

## ATM – EMV Liability Shift and Upgrade Information Sheet

### **I. What is EMV?**

EMV is generally known as the “Chip Card” initiative from MasterCard and VISA. This initiative’s goal is to reduce Card Fraud by having 100% chip based debit and credit cards issued by financial institutions in combination with 100% of POS and ATM devices being fully capable of accepting these chip cards.

### **II. How does it affect me as an ATM owner-operator?**

ATM owner-operators are affected in 2 ways:

1) ATM equipment hardware and software upgrades and 2) Fraud Liability Shift.

**A. ATM Equipment Upgrade** - ATM Owner-Operators are required to upgrade or replace their existing ATM equipment in order to accept the new “Chip Cards”. Newer ATM units will only require a new EMV compliant card reader and related software. Older ATM equipment would need to be replaced with new or refurbished EMV compliant units.

**B. Fraud Liability Shift – (Only applies to non-EMV units)**

The Fraud Liability Shift only applies to non-EMV ATMs. This risk will not apply if an ATM owner-operator upgrades their ATM(s).

**If an ATM owner-operator chooses not to upgrade their ATM unit(s) they will be responsible for any card fraud that occurs at their ATM unit(s).**

**How does this work?**

The Fraud Liability process will work exactly like a cardholder dispute process does today. *If fraud occurs at a non-EMV ATM, the fraud amount will be automatically deducted from the ATM cash owners account by the ATM processor as directed by the ATM Network such as VISA or MasterCard.*

**Other Risks**

*There is a possibility still being investigated that non-EMV compliant ATMs will be shut down from processing on the First Regents processing platform on or shortly after the October 1, 2016, date.*

**III. How do I get EMV compliant and How Much will it cost?**

The first step is to contact First Regents Service and Maintenance Department to discuss the details to your particular ATM unit (i.e. – Make & Model...) to determine the best option:

**A. Upgrade to EMV Card Reader with new software**

EMV Upgrade Kits are available from First Regents and an ATM Technician can be scheduled to install the hardware and software. Upgrade cost vary depending on the current ATM make & model. Upgrade kits can be installed for a few hundred dollars (usually between \$500 - \$900).

**B. Replace the current ATM with new EMV Compliant model.**

First Regents has new and refurbished ATM equipment options available for ATM replacement. Refurbished ATMs are usually less expensive than new, however, the costs are simply based on the exact make, model and accessories.

**IV. What is the deadline?**

The official Card Fraud Liability Shift date is **October 1, 2016**. The best plan is to contact First Regents this month to discover if your ATM unit is currently EMV capable or if not, to discuss the best option for upgrade or replacement.

Currently there are good levels of stock for kits and refurbished hardware, however, it is expect that most owner-operators will delay which will cause significant delays as the calendar approaches the shift date.