

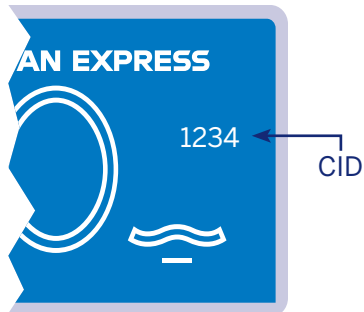
# Updated Disputes/Chargeback Policy Coming April 2024

Chargeback protection and potential incremental sales volume



DON'T  
do business  
WITHOUT IT™

Good news! Beginning April 2024, we're adjusting our Card Identification (CID) Mismatch Policy to help better support your business. **American Express will not exercise fraud chargebacks for all authorized Card-Not-Present (CNP) transactions when the CID doesn't match the CID on file.**



## More Details About the Change

Responses to card-not-present authorization requests contain two pieces of information:

1. Whether the authorization is approved
2. Whether the CID — the four-digit security code on the front of the Card — matches the issuer's records.

If the CID doesn't match, merchants generally prompt the Card Member to re-enter it. This extra step can be frustrating for Card Members and lead to lost sales.

Currently, if a merchant moves forward with an approval that has a CID mismatch and the charge is later disputed as fraud, the merchant receives a CNP Fraud Chargeback.

As of April 2024, merchants will no longer be subject to fraud disputes of **approved transactions with a CID mismatch.**



## This Updated Policy Can Benefit You in 3 Ways



### 1. Fraud chargeback protection:

You can feel confident submitting approved CID mismatches.<sup>1</sup>



### 2. Potential incremental sales:

Once the policy takes effect, you can submit approved CNP charges that are CID mismatches, which could help increase your sales and profitability.



### 3. Happy customers:

When Card Members have a smoother purchasing experience, they may be more likely to buy from your business in the future.

## Get Ready for This Exciting Enhancement

You may need to update the logic within your payment technology to remove CID re-entry prompts and accept CID mismatches. By beginning preparations as soon as possible, you can benefit from the new policy as soon as it takes effect.

To learn more, contact your point-of-sale provider or processor.

<sup>1</sup> Chargeback reason code F29 in the U.S. Merchant Regulations