

# Tap Into the Power of EMV Chip Technology and Start Building Your Future Today



Chip payment acceptance is rapidly growing worldwide in response to consumer demand for safer, faster, and better ways to pay for goods and services.

As Visa® promotes the U.S. migration to a contact and contactless EMV\*-based infrastructure, merchants are encouraged to start thinking about the terminal upgrades they may need to support emerging chip technologies.

## Why Chip... Why Now?

The bigger question is why not? Chip technology heightens security through the use of stronger authentication that reduces the value of stolen data. The embedded chip generates a unique code that's virtually impossible to counterfeit. In addition, investing in chip technology helps pave the way for mobile and digital commerce, so you can offer more services and conveniences to your customers.

## As the Payment Industry Evolves, So Should You

The U.S. migration to chip technology is creating a strategic framework that supports future growth and value for all key stakeholders in the payment industry. For merchants who update their acceptance environment, it is an investment in more secure transactions and new business-building opportunities.

To accelerate the adoption of EMV® chip technology in the U.S., Visa recommends terminal implementation solutions that support online (real-time) authorization of EMV chip cards. Your customers will continue to sign for their credit and debit purchases or have the choice to enter a PIN for debit if you currently offer that option (although it's not required when you implement EMV chip).

By leveraging the ubiquitous telecommunications and strong existing payment infrastructure that already exists in the U.S., merchants will be able to deploy chip terminals in a reasonable time frame while enhancing security with EMV.

### FOR MORE INFORMATION

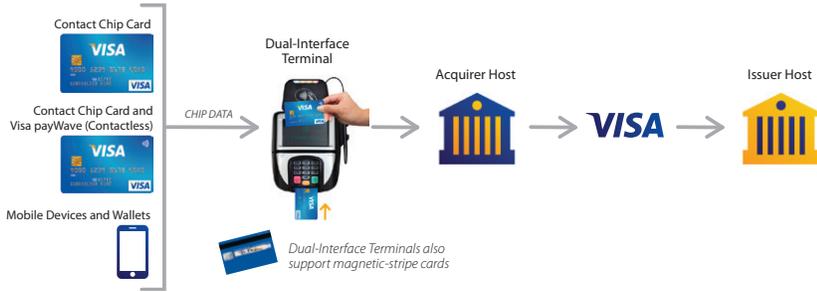
Visa offers a number of card acceptance resources as part of its merchant education program. Current publications are available as downloadable PDF files at [www.visa.com/merchants](http://www.visa.com/merchants).

To learn more about EMVCo chip payment interoperability specifications and vendor product evaluation, visit [www.emvco.com](http://www.emvco.com).

\* Europay, MasterCard®, and Visa® (EMV)

## What is a Dual-Interface Terminal?

Dual-interface terminals are able to process chip transactions from various payment products including contact chip cards, Visa payWave (contactless), mobile devices and wallets, and magnetic-stripe cards.



## Protect Your Business from Counterfeit Fraud: Upgrade Your POS System to Support EMV Chip

U.S. merchants are not required to support chip processing. However, there are powerful advantages for those who do including protecting your business from counterfeit fraud losses. By updating your POS systems to accept contact and contactless chip payments, merchants are taking the necessary steps to build a future-proof infrastructure that will support emerging payment innovations, enhance global acceptance, and reduce fraud.

## Visa's Roadmap to Chip Migration Success

To help U.S. acquirers, processors, and merchants support chip and mobile payment acceptance, Visa has established the following incentives and mandates.

2012	2013	2015	2017
<p><b>Technology Innovation Program (TIP) Launch in U.S.</b></p> <p>Effective October 1, 2012, TIP allows merchants who update their POS infrastructure to waive their obligation to complete an annual Payment Card Industry (PCI) Data Security Standard (DSS) validation assessment. The elimination of this requirement could represent a significant cost reduction for participating merchants. While they still need to be compliant with the PCI DSS, merchants will not have to go through the process of validating compliance. TIP benefits qualifying U.S. merchants who process 75 percent of their transactions using fully enabled dual-interface terminals.</p>	<p><b>U.S. Acquirer and Processor Mandates for Supporting Merchant Chip Acceptance</b></p> <p>Effective April 1, 2013, acquirer processors and sub-processors must ensure their systems support merchant EMV chip acceptance by certifying their ability to carry and process the additional data in EMV chip transactions, including the cryptographic message that makes each transaction unique.</p> <p>Specifically, these entities must support Field 55 for V.I.P. authorization messages both at the host and POS level.</p>	<p><b>Debit/Credit U.S. Domestic and Cross-Border Counterfeit Liability Shift for POS Transactions</b></p> <p>Effective October 1, 2015, Visa's global POS counterfeit liability shift will be instituted in the U.S. With this liability shift, the party that is the cause of a chip transaction not occurring (i.e., either the issuer or the merchant's acquirer) will be held financially liable for any resulting card present counterfeit fraud losses. The shift helps to better protect all parties by encouraging chip transactions that use unique, dynamic authentication data.</p>	<p><b>Effective October 1, 2017, Visa's counterfeit liability shift will be expanded to ATMs and AFDs.</b> As complex, unattended devices, this provides the ATM and AFD industry an appropriate amount of time to manage the investment required.</p>

## How to Get Started

If you're planning to accept chip cards at your merchant location, there are a number of key factors to consider. How you proceed and when has a lot to do with your existing POS system capabilities and whether you own or lease your equipment. Your acquirer has the chip validation tools to assess your chip acceptance situation and help you select the terminal hardware and software that are right for your business and meet all EMV and Visa requirements.

To learn more about what you need to do to update your POS infrastructure, contact your acquirer today.

## It's a Small Chip with Big Benefits

A chip card is a plastic payment card with a microchip that is virtually impossible to duplicate. International market migrations to EMV chip have proven that chip cards help reduce counterfeit fraud. The use of stronger authentication methods and unique transaction elements make chip card account data less attractive to steal and counterfeit fraud a near impossibility. This in turn, offers:

- Greater protection against counterfeit fraud.
- Increased consumer confidence in the payments system.

Visa chip cards also have a magnetic-stripe on the back to ensure acceptance at POS terminals that do not have a chip-reading device.