

EMV Liability Shift = Potential Chargebacks

<u>Current</u>	POS: October 1, 2015 Forecourt: October 1, 2017
<u>Issuer</u> liable	<ol style="list-style-type: none"> 1. For chip cards: <u>Merchant</u> liable, if non-chip terminal. 2. For non-chip cards: <u>Issuer</u> liable, if <u>chip terminal</u>.

As of **October 1, 2015** this liability, which historically has been assumed by the card issuer, will then be absorbed by the party that does not enable EMV during the fraudulent transaction.



The U.S. is home to a quarter of the world's credit card sales, but to nearly half of the world's fraud.



Losses due to card fraud in this country are expected to top over \$10 billion dollars in 2015.



Credit card fraud rates have doubled in recent years, representing 10¢ out of every \$100 transacted.



Europe has already greatly reduced card fraud with EMV. For instance, fraud in the United Kingdom dropped 27% between 2007 & 2013, the years when EMV cards became widely accepted in that country.

It is estimated that there will eventually be more than **575 million** EMV chip-enabled payment cards in circulation in the U.S. The U.S. is set to transition more than **1.2 billion** payment cards and **8 million** POS terminals to meet the EMV requirements.

By making the necessary hardware and software upgrades you can eliminate exposure or losses to card fraud for card-present transactions. The choice is yours. Choosing to do nothing opens the door to potential fraud. As consumers become more aware of EMV's ability to keep their data safe, consumers will naturally gravitate towards it. If you are not ready to take EMV payments, there is the potential for lost business.

If you have not done so already, please contact your POS vendor as soon as possible. And, as always, if I may be of further assistance, please do not hesitate to contact me.