

I ♥ PIN

Press release
13 February 2006

SURVIVAL GUIDE FOR THE CHIP AND PIN CHANGEOVER

The five things everyone needs to know

1. **After** 14 February you must **know your PIN on your chip and PIN card** to be sure of being able to pay. If you don't know your PIN get it now and memorise it. In the meantime make sure you have an alternative form of payment with you.
2. There will be **no change on Valentine's Day itself** - so you can carry on as before when buying chocolates, flowers, jewellery and romantic meals out! The changeover starts after midnight....
3. Shops should **still accept signatures for old-style cards** which have not yet been upgraded to chip and PIN (the terminals automatically know what sort of card it is and will ask for a signature). Urge shop staff to put your card in the terminal which will automatically ask for a PIN or a signature.
4. More than 100,000 **disabled card holders have been issued with chip and signature cards** and shops should still accept signature on these (the terminals automatically know what sort of card it is and will ask for a signature)
5. Shops should **still accept signatures on overseas cards** which are not chip and PIN (the terminals automatically know what sort of card it is and will ask for a signature)



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www.chipandpin.co.uk

Cardholders with chip and PIN cards must use PINs after tomorrow
- Chip and PIN issues advice for those missing the deadline -

Chip and PIN (13 February 2006) issued advice to cardholders who will miss the 14 February chip and PIN changeover – after which all cardholders must use their PIN to be sure they can pay with their chip and PIN card. This change is being made to better protect cards from the card thief who has used a stolen or lost card to make a purchase with a forged signature.

For the vast majority of UK cardholders the change will have no impact as they have been happily using PINs with chip and PIN cards for some time. When the announcement about Valentine's Day was made last October only 3% of all chip and PIN debit card transactions were made using a signature and 11% of credit card transactions. These figures have now fallen to around 1.3% for debit cards and 5% for credit cards. For these people, Chip and PIN recommends that they contact their card company today:

- if they don't know their PIN for a debit or credit card. It will take 3-5 days to get a PIN re-advice.
- if they have locked their card because they had entered their PIN wrongly three consecutive times
- if they are unable to use a PIN and would like a chip and signature card

Until such time as you do know your PIN make sure you have another card you do know the PIN for or carry other forms of payment – such as a cheque and cheque card or cash. Once you have received your PIN you can change it to something memorable at a cash machine.

A short guide for cardholders is available to download from www.chipandpin.co.uk

Chip and PIN is also reminding customers 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
- disabled cardholders who have a chip and signature card



Customers will continue to sign in shops and businesses that have yet to upgrade to chip and PIN. In all these cases the terminal will automatically recognise whether a signature or a PIN is required so the card should always be inserted to ensure the correct instructions are followed.

Chip and PIN released the latest chip and PIN rollout figures which show that by the end of January 2006, 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 128 million chip and PIN cards have been issued since the beginning of the rollout in October 2003 (65 million debit cards and 63 million credit cards).

Today 98.7 per cent of all chip and PIN debit card transactions and 95 per cent of chip and PIN credit card transactions are made using a PIN.

This successful rollout of chip and PIN is already having a positive impact on the two types of fraud it was introduced to combat. In the first six months of 2005 there was a reduction of £36 million in counterfeit and lost and stolen fraud on plastic cards compared with the same period in 2004. (Counterfeit losses fell from £66.1m in Jan-Jun 2004 to £45.6m in the same period in 2005 - a decrease of 31%, whilst fraud on lost and stolen cards fell from £60.5m in 2004 to £44.3 million – a 27% decline). This downward trend is expected to be reflected in the year-end 2005 fraud figures when they become available in early March.

Sandra Quinn of Chip and PIN explains:

“Recent consumer research¹ shows that UK cardholders have overwhelmingly embraced chip and PIN. 87 per cent of chip and PIN cardholders find chip and PIN easy to use. Research results among disabled people² show that chip and PIN is also very well accepted. 83 per cent of disabled people say they find chip and PIN the same or easier than signing and 81 per cent say they like using the new way to pay.”

Paul Smith from the British Retail Consortium reminded all retailers that they should not be turning away customers who should still sign after tomorrow.



“There are some important groups who should continue to sign after tomorrow and retailers should ensure that they don’t turn these customers away. Disabled customers with chip and signature cards, cardholders from overseas and UK cardholders waiting for a new chip and PIN card to replace their old style card should continue to sign.

Our advice is simple. Don’t question the card you are given but instead insert the card into the terminal and follow the prompts. The terminal will tell you whether you should ask for a PIN or a signature.”

- ends -

For more information contact the chip and PIN press office:

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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.
- Chip and PIN 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 new system is part of a global initiative to cut fraud. Many other countries in Europe and around the world are planning to implement chip and PIN, which is built to an international standard.
- All banks 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 signing with 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.
- UK plastic card fraud facts and figures can be downloaded from www.cardwatch.org.uk

1. RSGB Omnibus interviewed 2015 adults in the period 31 August to 4 September 2005
2. NOP interviewed 350 disabled cardholders in the period 2 to 14 August 2005. This is the fifth wave of disability research

