contactless** Works:

AMERICAN EXPRESS
Contactless

The Card Member simply places their contactless enabled device in close proximity to the point of sale terminal.

Step 1
Customers look for the contactless identifier at checkout to indicate contactless acceptance.

Step 2
Customers tap their American Express contactless device in front of the reader which uses secure radio frequency technology to transfer transaction data.

Step 3
The terminal sends data for authorization processing. Then, the customers collect their purchases and go. If customers want a receipt, they can simply ask.

Contactless POS transactions are processed via the acquirer and American Express network to the issuer, as per standard transaction processing. The issuer will be able to identify contactless transactions through specific indicators in authorization and settlement messages.

Leverage the benefits of EMV

American Express contactless is designed to support two transaction modes both of which leverage chip technology.

Expresspay EMV Mode:
For issuers and acquirers who support EMV data, the terminal sends all of the standard EMV data elements in the authorization and settlement messages, allowing use of EMV security features.

Expresspay Magstripe Mode:
For issuers and acquirers who do not support EMV data. The terminal sends data for authorization and clearing submissions in a similar format as to traditional magnetic stripe transactions. Importantly, the terminal and card interactions are still based on EMV, enabling some EMV Secuirty features to be utilized.

Expresspay card and terminal specifications mandate the support for magstripe mode to ensure interoperability and contactless acceptance globally.

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Enabling faster transaction speeds

American Express contactless using the Expresspay specification has the flexibility to support faster transaction speeds through Card Member verification and transaction authorization modes.

Card Member Verification

PIN   SIGNATURE

Contactless transactions do not require a Card Member PIN or signature if the value is under their local market threshold, as indicated in the Business and Operational Policies (BOP) Manual.

The No Signature program provides increased convenience for low-value transactions for both the Card Member and merchant.

Transaction Authorization Modes

OFFLINE TRANSACTION (EMV mode only)
Contactless transactions can be approved either offline or online, this is dependent on the floor limit set in the terminal, the ability of the terminal to accept EMV contactless transactions and the outcome of decision making between the card and the terminal.

ONLINE TRANSACTION
The issuer is contacted during the authorization process, but the card is not present to process the authorization response. In this case, the terminal decides whether to accept the transaction, based on the response from the issuer.

Build Business Momentum with Contactless Payments

Drawing on American Express' experience in digital commerce innovation, issuing and acquiring partners can take advantage of opportunities presented by contactless to grow revenue, drive top of wallet preference and an improved customer experience.

ISSUER IMPLEMENTATION

- Product Development: design, development, testing and certification of card platforms.

- Card Production: manufacturing a magnetic stripe card or one containing an antenna and then embedding a chip module in the card.

- Data/System Preparation: developing crypto-graphic material for personalization, and updating host systems to process Expresspay transactions.

- Card Personalization: writing data onto magnetic strip, embossing, securely loading data into chip and card delivery.

ACQUIRER IMPLEMENTATION

- Deployment of terminal readers and implementation of Expresspay specifications.

- Acquirer network updates.

- Merchant operations: updates to the merchant billing systems, support of Expresspay disputes policy and merchant implementation incentives.

ISSUER INVESTMENT*

- Chip procurement, card design, personalization and card delivery

- Host systems development and data preparation

- Certification and testing

- Communication and training

ACQUIRER INVESTMENT*

- Terminal hardware and software upgrades.

- Certification.

- Communication and training.

- Merchant operations: employee training, update fraud and risk management.

Learn More

For more information, visit: www.amexglobalnetwork.com/contactless
Ask your American Express Representative about contactless payments and how they can help your business go to www.amexglobalnetwork.com or contact your American Express Representative.

*Precise costs will depend on a number of factors.

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