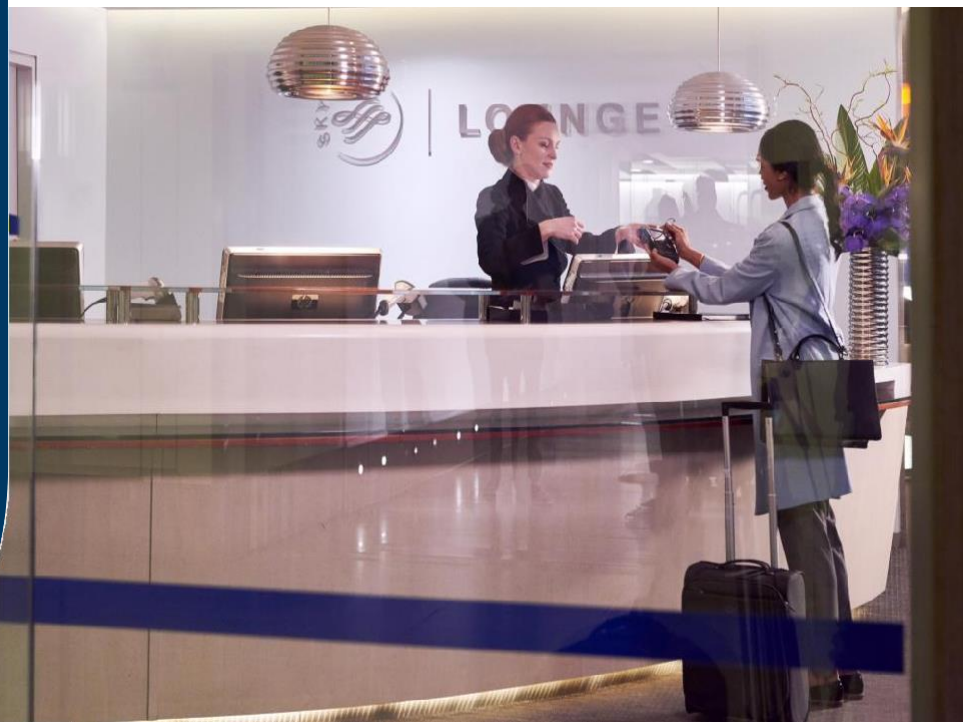




# PSD2 – In-Lounge solution for card on file authentication

LoungeKey  
September 2021



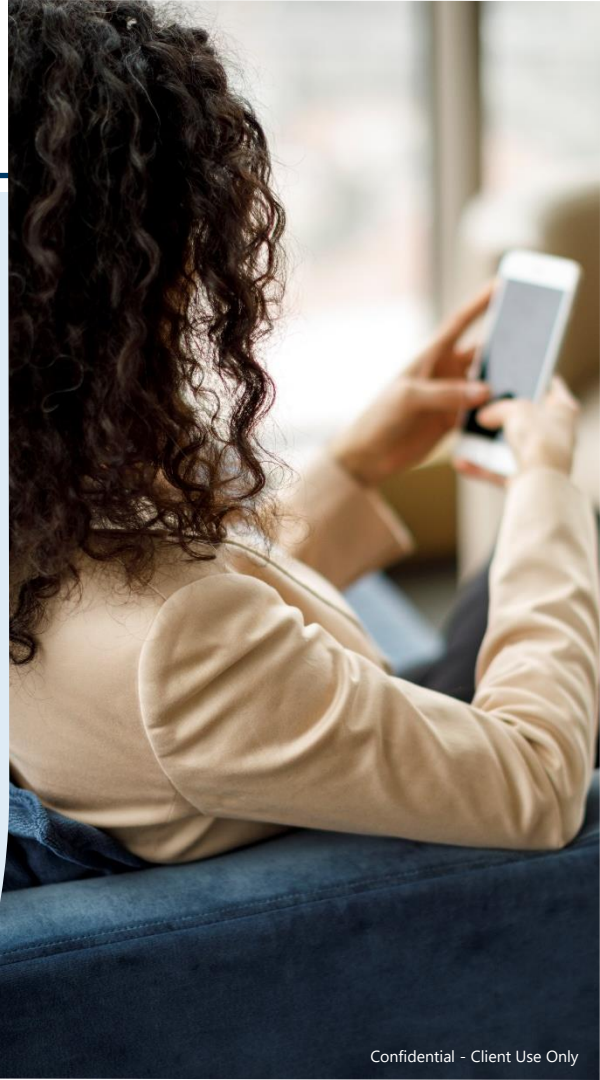
# This Pack Contains

- **Introduction and Background**
- **In-Lounge Process**
- **Lounge Visit Customer Journey**
- **In-Lounge Customer Journey**
- **Plan and Timelines**
- **FAQs**
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  - Cardholder FAQs
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- **Copy for Communication to Cardholders**



# Introduction and Background

- The EU Payment Service 2 (or PSD2) requires Strong Customer Authentication (SCA) to be applied to certain e-commerce payments across Europe
- Access to our lounge network using a payment card, and the ability to bill cardholders directly using a card on file, are core USPs we provide you through LoungeKey today
- LoungeKey allows cardholders to walk up to lounges, where we perform checks on the card eligibility and card status through pre-authorisation or account verification checks. These checks are configured based on the issuer's preference
- We are changing acquirers and moving LoungeKey pre-authorisations back onto the e-commerce channel in November 2021, meaning many of these transactions will require SCA
- Our approach to achieving SCA, is to develop the customer journey on the lounge device to retain the core walk-up USP of payment card access, whilst developing the capability for issuers to trigger the transaction authentication using their preferred Two Factor Authentication (2FA) method
- SCA will be required the first time a transaction is processed for a lounge visit, and subsequently only when a payment card is reissued
- To minimise the volume of existing cardholders impacted we will be leveraging Grandfathering
- Phase 2 will include Collinson enabling SCA on web and app registration journeys for authenticated deals only
- Cardholders will have access to FAQ pages which will be available on LoungeKey web and app. It will also be displayed at lounge with QR code redirecting the cardholder to the FAQs



# In-Lounge Process

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## What is Grandfathering?

