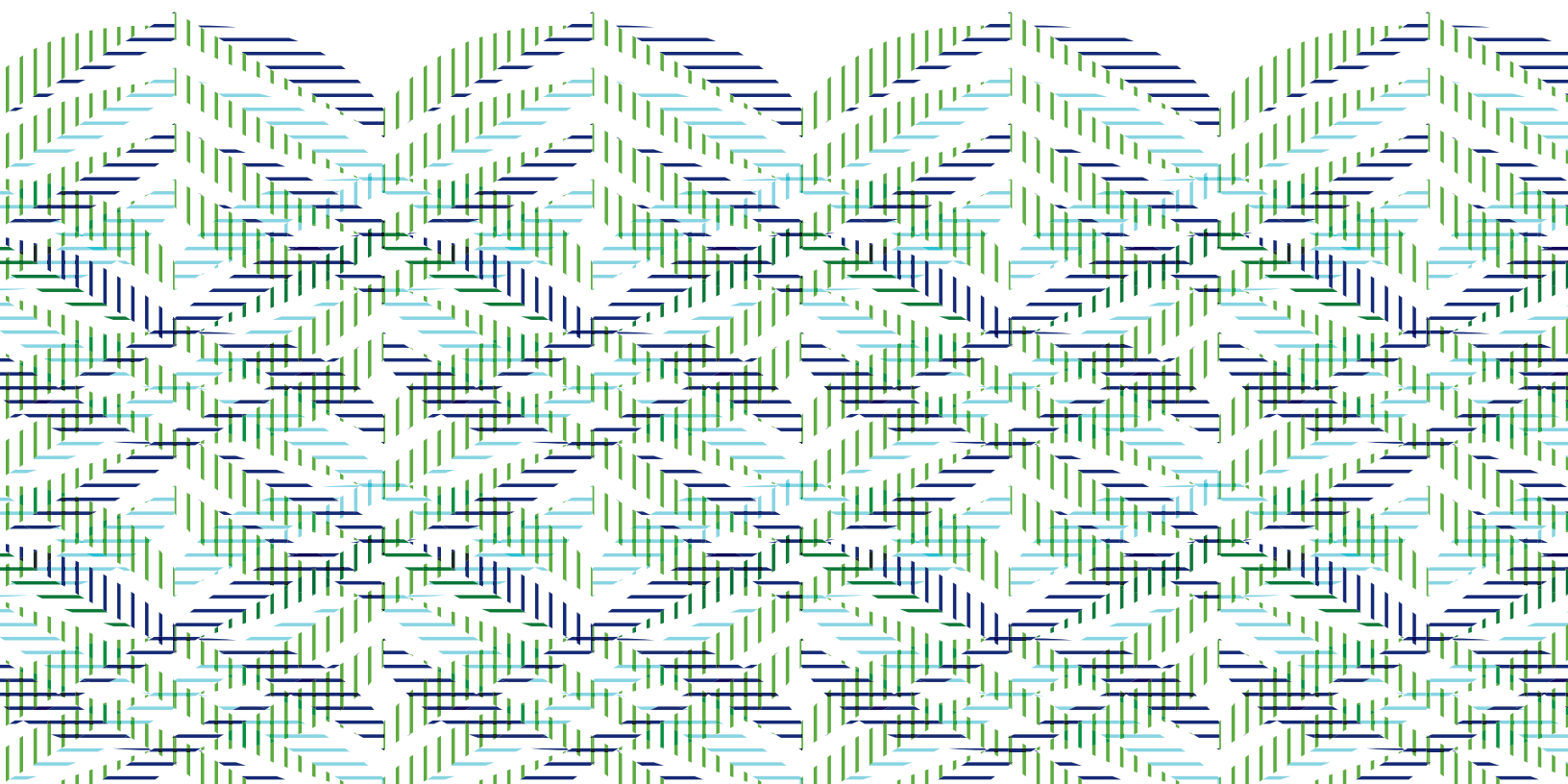




AMEX QUICK CHIP

FREQUENTLY ASKED QUESTIONS

SEPTEMBER 2016





GENERAL BACKGROUND

As a leading global payments network, American Express is focused on helping our partners get the most out of the technologies they need to stay competitive. Amex Quick Chip is designed to address the need of improving perceptions around the speed of EMV chip card transactions in the U.S.

On June 15, 2016, the American Express Global Network published the Amex Quick Chip Technical Manual, which provides the implementation requirements for acceptance of Amex Quick Chip transactions for Merchants, Processors and Acquirers in the U.S. and global Issuer considerations.

WHAT IS AMEX QUICK CHIP?

Amex Quick Chip is a modification of the EMV Terminal POS transaction flow, which enables Card Members to dip their chip card at any time during the check-out process and remove it before the transaction is completed—significantly improving Card Members’ perception of payment transaction speed and streamlining the checkout experience. In addition, Amex Quick Chip offers the security benefits of an EMV chip card transaction.

WHAT ARE THE BENEFITS OF AMEX QUICK CHIP?

Deploying Amex Quick Chip can help your business by delivering:

- **Enhanced Card Member Experience:**
Improved perception of payment speed and a more convenient checkout experience.
- **Improved Merchant Throughput at Point of Sale:**
Speeds up checkout times on chip transactions at the point of sale increasing Merchant efficiencies.
- **The Advantage of EMV Security:**
Continued support for Card Member verification methods like PIN (Offline and Online) and signature. Leverages embedded microprocessor chip, which increases transaction security by exchanging authentication data with Terminals and Issuers.

WHO SHOULD CONSIDER IMPLEMENTING AMEX QUICK CHIP?

