TO: Merchant sponsoring financial institutions, merchants, POS acquirer processors, POS acquirer financial institutions  
CONTACTS: EFT operations, fraud, merchant  
SUBJECT: Action recommended: Temporary card-present PINless change  
DATE: June 5, 2020  
REFERENCE CODE: NLHSHNCAA

Starting July 5, 2020, and effective until further notice, SHAZAM will temporarily increase the issuer liability threshold from $50 to $100 for expedited checkout (ECO) card-present PINless transactions. Read the attached communication for more details.
June 5, 2020

Temporary card-present PINless change

Since its inception, SHAZAM’s ECO card-present PINless program has always supported authorization of transactions without any dollar amount restrictions.

- PINless transactions $50 and below — Fraud liability has remained with the issuer.
- PINless transactions greater than $50 — A liability shift may occur allowing the issuer to dispute the portion of the amount over $50 with valid fraud reasons.

Starting July 5, SHAZAM will temporarily increase the liability shift threshold amount from $50 to $100 for these transactions.

SHAZAM continues to be a proponent of PIN transactions, as they’re the most secure and result in significantly lower fraud losses for merchants and card issuers. However, we recognize the need to offer multiple checkout options in this current environment.

**ACTION RECOMMENDED**

- **Issuers and processors** should consider the increased dollar amount when making authorization and fraud decisions.

- **Merchant sponsoring financial institutions** should determine support for eligible merchants. Participating merchants are encouraged to consider the dollar threshold increase.