

A woman with short brown hair, wearing a red cardigan over a patterned top, is smiling and looking down at a MasterCard being held out to her. The background is a clothing store with racks of clothes.

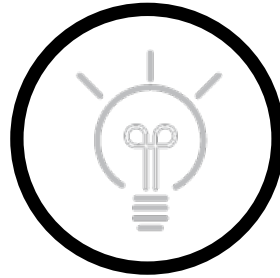
**THE NEXT GENERATION OF
PAYMENTS IS HERE...IS YOUR
BUSINESS READY?**

AGENDA



- What You Need To Know About EMV
- The Next Generation of U.S. Payments
- EMV From Both Sides of the Counter
- Getting Chip Cards
- Transacting
- Educating Customers
- Available Resources

WHAT YOU NEED TO KNOW ABOUT EMV



- A new, more secure and dynamic way to process payments
- Is the foundation for secure digital payments
- The global standard for card payments – the rest of the world has already moved to chip
- Financial Institutions have already begun issuing credit, debit and prepaid cards with a chip on them – including small businesses

IT IS ABOUT SECURITY AND CONSUMER CONFIDENCE

- Magnetic stripe cards are susceptible to fraud, and can be easily copied
- Chip transactions are more secure. Each transaction has a unique and dynamic value – making counterfeit next to impossible
- Benefits to accepting chip cards:
 - Your customers will know you are serious about the security of their payments and will feel confident doing business with you
 - Protect yourself from being a target for fraud



**CONSUMERS
PREFER TO SHOP AT
MERCHANTS THAT
ACCEPT CHIP
CARDS**

40%

2015

WHERE CONSUMERS EXPECT TO SHOP



80%

Supermarkets/
Grocery Stores



78%

Department
Stores



77%

Gas Stations



74%

Food and
Beverage



76%

Drug Stores



48%

Unmanned
Ticket Terminals

The large majority of card users continue to expect all types of stores to accept chip cards

Source: MasterCard US EMV
Consumer Research 2015

IS THE CHIP UPGRADE MANDATORY?

- No, the change to chip is not a mandate
- But you could be liable for fraudulent card transactions if you do not have one after Oct. 1, 2015
- Accepting chip will ensure you can take payments from all cards, safely and securely, from all over the world
- Many customers will know what to do, but be prepared to help if they need it



**CONSUMERS
BELIEVE CHIP
CARDS ARE EASY
TO USE**

62%

2015

WHAT IS THE COST OF A CHIP PAYMENT TERMINAL?

- Pricing for a terminal will vary based on a number of factors but generally may range from about \$100 to \$1,000*
- For comparison purposes, current mag stripe readers cost approximately \$50 to \$100*
- Speak to your payment processor for actual pricing, terms and more details



**EMV TERMINALS ARE
WIDELY AVAILABLE**

*Source: TSG Study, EMV in the US – The Whole Story

THE BASE FOR THE NEXT GENERATION OF U.S. PAYMENTS

- Efficient enablement of contactless technology
 - Ensures that you are also able to accept new and innovative payment options
- Chip technology is like having a small computer in your card/device. Enables future innovation
 - Multi-account cards
 - Rewards at POS



**ALLOWS MORE
INNOVATIVE WAYS
TO PAY FOR
PRODUCTS AND
SERVICES**

55%

2015

EMV FROM BOTH SIDES OF THE COUNTER



63%

**OF U.S. ISSUED CARDS WILL BE
CHIP ENABLED BY END OF 2015**



47%

**OF U.S. TERMINALS WILL BE
CHIP ENABLED BY END OF 2015**

-
- You will be among millions of consumers using chip cards to make payments
 - You will also be accepting chip cards at your business

WHEN WILL MY SMALL BUSINESS CHIP CARD ARRIVE?



YOU MAY ALREADY HAVE A CHIP CARD. IF NOT, YOU WILL PROBABLY GET ONE OVER THE NEXT FEW MONTHS. CHECK WITH YOUR ISSUER TO SEE WHEN YOU CAN EXPECT TO GET ONE!

Will I have to pay a fee for the Small Business Card with an EMV chip?

- Your bank or credit union sets the fees applicable for small business credit and debit cards
- Many financial institutions do not plan to charge for EMV-enabled cards
- Check with your bank or credit union

EMV TRANSACTIONS



- 1** At chip-enabled terminals, insert your card with the chip toward the terminal, facing up. Do not remove until prompted.
- 2** Provide your signature or PIN as prompted by the terminal. Some transactions may not require either.
- 3** When the terminal says the transaction is complete, remove your card

- You need a payment terminal that can process chip cards
 - It may also accept contactless payments
- You may already have a terminal that is capable – only requiring your payment processor to turn it on

CUSTOMER EDUCATION



FIRST USE

- 6% of participants inserted the card incorrectly overall transaction types
- 27% removed the card too soon on first use
- A further 8% did it again on their second try

CONSUMER PREFERENCE

- 62% of participants preferred chip & PIN; 38% preferred chip & signature
- Credit users expect they will select or update the PIN on their credit card during the card activation process

