

MERCHANT'S QUICK GUIDE TO EMV

The Bottom Line

As of October 1, 2015, merchants that are not using terminals that process EMV chip card transactions may become liable for chargebacks associated with payments made with counterfeit cards or cards lost or stolen from their rightful owners.

In the past, the customer's credit card company absorbed these losses. But this "liability shift" from credit card issuers to merchants can represent **significant losses to businesses that do not use solutions that enable their point-of-sale terminal to accept EMV chip cards.**

THE BENEFITS OF EMV

EMV chip cards help protect merchants and consumers by making it very difficult to create a counterfeit card, or to use a lost or stolen card in card-present transactions.

In addition to processing EMV chip cards, your EMV-enabled terminals can also accept payments from mobile devices equipped with a "digital wallet" such as Apple Pay or Google Wallet. Accepting these payments offers greater convenience to consumers while further increasing transaction security.

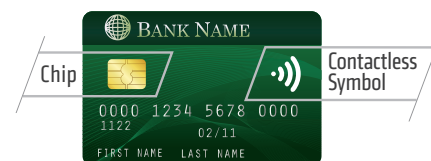
RECOGNIZING AN EMV CHIP CARD

An EMV chip card is identified by the "chip" on the face of the card. Some cards may also have the "contactless" symbol.

PROCESSING EMV CHIP CARDS AND DIGITAL WALLETS

Chip cards, as well as payments using devices with Apple Pay or Google wallet, must be processed a little differently.

Under new card regulations for EMV, your customers do not hand cards to merchants for processing. Rather, the merchant turns the terminal to the customer. In addition to improving card security, this allows customers to choose their preferred method of payment and enter their PIN number when required.



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EMV at a Glance

- The United States is replacing mag stripe credit card readers and credit cards with chip technology called EMV.
- EMV stands for EuroPay, MasterCard, Visa.
- Credit card issuers now absorb the liability and costs for card theft and fraud.
- Starting October 2015, that liability will switch to merchants if their terminals don't accept EMV.
- EMV has been around since the 1990's in Europe.
- The U.S. is the last industrial country to adopt EMV.
- EMV will help fight counterfeit credit and debit card fraud.
- Chip cards are virtually impossible to counterfeit or copy.
- EMV-enabled terminals will still accept magnetic stripe card payments.
- EMV-enabled terminals have a slot at the bottom for EMV card insertion.
- The EMV credit card stays in the terminal during the entire transaction.

THE PR ADVANTAGE OF EMV

Your investment in EMV terminals will pay off by building trust and loyalty with your customers.

You can let them know you have made the change on your website or by advertising, in-store and point-of-sale signage, social media, email and direct mail. You can also use your receipts to let customers know that you care about their safety and security.

COACHING THE CUSTOMER ON EMV

If your cashiers notice that the customer has a chip card, they should tell them to insert the card to do a chip transaction.

Turn the terminal toward the customer. Remind him or her to leave the card in the terminal and follow the prompts. Then make sure the customer takes their card when the transaction is completed.



FOR DETAILED INFORMATION ON EMV,

VISIT STERLING'S EMV SECURITY CENTER AT:

www.sterlingpayment.com/security/emv

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