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The countdown begins!

- Four weeks left to chip and PIN deadline -
- Chip and PIN releases end of year rollout figures -

- 99% of all cardholders have at least one chip and PIN card
- 2.85 billion PIN verified transactions took place in 2005
- Consumers made 125 PIN verified transactions every second in December

The Chip and PIN Programme today (12 January 2006) announced that the countdown has begun to 14 February 2006. After 14 February all chip and PIN cardholders must use their PIN to be sure they can pay with their chip and PIN card.

With only four weeks to go the Programme is reminding all chip and PIN cardholders not yet using their PIN to make sure they are ready for the deadline and to:

- contact their card company today if they don't know their PIN
- change their PIN at a cash machine to a more memorable PIN if they have trouble remembering it
- contact their card company today if they have locked their card because they had entered their PIN wrongly three consecutive times
- contact their card company if they can't use a PIN because of a disability and would like a chip and signature card

The Programme also reminded cardholders and retailers that there are a number of important exceptions who will continue to sign even after 14 February:

- cardholders with any cards which have yet to be upgraded to chip and PIN
- cardholders with cards from countries that have yet to upgrade will always sign
- disabled cardholders who have a chip and signature card

In all these cases the PIN pad will automatically recognise that a signature rather than a PIN is required.



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As the countdown to 14 February begins the Programme released the latest chip and PIN rollout figures. The figures show that by the end of 2005, 99 per cent of cardholders in the UK (41.5 million cardholders) had at least one chip and PIN card in their wallet. In total 127 million chip and PIN cards have been issued since the beginning of the rollout in October 2003 (64 million debit cards and 63 million credit cards).

Over 80 per cent of tills in the UK are now upgraded to chip and PIN and since the beginning of the rollout 770,000 tills in shops, pubs, restaurants and petrol stations have been upgraded to accept chip and PIN cards.

During 2005 more than 2.85 billion PIN verified transactions were made in the UK. During December alone 98 per cent of all chip and PIN debit card transactions and 92 per cent of chip and PIN credit card transactions were made using a PIN. This equated to 125 PIN verified transactions taking place every second during December.

Sandra Quinn, from the Chip and PIN Programme comments: :

“The countdown has begun but the only people who need to be aware of it are the minority of those with chip and PIN cards who are not using their PINs and they really need to get ready if they want to be sure of using their card after 14 February.

“If a cardholder is unsure of their PIN they should contact their card company now who will issue a reminder. If a cardholder is finding it difficult to remember their PIN they can change it to a more memorable number at any cash machine. And if they find that their card has become locked they should contact their card company who will advise them on how to unlock it.”

Paul Smith from the British Retail Consortium added:

“We want to strongly dispel the myth that old style cards should not be accepted after 14 February. Although we believe there have been some isolated incidents where a small number of customers have been turned away because they have old style cards this should not have happened. Both on the run up to, and even after 14 February, cards that have yet to be upgraded, cards from overseas and chip and signature cards for disabled cardholders should always be accepted. If any customer with a signature-only card has an issue they should urge the



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member of staff to insert the card into the terminal and follow the prompts. The machine will automatically request a signature.”

- Ends -

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Notes to editors:

- Banks, building societies, retailers, card schemes and card companies have joined forces to combat credit and debit card fraud through the UK Chip and PIN Programme.
- The Chip and PIN Programme sees smart chips on credit and debit cards, coupled with the use of a secret four-digit PIN (personal identification number) to verify the transaction rather than signing a receipt.
- This simple system is part of a global initiative to cut fraud. Many other countries in Europe and around the world are implementing, or planning to implement, the chip and PIN system, which is built to an international standard.
- All card companies are committed to ensuring that the small number of disabled customers who are not able to use a chip and PIN card are able to use an alternative such as a chip and signature card which will enable them to continue using their cards now and after 14 February 2006.
- The Chip and PIN Programme continues to consult with the Disability Rights Commission and other groups to consider the needs of disabled cardholders.
- The consumer will continue to be protected from card fraud losses by The Banking Code. Nothing changes for the consumer. Just as now, cardholders do need to be responsible in protecting their cards and keep their PIN a secret.
- Other types of card fraud, such as identity fraud and card-not-present fraud, are being tackled by retailers and banks through a number of initiatives. These include verifying the cardholder's address and cross-checking a card security code to combat fraudulent transactions made over the phone and internet; production of training manuals; multi-sector working groups to address practical solutions and research into hand-held card readers that could be used in the future for card-not-present payments.
- UK plastic card fraud facts and figures can be downloaded from www.cardwatch.org.uk



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