EMV Reality is About to Set In. We've got you Covered

It's a big change. And it's coming soon. But preparing your payments strategy for EMV doesn't have to be frightening, time-consuming or expensive. Although most processors will offer some form of EMV support to their integrated partners, that support – and the benefits provided to their partners – can vary significantly.

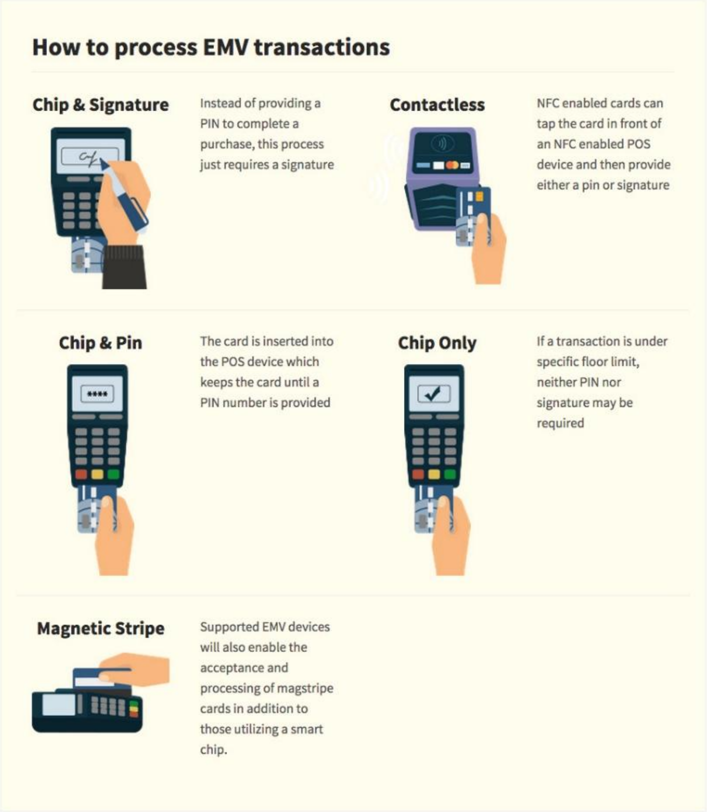
OpenEdge has invested time and resources to ensure we have EMV solutions in place that minimize disruptions to your business. Without this type of EMV integration support, preparing for EMV can be tedious, tie up your development resources, take a lot of time and become very expensive. **There is no better solution available for our integrated payments partners than the solution provided by OpenEdge.** We've done the heavy lifting on your behalf – our solution shields you from a lot of the complex work to prepare for EMV and allows you to quickly offer EMV support to your merchant customers.

A Brief Description of EMV

EMV is a fraud-reducing technology that has been in place in Europe for many years and is now making its way to the US. By means of a microprocessor (sometimes called a "smart chip") embedded in the credit card, EMV greatly reduces the chances of fraud attributed to stolen data or lost cards. The microprocessor interacts with the POS device and ensure the card belongs to the customer presenting it. EMV cards are virtually impossible to duplicate and will significantly decrease, if not eliminate, counterfeit card fraud.

How EMV Technology Differs from Magstripe

Your merchant's EMV-enabled device will communicate with the chip embedded inside the customer's smart card to determine whether or not the card is authentic. Generally, the terminal will prompt the customer to sign or enter a PIN to validate their identity. This process enhances the authentication of both the card and cardholder, effectively reducing the possibility that the business will accept a counterfeit card or be held liable for a fraud-related chargeback. However consumers will still have the option to swipe their cards – magstripes, encryption and EMV technology will co-exist for a period of time. Consumers will have the option of presenting either a magstripe card or EMV card and the same device will be able to process either. The following diagram demonstrates how the chip-enabled card, including a magstripe, can be processed:



How to process EMV transactions

Chip & Signature

Instead of providing a PIN to complete a purchase, this process just requires a signature

Contactless

NFC enabled cards can tap the card in front of an NFC enabled POS device and then provide either a pin or signature

Chip & Pin

The card is inserted into the POS device which keeps the card until a PIN number is provided

Chip Only

If a transaction is under specific floor limit, neither PIN nor signature may be required

Magnetic Stripe

Supported EMV devices will also enable the acceptance and processing of magstripe cards in addition to those utilizing a smart chip.

