

Connected

The Bendigo Merchant Newsletter | June 2010



Hello

In the December edition of *Connected* we noted the growing number of Australian debit and credit cards featuring chip technology – and told you that the Bendigo will upgrade its merchant terminals this year to accommodate the new security standard.

Since December, the bank has been preparing for the introduction of chip technology on its own debit and credit cards and to upgrade all merchant terminal software towards the middle of 2010.

In this special feature, you'll find an overview of chip technology and an outline of the key things you need to know.

In the coming months, we'll notify you of any specific requirements around your terminal software upgrade via your monthly statements.

Of course, if you have any questions regarding the introduction of chip technology, please feel free to contact the Merchant Operations on 1300 132 741 (during business hours), email merchantoperationsmailbox@bendigobank.com.au or visit www.bendigobank.com.au/business

Nathan Turley – Senior Manager,
Access and Payment Systems Management

Security Chip

Magnetic Stripe



What is chip technology?

Located on the front of customer cards, chips securely store the data required for chip transactions. Storing card data in the chips makes it harder for criminals to fraudulently copy customer cards.

With new chip technology, cardholders can continue to make purchases using either a personal identification number (PIN) or a signature – with PIN-based transactions offering an even higher level of security.

Chip technology is the global standard for debit and credit card security. Accepting chip cards will provide you with increased security when the chip is read.

the three key benefits

1. Chip enabled terminals help to reduce card fraud.
2. Your terminal will have security features that meet global standards.
3. With a host of new security features, chip cards are much more difficult to counterfeit.

Chip transactions made easy

Insert card

Ask the customer to Insert their card into the terminal as far as it will go and leave it there. Follow the prompts on the terminal screen.

1

Follow the terminal instructions

Follow the instructions on your terminal and ask the cardholder to select the type of payment – eg cheque, savings or credit.

2

Transaction processing

Ask the cardholder to select PIN or signature as they do today. Then wait for the transaction to continue.

3

Complete transaction

The terminal will prompt the cardholder to remove their card. Once the transaction is complete, the terminal will advise you whether the transaction has been approved or declined.

4

Some cardholders may not yet have chip cards. So you can continue to accept magnetic stripe cards as normal. Simply follow the standard procedures for magnetic stripe, signature-based or PIN transactions.

Your terminal upgrade coming soon

Bendigo Bank can deliver chip technology to you without replacing your terminal and with little disruption to your business.

An automatic upgrade

In the coming months, Bendigo Bank will remotely upgrade your EFTPOS terminal with the required chip technology software. Your terminal will then be able to process payments from chip cards.

The upgrade will take place automatically, overnight at off-peak times to ensure we limit any disruption to your business. All you'll need to do is leave your terminal switched ON overnight on the specified date range we advise you of – and we'll do the rest.

You'll know the upgrade has been completed successfully when your terminal displays 'insert or swipe card' rather than 'swipe card' when waiting for a transaction.

You'll receive **further information** with your monthly merchant statement closer to the date.

