

**FOR IMMEDIATE RELEASE**

## **BMO Financial Group Ensures U.S. Customers Enabled for Chip and PIN**

*BMO Financial Group Early Mover in EMV Adoption with Introduction of Chip-Enabled U.S. Diners Club Professional Cards and BMO Harris ATMs*

- *BMO has been a leader of the chip and PIN movement in the U.S. – issuing cards to its entire Diners Club Professional portfolio since November 2011, and introducing chip-enabled BMO Harris ATMs starting in 2013, expected to be completed in 2014.*
- *Chip cards improve worldwide acceptance, compliance and data collection, and employee experience for international corporate travel.*

**CHICAGO, July 14, 2014** – The conversion from magnetic stripe to chip-enabled technology for payment cards in the U.S. is inevitable – and BMO Financial Group (NYSE, TSX: BMO) will ensure that its customers are well-positioned to seamlessly manage the transition.

BMO, a leading provider of corporate card, payment, and treasury solutions in North America, was one of the earliest leaders of the U.S.'s chip and PIN movement, having converted its entire U.S. Diners Club Professional card portfolio to chip and PIN technology in November 2011. Additionally, the company has offered chip cards to U.S.-based corporate customers with employees that frequently travel overseas for business. To date, BMO has issued more than 134,000 chip-enabled cards in the U.S. – 70 percent of its corporate card portfolio.

The U.S. is now moving toward a conversion of payments systems to EMV (Europay, MasterCard, and Visa). MasterCard and Visa have set October 2015 as the deadline for shifting, after which merchants and banks that have not converted to the EMV standard will be liable for damages caused by card fraud. For example, a merchant would be liable for fraudulent purchases made at a traditional magnetic stripe only POS system, whereas the bank would be the responsible party if the fraud involves a non-EMV card.

“Issuers and merchants in the U.S. clearly recognize that card fraud has reached an unacceptable level, and that the payments industry is responsible for working out a solution. Now, they’re preparing for the significant infrastructure upgrades that will take place over the next several years,” said Steve Pedersen, Vice President, North American Corporate Card Products, Treasury & Payment Solutions, BMO Financial Group. “For organizations with frequent overseas travelers, there’s an immediate need for chip and PIN capabilities to ensure that employees can make purchases and travel spend data can be accurately collected.”

Card acceptance has long been a major problem for U.S.-based employees who travel overseas with magnetic stripe only cards – especially when purchasing tickets at unattended kiosks in train stations and airports throughout Europe. Travelers without chip and PIN cards are often delayed or prevented from making purchases, undermining compliance with corporate card mandates and hindering an organization’s ability to accurately collect valuable travel spend data.

In addition to providing better security and enhancing the traveler experience, chip and PIN cards benefit corporate travel programs. Maximum card acceptance worldwide enables travelers to put more purchases on their travel cards, reducing time and effort to submit and review expense reports, and giving corporate travel managers the data they need to improve visibility and control into travel and entertainment (T&E) spend.

### **Ahead of the Curve: BMO Harris Rolls Out EMV-Enabled ATMs in the U.S.**

To further ensure that its customers are well-prepared for the EMV conversion in the U.S. BMO Harris Bank is converting its ATMs in the U.S. to be chip-enabled – making it possible for card holders to manage their PINs. Chip-enabled ATMs are a key component of the EMV migration in the U.S., as they allow users to update or recover lost or forgotten PINs.

Currently, more than 80 percent of BMO Harris ATMs in the U.S. are chip-enabled, and the remaining to be converted by the end of 2014.

“Organizations require and demand guaranteed card acceptance and the highest level of security everywhere in the world, regardless of the state of EMV infrastructure in the U.S.,” said Mr. Pedersen. “We have invested heavily in our infrastructure to ensure that our customers receive the best possible experience with daily card usage and PIN management – both at home and abroad.”

### **About BMO Harris Treasury and Payment Solutions**

BMO Harris Treasury & Payment Solutions helps clients manage their cash flow and optimize working capital – wherever they do business. We offer a full range of treasury and payment solutions and our knowledgeable advisors demonstrate extensive industry expertise and in-depth analysis. We support our clients across North America through BMO Capital Markets and through BMO Bank of Montreal in Canada and BMO Harris Bank in the U.S.

### **About BMO Financial Group**

Established in 1817 as Bank of Montreal, BMO Financial Group is a highly diversified financial services organization based in North America. The bank offers a broad range of retail banking, wealth management and investment banking products and services to more than 12 million customers. BMO Financial Group had total assets of CDN \$582 billion and more than 45,500 employees at April 30, 2014.

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