

## No Signature Rule Changes Announced by All Brands

Mastercard, Discover, American Express, and Visa announced that their rules would be updated to allow merchants the option to choose whether to collect a cardholder’s signature for all card-present point of sale transactions.

Effective with this change, merchants will not be liable for applicable chargebacks as a result of not capturing a signature for card-present transactions. **Eliminating the requirement for signature collection provides merchants the option to discontinue collecting signatures** for applicable transactions or to set thresholds for signature collection at their discretion.

Specific details by brand and region are outlined in the table below.

| <u>Merchant’s Terminal Entry Capability</u><br>EMV Contact Terminal (TEC 05)  | <u>Merchant’s Terminal Entry Capability</u><br>Contactless, Magnetic Stripe (TEC NOT 05)  |
|---|---|
| <b>Note:</b> Visa is not extending no signature required for transactions over the Visa Easy Payment Service transaction amount thresholds for non-EMV contact chip terminals.  |   |
| <p style="text-align: center;"><b><u>Eligible Networks and Regions</u></b></p> <p><b>Visa:</b> Globally for EMV-enabled devices</p> <p><b>Mastercard:</b> U.S., United States Territories, Canada, AP and LAC</p> <p><b>Discover:</b> United States, United States Territories, Canada, Mexico, United States Territories, and the Caribbean</p> <p><b>Amex Opt Blue:</b> Global</p>  | <p style="text-align: center;"><b><u>Eligible Networks and Regions</u></b></p> <p><b>Mastercard:</b> U.S., United States Territories, Canada, AP and LAC</p> <p><b>Discover:</b> United States, Canada, Mexico, United States Territories, and the Caribbean</p> <p><b>Amex Opt Blue:</b> Global</p>  |
| <b>Transaction Amount:</b> All  | <b>Transaction Amount:</b> All  |
| <p><b><u>Card Present POS Entry</u></b></p> <p><b>Visa/Discover/Amex Opt Blue:</b> Swiped, Contact Chip, Contactless, Card present key-entered</p> <p><b>Mastercard:</b> Swiped, Contact Chip, Contactless</p>  | <p><b><u>Card Present POS Entry</u></b></p> <p><b>Mastercard:</b> Swiped, Contact Chip, Contactless</p> <p><b>Discover/Amex Opt Blue:</b> Swiped, Contact Chip, Contactless, Card present key-entered</p>   |
| <p><b><u>Transaction Types</u></b></p> <p><b>Visa:</b> All</p> <p><b>Mastercard:</b> All, excluding cash advance</p> <p><b>Discover/Amex Opt Blue:</b> All</p> <p><b>Note:</b> Unless otherwise noted, “All” includes transaction types such as Fallback, Manual Cash Disbursement, Dynamic Currency Conversion, Quasi Cash, credit/refund (please see section “When signature should be collected” for additional details), PIN Bypass</p> | <p><b><u>Transaction Types</u></b></p> <p><b>Mastercard:</b> All, excluding cash advance</p> <p><b>Discover/Amex Opt Blue:</b> All</p> <p><b>Note:</b> Unless otherwise noted, “All” includes transaction types such as Fallback, Manual Cash Disbursement, Dynamic Currency Conversion, Quasi Cash, credit/refund (please see section “When signature should be collected” for additional details), PIN Bypass</p> |

| <u>Merchant's Terminal Entry Capability</u><br><b>EMV Contact Terminal (TEC 05)</b>  | <u>Merchant's Terminal Entry Capability</u><br><b>Contactless, Magnetic Stripe (TEC NOT 05)</b>  |
|--|--|
| <p><b><u>Chargeback Protection for No Signature</u></b><br/> <b>Visa:</b> Fraud card-present</p> <p><b>Mastercard:</b> Fraud card-present</p> <p><b>Discover/Amex Opt Blue:</b> Merchants will never lose a dispute solely based on not obtaining a signature</p>  | <p><b>Note:</b> Visa is not extending no signature required for transactions over the Visa Easy Payment Service transaction amount thresholds for non-EMV contact chip terminals.</p> <p><b><u>Chargeback Protection for No Signature</u></b><br/> <b>Mastercard:</b> Fraud card-present</p> <p><b>Discover/Amex Opt Blue:</b> Merchants will never lose a dispute solely based on not obtaining a signature</p>                               |
| <p><b><u>Retrieval Request Fulfillment</u></b></p> <p><b>Visa:</b> Merchants are not required to fulfill retrieval requests for copy of the receipt for eligible transactions</p> <p><b>Mastercard/Discover/Amex Opt Blue:</b> Merchants will still need to produce a receipt for retrieval requests</p>   | <p><b><u>Retrieval Request Fulfillment</u></b></p> <p><b>Mastercard/Discover/Amex Opt Blue:</b> Merchants will still need to produce a receipt for retrieval requests</p>  |
| <p><b><u>Providing a receipt to the Cardholder</u></b></p> <p>Merchants are required to provide a customer a copy of the receipt when requested</p>  | <p><b><u>Providing a receipt to the Cardholder</u></b></p> <p>Merchants are required to provide a customer a copy of the receipt when requested</p>  |
| <p><b><u>When signature should be collected:</u></b></p> <ul style="list-style-type: none"> <li>• Merchants operating in environments that use a cardholder's signature for verification of additional terms and conditions of a sale/credit refund may want to continue to obtain the cardholder's signature (e.g., limited refund policies, travel industry, cancellation policy, accept tips)</li> <li>• For compelling evidence</li> </ul> | <p><b><u>When signature should be collected:</u></b></p> <ul style="list-style-type: none"> <li>• Merchants operating in environments that use a cardholder's signature for verification of additional terms and conditions of a sale/credit refund may want to continue to obtain the cardholder's signature (e.g., limited refund policies, travel industry, cancellation policy, accept tips)</li> <li>• For compelling evidence</li> </ul> |

| <b><u>Effective Dates</u></b> |   |
|-------------------------------|---|
| <b>Visa:</b>                  | Effective October 2018 Visa's no signature rule applies to EMV-enabled devices globally.  |
| <b>Mastercard:</b>            | Effective October 2018 for U.S., Canada, LAC and AP regions (including U.S. Territories: American Samoa, Guam, Northern Mariana Islands, Puerto Rico, U.S. Minor Outlying Islands, U.S. Virgin Islands) |
| <b>Discover:</b>              | Effective April 2018 for all regions.   |
| <b>American Express:</b>      | Effective April 2018 for all regions.   |