

# Frequently Asked Questions

# Optional Signature Policy



## GENERAL BACKGROUND

American Express announced that it is eliminating the requirement for merchants to collect Cardmembers' signatures for all American Express® Card transactions at the point of sale beginning in April 2018. The move, which applies globally to all American Express - accepting merchants, will help provide a more consistent and simplified checkout experience for merchants and Cardmembers in regions around the world, speed up the process of paying in store and help reduce merchants' operating expenses associated with retaining signatures. Once this change takes effect in April 2018, merchants will still have the option to collect Cardmembers' signatures at the point of sale if they choose to do so.

### Q1: WHAT IS CHANGING ABOUT AMERICAN EXPRESS' SIGNATURE POLICY?



Starting in April 2018, American Express will not require merchants to collect signatures from customers for Card-Present, point of sale Card transactions. This change applies globally to all American Express-accepting merchants.

American Express will not require merchants to collect signatures from customers that present JCB Cards for Card-Present, point of sale Card transactions either.

Once this change takes effect in April 2018, merchants will still have the option to collect Cardmembers' signatures at the point of sale if they choose to do so.



### Q2: HOW DOES THIS CHANGE HELP ME?

Eliminating the need for signatures may help speed up the checkout process at the point of sale and help reduce operational expenses associated with retaining signatures.



### Q3: IS THERE ANY DIFFERENCE IN POLICY IF I HAVE NOT MIGRATED MY POINT OF SALE TERMINALS TO EMV?

No. The signature requirement is being eliminated for all Card Present, point of sale Card transactions regardless of the point of sale terminal.

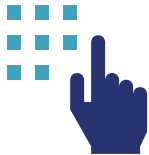
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### **Q4: WE HAVE SIGNIFICANT TERMS AND CONDITIONS THAT NEED TO BE APPROVED BY THE CARDMEMBER IN WRITING. WOULD THIS MEAN WE CANNOT MAKE SIGNATURE OPTIONAL?**

No, you can still make signature optional. However, you should continue with your current policies and procedures to obtain a separate consent of the customer in writing if your current terms cannot be printed on the receipt or clearly shown to the Cardmember during checkout.



### **Q5: SHOULD WE OBTAIN A SIGNATURE ON A CARD PRESENT KEYED CARD TRANSACTION?**

No. The signature requirement is being eliminated for all Card Present point of sale Card transactions regardless of the point of sale terminal or the method of capturing the transaction. However, please note that if you are presented with a Chip Card and manually key in the Transaction, you may be subject to counterfeit, lost/stolen and/or non-received fraud Chargebacks.



### **Q6: FOR CARD PRESENT TRANSACTIONS, DO I NEED TO OBTAIN A SIGNATURE AT PICK-UP FOR GOODS THAT ARE PICKED UP AT A LATER DATE/TIME AT MY BUSINESS?**

A signature will no longer be required for the in-store Transaction. Obtaining a signature at pick-up is not specifically required in policy today. However, a signature and identification check of the person picking up the goods is considered “Compelling Evidence” under our policies for resolving “goods not received” disputes. This helps prove that the Cardmember or an authorized 3rd party picked up the goods.

Given the nature of this Transaction, you may consider obtaining the optional signature of the Cardmember during the purchase to show that the Cardmember is picking up the goods at a later date.



### **Q7: FOR CARD PRESENT TRANSACTIONS, DO I NEED TO OBTAIN A SIGNATURE FOR PROOF OF DELIVERY FOR GOODS THAT ARE DELIVERED TO THE CARDMEMBER AFTER THE TRANSACTION DATE? (E.G., BUY IN STORE TO BE DELIVERED).**

A signature will no longer be required for the in-store Transaction. However, you may continue to obtain a signature during the sale as part of a separate agreement with the Cardmember such as delivery terms and conditions. In addition, if a Disputed Charge occurs for “goods not received”, you would need to provide Proof of Delivery.

