Introducing EMV Chip Card Capability

Prepare now for chip card technology, targeted to become the industry standard in the U.S., making accepting card payments more secure than ever.

**EMV protection at your point of sale**

According to EMVCo, with the total cost of fraud in the U.S. estimated at $8.6 billion per year, preventing fraud growth has become a priority. In response, all the card associations have committed to migrating to chip technology, which means that before long, your customers will be presenting a new type of payment card — one with an embedded microchip.

**Important things to know**

- When a customer presents a chip card, ask him or her to insert it into the point-of-sale (POS) device or tap if the card supports contactless — the PIN-pad or terminal will provide prompts to help your customer through the simple process.
- The chip card must remain inserted in the POS device during the entire transaction. If it is removed prematurely, the transaction will be cancelled.
- The customer may be prompted to enter his or her PIN.

**Signature vs. no signature**

- Some chip cards may allow for a signature, in which case the POS device will detect that the customer must sign for the purchase. A signature line will be printed on the receipt.
- Be sure to look for the “Issuer – PIN Verified” text on the receipt. This will ensure that your staff does not miss the fact that a signature is not required — important in avoiding chargebacks.

**For restaurant merchants**

- Chip cards that require a PIN would process the same way you would a debit card; that is, perform a purchase and enter the tip to complete the transaction in one easy step.
- The device will prompt for the entry of a tip, giving the customer the opportunity to enter a gratuity when they enter their PIN.

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**Chip card transactions**

1. Begin the transaction by entering the amount.
2. Check for the chip.
3. Insert the chip card when prompted.
4. Follow the prompts.
5. Remove the chip card when prompted.

**Caution: Do not remove the card until prompted.**

The transaction is complete.
Frequently asked questions about EMV chip cards.

Q. What does EMV stand for?
A. The letters stand for EuroPay, MasterCard® and Visa®, the global standard for contact and contactless point-of-sale terminals and peripherals, as well as automated teller machines.

Q. What’s on the chip?
A. The chip contains payment information such as the customer’s account number.

Q. Is EMV being widely used?
A. EMVCo reports that chip cards, which began appearing globally in the mid 90s, can be found in more than 80 countries. More than 1.25 billion EMV-compliant cards are now being used at 15.4 million EMV acceptance terminals.

Q. How are chip transactions different?
A. Instead of the merchant swiping the card through a terminal, the consumer retains possession of the card, inserting it in the EMV slot rather than swiping it through the magnetic card reader.

Q. How does this benefit me and my business?
A. Among the advantages:
   • Help protect against fraud, resulting in fewer disputes and chargebacks
   • A consistent payment experience for credit and debit

Q. What happens if an incorrect PIN is entered?
A. It is likely the issuer will decline the transaction. If not, a signature line will print on the bottom of the receipt, requiring the merchant to ask the cardholder to sign for the receipt.

Q. What happens if the cardholder has forgotten his or her PIN?
A. Because this safeguard is critical, we strongly recommend that you ask for another form of payment.

Q. What if the transaction doesn’t work?
A. First, make sure the card is inserted chip side up, chip in first. If that is not the problem, remove the chip card and swipe it through the card reader. If the transaction is approved, a signature line will print on the receipt. If the transaction is declined, request a different form of payment.

Q. When is a signature required with a chip transaction?
A. Although chip cards that require a PIN will be the norm, some may be configured to allow for a signature. From the merchant’s and cardholder’s perspective, nothing changes; the terminal will determine whether the card requires a PIN or signature, and the employee simply follows the prompts. When a signature is required, a signature line is printed on the receipt and a signature must be obtained.

Q. When is no PIN or signature required with a chip transaction?
A. When the card and terminal determine that the cardholder does not need to be verified, no PIN or signature will be required (common with quick-service establishments).

Build business momentum — with Paymentum.


For more information, contact your Bank of America Merchant Services sales representative.