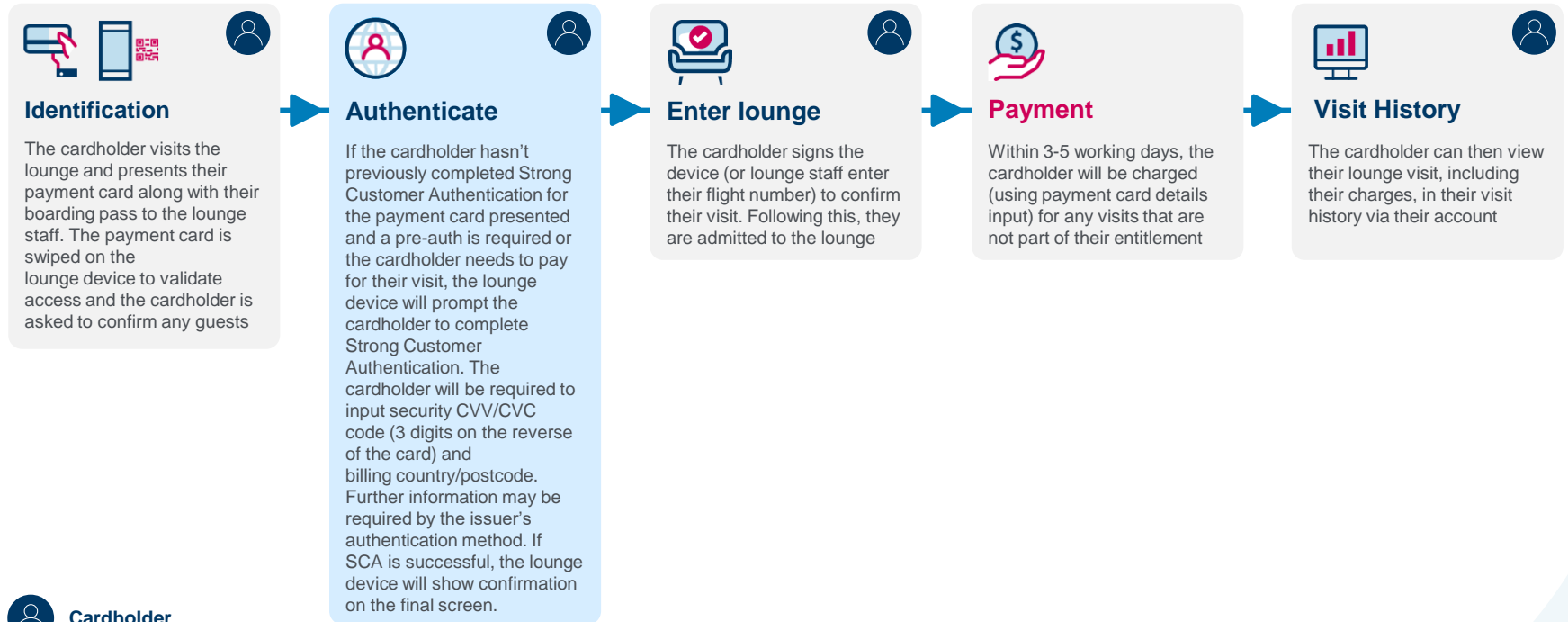
- Grandfathering has been established to bring existing cardholders with whom we have a relationship, into the new PSD2 transaction framework without requiring them to undergo SCA
- Where a cardholder has visited a lounge or registered online within the last 12 - 24 months, we will attempt to grandfather the payment card we store, from 4 October 2021
- We will send a zero-value account verification check for your approval
- Approved cardholders will not be required to authenticate their payment card that we have on file, at lounge
- Where we have not attempted Grandfathering or where Grandfathering requests are declined, cardholders will need to go through the in-lounge solution on the lounge entry device

## In-Lounge Authentication

- Where there is pre-authorisation or a charge due to the cardholder, the cardholder will need to authenticate their payment card
