



Quick Payment Service Program Guide

26 October 2011

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Summary of Changes, 26 October 2011

This document reflects recent changes. To locate these changes online, on the Adobe toolbar, click Find. In the Find box, type *chg*, and then press ENTER. To move to the next change, press ENTER again.

Description of Change	Where to Look
Updated Overview section	Chapter 1
Updated QPS Program Requirements section	
Updated Overview section	Chapter 2
Updated Handling Retrieval Requests section	
Removed Appendix A, Chargeback Protection Amounts	

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Chapter 1 Quick Payment Service Concepts and Requirements

This chapter lists qualification requirements for participating in the Quick Payment Service (QPS) program.

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Overview

The Quick Payment Service (QPS) program is a program developed by MasterCard for facilitating payment acceptance by increasing speed and convenience at the point of sale. Acquirers benefit from QPS by offering merchants faster checkout lines while introducing MasterCard® card acceptance. QPS transactions occur in a face-to-face environment in which card account data is read electronically from the card.

MasterCard has waived certain operating rules and regulations for participants, which allows QPS merchants to quickly process transactions under particular currency amounts without having to obtain the cardholder's signature and providing a receipt only upon cardholder request.

Related Information

The following documents and resources provide information related to the subjects discussed in this document:

- [Chargeback Guide](#)
- [GCMS Reference Manual](#)
- [Quick Reference Booklet](#)

Eligible Merchant Segments

Eligible merchant segments vary by region. Refer to Appendix C, Chargeback Protection Amounts of the *Chargeback Guide*, for a comprehensive listing of the eligible merchant categories and card acceptor business codes (MCCs) by region that are eligible to participate in the QPS program.

QPS Program Requirements

The exceptions to MasterCard standard operating rules for the QPS program address chargeback protection amounts, acceptance procedures, and chargeback rules.

Chargeback Protection Amounts

The chargeback protection amount is a currency amount. Chargeback protection amounts have been established for each industry segment/MCC in the QPS program. Transactions equal to or less than these amounts can be processed as QPS transactions using the exceptions provided by this program. Transactions above these amounts are processed like all other MasterCard transactions (that is, the cardholder signature must be obtained and a receipt must be provided).

A properly identified QPS transaction equal to or less than the applicable chargeback protection amount is protected against chargebacks under the following message reason codes:

- 4802—Requested/Required Item Illegible or Missing

- 4837—No Cardholder Authorization

The chargeback protection amounts for the QPS program are in local currency. Refer to Appendix C, Chargeback Protection Amounts of the *Chargeback Guide*, for a comprehensive listing of chargeback protection amounts.

NOTE

See [Chapter 2, Chargebacks](#), for more details about handling retrieval requests and chargebacks.

Identifying a QPS Transaction

MasterCard will populate PDS 0044 (Program Participation Indicator), subfield 2 (QPS/*PayPass* Chargeback Eligibility Indicator) with a the value 1 (Ineligible for Chargeback) in the First and Second Presentment/1240 messages specifying that a chargeback is invalid for properly identified QPS transactions equal to or less than the applicable chargeback protection amount

A properly identified QPS transaction occurs when the transaction is equal to or less than the chargeback protection amount and the following values are present in the First Presentment/1240 message.

Data Element (DE)	Subfield	Value
22 (Point of Service Data Code)	1 (Terminal Data: Card Data Input Capability)	One of the following: <ul style="list-style-type: none"> • 2—Magnetic stripe reader capability • 5—Integrated circuit card (ICC) capability • A—Primary account number (PAN) auto-entry via contactless magnetic stripe • B—Magnetic stripe reader and key entry capability • C—Magnetic stripe reader, ICC, and key entry capability • D—Magnetic stripe reader and ICC capability • E—ICC and key entry capability • M—PAN auto-entry via contactless M/Chip
	4 (Terminal Operating Environment)	One of the following: <ul style="list-style-type: none"> • 1—On card acceptor premises; attended terminal • 3—Off card acceptor premises; attended terminal
	5 (Cardholder Present Data)	0—Cardholder present

Data Element (DE)	Subfield	Value
	6 (Card Present Data)	1—Card present
	7 (Card Data: Input Mode)	One of the following: <ul style="list-style-type: none"> • 2—Magnetic stripe reader input • A—PAN auto-entry via contactless magnetic stripe • B—Magnetic stripe reader input; track data captured and passed unaltered • C—Online Chip • F—Offline Chip • M—PAN auto-entry via contactless M/Chip • N—Contactless input, MasterCard® <i>PayPass</i>™ Mapping Service applied (This value is visible only to issuers or acquirers that use value A or M.)
26 (Card Acceptor Business Code [MCC])		An eligible Quick Payment Service (QPS) MCC See Appendix C Chargeback Protection Amounts of the <i>Chargeback Guide</i> for list of eligible MCCs.

