



U.S. Bank

Chip Card (EMV[®]) CAL-Card FAQs

Below are answers to some frequently asked questions about the migration to U.S. Bank chip-enabled CAL-Cards. This guide can help ensure that you are prepared for the transition, and that your card program continues to function smoothly throughout the migration.

In this guide you will find:

[Chip-Card \(EMV\) Technology](#)

[Chip-Card PIN Information](#)

[How Chip Cards Work](#)

[Using Chip Cards vs. Magnetic-Stripe Cards](#)

[How Chip Cards Affect Your Organization's Card Program](#)

[U.S. Bank Support for Organizations and Cardholders](#)

[More Information](#)

Chip-Card (EMV) Technology

What are chip cards? Are they different than EMV cards?

These are two names for the same technology. Chip-enabled cards feature embedded microprocessors that store and protect cardholder data to prevent certain types of fraud. When used with chip-enabled card readers, these new cards are more secure than traditional magnetic-stripe cards.

The global standard for chip-card payments and acceptance is known as EMV (Europay, MasterCard and Visa) technology, but the cards are more commonly described as “chip cards” or “chip-enabled cards.”

Chip cards are highly resistant to counterfeit card fraud when used with chip-enabled point-of-sale systems. U.S. Bank is adopting them because protecting your personal information is a top priority for us.

What are the benefits of chip card technology?

Chip cards can help reduce certain types of fraud. The primary benefit of a chip card is a dramatic reduction in counterfeit fraud (also known as “card-present fraud”) at chip-enabled, point-of-sale systems. Please note that chip cards do not affect the security of online or phone transactions, although chip-card account information may be less attractive to thieves.

For cardholders, the chip card provides:

- Enhanced security for in-person (“card present”) transactions when used with chip-card-compatible terminals.
- A stronger verification method that helps protect account information.
- The broadest card acceptance/interoperability around the world.



Chip-Card (EMV) Technology (Continued)

Why change card technology now?

Nearly every major economic region outside of the U.S. already uses chip cards. In fact, chip technology has been the standard in Europe, Canada and much of Asia for years. It's estimated that 70% of non-U.S. credit-card terminals are already chip-card enabled.

The U.S. has the most card volume, so it requires the most time to convert. Switching out cards and payment-processing systems — such as ATMs, registers, vending machines, self-service kiosks, and ticket terminals — is an expensive process.

Is there a law that mandates chip cards?

No. But in October 2015, the major card networks (Visa, MasterCard, American Express and Discover) will shift liability for counterfeit card-present fraud to the party that does not support chip cards (either the issuer or the merchant).

The liability shift date for pay-at-the-pump gasoline retailers is two years later (October 2017) because the cost to change card readers embedded in the pumps is far greater than for stand-alone point-of-sale devices.

Is my company liable for fraud if I do not use chip cards? Am I liable?

No. As of October 2015, liability for counterfeit fraud lies with either the issuer or merchant who is least compliant with chip card technology.

- If a chip-enabled card is presented to a merchant that has not adopted chip card terminals, the merchant will be liable for any counterfeit card fraud.
- If a counterfeit magnetic stripe card is presented at a chip-certified terminal, the card issuer will be responsible for any counterfeit card fraud.

Chip-Card PIN Information

What is a PIN?

A PIN (personal identification number) is a four-digit number used to verify the identity of the cardholder. Most cardholders are familiar with PINs from their experience with personal debit cards and ATMs. With our new chip-enabled cards, a PIN may be required for a few types of point-of-sale transactions that were previously authenticated with a signature.

Why do I need a PIN?

While most chip-card transactions are still verified by cardholder signatures, in some circumstances, a cardholder may need to enter a PIN at the point of sale, if prompted by the card reader. PIN prompts are uncommon in the U.S. but may occur more frequently abroad.

Will I need to use my PIN for online or phone purchases?

No. You will not need your PIN for these purchases.

How will I get my PIN?

PINs and chip cards are sent separately via the United States Postal Service (USPS). They typically arrive within three days of each other. The chip card usually arrives before the PIN mailer; however, there is the possibility that the PIN may arrive prior to your card.

When will I be prompted to enter a PIN?

In the U.S., it's rare to be prompted to enter a PIN at a merchant card reader — the vast majority of point-of-sale systems require only a signature. You may, however, experience situations where a PIN is required, such as at unattended gas pumps, parking garages, tollbooths and train ticket kiosks; therefore, it's important to retain your PIN, especially when traveling outside the U.S.