- This authentication will only be required once for the validity period of the eligible payment card. Any reissued cards will need to be authenticated in the same way
- The cardholder will need to present their physical payment card to lounge staff to be swiped, however the process for entry will require the cardholder to enter additional information including their payment card security code
- Once completed, the cardholder must successfully complete the SCA process

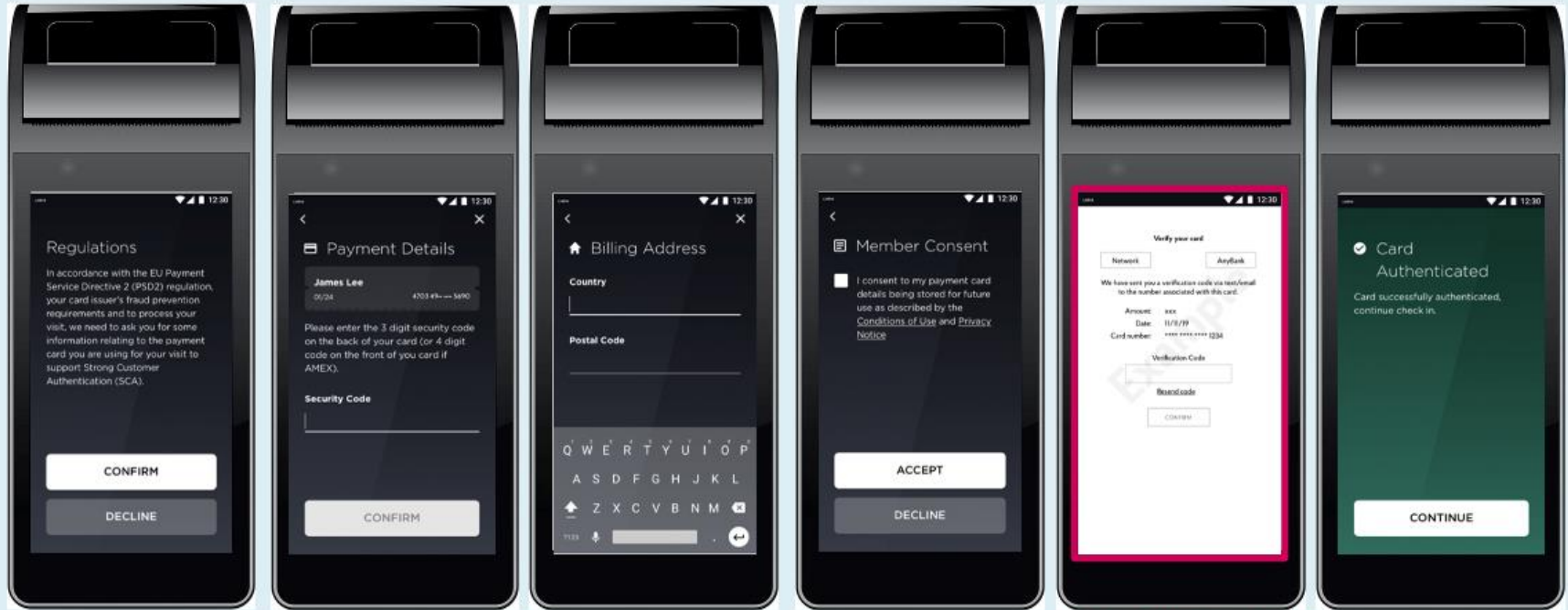
Mandatory fields have been selected to ensure the most streamlined customer experience and globally consistent solution. As a result, the cardholder will be required to provide their postal code and country details during this initial process. Post go-live, we'll be monitoring transaction data to understand where the process can be optimised.