Authorization Requirements

All QPS transactions must be face-to-face, electronically read from the card, and authorized by the issuer.

Signature Requirements

Card acceptors may choose not to obtain the cardholder's signature for properly identified QPS transactions equal to or less than the applicable chargeback protection amount. The personal identification number (PIN) requirements remain unchanged.

Receipt Requirements

Providing a receipt to the cardholder is optional for properly identified QPS transactions equal to or less than the applicable chargeback protection amount. However, merchants must provide a receipt upon the cardholder's request.

Draft Capture Requirements

All systems must employ electronic data capture.

Participation Requirements

All acquirers that choose to have their merchants participate in the benefits of the QPS program must have in place, or must install, the requisite terminals and process the QPS transactions pursuant to the guidelines listed in this guide.

NOTE

Acquirers must properly identify QPS transactions as described in the [Identifying a QPS Transaction](#) section earlier in this chapter.

Registration Requirements

Registration is not required.

Terminal Considerations

The minimal QPS program terminal requirements for eligible merchants are as follows:

- Magnetic-stripe-read capabilities
- Mod 10 check digit routine, verifying account number, and expiration date
- Automatic routing online for transactions over the established chargeback protection amount
- Display of authorization code
- Receipt printing

Interchange

Refer to the *Interchange Manual* for related information.

Chapter 2 Chargebacks

This chapter outlines the procedures for handling Quick Payment Service (QPS) program retrieval requests and chargebacks.

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Overview

Obtaining the cardholder's signature by the card acceptor is optional for properly identified QPS transactions equal to or less than the applicable chargeback protection amount. As a result, a signed receipt may not be available in response to a retrieval request.

A properly identified QPS transaction equal to or less than the applicable chargeback protection amount is protected against chargebacks under the following reason codes:

- 4802—Requested/Required Item Illegible or Missing
- 4837—No Cardholder Authorization

Please see Appendix C of the *Chargeback Guide* for the chargeback protection amounts.

NOTE

Acquirers must properly identify QPS transactions as described in [Identifying a QPS Transaction](#).

Handling Retrieval Requests

The following list documents the steps the acquirer may take in responding to a retrieval request if there is no supporting documentation:

1. The issuer's request for retrieval is researched and identified as a QPS transaction equal to or less than the applicable chargeback protection amount.
2. The acquirer may respond to the request with an acquirer response code of "C". A code of "C" indicates that the transaction is a QPS transaction equal to or less than the applicable chargeback protection amount.

The following list documents the steps the issuer may take in response to a fulfilled retrieval request when the item needs to be submitted for Image Review:

1. If the original financial detail record does not properly identify a QPS transaction equal to or less than the applicable chargeback protection amount, the issuer may reject the item to Image Review.
2. An issuer that receives an acquirer's response code of "C" may reject the response to MasterCom Image Review within 10 calendar days.
3. When the issuer rejects an acquirer's response code, the issuer must send a legible copy of the original First Presentment/1240 message (such as the incoming GCMS report) to Image Review.
4. MasterCard receives the document at Central Site via fax (1-636-722-7215) within 24 hours of the reject.
5. A MasterCom Image Review representative will review the documentation and make a ruling.

NOTE

Please refer to Chapter 6 of the *Chargeback Guide* for more information on retrieval requests and fulfillments.

Procedure for Handling Chargeback Requests

MasterCard will block chargebacks when PDS 0044 (Program Participation Indicator), subfield 2 (QPS/*PayPass* Chargeback Eligibility Indicator) contains the value I (Ineligible for Chargeback) for the following message reason codes:

- 4802—Requested/Required Item Illegible or Missing
- 4837—No Cardholder Authorization

If MasterCard is unable to block a properly identified QPS transaction under the chargeback protection limit, the acquirer would be allowed a second presentment right under the following chargeback message reason codes. Refer to the *Chargeback Guide* for complete processing procedures.

4802—Requested/Required item Illegible or Missing)

These steps document the processing of a second presentment if the issuer's chargeback is for message reason code 4802—Requested/Required Item Illegible or Missing:

1. The transaction is researched and found to be a properly identified QPS transaction equal to or less than the applicable chargeback protection amount in the Integrated Product Messages (IPM) 1240/200 clearing message.
2. The acquirer should process a second presentment with IPM Second Presentment message reason code 2713—Invalid Chargeback. No documentation is required to support this second presentment.

4837—No Cardholder Authorization

These steps document the processing of a second presentment if the issuer's chargeback is for message reason code 4837—No Cardholder Authorization:

1. The transaction is researched and found to be a properly identified QPS transaction equal to or less than the applicable chargeback protection amount in the IPM 1240/200 clearing message.
2. The acquirer may process a second presentment with IPM Second Presentment message reason code 2713—Invalid Chargeback. No documentation is required to support this second presentment. Data element (DE) 72 (Data Record) must contain the following message: INVALID REASON CODE FOR QPS.