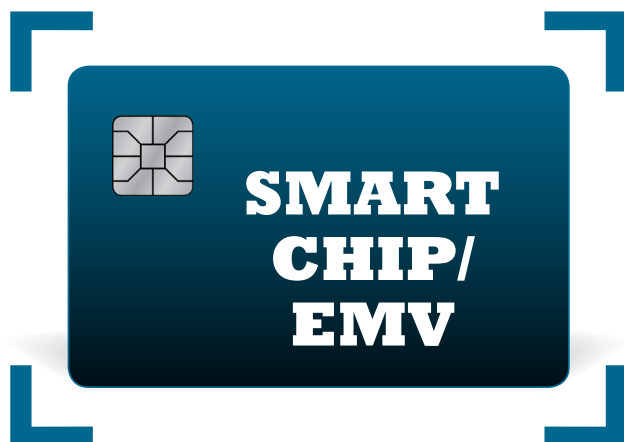


EMV Frequently Asked Questions



TRUE NORTH
FEDERAL CREDIT UNION



EMV (Europay, MasterCard® and Visa®) is micro-chip technology.

EMV technology provides increased security capabilities. EMV chip cards are equipped with a small metallic square on the front of the card that holds your card information. Originating in Europe, EMV technology has been instrumental in preventing the spread of debit/credit card fraud – and EMV will be the chosen method of payment in the United States within the next few years.

What is EMV?

EMV is the current global standard for payment processing with credit and debit cards. It will soon become the standard in the United States as well. Currently, cardholder information is stored on a magnetic stripe on the back of the card. With EMV, that information, and more, is stored in a chip embedded in the front of the card.

How does EMV work?

EMV is chip-based transaction processing that focuses on the security of point-of-sale (POS) transactions, with an end goal of reducing duplicate

card fraud and enabling other cardholder validation methods. Rather than swiping a magnetic stripe card through the magnetic stripe reader, customers insert the card into the chip reader to enable the POS equipment to interact with the chip in the card.

What is duplicate card fraud?

Duplicate card fraud — also known as counterfeit card fraud — includes such illegal acts as cloning a card or copying the cardholder information stored on it. Cloning a credit card takes seconds: While a card is being handled for payment, a dishonest staff member can swipe the card's magnetic stripe data and download it onto a computer or other device; then a duplicate card is made, enabling criminals to process credit card transactions using stolen card information.

How does EMV protect against duplicate card fraud?

When an EMV-enabled payment card is inserted into the chip reader, security information such as PAN/track data and dynamic CVV are presented to be used in the authorization request. This dynamic CVV changes for each transaction and is validated against what is expected at the card issuer host.

What other benefits does EMV offer?

Most foreign countries issue only chip cards, and many major U.S. card providers are now beginning to issue them as well. The ability to accept a chip card may mean the difference between card swipe rates and hand-keyed transaction rates. In addition, the ability to accept EMV cards can provide a potential increase in revenue through acceptance of foreign visitors' cards. And merchants may save money through the future liability shift.