

CHIP CARD – FREQUENTLY ASKED QUESTIONS

Q: What are chip cards?

A: Chip cards are like the card you have today, but include an embedded microchip. The chip contains information that is encrypted making it extremely difficult for the card to be copied or counterfeited. Your chip card will also have the usual magnetic stripe on the back so that you can continue using your card while merchants are transitioning to new terminals.

Q: What are the benefits of chip technology?

A: The embedded microchip provides strong transaction security features and other application capabilities not possible with traditional magnetic stripe cards. A chip card is extremely difficult to counterfeit.

Q: Why is my card being upgraded to a chip card?

A: Chip technology is already used in other countries and now coming to the U.S. Your new chip card provides an extra level of security and is easier to use at international locations.

Q: How is this card different from a magnetic stripe card?

A: A chip card looks just like a traditional card with an embedded chip in addition to the standard magnetic stripe on the back of the card. Rather than swiping your card, you will insert your chip card into the terminal to complete the transaction. Your card also has contactless capabilities so you can tap your card at checkout when given the option.

Q: How does chip technology work?

A: Whether your card is inserted into the terminal or tapped on the terminal, the chip communicates with the terminal to determine whether or not the card is authentic. If your card has a PIN, the terminal may prompt you to enter your PIN to validate your identity. Once approved, your transaction will be completed.

Q: Are chip cards new?

A: Although chip cards are relatively new in the U.S., they have been used elsewhere for many years. In some countries, particularly in Europe, merchants may be more familiar with accepting chip cards.

Q: Where can I use my chip card?

A: Use your chip card at the exact same merchants you do now—by inserting the card into terminals that are chip enabled or swiping your card at merchant locations that have not yet switched to chip-enabled terminals. You can also continue to use your card as you did before for online payments, telephone payments, and at ATMs.