Amex Quick Chip is best suited for Merchants focused on convenience at point of sale, perception of payment speed and streamlining the checkout experience is critical to their business.

DOES AMEX QUICK CHIP SUPPORT ALL TYPES OF CARDHOLDER VERIFICATION METHODS (CVMS)?

Yes.

Amex Quick Chip supports all EMV recognized methods of cardholder verification, including Offline PIN, Online PIN, Signature and No CVM for low dollar amounts. The Card Member verification method that is used at the point of sale will depend on the card product, Terminal capabilities and transaction value.

IS THE SECURITY THE SAME AS TRADITIONAL EMV TRANSACTION PROCESSING?

Amex Quick Chip offers the same protection against counterfeit cards by use of a unique one-time cryptogram sent online during the transaction.

DOES AMEX QUICK CHIP IMPACT CONTACTLESS AND MOBILE PAYMENTS?

No.

Amex Quick Chip is for contact transactions and does not affect the contactless or mobile transaction flow. Merchants can choose to accept contactless and mobile transactions as part of their EMV Terminal upgrade to benefit from proximity based payments with added speed and convenience at point of sale.

IS AMEX QUICK CHIP AVAILABLE ACROSS THE GLOBE?

No.

Currently, Amex Quick Chip is only approved for use on Terminals being deployed in the U.S.

WHERE CAN I FIND MORE INFORMATION ABOUT AMEX QUICK CHIP?

The American Express Global Network has made available the Amex Quick Chip Technical Manual, which provides the implementation requirements for acceptance of Amex Quick Chip transactions for Merchants, Processors and Acquirers in the U.S. and global Issuer considerations.

The Amex Quick Chip Technical Manual can be downloaded at www.amexglobalnetwork.com/amexquickchip.

WHICH TYPE OF MERCHANTS SHOULD CONSIDER IMPLEMENTING AMEX QUICK CHIP?

Amex Quick Chip is best suited for Merchants focused on increasing convenience at the point of sale, changing perceptions of payment speed and streamlining the checkout experience.

HOW DO I IMPLEMENT AMEX QUICK CHIP?

To enable Amex Quick Chip, you will need to update your Terminal's point-of-sale application software. Changes should not be required to the Terminal's EMV kernel software. The implications of Amex Quick Chip implementation on Merchants can vary based on the Merchant's current point-of-sale environment.

Please contact your Terminal provider to determine if they support Amex Quick Chip or contact your American Express Representative for further details.

IS CERTIFICATION REQUIRED FOR AMEX QUICK CHIP?

For approved AEIPS certified Terminals, feature testing is recommend; testing support is provided through the American Express test environment and self-service test tools.

For new EMV Terminals, streamlined certification is required, made simple through the American Express test environment

and self-service test tools. More information on certification is available in the Amex Quick Chip Test Plan document.

Please contact your Terminal provider to determine if they support Amex Quick Chip or contact your American Express Representative for further details.

DOES AMEX QUICK CHIP AFFECT THE ROUTING OF TRANSACTIONS?

No.

All routing remains the same for Amex Quick Chip transactions.

ARE THERE FEES FOR AMEX QUICK CHIP?

No.

There are no fees from American Express to implement Amex Quick Chip.

IS AMERICAN EXPRESS COMMUNICATING TO CARD MEMBERS ABOUT AMEX QUICK CHIP?

American Express will not be proactively communicating to Card Members about Amex Quick Chip; however, if a Card Member calls into the American Express servicing regarding Amex Quick Chip, the representative will be trained to answer their questions.

PROCESSORS FAQ

IS CERTIFICATION REQUIRED FOR AMEX EMV QUICK CHIP?

American Express requires the Processor to have completed EMV host certification. For new Terminals being deployed into market, end-to-end certification for every Terminal/reader model and/or unique configuration is still required.

WHAT IF I HAVE ALREADY CERTIFIED TO ACCEPT STANDARD EMV TRANSACTIONS? IS ADDITIONAL CERTIFICATION REQUIRED?

For approved AEIPS certified Terminals, feature testing is recommend; testing support is provided through the American Express test environment and self-service test tools.

ARE PROCESSORS REQUIRED TO SUPPORT AMEX QUICK CHIP?

No.

Support of Amex Quick Chip is optional, therefore processors are not required to support.

ARE ATM PROCESSORS REQUIRED TO SUPPORT AMEX QUICK CHIP?

No.

Amex Quick Chip is for point-of-sale Terminals only, and it is not permitted for use by ATM devices.

DOES AMEX QUICK CHIP IMPACT EXISTING CHIP CARDS?

No.

Amex Quick Chip is a Terminal software solution that works with existing EMV chip cards issued in the U.S. and across international.

ARE THERE IMPACTS TO ISSUERS HOST SYSTEMS?

Issuers should be aware that Amex Quick Chip transactions may have different transaction amount values in Bit 4 & Bit 55 in the authorization message. Issuers should consider decision rules to ensure transactions are not rejected because the transaction amount values in Bit 4 & Bit 55 are different.

DOES AMEX QUICK CHIP SUPPORT SCRIPTING UPDATES TO THE CARD?

No.

Issuer Script Processing is not supported by Amex Quick Chip enabled Terminals. Issuers should also note that for Amex Quick Chip transactions, the card is removed before the response from the Issuer is received at the Terminal.

The ARPC (Authorization Response Cryptogram) and any Issuer Scripts returned in Bit 55 in the Authorization response will not be delivered to the card.

IS CERTIFICATION REQUIRED FOR AMEX QUICK CHIP?

No.

Issuers are not required to certify for Amex Quick Chip, as this is a Terminal software solution.