



# EMV: What Your Business Needs to Know

EMV (which is an acronym for Europay, MasterCard® and Visa®) is a more secure way of accepting payments. A “smart card” and an EMV-enabled point of sale solution are required to leverage the technology and security capabilities inherent in EMV.

Smart cards contain a “chip” capable of more sophisticated security than traditional magnetic stripe cards, keeping cardholders safer and combatting counterfeiting and fraud by assigning dynamic values for each transaction. Since fraudsters cannot skim or copy chip card data, EMV technology helps reduce fraud risks for your business and your customers.

## THE U.S. IS TRANSITIONING TO EMV

During the transition to EMV, many financial institutions will issue EMV cards that also contain a magnetic stripe. A customer can still swipe an EMV card using the magnetic stripe, but that does not take advantage of added security technology embedded on the card’s chip and is not considered to be an EMV transaction.

The process for an EMV transaction is different than a magnetic swipe

transaction. With EMV transactions the cardholder inserts the card into an EMV terminal, where it stays during the transaction. In some cases the customer will be prompted for a PIN (this is very much like a debit transaction). For this reason, EMV cards are commonly referred to as “Chip and PIN” cards. Alternatively, some cards may still require a signature instead of a PIN. EMV cards can also be referred to as “Chip and Signature” in this instance.

During an EMV transaction, the card never leaves the card holder’s hand. You present the payment terminal to your customer – even in restaurant environments.

## ACTION REQUIRED!

You need to be aware of the liability shift currently scheduled to go into effect on October 1, 2015, a date determined by the credit card brands\*. That means, by this date, if your business accepts and processes a counterfeit transaction on a non-EMV enabled terminal, the liability for that transaction is yours, not the card issuers. There is no fine associated with non-acceptance of EMV cards,

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only liability for transactions if your business decides not to use an EMV terminal by October 1, 2015.

## HOW DOES EMV HELP YOUR BUSINESS?

EMV benefits everyone associated with your business. Consumers have fewer reasons to worry about the security of their payment information and will have a payment card that works anywhere in the world. Your business benefits from the reduction in card fraud resulting from counterfeit, lost and stolen cards.



## WHAT DO I NEED TO DO NEXT?

A range of EMV solutions are available to meet your needs now and after October 1st, 2015. Speak with your sales representative today to learn more about our EMV solutions.

## GLOSSARY

**Insert** - Instead of swiping a card, cardholders insert their chip card into an EMV-enabled terminal.

**Chip and PIN** - EMV cards are commonly referred to as "chip and PIN" because the chip card is often coupled with a PIN code for security.

**Chip and Signature** - EMV cards can also be referred to as "chip and signature" because some chip cards are coupled with a signature for security.

**Fraud Liability Shift** - The Card Brands have announced on October 1st, 2015\*, counterfeit fraud liability, which has traditionally been assumed by the card issuer, will be assumed by any party that does not enable EMV.

\* Businesses with Automated Fuel Dispensers (also called "Pay at the Pump") acceptance methods have until October 2017 to comply with the new standard.