



Tuesday 24 January

Retailers urged to remember to follow PIN pad prompts after Valentine's Day

- Important exceptions to chip and PIN after 14 February where a signature should always be accepted -

The Chip and PIN Programme today (24 January) issued an important reminder to all retailers that have upgraded to chip and PIN: whilst a PIN should be accepted from all chip and PIN cardholders after the 14 February 2006 some groups should still sign when using their debit and credit cards. In all cases shop staff should simply follow the prompts on the terminal which will tell them if a signature is acceptable.

The I ♥ PIN campaign launched in October 2005 advised chip and PIN retailers to expect a signature transaction on a chip and PIN card to be declined by card companies after Valentine's Day 2006. However after this date there are some important exceptions to this rule:

Cardholders with old style cards

- There are some cardholders that are awaiting their new chip and PIN card. Until they receive their new cards they will be using their old style cards and should continue to sign

Cardholders from overseas

- The UK is the first country to fully rollout chip and PIN. Therefore there are many cardholders from overseas using old style cards with a signature. These cardholders will continue to sign after 14 February

Disabled cardholders

- There are a small number of disabled cardholders that use a special chip and signature card because they are unable to use a PIN. These cardholders will continue to sign before and after Valentine's Day.



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Chip and PIN advised all retailers to avoid any confusion after the 14 February by **dipping the card into the terminal and following the prompts**. The terminal will read the card and will recognise if a signature or a PIN is needed.

Paul Smith from the British Retail Consortium said:

“Whilst the I ♥ PIN campaign is reminding retailers and cardholders to use a PIN with their chip and PIN cards retailers should remember that not all customers will have chip and PIN cards after 14 February. This includes UK and foreign cardholders whose cards have yet to be upgraded and some disabled customers who have chip and signature cards.

“Over the next few weeks it is important to remind these customers that they can continue to sign.

“After Valentine’s Day if a retailer is unsure whether to ask for a PIN or a signature don’t refuse the card. Instead simply insert the card into the terminal and follow the prompts. The terminal will always tell you whether a signature or a PIN is requested.”

- 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.



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- 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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