

# Signature optional!



## Visa continues to streamline EMV acceptance



To continue the ongoing migration to EMV chip and to bring convenience along with increased security and speed to the point of sale, Visa is making the requirement to obtain and verify a cardholder signature optional for all EMV-enabled merchants in the U.S.<sup>1</sup> and Canada, beginning **14 April 2018**. At the same time, Visa is also removing the requirements for EMV-enabled merchants in the U.S. and Canada to keep transaction receipts and for acquirers to fulfill retrieval requests.

These updates represent progress to further encourage the industry's migration to EMV chip.

### New options for merchants in the U.S. & Canada

From **14 April 2018**, EMV-enabled merchants in the U.S. and Canada have the option to stop capturing signatures as a method of cardholder verification. Those same merchants will also no longer be required to retain and store transaction receipts.

Eligible merchants that elect to stop capturing a signature<sup>2</sup> are able to do so for any transaction amount. The changes apply to all transactions at EMV-enabled merchant terminals, regardless of interface<sup>3</sup> or whether the card is domestically or internationally issued.

For EMV-enabled merchants that prefer to continue to capture a signature as a method of cardholder verification or use a signature for ensuring the cardholder's acceptance of additional terms and conditions of a sale, this announcement has no effect on cardholder verification methods. At the same time, they will not be required to retain and store those receipts.

**Note:** *Non-EMV-enabled merchants must continue to follow existing acceptance practices regarding cardholder verification and receipt retention.*

### What is "EMV-enabled"?

"EMV enablement" is defined as the implementation of an acceptance device capable of reading, communicating, and processing full-data transactions from a compliant EMV chip card. Specifically, this means that the Terminal Entry Capability in the authorization message must be "5" for all Visa products the merchant accepts.

### Terminal Configuration

EMV terminals should continue to support signature, and the EMV kernel should not be changed—in particular, signature should continue to be supported in the kernel.

The only change for EMV-enabled merchants in the U.S. and Canada that choose not to support signature is a software update to remove the prompt for signature in the payment application. Re-certifications are **not** required for this change.

# 14 April 2018



## For More Information

Please contact your Visa representative.

Merchants and technology partners seeking resources or support for their EMV plans are encouraged to engage with Visa. For more information on Visa's EMV chip technology solutions, visit:

<https://www.visa.com/chip/personal/security/chip-technology/index.jsp>

## What about PIN?

There are no changes to acceptance of PIN; existing requirements continue to apply for all merchants in the U.S. and Canada. These changes apply **only** to obtaining a signature at eligible merchants.

*Note: For Visa Debit in the U.S., merchants can continue to promote their preferred verification method. As in the past, where merchants automatically prompt for a PIN on debit or prepaid transactions, they must minimally ensure that the cardholder can originate a transaction using an alternative method—e.g., no cardholder verification method [no CVM]. Regardless of the verification method, U.S. merchants remain free to route domestic debit and prepaid transactions to any network enabled by the issuer on the card if supported by the merchant. This is true for any cardholder verification method, including PIN and “no CVM.”*

## Disputes

For transactions on or after 14 April 2018, EMV-enabled merchants in the U.S. and Canada will not be required to fulfill retrieval requests. However, EMV-enabled merchants will still be responsible for responding to retrieval requests for transactions prior to 14 April 2018 based on prior existing rules.

**Note:** *Non-EMV-enabled merchants will continue to be responsible for responding to retrieval requests based on today's rules.*

From **13 October 2018**, issuers will be prohibited from submitting retrieval requests for transactions at EMV-enabled terminals in the U.S. and Canada.

## EMV Liability

These changes will have no impact on disputes related to the EMV liability shift, including treatment of fallback transactions.

**Note:** *Merchants that are not enabled for contact EMV will continue to be liable for counterfeit fraud when it occurs on a chip-enabled card, regardless of whether there is a signature, PIN, or “no CVM.”*

<sup>1</sup> Including merchants located in the U.S. Territories of American Samoa, Guam, Commonwealth of the Northern Mariana Islands, Puerto Rico, US Minor Outlying Islands, or US Virgin Islands.

<sup>2</sup> This applies to Visa requirements only. Merchants should use their own discretion about whether they should capture signatures or keep receipts for non-Visa related requirements.

<sup>3</sup> Including, but not limited to, contactless or contact chip, magnetic stripe, fallback, or key-entered transactions.

<sup>4</sup> For example, merchants with limited refund policies, those in the travel industry, or those that accept tips.