

# Guide for retailers after 14th February

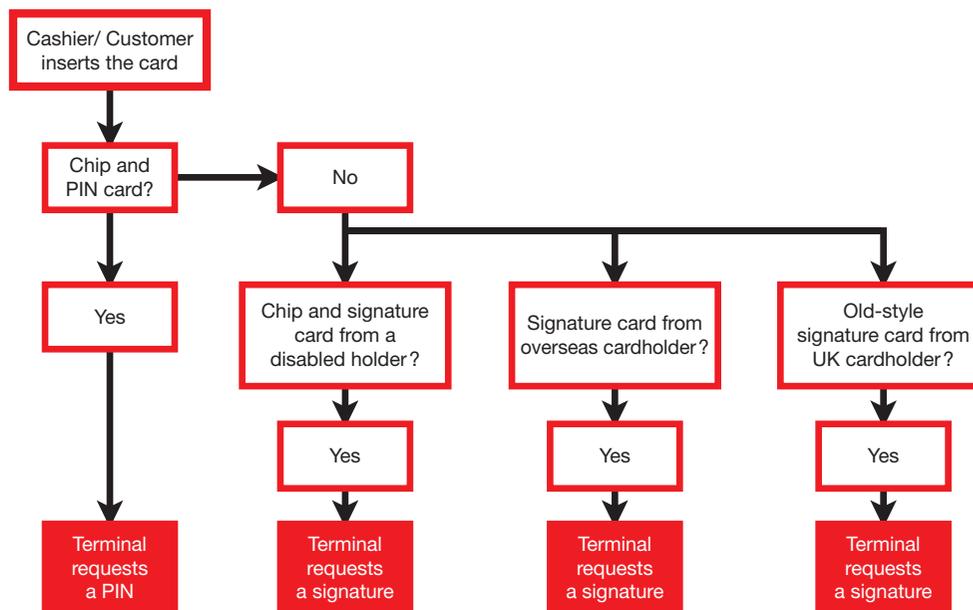
## Always follow the prompts

Retailers should now expect card companies to automatically decline payments if a PIN isn't used with a chip and PIN card. However there are some important exceptions to this rule. This guide contains helpful tips on how to accept cards from every customer who wishes to pay with a debit or credit card. In all cases shop staff should insert the card in the terminal as it will automatically recognise whether a PIN or a signature is required.

### Step by step guide to accepting a card for chip and PIN businesses

Whilst the majority of card payments you process will be with a PIN there are a number of groups that will continue to sign to authorise their payments.

To ensure there is no confusion or chance of giving incorrect information to a customer staff should not question the type of card that is presented by the customer. Instead always insert the card into the terminal. The terminal will read the card and will request either a signature or a PIN. The following diagram shows the process your terminal will follow. **All you need to do is to insert the card.**



### Important tips to remember

- You should expect the card company to decline a transaction on a chip and PIN card when a PIN is not used
- If a transaction is declined by the card company and you decide to override the decision and accept the transaction with the card, you may be liable for any fraud or other chargebacks that result. If you are unsure where the liability lies contact your acquiring bank.
- When accepting a signature in these circumstances you must continue to carry out the additional security checks (check the signature, the name on the back etc). If you don't you may be liable if that transaction turns out to be fraudulent
- Ensure the PIN pad is positioned to enable all customers to enter their PIN easily and securely. Use privacy shields if they are provided. Special attention should be given to disabled customers e.g.wheelchair users
- Should you ever experience a technical problem with your chip and PIN equipment you should contact your bank or supplier straight away

## Questions and answers

### Why have banks removed the option to bypass PIN?

Allowing signature on chip and PIN cards gives fraudsters a window of opportunity between the time they steal a card and the time the owner reports it lost or stolen, during which time they can claim they don't know the PIN and forge the signature. By getting all shoppers to use their PINs we will further reduce this fraud.

### What if my business has not yet upgraded to chip and PIN?

If you don't have chip and PIN you may be charged for fraudulent transactions that could have been protected by chip and PIN. We are already seeing that fraudsters are targeting shops without chip and PIN so you should make sure that the usual security checks are carried out and train your staff. For more help on security at the point of sale, visit [www.cardwatch.org.uk](http://www.cardwatch.org.uk). If you wish to upgrade to chip and PIN, contact your acquiring bank.

### Should I always accept a PIN?

Although the vast majority of transactions will be with PIN, staff should accept a signature from cardholders with old-style cards, some disabled customers who will have requested a special chip and signature card and cardholders from overseas who have an old style card. Shop staff should just insert the card into the terminal and follow the prompts – no matter what card is presented.

### What happens if a customer forgets their PIN and the card company declines the transaction?

The retailer should ask the cardholder to provide an alternative method of payment instead. If a cardholder is in this position a retailer should advise them to contact their card company as soon as possible to get a reminder of their PIN.

### What should a member of staff do if a cardholder locks their card by entering their PIN incorrectly at the till?

The member of staff should advise the customer to unlock it at a cash machine or by contacting their card company.

### Train staff to help customers

- Ensure staff are fully trained and regularly briefed in line with 'Best Practice Guidelines for Staff' (available from [www.chipandpin.co.uk](http://www.chipandpin.co.uk))
- Consider performing weekly checks of store, till and cashiers to identify any training or technical changes that might be necessary.

You can download free material for use in store and to help with staff training from [http://www.chipandpin.co.uk/business/card\\_payments/retail\\_toolkit.html](http://www.chipandpin.co.uk/business/card_payments/retail_toolkit.html)



[www.chipandpin.co.uk](http://www.chipandpin.co.uk)