How Software Developers can Support EMV

As a software provider offering payments functionality to your customers, EMV is a reality you have to prepare for, and there are several ways to do it. Tackling EMV on your own means not one certification, but many. Each card association Brand requires a unique certification per device you want to implement. So, as an example, if you want to support three difference POS hardware devices with EMV on Visa, Mastercard, and Discover, you will have nine distinct certification initiatives to schedule. In the event your testing results require rework you will need to reschedule the certification testing. It is easy to see how this type of project could significantly tie up your development resources and dollars.

We already have the certifications in place with the processor and Brands including support for selected EMV-enabled devices. Therefore preparing for EMV as an OpenEdge partner can be as simple as a software upgrade or customizing your merchant’s receipts and changing a URL. It can be that simple. Keep in mind, there are several variations of integration – contact us for more information about your specific requirements.

What all this Means to Merchants

EMV is not a law, nor is it mandatory for merchants. However, after the flurry of recent high profile data breaches, the industry has agreed to a liability shift to occur in October of 2015. In the simplest terms, if a card data breach occurs, the party in the payments chain which **did not** implement the new chip-based fraud prevention technology could be liable, with little recourse.

After October, 2015, the liability for card-present counterfeit fraud will reside on the merchant, not the card issuer, if the merchant does not have the ability to correctly process an EMV card. An EMV card read by an EMV-enabled, certified terminal provides the dynamic authentication data required to ensure the transaction is secure.

The OpenEdge EMV Solution

Our solution delivers an integrated, certified secure payment processing solution that keeps your application out of scope, minimizes the level of effort needed for implementation and includes ongoing updates to keep the payment processing technology current. The OpenEdge EMV solution supports multiple peripheral device options and complies with issuers, Brands and processors while providing these benefits:

Swift Implementation

Because the development time required for EMV support is reduced, we can prepare you for EMV swiftly and well ahead of the liability shift.

Future-Proof

Any new technology undergoes a period of adaption and experimentation, implementing new features over time. Our EMV solution is sophisticated and function-rich, incorporating trending technologies that will grow in acceptance: Near Field Communication (NFC), Apple Pay, tokenization, point-to-point encryption and more.

Device Flexibility

EMV and magnetic stripe technologies will co-exist for some time. Your merchant’s hardware will accept all transaction types. As consumers grow accustomed to paying on different platforms (smart phones, tablets, new mobile devices), we’ll be ready – and so will you.

Ready. Set. Go.

Upon completing your integration, supported EMV terminals are available for your merchants/customers to purchase. We also offer a rental program to help your customers manage the expense of the new devices.

Part of our EdgeShield Security Suite

Our EdgeShield security bundle is a collection of fraud-reducing components designed to eliminate existing vulnerabilities within the payments chain. When integrated into systems that accept payments, the bundle can protect credit card data while at rest and in transit. EdgeShield includes:

