Introducing EMV Smart Chip Technology for VyStar Credit Cards

Frequently Asked Questions.

What is EMV Smart chip technology? EMV (Smart Chip) stands for Europay, MasterCard, and Visa and embeds microprocessors right onto the card that provides strong transaction security features and other application capabilities not possible with traditional magnetic strip (or magstripe) cards. The chip provides an extra layer of protection in addition to the magnetic strip and is currently a global standard for payment processing that will soon become the standard in the United States.

Why is VyStar adding a Smart Chip to its credit cards? The chip has become necessary to help reduce the risk of potential card present fraud on credit cards. “Card present fraud” is fraudulent transactions that are performed face-to-face with a merchant (supermarket, convenience or department store, restaurant, hotel, etc.) by swiping the card through a card reader to capture the account data. The chip will also help reduce liability for the institutions that issue the cards. In order to reduce duplicate card fraud, there has been a liability shift that will occur in the next few years. This means that whichever party causes a contact chip transaction to not occur will be financially liable for any resulting card-present counterfeit fraud losses. It is also important to know, merchants in many countries (especially in Europe) only accept chip cards.

When will I see a Smart Chip on my VyStar credit card? VyStar has begun issuing VyStar credit cards with the chip. This will be an ongoing process as new cards are issue. You will not need to ask for a Smart Chip credit card, it will be provided to you as it becomes available. Soon all VyStar cardholders will have a chip embedded on their cards.

What does the Smart Chip look like? The chip is gold in color and appears on the left side of credit cards, right above the card account number. See illustration.

How do cardholders use their Smart Chip credit card? Over the next year, you may begin to notice more merchants using smart chip readers. When a chip enabled card reader is used by a merchant, the cardholder will be instructed on what to do. For example: if the cardholder tries to swipe the magstripe, they will be instructed to use the chip instead.
**How are Smart Chip Cardholders verified when a transaction is performed?** Cardholder verification authenticates the cardholder and, unlike the standard magstripe, chip cards may require the use of a Personal Identification Number (PIN). All VyStar credit cards are issued a PIN. This PIN is used for credit card cash advances performed at ATMs. This PIN may also be used on chip card transactions. Currently, a PIN is required for many transactions performed overseas, but as more U.S. merchants obtain chip enabled card readers VyStar chip cardholders may at times be required to enter their PIN in the U.S. Note: The rules that require cardholders to sign their receipt still apply – this will not change. The need for a PIN on chip transactions depends on the type of reader being used by the merchant.

**Please be sure you know your PIN and keep it in a secure place separate from your card.** VyStar cardholders will need to remember their PIN when they have a Smart Chip credit card just in case the credit card PIN is required for a transaction. If you forget your PIN, or would prefer a different number, you can change it by calling 1-888-886-0083. You will be required to answer security verification questions before changing your PIN.

**Will there be any limitation on the use of my Smart Chip credit card?** For the time being, members will not be able to use their VyStar Smart Chip card at unmanned terminals. This will impact some international travelers. Unmanned terminals typically have low volume, and can be found at train stations, bike rentals, etc. They won’t work for our members, because these terminals (which make up between 1-2% of all terminals worldwide according to Visa) won’t give a truth authorization, meaning, they aren’t able to verify that the card is open and valid, and has available credit on the card. Visa is planning to put a mandate in place that these terminals give a live authorization in late 2016.

**Will my VyStar Visa Check Card also have a Smart Chip?** VyStar is working to introduce a Smart Chip for its debit cards in 2015.