Let’s Talk about EMV
EMV
Europay, MasterCard, Visa
EMV is a global standard for inter-operation of integrated circuit cards (IC cards or "chip cards") and IC card capable point of sale (POS) terminals and automated teller machines (ATMs), for authenticating credit and debit card transactions.
Two Kinds of EMV Cards

Chip & PIN

123456

Chip & Signature

John Doe
Implementation in the United States
The entire industry is behind.
Only about 25% of consumers have received chip cards

Only about 27% of merchants are ready for EMV
Differences in an EMV transaction

VS

What we are used to today
Today’s transactions require that the cardholder or merchant swipe their card through the magnetic stripe reader.

EMV transactions (also referred to as the dip method) require that the cardholder inserts their chip card into the reader.
Accepting EMV Cards
EMV Tip Adjust
TIPS

APPRECIATED
Instructions to Tip Adjust:

For restaurant merchants with tip adjust that can not accommodate a pay station for cardholder’s to insert their own card to make payment, the following steps should be taken when accepting a card:

1. Swipe the card
2. If prompted, insert the card in the EMV reader
3. If the card is chip and signature, the machine will print two receipts and a tip can be left and adjusted later.
4. If prompted to enter a PIN, cancel out of the transaction and either:
   1. Ask for another from of payment
   2. If no other form of payment available, then key enter the card number to complete the transaction. The machine will then print two receipts and a tip can be left and adjusted later. Please note, merchants will be held liable in the event this transaction were to chargeback for fraud.
Available Marketing Material to help with the new tip adjust process
**ATTENTION MERCHANTS WHO ADJUST TIPS**

There is a **HUGE** difference in the way tip adjustments work with EMV terminals. Typically, in a restaurant setting, there are two authorization processes. The first when the check is paid and the second when the tip is run at the end of the night. EMV transactions eliminate the second process all together. Instead of the server taking the customers card and running the check amount, the customer will now pay the check and tip directly, at the same time. This process reduces the chances of fraud as the card never leaves the customers sight.
A new way for tip adjustments

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Typically, in a restaurant setting, there are two authorization processes. The first, when the check is paid and the second when the tip is run. At the end of the night, EMV transactions eliminate the second process altogether. Instead of the server taking the customer’s card and running the check amount, the customer will now pay the check and tip directly at the same time. This process reduces the chances of fraud as the card never leaves the customer’s sight.

There is still the option of turning the EMV prompt off, which will allow you to keep running transactions as you always have, however, you will have additional liabilities for card present fraud if you don’t have EMV card readers.

Benefits of EMV Terminals:
- Saves time at end of night/no tip adjustments needed
- Transactions are more secure, helping protect you and your customers from fraud
- This new equipment allows your customers to use new forms of mobile phone payments using NFC (NFC Apple Pay™ and Google wallet™)
- Having the most secure form of payment technology helps build trust with your customers. Cardholders are becoming more aware of the advisories of having their card compromised.

Instructions for Tip Adjust:
For businesses utilizing dip adjust that cannot accommodate a sign station for customers to enter their own card in move payment, the following steps should be taken when accepting a card:

1. Swipe the card.
2. If prompted, enter the card in the EMV reader.
3. If the card is chip and signature, the machine will print two receipts, and a tip can be left and adjusted later.
4. If prompted to enter a PIN, cancel out of the transaction, and start again.
   - Ask for another form of payment.
   - If no other form of payment available, then key enter the card number to complete the transaction. The machine will then print two receipts, and a tip can be left and adjusted later. Please note, merchants will be held liable in the event this transaction were to chargeback the fraud.

www.gmantecwide.com
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EMV technology and standards are still new to the U.S. As you and your employees become familiar with EMV, remember to call our 24 hour technical support team with any questions you may have at 877-564-5656 option 1, option 1.
The EMV applications do not support the processing of PIN-based debit transactions on chip cards at this time.

