

EFTPOS Terminal Frequently Asked Questions

Question: What is EMV?

Answer: EMV is Europay MasterCard and Visa global electronic payment standards for processing chip card transactions. EMV outlines the interaction between chip cards (Integrated Circuit Cards) and POS terminals to ensure global acceptance and interoperability.

Question: What is Triple DES?

Answer: Triple DES is a new form of data security technology that uses advanced data encryption. Triple DES provides three levels of encryption security rather than the current system of single encryption.

Question: What is a chip card?

Answer: A chip card is an Integrated Circuit Card, which is the next generation of payment security and functionality. A chip card is a plastic card with a computer chip embedded in it and it looks like any other credit card, except that in the front upper left hand corner of the card, there are gold contact marks. The chip on the card is able to hold large amounts of data securely, perform calculations and make decisions, such as whether to approve a transaction or decline a transaction online or offline.

Question: Will all credit cards be chip cards?

Answer: Yes, chip cards will become more commonplace as card issuers around the world migrate to chip cards and replace the magnetic stripe technology. Card Issuers in the United Kingdom, Asia Pacific region and some Australian banks have already migrated to Chip Cards and we are now seeing these types of cards used here in New Zealand.

Question: What merchants are affected by the security standards?

Answer: Any merchant using EFTPOS to process debit or credit cards will need to remain compliant with all new terminal software specifications including EMV and 3DES. This change directly affects all merchants that are using EFTPOS terminal devices.

Question: What other standards are there?

Answer: New standards include PCIDSS (Payment Card Industry Data Security Standard), and PADSS (Payment Application Data Security Standard). These standards relate to the sending and receiving and storage of Credit Card data, and any application that handles this secure data – like EFTPOS or Point of sale systems. For most merchants that transact via EFTPOS and lease their terminal, their supplier and standard lease cycle should normally ensure compliance. PCI PED (Payment Card Industry PIN Entry Device) is a further set of standards for key entry of a cards PIN Number.

The new standards often also allow for better functionality and technology advancements like being able to connect via broadband or a mobile network, or allow EO V (Electronic Offline Voucher) to be enabled. (EOV allows an EFTPOS terminal to transact for a period of time in an offline mode even when the EFTPOS network is unavailable due to say a Telecom outage.

Question: When do the terminals need to be upgraded by?

Answer: To keep up with technology enhancements upgrades will be a regular occurrence. Please see the table below for the Paymark Network Terminal Sunset dates for merchants to remain compliant with Card Scheme security standards and be able to accept and transact all cards issued globally.

Terminal Type	Last Certified Date	Last Deployed Date	Sunset Date
5.1 minus EMV	Past	Past	1 June 2011
5.1	Past	31 March 2009	1 June 2011
5.2	Past	30 June 2009	1 June 2014
6.0	Open	Open	Open

Question: Why do we need to upgrade?

Answer: To keep up with the latest technology standards (EMV/3DES/PCIDSS/PADSS/PCIPED) for protecting electronically processed transaction information. Older terminal versions do not offer the required global security standards to prevent transaction information from being tampered with.

Question: What is happens if a merchant does not upgrade their terminal?

Answer: A merchant must comply with the terminal sunset dates, as obsolete equipment will cease to be supported by the network. The EFTPOS merchants that do not upgrade their terminal will be at risk of being disconnected from the Paymark Network. If they are disconnected they will not be able to process EFTPOS, Credit, or Charge card transactions and will need to upgrade to the latest terminal and/or terminal software specification to reconnect to the network.

Question: How can I tell if I lease or own my terminal?

Answer: If unsure, one of the best ways to find out if you lease your terminal is to look at your bank account statements, and see if you have a monthly payment debited from your account to a finance agency. The debit on your bank statement should indicate what the debit is for and who it is paid to.

Question: Who pays for upgrades?

Answer: Processing your transactions via EFTPOS provides many benefits to your business. Since the EFTPOS terminal is either leased or owned by your business it is the merchant's responsibility to ensure the terminal is up to date with the latest standards. This is generally only an issue for merchants that own their terminal(s) as leased terminals through an EFTPOS dealer should normally be upgraded as required each lease cycle (typically 36 months) to operate beyond any future known sunset dates. Westpac also includes a Compliance Guarantee for the full term of any Westpac EFTPOSPlus Lease.

Question: Can you offer me a better price?

Answer: With the Westpac terminal package you get more than just a terminal. It offers a complete Westpac Merchant Acquiring package where your monthly merchant services fees, Paymark network charges and terminal charges are single billed on one statement per month. Westpac pricing is set to be competitive in the market and are aware that there are sometimes cheaper deals out there, but these deals do not offer a complete package or include a Compliance Guarantee. In many instances, being a member or joining one of Westpac's exclusive industry association relationships will give access to better merchant and banking deals through Westpac.