# Lounge Visit Customer Journey



Step triggered automatically (dependent on scenarios outlined).

# Illustrative In-Lounge Customer Journey (Lounge Device Journey)



Authentication process controlled by issuers.

# SCA on Lounge Device Deployment Plan

<b>Pilot</b>	<b>Wave 1</b>	<b>Wave 2</b>
1st Nov - 19th Nov 2021	22nd Nov - 17th Dec 2021	17th Jan - 14th March 2022
Germany Ireland Netherlands	Belgium Bulgaria Croatia France Gibraltar Greece Hungary Italy Latvia Luxembourg Malta Poland Portugal Romania Slovakia Slovenia	Czech Republic Spain United Kingdom Denmark Finland Norway Sweden

Intended deployment plan is by country of issue and applies to any applicable visit that your cardholder may make globally. Plan subject to change depending on market travel restrictions.

# Frequently Asked Questions (FAQs)

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# Issuer FAQs

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## **In what scenarios will cardholders go through the Strong Customer Authentication (SCA)?**

If the issuer deal is set up with pre-authorisation on visits then the cardholder will go through the SCA the first time they visit a lounge. If the issuer deal is set up without pre-authorisation the cardholder will only go through SCA when the visit fee is due to be charged to the cardholder and they haven't previously completed SCA. Deals exempt from SCA are those where no visit transactions are processed at all, i.e. all visits are invoiced to client and pre-authorisation is disabled on lounge visits.

## **Will cardholders be able to enter a lounge without their physical card?**

All cardholders should be told to bring their physical payment card. Payment cards stored in digital wallets will not allow for this process to be completed. If the cardholder is on an authenticated deal type and presents their digital access token\*, they may still be able to complete the lounge device journey and access a lounge if they are able to provide the card expiry date and CVV number of the physical payment card that Collinson has on record.

## **What if the card is unable to be read?**

If the in-lounge card validation is unable to be completed, the cardholder will be unable to access lounges.

## **What if the cardholder fails the Strong Customer Authentication?**

If the in-lounge card validation is unable to be completed, the cardholder will be unable to access lounges.

## **What happens when entry is first attempted with a digital access token?**

The cardholder must enter the details into the lounge device to complete the validation, including card and billing details. Having the physical card to hand is required.

## **What happens if an existing cardholder gets a new payment card after authenticating?**

The cardholder will need to go through this process each time they are issued a new payment card to authenticate the payment card details.

