

EMV Communication

To: All Merchant Card MSA Participants with Point of Sale Terminals

What is EMV?

EMV is a fraud-reducing technology that can help protect issuers, merchants and consumers against losses from the use of counterfeit and lost or stolen payment cards at the point-of-sale. EMV cards are embedded with a microprocessor or smart chip that interacts with the merchant's point-of-sale device to make sure that the payment card is valid and with the use of a PIN that it belongs to the person using the card. This kind of chip technology adds layers of security against fraud and is virtually impossible to duplicate.

What is the Timing for EMV in the U.S.?

Starting in 2011, the four major payment brands introduced their roadmaps for EMV technology and encourage its adoption. In April 2013, the first domestic milestone required processors like First Data to accept EMV-based payments from merchants. First Data met this milestone and is already approved by MasterCard, Visa, Discover and American Express in the US as a transaction processor and is processing EMV transactions for one large retailer on U.S.-based chip cards. October 2015 will mark the next major milestone where the fraud liability shift for all point of sale devices will take effect.

How does October's liability shift affect you?

Currently, POS counterfeit fraud is largely absorbed by card issuers. With the liability shift, if a card with EMV chip technology is presented to a merchant that has not adopted, at minimum, contact chip terminals, liability for counterfeit fraud will shift to the merchant's acquirer (First Data). All fees and fines would then be passed to you, the Merchant.

So what happens next?

Review the Point of Sale terminal information available on our [webpage](#) and submit a [Merchant Card POS Terminal Form](#) to replace any terminals that are not currently supported by First Data and/or not EMV enabled.