

Chip Card Frequently Asked Questions

What are chip cards?

A chip card - also called a smart card or an EMV card - is a debit or credit card that contains a microprocessor that enhances the security of cards during point-of-sale transactions.

These cards, already in use in much of the world, use a security standard originally developed by Europay, MasterCard and Visa (EMV) as a way to fight card fraud resulting from theft, skimming and counterfeiting. The EMV technology has been adopted by the other major card brands and issuers.

Is a chip card more secure than magnetic stripe cards?

Yes. Chip cards add an additional layer of security to the safeguards that already protect cards. Each time a cardholder uses their chip card it generates a code that is unique to that transaction. This makes it harder to counterfeit a card or to use it fraudulently for in-store purchases.

What information is on the chip?

The chip contains information about a cardholder's account and the card expiration date. It also generates a unique code for every transaction when used with a chip-enabled terminal at the point of sale.

Can a chip card be used anywhere?

Yes. Chip cards can be used virtually anywhere a Visa debit card is accepted in the U.S. and around the world. If a merchant has a chip-enabled card terminal, cardholders will insert their card during the transaction. In the U.S., cardholders will still be able to 'swipe' their card to make a payment if a merchant has a regular terminal. They will need a PIN to be able to make a transaction at an ATM.

How do cardholders use a chip card?

When used at merchants with chip-enabled card terminals it's as easy as:

1. Insert the card, face up and chip end into the chip-enabled terminal.
2. Leave the card in the terminal during the entire transaction.
3. Follow the instructions on the screen and either sign their name or enter their PIN as needed. They need to be sure to remove their card and take their receipt when the transaction is complete.

What if a merchant doesn't have a chip-enabled terminal?

For merchants without chip-enabled terminals, cardholders will 'swipe' their card through the terminal, just as is done today.

Can cardholders still use their current card?

They can use their current card until they get a chip card. At that time, they should activate the new chip card and start using it. They should destroy their old card by cutting it up or shredding it.

Do they need to sign the back of the card?

Yes. They still need to sign the back of their card.

Can a chip card be used to make purchases online or by phone?

Yes. There is no change to that process. Chip cards can be used to make these purchases the same way as is done today.

Can chip cards be used at an ATM?

Yes. For ATM transactions, cardholders will insert their card into the terminal and follow the instructions on the screen. Depending on the type of ATM, they might be prompted to re-insert their card. They will leave the card in the ATM until the transaction is complete and the card is released. Then they will remove their card and any money they might have withdrawn.

What is the difference between chip and signature and chip and PIN?

Cardholders might be asked to provide their signature or enter their PIN to complete a transaction when they use their card. They will need to use their PIN at ATMs and it might be required at some unattended card terminals such as fuel pumps and payment kiosks.

What happens if a chip card is lost or stolen?

- Consumers need to report a lost or stolen card promptly by calling the toll-free number listed on the back of their card. If they can't access that number, they can call 800-554-8969.
- Replaced cards will be issued with new card numbers.
- Remind cardholders that they will need to update any automatic payments with their new numbers.

Is there a replacement charge?

We may charge a \$5.00 card replacement fee based on the reason for the replacement. In most cases we do not charge the fee to replace a stolen card or a card that has been used for unauthorized transactions.

How are they protected?

All cards that we issue come with certain liability protections against unauthorized transactions in the event a card is stolen, lost or fraudulently used in a store or online. It is very important that cardholders promptly report a lost or stolen card or any suspicious transactions. Remind them to check the applicable agreement for their account on liability and reporting requirements for unauthorized transactions.

Will chip cards prevent data breaches?

While chip cards won't prevent the types of large-scale data breaches that have hit some merchants, they do make it extremely difficult to produce counterfeit cards from that stolen data.