*\* N.B. Digital Access Tokens are available as a cardholder benefit on selected authenticated programmes. If you want to discuss upgrading your programme to include digital access for your cardholders, please contact your Collinson Account Representative*

# Cardholder FAQs

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## **What if I don't have my [payment card type] card with me?**

You may be unable to complete the entry process and will not be permitted access into the lounge. We strongly recommend that you carry your [payment card type] when you visit a lounge.

## **What if my card is unable to be swiped?**

You will be unable to complete the entry process and will not be permitted into the lounge. If you have been denied access to the lounge because your card has not been recognised by the lounge device, please contact your card issuer.

## **What if I don't have my phone to complete [two-factor authentication from bank]?**

If the in-lounge card validation is unable to be completed through your established security verification methods, you will be unable to access the lounge.

## **Can I use my digital access token\* to get into the lounge?**

To enter the lounge, you may need your physical card to complete the in-lounge card validation process. Once you have completed the in-lounge authentication, you will be able to use your digital access token to enter, available in the LoungeKey app. LoungeKey recommends you carry your [payment card type] with you when visiting a lounge.

## **What if I receive a new [payment card type] card?**

You will need to go through this process each time you receive a new [payment card type] as you will need to validate your card details.

## **Who do I contact if I am still unable to access a lounge?**

Please contact your card issuer or contact the [LoungeKey Customer Services team](#).



## Member Facing Comms Plan

# FAQs

## LoungeKey In-Lounge Solution Consumer FAQs links

Language	URL
English	<a href="https://www.loungekey.com/en/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/en/in-lounge-solution-for-card-on-file-authentication-faq</a>
Arabic	<a href="https://www.loungekey.com/ar/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/ar/in-lounge-solution-for-card-on-file-authentication-faq</a>
Dutch	<a href="https://www.loungekey.com/nl/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/nl/in-lounge-solution-for-card-on-file-authentication-faq</a>
French	<a href="https://www.loungekey.com/fr/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/fr/in-lounge-solution-for-card-on-file-authentication-faq</a>
German	<a href="https://www.loungekey.com/de/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/de/in-lounge-solution-for-card-on-file-authentication-faq</a>
Indonesian	<a href="https://www.loungekey.com/id/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/id/in-lounge-solution-for-card-on-file-authentication-faq</a>
Italian	<a href="https://www.loungekey.com/it/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/it/in-lounge-solution-for-card-on-file-authentication-faq</a>
Japanese	<a href="https://www.loungekey.com/ja/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/ja/in-lounge-solution-for-card-on-file-authentication-faq</a>
Korean	<a href="https://www.loungekey.com/ko/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/ko/in-lounge-solution-for-card-on-file-authentication-faq</a>
Malaysia	<a href="https://www.loungekey.com/ms/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/ms/in-lounge-solution-for-card-on-file-authentication-faq</a>
Polish	<a href="https://www.loungekey.com/pl/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/pl/in-lounge-solution-for-card-on-file-authentication-faq</a>
Portuguese	<a href="https://www.loungekey.com/pt/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/pt/in-lounge-solution-for-card-on-file-authentication-faq</a>
Russian	<a href="https://www.loungekey.com/ru/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/ru/in-lounge-solution-for-card-on-file-authentication-faq</a>
Simplified Chinese	<a href="https://www.loungekey.com/zh-CN/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/zh-CN/in-lounge-solution-for-card-on-file-authentication-faq</a>
Spanish	<a href="https://www.loungekey.com/es/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/es/in-lounge-solution-for-card-on-file-authentication-faq</a>
Thai	<a href="https://www.loungekey.com/th/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/th/in-lounge-solution-for-card-on-file-authentication-faq</a>
Traditional Chinese	<a href="https://www.loungekey.com/zh-HK/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/zh-HK/in-lounge-solution-for-card-on-file-authentication-faq</a>
Turkish	<a href="https://www.loungekey.com/tr/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/tr/in-lounge-solution-for-card-on-file-authentication-faq</a>
Ukrainian	<a href="https://www.loungekey.com/uk/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/uk/in-lounge-solution-for-card-on-file-authentication-faq</a>
Vietnamese	<a href="https://www.loungekey.com/vi/in-lounge-solution-for-card-on-file-authentication-faq">https://www.loungekey.com/vi/in-lounge-solution-for-card-on-file-authentication-faq</a>

