

# EMV 101

## What is EMV?

Soon “chip” or “EMV” cards, using smart technology providing enhanced security, will replace everyone’s magnetic-stripe cards. Having a “chip” means that a customer’s payment method includes a tiny but powerful microprocessor, working around the clock to store and secure consumer data. The chip can’t be duplicated by criminals like a magnetic stripe card can, and it creates a unique code sequence for each individual transaction.

In an effort to expedite and incentivize EMV migration, card issuers are motivating small businesses to make the move. Because EMV is so important for consumer protection, the big four credit-card brands (Visa, MasterCard, American Express and Discover) are initiating a “liability shift” from the credit card’s issuer to merchant retailers who choose not to make the switch to EMV payments. From October 1, 2015 forward, if your business cannot accept EMV, you will be responsible for fraud if it happens in your store.

The Electronic Transactions Association (ETA) & (Insert Company Name) is committed to making the transition easy for you, by providing the tools, education and information required to seamlessly navigate the shift, keeping consumer fraud liability a distant thought for your business.

## Why EMV?

EMV chips offer a higher degree of security throughout the transaction process, as opposed to the old magnetic-stripe cards, which could easily be compromised and duplicated. EMV promises to substantially reduce U.S. credit-card fraud.

Currently, card-present fraud totals just \$6 billion each year and 66% of that can be attributed to counterfeit card fraud, which will be directly addressed by chip card technology, whether or not a PIN is used.

## Basic Merchant Steps to EMV Implementation

### 1. Talk to your payments provider

Reach out to all of your payment service providers to understand their EMV readiness.

### 2. Discuss Your EMV Hardware Options With Payment Processor

Depending on the type of POS device you currently use, a variety of options can be considered. In addition, the options you consider may enable you consider new hardware that facilitates acceptance of contactless payments if you are not already doing so.

### 3. Train Your Employees

Once your equipment is certified, you will need to train your employees about how EMV works. Here are a few procedural things to keep in mind:

EMV transaction amounts must be entered into the terminal before a credit card is inserted.

For most terminals, EMV cards are inserted chip-first and chip-side up.

EMV credit cards must remain in the terminal for the entire length of the transaction. If a card is pulled out before the transaction is completed, then the transaction is cancelled.

### 4. Educate Your Customers on EMV

Some of your customers might have questions about how to use their cards. Since you’ve already trained your employees, your business will be in a great position to gain trust by answering your customers’ questions about EMV.



## How To Process EMV Transactions

EMV is a card-present technology that can be processed several ways.

### Contactless

Those individuals with NFC enabled cards (dual mode) can tap the card in front of a NFC enabled POS device and then provide either a PIN or signature.

### Chip & Pin

Insert the card into a POS device which keeps the card until a PIN number is provided.

### Chip & Signature

Instead of providing a PIN to complete a purchase, this process just requires a signature.

### Chip Only

If a transaction is under a specific floor limit, neither PIN nor signature may be required.

Visit [www.SellSafeInfo.org](http://www.SellSafeInfo.org) for more resources