AMERICAN EXPRESS

Card-on-File Tokenization

ENHANCED PROTECTION FOR ONLINE PAYMENTS

HELP SECURE YOUR CARD MEMBERS' PAYMENT CREDENTIALS WHEN THEY SAVE THEIR INFORMATION ONLINE FOR FREQUENT PURCHASES OR RECURRING PAYMENTS.

Card-on-File Tokenization (CoFT) works by replacing the Card's Primary Account Number (PAN) with a payment token: a series of randomly generated numbers that can be restricted to a specific Merchant through use of domain controls, which helps prevent its unauthorized use in the event of a data breach.

Using payment tokens to process transactions not only helps secure sensitive payment credentials but also helps maintain revenue continuity for Merchants by keeping credentials associated with the tokens up to date when a Card expires or is replaced.

SURVEY RESULTS

76%

of businesses surveyed responded that they currently offer card-on-file to their customers*

93%

of businesses surveyed that currently store PANs responded that they only are likely to consider tokenization for card-on-file customers in the future, with **53%** saying that they are very likely to consider it.*

* American Express survey conducted December 1-13, 2021, among a sample of 411 U.S. businesses with $250 million and above in annual revenue.

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KEY BENEFITS

American Express Card-on-File Tokenization utilizes American Express Token Service, registered by EMVCo,* to deliver enhanced security and a seamless customer experience for online transactions.

IMPROVE AUTHORIZATION RATE

Use of domain controls for payment tokens can give Card Issuers greater confidence to authorize transactions.

ENHANCE CUSTOMER EXPERIENCE

With Card credentials always up-to-date, Card Members can continue uninterrupted through the payment process without manual input.

REDUCE RISK OF FRAUD

Payment tokens help lower the risk of fraud by preventing their unauthorized use in the event of a data breach.

MAINTAIN REVENUE CONTINUITY

Always updated Card information helps reduce payment disruptions due to expired credentials, thereby ensuring revenue continuity.

AMERICAN EXPRESS DON'T *do business* WITHOUT IT™

*EMVCo is the global technical body that facilitates the worldwide interoperability and acceptance of secure payment transactions by managing and evolving the EMV Specifications and related testing processes.

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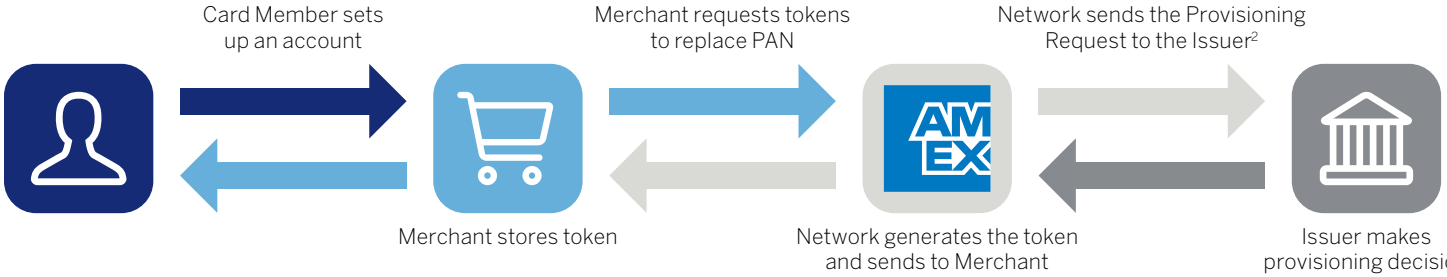
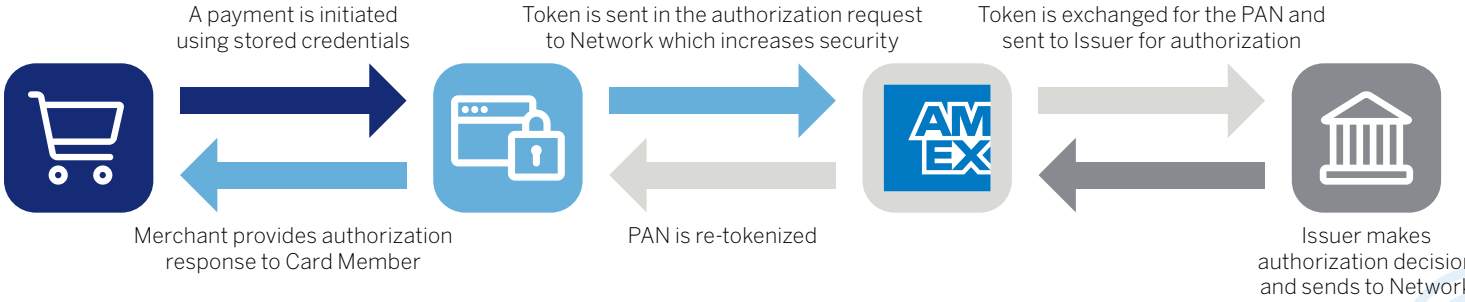
HOW IT WORKS

When a Card Member saves payment credentials online, the Merchant simply requests a token in exchange for the PAN and stores it on file for later use. Merchants can also work with Token Requestor Aggregators (TRA)[1] to enable CoFT—in which case the TRA would request for tokens on behalf of the Merchants. When a Card Member makes a transaction with the stored credentials, the Merchant uses the token number instead of the PAN in the authorization process. The rest of the process continues as usual.

TOKEN PROVISIONING



TOKEN PROCESSING



[1] TRA is an entity that interfaces with the Token Service Provider on behalf of the Token Requestors. Potential TRAs are Payment facilitators, E-Wallets, Third Party Service Providers/TPSPs, Authorized Processors, and Opt Blue Partners.
[2] American Express also offers On-Behalf-Of Provisioning decision to Issuers

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GETTING STARTED

Card Issuers:
Connect with your American Express representative.

Merchants:
Connect with your American Express representative to discuss enablement options.

Acquiring Partners and Service Providers:
Learn more about Card-on-File Tokenization APIs.
Contact your American Express representative for next steps.

For more information, please visit **amexglobalnetwork.com/tokenization**

THE INDUSTRY STANDARD AGAINST CARD FRAUD AND DATA BREACHES

CoFT utilizes American Express® Token Service (AETS) for provisioning and managing the lifecycle of tokens. Through its foundational platform, AETS enables Merchants, Service Providers, Technology Partners, Acquirers, and Issuers to enhance security of the digital payment environment for their customers. Our Token Services are aligned to the EMVCo industry standards.

In addition to CoFT, AETS supports a variety of use cases, such as Digital Wallets and QR Codes, to enhance security throughout the digital payment ecosystem while providing a seamless customer experience.

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