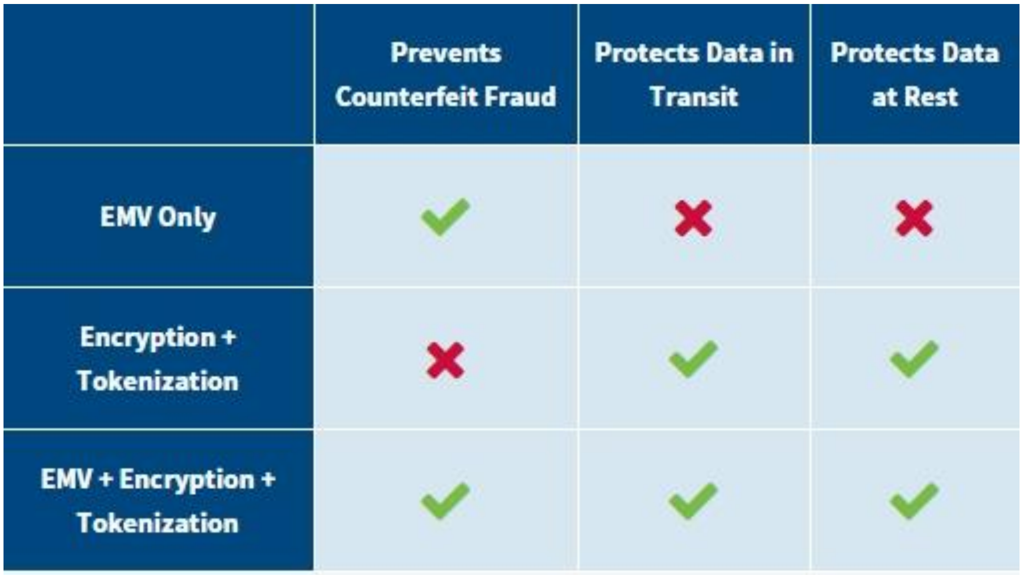
Edge EMV. This fraud-reduction technology seeks to protect card issuers, merchants and consumers from losses due to the use of counterfeit and stolen payment cards at the point-of-sale, insulating developers from complex device driving and card brand certifications.

P2P Encryption. OpenEdge’s proprietary encryption is designed to render cardholder data virtually unreadable, encrypted at the device. Merchants are unable to view card numbers after the swipe or hand-key.

Token Vault. Cardholder data is replaced by digital “tokens” based on this technology. Sensitive data is stored in the more secure OpenEdge vault rather than in the merchant environment.

PCI 3.0. Payment applications are rendered out-of-scope with EdgeShield, eliminating cumbersome PCI validation requirements.

Edge EMV, combined with the other security features of EdgeShield, preserves the integrity of the payments ecosystem like no other solution:



	Prevents Counterfeit Fraud	Protects Data in Transit	Protects Data at Rest
EMV Only	✓	✗	✗
Encryption + Tokenization	✗	✓	✓
EMV + Encryption + Tokenization	✓	✓	✓

The OpenEdge Merchant Hardware Program

Although merchants will require different devices to process EMV transactions, OpenEdge has a hardware rental program that will offer merchants a choice in how they support EMV from the device perspective. Our EMV hardware program currently offers three devices – the Ingenico iPP320, the Magtek DynaPro SC and the Ingenico iSC250, with plans to continue to add new devices.

Pricing for the initial devices are as follows:
Ingenico iPP320 – Purchase for $411.99 or monthly rental of $16.99
Magtek DynaPro SC – Purchase for $593.99 or monthly rental of $24.99
Ingenico iSC250 – Purchase for $752.99 or monthly rental of $30.99

For more information on the OpenEdge EMV Hardware Device Rental Program, please contact your Strategic Partner Manager.

Our EMV Developer Support is Just Beginning

We are confident our EMV solution is the best option out there, but simply providing the technology doesn't answer all the questions you or your merchants may have. Our goal is to not only provide you the technology you need, but also the resources you'll need to position your solution to your merchants. For that reason, OpenEdge has prepared a comprehensive communication plan to assist you in understanding EMV and, just as important, making sure you have the answers your merchants require.

Elements of our communication plan include:

Web Resources

We've developed a Website designed specifically around EMV education for developers and merchants. The Site is available today at openedgepay.com/emv.

Edge EMV Video Series

A series of short videos designed to quickly answer developer and merchant questions related to EMV in an engaging manner at the viewer's convenience

EMV Webinar Series

We're busy putting together a series of webinars that will provide content relevant to all developers and merchants concerned with the specifics of EMV

Much, Much More

Additionally, OpenEdge will be releasing E-Studies, industry advertising, Social Media information, and additional EMV-related resources to help you answer any questions you or your merchants may have.

We're Ready – and We Won't Rest until You and Your Customers Are Too

Offering greater security with an eye on the future, OpenEdge has the technology, the support resources and the commitment to ensuring you and your merchants are ready for EMV long before the liability shift occurs in October. Stay tuned for more information as it becomes available. Until then, feel free to contact us at (800) 338-6614 or contact your Strategic Partner Manager for more information.