National Association of Attorneys General

EMV Migration Update
JUNE 2015
Chip is a powerful mean of ensuring:

**The Card Is Genuine**
- Microchip generates a dynamic one-time use code (a cryptogram)
- Chip contains the same data as magnetic stripe but leverages additional data to create a dynamic one-time use code
- Helps protect against counterfeit fraud

**That the person using it is the true owner**
- Cardholder Verification Method (CVM)
  - Usually based on a PIN or Signature
  - Helps protect against lost and stolen card fraud

“Chip cards and tokenization are among the most promising tools for protecting retailers and consumers from the theft and abuse of payment card data.” Attorney General Kamala Harris, California Data Breach Report, October 2014.
MasterCard U.S. Roadmap

October 2012
PCI audit relief takes effect

October 2015
MasterCard ADC relief takes effect (100%)
MasterCard liability hierarchies take effect (excluding fuel)

April 2013
Acquires and sub-processor mandate to fully process EMV transactions

October 2013
MasterCard Account Data Compromise relief takes effect (50%)

October 2016
MasterCard liability hierarchy takes effect for ATM transactions

October 2017
MasterCard liability hierarchy takes effect for automated fuel dispensers
Progress on U.S. Chip Migration

CURRENT U.S. PROJECTIONS

63% OF U.S. ISSUED CARDS WILL BE CHIP ENABLED BY END OF 2015*

47% OF U.S. TERMINALS WILL BE CHIP ENABLED BY END OF 2015*

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