

**Addendum to New Work Item Proposal**  
**Gerry Smith**  
**American Express**

The following is to be used as a guideline and/or discussion point in an attempt to produce a specification that has broad applicability to a range of industries. It is NOT the intent of this author to suggest a particular implementation or direction; rather to begin a dialogue on the topic of contactless technology transactions and their implications to infrastructure functionality.

The work item should address the following phases of a transaction:

**1. Setup**

This phase may include one-time initialization of either the card holder and/or card acceptance device to facilitate this and potentially all future transactions at the Point of Interaction (POI).

**2. Initiation Processes**

This phase deals with the how a transaction begins as well as what informational parameters (if any) must be exchanged to facilitate later phase of the transaction.

**3. Authentication Processes**

This phase details the mode of authentication, if required, and how it would be facilitated. Authentication means may include encryption methodologies, biometrics, or the presentation of digital credentials.

**4. Completion Processes**

Finally, the end of the transaction must be detailed to define any requirements on either the card holder device and/or the terminal functionality. This may include one or more data field modifications on the card holder device, receipt printing on the terminal, etc.

## **General Requirements**

Best practices with respect to security practices should be detailed in this work.

Examples of user experiences are desired as one or more informative references.

## **Miscellaneous**

This specification should allow for parameterized optimization for those entities desiring to implement Type A only or Type B only solutions. The resulting specification is expected to be reviewed in terms of a reference application using:

- A. Memory Device (little or no intelligence in the card holder device)
- B. Microprocessor Device (medium to high levels of intelligence in the card holder device)