1. If a merchant needs to process a transaction as PIN-based debit, they need a PAX terminal.

2. They need to select debit as opposed to credit before entering the amount of the sale.

3. They will then be prompted to mag stripe the card as opposed to insert in the EMV reader.

4. The cardholder will be prompted to enter their PIN. This is not considered an EMV transaction.

* Note that the Vx520 EMV application does not have this capability.
Example 1:

<table>
<thead>
<tr>
<th>Average Ticket</th>
<th>Cost (PIN-based)</th>
<th>Cost (Signature Based)</th>
<th>Cost (Regulated PIN-based)</th>
<th>Cost (Regulated Signature Based)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50</td>
<td>$0.61</td>
<td>$0.69</td>
<td>$0.35</td>
<td>$0.36</td>
</tr>
<tr>
<td>$250</td>
<td>$2.21</td>
<td>$2.61</td>
<td>$0.45</td>
<td>$0.68</td>
</tr>
<tr>
<td>$8²</td>
<td>$0.27</td>
<td>$0.29</td>
<td>$0.33</td>
<td>$0.30</td>
</tr>
</tbody>
</table>

1. Cost in example are using a Retail MCC code, Visa rates, cost from the Accel PIN-based debit network and the Global front end authorization network. Costs include: interchange rate and per item, dues and assessments, issuer access and settlement fees, switch fees, and front end authorization fees.
2. Would qualify for small ticket
EMV Application QRG
Example:

<table>
<thead>
<tr>
<th>Terminal</th>
<th>Multi Merchant</th>
<th>EMV &amp; PIN-based debit</th>
<th>Tip Adjust</th>
<th>OptBlue</th>
<th>EMV for V/MC</th>
<th>EMV for Disc/AmEx</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAX S80</td>
<td>No</td>
<td>Yes ¹</td>
<td>Yes ³</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Vx520</td>
<td>No</td>
<td>No ²</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

1. Processed as a mag stripe transaction by selecting debit vs. credit prior to entering sale amount. Please note this would not be considered an EMV transaction and the merchant would be liable in the event of a chargeback due to card present fraud.
2. If attempted to swipe terminal will prompt to complete as an EMV transaction.
3. Chip & signature only.
Liability Shifts in October
CARD PRESENT

FRAUD only
<table>
<thead>
<tr>
<th>Scenario: Counterfeit Card Presented</th>
<th>Card Issuer EMV Enabled</th>
<th>Merchant Acquirer EMV Enabled</th>
<th>Merchant EMV Enabled</th>
<th>Financial Liability</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Card Issuer</td>
</tr>
<tr>
<td>2</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Card Issuer</td>
</tr>
<tr>
<td>3</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Merchant Acquirer</td>
</tr>
<tr>
<td>4</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Merchant</td>
</tr>
</tbody>
</table>
Helping merchants determine what’s best for them.
Ask Yourself
Ask for identification
What is the $ amount card present fraud that could impact me?
Which equipment makes the most sense for my business?
No Mandate for EMV
<table>
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<tr>
<th>EMV Software Release Timeline</th>
<th>EMV Capable?</th>
<th>NFC Capable?</th>
</tr>
</thead>
<tbody>
<tr>
<td>PayTrace End of 2015 (Virtual Terminal Only)</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Authorize.net Q1 2016 for VPOS/Mobile</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>USA ePay October 1st (Global), October 15th (TSYS, VT, API)</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Apriva October 2015 (AprivaPay Plus)</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>PAX S80 Now on TSYS</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>PAX S90 End of 2015 (TSYS)</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>PAX Peripheral Unknown (in beta test with PAX)</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Ingenico October 2015 (TSYS)</td>
<td>YES</td>
<td>YES</td>
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<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Deja V8 &amp; V8S November 2015 (TPS)</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Deja V8P &amp; V8SP November 2015 (TPS)</td>
<td>YES</td>
<td>YES</td>
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CHIP CARDS ARE HERE IN THE U.S.!
CHIP CARD PAYMENT TRANSACTIONS ARE MORE SECURE.

WONDERING IF YOU HAVE ONE? WANT TO LEARN HOW TO USE IT?

www.gochipcard.com
Questions