What do you need to accept a chip payment?

You will need to get a chip-enabled terminal from your payment services provider. These have all of the features you’re used to, with the addition of a slot for the customer to insert their chip card. The slot is typically located at the bottom or top of the payment terminal.

Did you know that you may be liable for fraud if you don’t make the change to chip terminals?

The rules are changing. After October 2015, merchants that accept chip will be protected from fraud losses resulting from in-store counterfeit magnetic stripe card transactions just as you are today. However, liability will shift from issuers to merchants if their payment terminals are not chip-enabled for in-store transactions. Fraud liability for lost or stolen cards varies by payment network. Contact your acquirer or payment services providers for more information and to see if chip terminals are right for your business.

How are chip cards used to pay in store?

During the transition to chip, customers are being told to swipe their card as they normally would and follow the prompts. If the terminal is chip-enabled, it will prompt them to insert it instead. If you have chip-enabled terminals and you see that your customer has a chip card, you can tell them to insert their card for a chip transaction.

The customer should insert their card with the chip toward the terminal, facing up. The chip card should not be removed until the customer is prompted by the terminal.

The customer will provide their signature or PIN as prompted by the terminal. Some transactions may not require either.

When the terminal says the transaction is complete, the customer can remove their card.