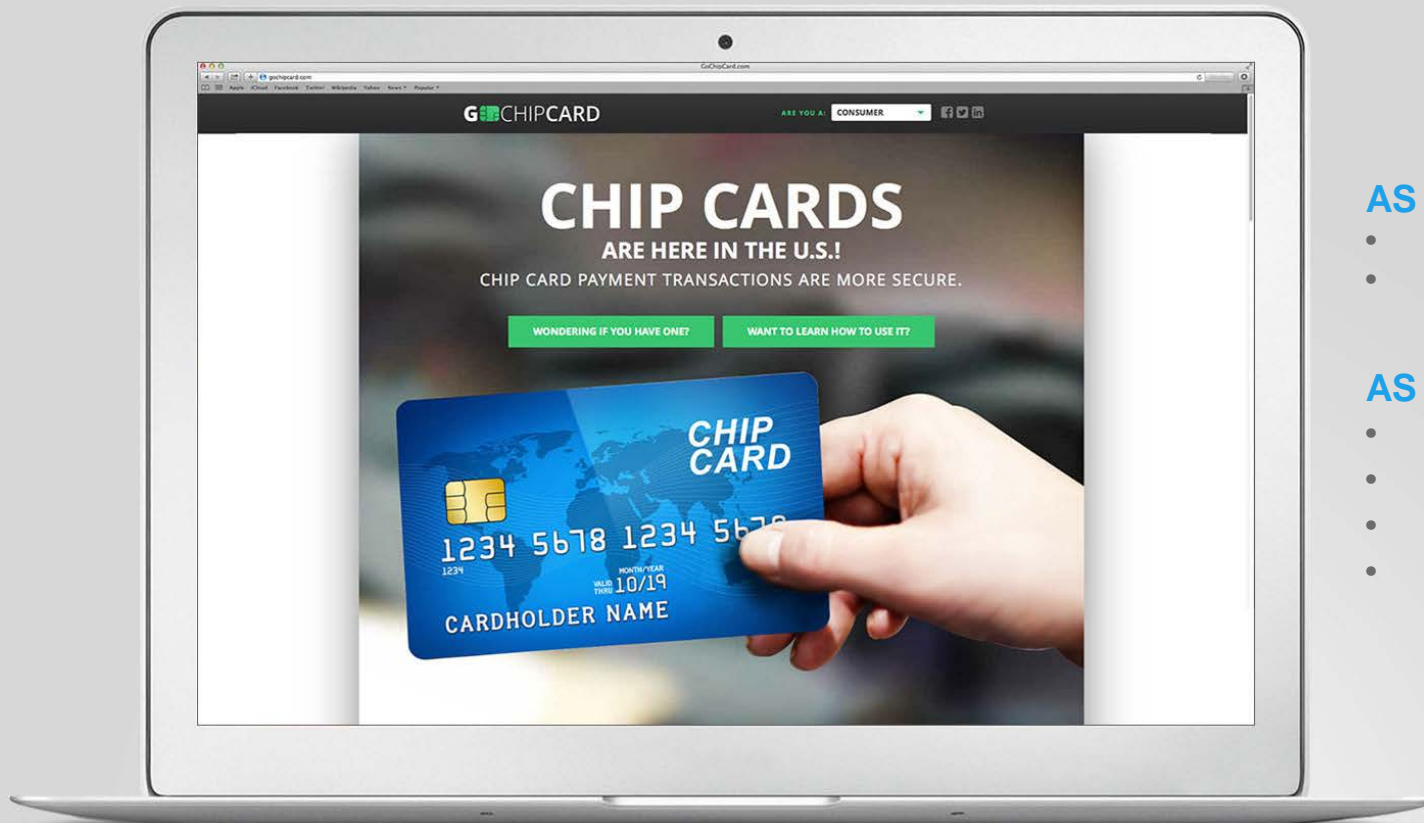
EASE OF USE

- After a first failed attempt consumers get it right most of the time on the second attempt and beyond
- Assistance from terminal prompts and store cashiers will help increase success of first use

Source: MasterCard Usability Study August 2014

PAYMENT SECURITY TASK FORCE

GOCHIPCARD.COM



AS A CONSUMER:

- FAQs
- Chip card infographic

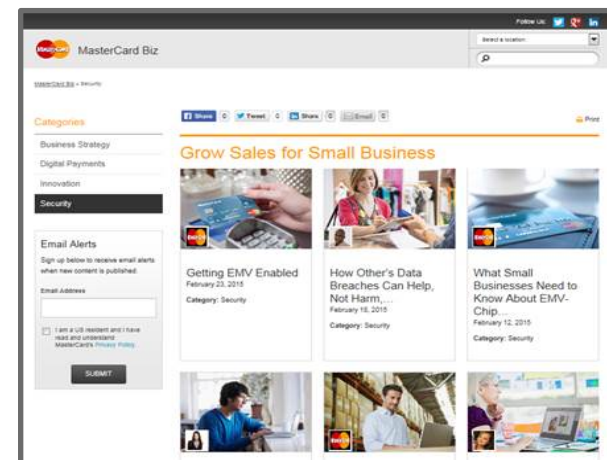
AS A MERCHANT:

- FAQs
- Chip card infographic
- Merchant training guide
- Merchant training frequently asked questions

MERCHANT RESOURCES – INTRODUCING MASTERCARD CHIP 360

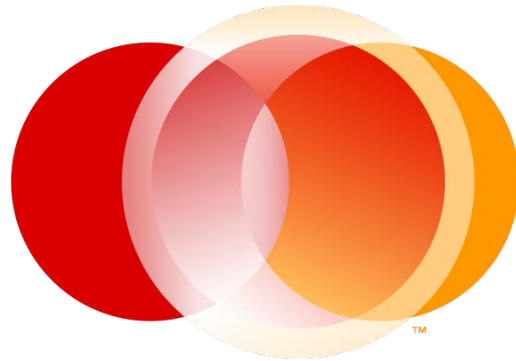


www.masteryourcard.net



www.mastercardbiz.com

Win an EMV Makeover by sending your name, business name and reason to mcnfibsmallbiz@teamDigital.com before May 14, 2015.



MasterCard