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### **Q8: FOR CARD NOT PRESENT TRANSACTIONS (E.G., INTERNET, PHONE ORDER, APPLICATION INITIATED), DO I NEED TO OBTAIN A SIGNATURE FOR GOODS THAT ARE PICKED UP AT MY BUSINESS?**

While this is not specifically required in policy today, a signature and identification check of the person picking up the goods is considered “Compelling Evidence” under our policies for resolving “goods not received” disputes. This helps prove that the Cardmember or an authorized 3rd party picked up the goods.

Therefore, we recommend that you obtain a signature of the person picking up the goods in the store.



### **Q9: WHAT IS MY FRAUD CHARGEBACK LIABILITY FOR NOT CAPTURING A SIGNATURE?**

You will not be liable for fraud Chargebacks if you do not obtain a signature. Please note that you may be liable for other fraud Chargebacks (e.g. EMV). For customer service (non-fraud) Chargebacks, see question 10.



### **Q10: WHAT IS MY CUSTOMER SERVICE (NON-FRAUD) CHARGEBACK LIABILITY FOR NOT CAPTURING A SIGNATURE?**

You will continue to be liable for customer service (non-fraud) Chargebacks if you cannot provide the support required to substantiate their response in a Chargeback reversal request or Inquiry. While you will not be asked to specifically provide a signed receipt on any Disputed Charge on a Card Present Transaction, you should decide if obtaining a signature is the best way to manage chargeback liability. For fraud chargebacks, see question 9.



### **Q11: WHEN I AM ASKED TO PROVIDE “SUPPORT” ON AN INQUIRY, DOES THIS MEAN I MAY NEED TO PROVIDE A SIGNATURE FOR A CARD PRESENT TRANSACTION?**

No, you can respond with details of the Transaction such as what was purchased, the terms of the sale, and itemization if applicable. If the Charge is for goods purchased in store and shipped, you should provide proof of delivery to avoid a potential re-dispute. All judgments regarding resolution of disputed charges are at our sole discretion.

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### **Q12: IF THE RECEIPT IS NOT SIGNED, HOW WILL I PROVE THE CARDMEMBER AGREED TO ACCEPT THE GOODS/SERVICES AS PROVIDED?**

For Card Present point of sale Card transactions, providing a copy of the unsigned receipt with the terms and conditions of the sale printed on the receipt is sufficient to show the Cardmember approved the final sale amount and agreed to accept the goods and services “as is”. We will also accept evidence that the terms and conditions were displayed prominently in the store. All judgments regarding resolution of disputed charges are at our sole discretion.



### **Q13: WILL I BE REQUIRED TO PROVIDE A SIGNATURE IF A CARDMEMBER RAISES A DISPUTE FOR “NON-RECEIPT” OF GOODS OR SERVICES?**

No, you can respond with details of the Card transaction such as what was purchased, the terms of the sale, and itemization if applicable. If this is a standard Card Present transactions where goods are taken by the Cardmember at the point of sale, then the electronic Card Data is sufficient to show that the Card was electronically read and the Cardmember was present to take possession of the goods when the Transaction was completed.



### **Q14: IN THE EVENT OF A DISPUTE, HOW WILL I VALIDATE THAT A TIP WAS APPROVED IF A SIGNATURE IS NOT REQUIRED?**

Merchants in certain industries such as bars/nightclubs, hospitality, and dining may decide to obtain a signature to help prove that the Cardmember agreed to the tip amount.



### **Q15: WILL I BE ASKED TO PROVIDE A SIGNATURE FOR ANY TRANSACTION INQUIRIES THAT TOOK PLACE BEFORE THIS POLICY CHANGE ON APRIL 13, 2018?**

Yes. For Card Present transactions prior to April 13, 2018, you will need to respond to Inquiries with a signed Charge Record if that was specifically requested in the Inquiry. You should retain signed Charge Records up to 24 months after this policy change to comply with the current Merchant policy regulations.

For any Transaction after April 13, 2018, you are not required to retain the signature but must be able to provide a copy of the Charge Record if requested to resolve a dispute.



### **Q16: ARE THERE CHANGES NEEDED TO MY POINT OF SALE SYSTEMS TO ALLOW FOR NO SIGNATURE?**

There may be updates required to your point of sale system. You should work with your terminal service provider or whomever is responsible for terminal programming.