Chip-Card PIN Information (Continued)

Will entering a wrong PIN block my card?

If you enter the wrong PIN too many consecutive times, the card will be locked, and a new card will need to be issued. If the consecutive-PIN-attempt limit has not already been reached, entering a valid PIN will reset the PIN-attempt counter.

What happens if I forget my PIN?

If you forget your PIN, call the customer-service number on the back of your card and request that your PIN be mailed to you. Please be aware that we cannot provide a PIN over the phone. You can expect to receive your PIN via USPS 7 to 10 business days after you request it.

If you are traveling internationally, you may request that your PIN be expedited.

Can I still use my chip card if I forget my PIN?

Yes. You may use your card for transactions verified by signature while you are waiting for your PIN to arrive.

When will my PIN change?

Your PIN will only change if your account number changes.

How Chip Cards Work

How does a chip card work?

The embedded chip stores information required to verify, authorize and process transactions — similar to a magnetic stripe. The chip embedded in the card is nearly impossible to duplicate. In addition, chip cards and terminals work together to ensure highly secure transactions through the use of stronger authentication methods at the point of sale.

The combination of stronger authentication methods and unique transaction elements makes chip-card account data less attractive to steal and counterfeit fraud exceedingly difficult.

Are there different types of chip-card technologies?

Yes, but we only issue one type — “contact” chip cards that must make contact with a card reader at the point of sale. The other type — variously known as “contactless,” “payWave,” “PayPass” or “NFC” — is more common with consumer-oriented transactions. Contactless technology will be important in the future development of mobile payments.

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

These refer to methods of verifying a cardholder — either via “preferred” signature or PIN. The issuer of the card determines which method is primary, as well as any secondary methods that may be allowed.

Chip-and-signature cards allow cardholders to verify themselves using their signatures. This is the most common cardholder verification method in the U.S. market today.

Chip-and-PIN cards require cardholders to enter a PIN instead of a signature to verify each purchase at the point of sale.

U.S. Bank has opted to make signature verification primary. Other issuers may make PIN verification primary.

Although your cards are chip-and-signature, they are also assigned PINs for the unlikely event that a PIN is required at the point of sale. This is quite uncommon in the U.S. market.

Does a chip card still have a magnetic stripe on it?

Yes. Your chip card also has a magnetic stripe for use when a card reader or ATM is not chip enabled. You can swipe a chip card at these terminals just as you would use a conventional magnetic-stripe card.

How Chip Cards Work (Continued)

Can a magnet impact the information stored on a chip, as it can with a magnetic-stripe card?

No. A magnet has no impact on the information stored on a chip.

Do international markets offer cards with both magnetic stripes and chips?

Yes. It is common for cards in other markets to have both a magnetic stripe and a chip. The magnetic stripe can be used as backup or when the cardholder is traveling where merchants have not yet converted to chip cards.

How does a chip card impact online or phone purchases?

Chip technology does not affect transactions made over the phone or Internet (“card-not-present” transactions). Online and phone transactions for chip cards and magnetic-stripe cards are processed in the same way.

There are other emerging tools in the marketplace to combat online and phone-card fraud.

Will pay-at-the-pump transactions be different?

Pay-at-the-pump transactions will be authorized as they are today in the U.S. market. For example, a cardholder may be asked to enter a billing ZIP code. When traveling internationally, a cardholder may be prompted by a card reader to enter a PIN.

Using Chip Cards vs. Magnetic-Stripe Cards

Will a chip card look different from a magnetic stripe card?

Yes. A chip card has a visible chip centered on the left side of the card.

Will my account number change when my magnetic stripe card is replaced with a chip card?

No. The cardholder's new chip card will retain the existing card number.

How should I activate my new chip card?

Cardholders will need to call the number on their cards and follow the prompts to activate them. Their existing cards will work until the new cards are activated or until they reach their expiration dates, whichever comes first.

To activate a new card, the cardholder will need the following:

- The 16-digit account number associated with the chip card.
- The five-digit ZIP code, which can be found on Access Online in the cardholder statement.
- The last four digits of the Social Security number or employee ID listed on Access Online in the cardholder statement.

How should I use my new chip card?

Cardholders will experience only minor differences when using their chip cards. Instead of swiping the card at a merchant's terminal, the cardholder inserts (or “dips”) his or her card into the slot underneath the keypad until it clicks, leaving it in the reader until he or she sees a prompt to remove it.

