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CREDIT CARD DATA BREACHES MAY BE PREVENTABLE?

While the U.S. continues to have one credit card data breach after another, Europe has already embraced and implemented a safer technology!

ANTIQUATED TECHNOLOGY PUTS YOUR IDENTITY IN JEOPARDY

Your current credit and debit cards likely utilize magstripe technology – a soon-to-be obsolete system that stores your personal **account number**, **expiration date**, and **CVV code**, everything needed to create a fraudulent replica of your card or simply make purchases online. Hackers breach data systems, like those of Home Depot and Target, and subsequently sell millions of magstripes to criminals.

EUROPE HAS ALREADY TRANSITIONED, U.S. IS SLOW TO FOLLOW

Europe implemented “chip-enabled” EMV card terminals in 99.9% of existing terminals. EMV (“EuroPay, Mastercard & Visa”) is “chip-and-PIN” technology that “creates a new transaction code every time you buy something.” These random, unique codes make duplication nearly impossible because if the code were to be replicated by a criminal, the transaction would be denied, making the code essentially worthless to cyber criminals looking to counterfeit credit cards. This technology very well may have prevented the recent data breaches because EMV data is not a commodity on the black market due to its complexities in counterfeiting. It is expected that 70% of Americans will be using EMV by October 2015.

HERE'S WHAT TO EXPECT AS THE U.S. SHIFTS TO EMV

1. A metallic computer chip embedded in your new credit card. Initial cards will have **both** chip and magstripe as not all merchants will have transitioned yet.
2. Instead of swiping your card, EMV cards can be inserted into a terminal slot or tapped against a terminal scanner, “**contact**” or “**contactless**”.
3. As of October 1, 2015, if fraud does occur, “the liability will shift to whoever is the **least EMV-compliant party** in a fraudulent transaction.”
4. Regardless of credit or debit card, you will have to either use a **PIN or sign**, depending on the institution that issues the card.

Information and statistics cited from: <http://www.businessinsider.com/how-emv-could-prevent-credit-card-fraud-2014-10> and <http://www.foxbusiness.com/personal/finance/2014/07/10/8-faqs-about-new-emv-credit-cards/>



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