



EMV[®] COMPLIANCE

Why Your Business Needs It

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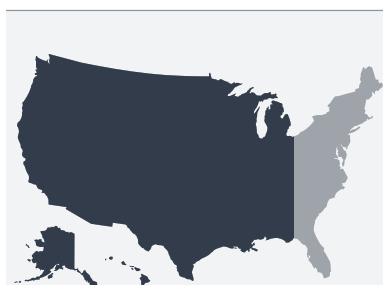
Regardless of what side of the transaction you're on, those of us in the payments industry would likely agree it's been a fairly bumpy road transitioning to EMV chip cards in the U.S. EMV smart technology was officially adopted in October 2015.

The good news is that in 2017, EMV migration is picking up speed. That should be a wakeup call for merchants who haven't yet made the transition. With delays in terminal certification and activation no longer the obstacles they were just a year ago, increasing numbers of smart cards are making their way into the U.S. marketplace – and being processed on the many EMV-certified terminals now available. As of October 2016, industry numbers show that more than 700 million chip cards have been issued in the U.S., and nearly one-third of U.S. merchants are now accepting chip card transactions.

The switch to EMV is voluntary, but if you're a merchant who still can't process chip card payments, you're exposing your business to fraud liability – and to the loss of customers who expect the added protection of EMV when they make an in-store purchase.

WHAT IS EMV?

EMV is smart chip technology that stands for Europay/MasterCard/Visa. The magnetic stripe on your credit card is being replaced with a tiny computer called a microprocessor. Instead of swipe-and-sign transactions, you insert your card into a slot and the EMV-enabled terminal reads a microchip for an added layer of data security that essentially eliminates counterfeit card fraud.



As of September 2016, 87 percent of Americans commonly use chip cards, up from 49 percent in 2015. (MasterCard)

In the fight against payment fraud and data theft, consumers are unquestionably safer today than they were a year ago. (American Bankers Association)

STILL NOT ACCEPTING EMV?

You're not alone if you answered no. But your business and your customers' data continue to be at risk the longer you wait to upgrade. If your business isn't able to accept EMV payments from customers using chip-based cards, you could be responsible for certain types of fraud and data theft.

If you're still processing on an old-fashioned magstripe terminal you're now liable for any losses resulting from a fraudulent, card-present transaction involving an EMV chip card. Conversely, if you're processing on an EMV terminal – but the customer has not been issued an EMV-compliant card by his or her bank – the bank would be financially responsible. In other words, liability for fraud shifts to whichever party is the least EMV-compliant. Don't let that be your business!



U.S. retailers who have implemented EMV have seen counterfeit fraud costs decrease 54 percent (compared to the period of April 2015 to April 2016). Meanwhile, counterfeit fraud costs increased by 77 percent YOY among merchants who haven't yet upgraded (MasterCard).

THE BOTTOM LINE

No matter what the size of your operations, upgrading to EMV is the surest way not to end up the easiest target for counterfeit fraud. Believing fraud can't happen at your place of business for whatever reasons is an assumption that can leave you footing the bill after processing a fraudulent transaction.

It provides wary consumers with virtually fraud-proof smart cards.

- > It protects merchants from bearing the brunt of liability when fraud does occur.
- > It prepares any size retailer for the next generation of electronic payments, including contactless cards and mobile wallet transactions.

EMV may not solve every security issue, but chip-based technology should give consumers added confidence when it comes to card fraud and identity theft at the point of sale. And considering that many EMV-certified terminals cost only a few hundred dollars, it may be the best money a merchant ever spent upgrading to EMV to prevent fraud.

ABOUT EVO PAYMENTS INTERNATIONAL

Payment Solutions for Everyone

Founded in 1989 and based in New York, EVO Payments International is among the largest fully integrated merchant acquirer and payment processors in the world. EVO operates as a payments service provider for both face-to-face and eCommerce transactions for all major credit cards, debit cards, commercial cards and electronic bank transfers.

EVO processes in 50 markets and more than 130 currencies around the world. Through its European subsidiary, EVO operates as a principal member of MasterCard Worldwide and Visa Europe.

Our flexible solutions can help you establish a merchant credit card processing account, integrate a point-of-sale application, set up electronic payment processing and more.

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