Over time, more merchants will have chip-card readers at the point of sale, so this experience will become more common. Several major national retailers are in the process of converting to chip-enabled card readers.

At merchants without chip-card readers, the cardholder swipes the card in the same way as a magnetic-stripe card.

See the next page for a simple step-by-step graphic that explains how cardholders should use their new chip cards.

Using Chip Cards vs. Magnetic-Stripe Cards (Continued)



- 1 Insert Card**
Instead of swiping, insert the card into the terminal, chip first, face up.



- 2 Leave the Card in the Terminal**
The card must remain in the terminal during the entire transaction.



- 3 Verify Your Transaction**
When prompted, sign your name or enter your PIN to complete the transaction.



- 4 Remove Your Card**
When the purchase is complete, remember to take your card with you.

REMEMBER

The chip card still has a magnetic stripe, just in case you need to use it with a traditional terminal.

How will a card reader prompt me to use my chip card?

If a chip card is swiped at a chip-enabled terminal, the cardholder will be prompted by the terminal to insert (or “dip”) his or her card into the slot underneath the keypad until it clicks, leaving it in the card reader until he or she sees a prompt to remove it. The prompt may be text on the point-of-sale display or a beep.

Will there be an increase in lost cards due to cardholders forgetting to remove their cards from chip-enabled card readers?

We do not believe there will be an increase in lost or stolen cards due to cards being left in chip-card readers.

To help cardholders use their chip cards at chip-card readers, we provide step-by-step instructions on the card mailer, clearly outlining the process for inserting the card into the reader and removing it when the transaction is complete.

Which merchants in the U.S. have chip-enabled terminals?

Each merchant has its own plan to upgrade card readers. We expect to see more merchants in the U.S. adopt this technology over time. Some large national retailers are already updating their systems to accept chip cards.

How Chip Cards Affect Your Organization's Card Program

Our company logo is on my card. Will the chip interfere with it?

If your card is customized with a logo or custom artwork, your U.S. Bank Representative will contact you directly if any changes are required to accommodate the placement of the chip on the card.

Will my organization need to pay for the new chip cards?

No. U.S. Bank is covering all costs associated with standard card replacement.

What information will I receive related to the chip card?

The card mailer includes instructions on how to use the new card.

Will my card program have both non-chip and chip-based cards?

Until replacement is complete, you may have some cardholders with chip cards and some with magnetic-stripe cards.

What if my program already has chip cards?

There will be no change for those cardholders.

How will "cardless" or ghost-account programs be impacted by chip cards?

These programs are not affected because no physical cards are issued.

Will inactive or suspended accounts migrate to chip cards?

Possibly. It will depend on how long the account has been inactive or suspended. Please consult your U.S. Bank Representative for specific account inquiries.

Will my chip card work with Apple Pay?

No. At this time, Apple has excluded commercial-card products from participation in the Apple Pay program.

U.S. Bank Support for Organizations and Cardholders

What is the timetable for replacement of current cards with chip cards?

Current customers will receive communications with more details about the timing for card replacement. If you have questions, please reach out to your Relationship Manager, your Account Coordinator or ServicePoint.

How can I help ensure smooth delivery of chip cards?

Please make sure that card-delivery mailing addresses for your accounts are accurate and up to date.

Why is U.S. Bank issuing chip cards now?

U.S. Bank is issuing chip cards to provide clients with the latest in secure-payment technology and to support the shift in financial liability that will take place in October 2015. This is when card organizations shift responsibility for any fraud resulting from a payment transaction to the party (issuer or merchant) using the least-secure technology.

- If a chip-enabled card is presented to a merchant that has not adopted chip-card terminals, the merchant will be liable for any counterfeit card fraud.
- If a counterfeit magnetic-stripe card is presented at a chip-certified terminal, the card issuer will be responsible for any counterfeit card fraud.

U.S. Bank Support for Organizations and Cardholders (Continued)

What is U.S. Bank doing to support my organization and me during the migration?

U.S. Bank will provide informational resources — such as these FAQs and communication templates — to help educate Program Administrators and cardholders. Your U.S. Bank Representative will work with you and keep you informed throughout the process by providing additional tools and resources.

More Information

Whom can I contact if I have questions?

If you are a **CAL-Card Program Administrator**, please contact the CAL-Card Service Point Team at 877.846.9302. Select option 3 to speak with a representative.

If you are a **CAL-Card Cardholder**, please contact U.S. Bank Customer Service at 800.355.5696 and have your account information ready or contact your agency's authorized Program Administrator.