

Visa® Chip cards are here

“Quicker at the table,
less handling, saves time”

“Faster for the waiter”



What are Visa Chip cards?

Visa Chip cards have an embedded microchip that, in most cases, works with a personal identification number (PIN) instead of a signature. Processed using Chip-reading terminals, Visa Chip cards help ensure highly secure transactions. The microchip is virtually impossible to duplicate and enables secure transaction processing. The enhanced authentication made possible by Visa Chip technology in cards and terminals can help you improve fraud protection, simplify payment processing and speed up transactions.

Make sure your point-of-sale (POS) terminals are up to date so that you can benefit from the enhanced security that Visa Chip offers and help avoid financial implications as a result of Liability Shift: when a valid PIN is entered and accepted and the transaction is approved, you and your staff are no longer responsible for signature verification.

The world is migrating to Chip technology

More than 483 million Visa Chip cards have been issued globally, reducing card-present credit card fraud in over 113 countries where Chip technology has been used,¹ including Canada. Chip cards are continuing to be rolled out to Canadian Visa cardholders.

What are the benefits of Visa Chip cards?

To take advantage of the benefits of Chip technology at your restaurant, you will need to have a Chip-reading POS terminal. You have the option of a wireless POS terminal or a stationary POS terminal.



Wireless point-of-sale terminals
increase speed of service at
restaurants.

more people go with Visa.*
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Using wireless terminals in your restaurant can help you gain both the increased efficiency and the potential for fraud protection that Chip technology offers. You also benefit from improved service for the growing number of guests using Chip cards at your establishment: with wireless terminals, guests don't have to leave the table or line up to pay.

If the Chip-reading POS terminals in your restaurant are not wireless, it's recommended that your POS terminals be located in an easily accessible area where customers can insert their card and enter their PIN at time of payment.

Merchants with Chip-reading POS terminals are advised to use the Chip to complete the transaction. Use of the magnetic stripe on a Visa Chip card at a Chip-reading POS terminal may increase the chances of the transaction being declined.

What's different about Visa Chip transactions?

When guests pay using a Visa Chip card, they insert the card into a Chip-reading terminal and in most cases enter a PIN instead of signing the sales draft. By accepting Visa card payments with wireless Chip-reading terminals, your staff can process the transaction right at the guest's table, providing greater convenience for your guests while helping to increase staff efficiency and accelerate table turnover.

It is recommended that your restaurant have an adequate number of wireless Chip-reading terminals relative to the number of tables to minimize wait times for your guests.

What to do if a customer forgets his/her PIN?

If a customer forgets the Visa card's PIN, or the PIN is locked through repeated incorrect attempts to enter the PIN, advise the customer to contact their Visa card Issuer. The Issuer's phone number can be found on the back of the Visa card.

Processing Visa cards

Some Visa cards may use either Chip technology or a magnetic stripe for processing. Different cards may need to be processed differently. To minimize the risk of declined or incomplete transactions, please ensure that proper card-acceptance procedures are followed. You should expect to process:

- Magnetic stripe Visa cards that require a signature for verification
- Visa Chip cards that require a PIN for verification
- Visa Chip cards that require a signature for verification†

†The device will usually prompt the cardholder to enter a PIN, unless the terminal indicates that another cardholder verification method is required (such as a signature).

Will I continue to see Visa cards with magnetic stripes in Canada?

While Canada is migrating to Chip technology, magnetic stripes will remain on some Visa cards and will continue to provide a safe, reliable and convenient method of payment. In addition, Chip-reading terminals will be able to process Visa cards with a magnetic stripe. Likewise, Chip cards can be processed by non-Chip-reading devices via the magnetic stripe. Use of a Chip card's magnetic stripe in a magnetic stripe terminal may result in a Liability Shift to the merchant for fraudulent transactions.

What is the Visa Liability Shift and how does it affect me?

Migrating to the Chip platform is important for protecting your business and customers from fraud and related liability.

As part of the Chip migration process, Visa implemented a liability shift to support participants in the Visa payment system that have invested in Chip. Generally, this liability shift means Canadian Merchant acquirers are liable for Visa card-present fraudulent transactions that may have been avoided by using a Chip-compliant device. As a result, if Merchants are not using Chip-compliant devices, they may be held accountable for fraud by their acquirer.

Merchants may expose their business to liability for fraudulent transactions that occur when a Visa Chip card is used at a device that is not Chip-compliant. Liability Shift has been phased in over 2010/2011:

- Effective **October 1, 2010** International** Chip cards used at your place of business that are not processed using a Chip-compliant device may result in fraud liability for you.
- Effective **March 31, 2011** Canadian Chip cards used at your place of business that are not processed using a Chip-compliant device may result in fraud liability for you.

You are encouraged to ensure your POS systems are Chip enabled, and you can do so by contacting your Acquirer/Payment Processor.

Benefits of a wireless Chip-reading POS terminal include:

- Accelerated table turnover — bill payment is faster and staff work more efficiently because they don't have to walk back and forth to the stationary terminal
- Increased convenience for guests — they no longer have to leave the table or line up to pay
- Enhanced security — when a valid PIN is entered and accepted and the transaction is approved, you and your staff are no longer responsible for signature verification, helping to reduce your risk of fraud-related chargebacks
- Protection against Liability Shift

If you choose not to use wireless terminals in your restaurant, your customers may be required to leave the table to pay their bill. Merchants should therefore ensure that their POS devices are located in an area where customers can conveniently insert their card and enter their PIN.

To find out more about the benefits of Chip technology and the importance of liability protection, contact your Acquirer/Payment Processor or visit visa.ca/merchant.

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*As of September 2009, as reported by Visa-issuing financial institutions globally and may therefore be subject to change.

** Visa claim based upon worldwide number of general purpose cards, number of transactions and purchase volume. Visa is a registered trademark of Visa Int.; Visa Canada is a licensed user.

*International Chip cards are Visa Chip cards issued in Europe, Asia-Pacific, Central Europe, the Middle East or Africa.