# Copy for Communications to Cardholders

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## Member Facing Comms Plan

# Email and Letter

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## Copy block for inclusion in direct communications to LK cardholders:

Hi [Cardholder]

New regulations to help keep your accounts secure mean that LoungeKey now has additional security measures in place. After 1st November 2021, you may be required to authenticate your eligible [card type] payment card so will need to take this card to gain entry to a lounge. You may also be asked to authenticate when using a LoungeKey digital access token\*, so you must take your physical [card type] payment card with you. This will enable you to complete an in-lounge card validation.

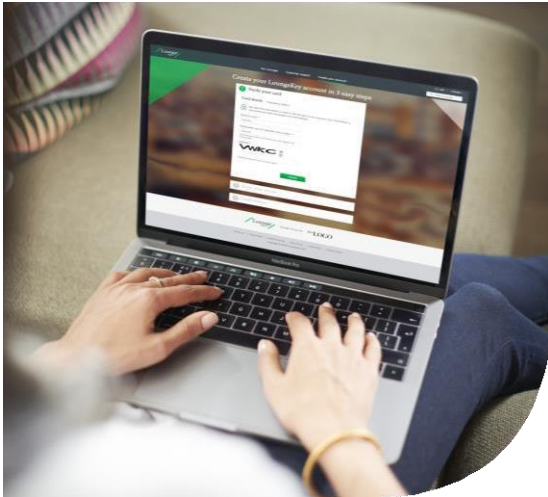
Your card will be swiped and then you will need to enter your details, and card validation code. You will then receive a text or notification from your bank to complete your security check, so make sure you have your registered mobile phone with you.

Once you have done this you will be able to use your digital access token\* in the LoungeKey app for contactless entry during future visits.

If you get a new [card type] payment card at any point in the future, you will need to complete this physical card validation process when you next visit a lounge.

\* Digital Access Tokens are available as a cardholder benefit on selected authenticated programmes.

If you want to discuss upgrading your programme to include digital access for your cardholders, please contact your Collinson Account Representative.



## Member Facing Comms Plan

# Webpage



## Copy block for inclusion on issuer webpages for cardholders: Below is copy to be included on benefits webpages for cardholders.

After [1st November 2021], when you visit an airport lounge you must take your [payment card type] card.

There has been a change to how you use to your exclusive LoungeKey benefit due to changes in regulations. After 1st November 2021, you may be required to authenticate your eligible [card type] payment card. When visiting a lounge using either a payment card or a digital access token\* you may be required to authenticate your eligible payment card.

If required, at the lounge entry, you will need your payment card to be swiped, to enter additional details, and complete [security authentication/ 2-factor authentication from bank†] (So make sure you have your registered mobile phone with you). Your visit will then be processed as normal.

Once you have completed the in-lounge card validation, you will be able to login and use the digital access token\* available in the LoungeKey app for contactless entry during future visits.

If you get a new [card type] payment card at any point in the future, you will need to complete this physical card validation process when you next visit a lounge.

For more information see [Insert appropriate language URL from list provided in following slide] or call the [Issuer Contact Centre Team] on [Phone number]

...

† Insert applicable term

\* Digital Access Tokens are available as a cardholder benefit on selected authenticated programmes.

If you want to discuss upgrading your programme to include digital access for your cardholders, please contact your Collinson Account Representative.



### Example social posts for issuer channels for cardholders with LoungeKey benefit:

All [Payment card type] cardholders can enjoy access to airport lounges with LoungeKey.

Next time you visit a lounge, make sure you take your physical payment card, as you may need to go through an authentication process upon entry.

See [Website URL] for more information

### Member Facing Comms Plan

## Social

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