

CHIP CARD FAQ

A secure new way to protect against card fraud.



In an effort to continue to keep your financial information safe, Synergy Bank will begin issuing debit cards that include an embedded computer chip. These chip cards, also known as “EMV cards” or “smart cards” add a new layer of security to your card transactions.

They provide more security at the point of sale and at ATMs than the traditional magnetic stripe “swipe” cards. The chip technology makes cards harder and more expensive to counterfeit, which combats the most frequent card-related crimes.

We will begin to issue the new cards April 15, 2016. There is no action needed on your part. Cards will be issued before your current card expires. See below for some frequently asked questions.

What is a “chip card?”

- A chip card, also called a smart card or an EMV (which stands for Europay, MasterCard and VISA) card, is a debit or credit card that contains an embedded microprocessor that enhances the security of a point-of-sale transaction.
- Chip cards are designed to work with chip-enabled terminals using EMV technology. Transactions become more secure because the data exchanged is unique to each purchase.

What makes chip cards different?

- Traditional credit and debit cards have used a magnetic stripe on the back of the card. The stripe contains cardholder data that does not change. In the wrong hands, this data can be copied to create credit card fraud.
- Chip cards contain a computer chip that creates a unique transaction code for each purchase and the card is customized for each cardholder. This technology protects against card-present fraud.
- Chip cards will still have a magnetic stripe on the back to use at businesses that have not converted their card-reading payment terminals to chip-enabled terminals right away.

Do I swipe my card or insert?

- If the business has an EMV-compliant terminal, you will insert the card into the terminal, leave it in and follow the instructions on the screen until the transaction is complete. Then, you will remove the card.
- If the business does not have an EMV-compliant terminal, you can “swipe” your card with the magnetic stripe as you have done in the past.

Are chip cards safer than magnetic stripe cards?

- Yes. For transactions where the card and card reader are EMV-compliant, chip cards are more secure than magnetic stripe cards. Chip cards use cryptography to ensure that each transaction is unique.
- If data were somehow stolen from a chip card transaction, it could not be used to make another card or purchase because each transaction is unique.
- Magnetic stripe cards do not use this process and have been targets of criminals who can skim this information and create counterfeit cards for fraudulent use.

How does the chip card payment process work at the point of sale?

- At the time of payment, the card is inserted into the chip-enabled terminal face up, with the chip end of the card being inserted first.
- The card remains in the card reader during the entire transactions, while the cardholder follows the prompts displayed on the terminal screen.
- While in the reader, the card and terminal pass cryptographic data that authenticates the card, verifies the cardholder, and authorizes the transaction.
- The cardholder will remove the card once the payment is complete.

Do all business have chip-enabled card readers?

- No, there is no law requiring businesses to change or convert their payment terminals.
- While many businesses have already made the necessary changes, many others have yet to do so.

Can a chip card be used in a swipe-only payment terminal?

- Yes. Chip cards will continue to have a magnetic stripe on the back, which will allow people to use their cards if a merchant has yet to update its card terminal.

How do chip cards work for online purchases?

- Cardholders will make payments online or by phone, just as they do today.
- While chip cards add another level of security for card-present purchases, they generally do not provide that same protection against fraud for card-not-present purchases made online or by phone.

Can cardholders be tracked with their chip cards?

- No, chip cards contain no tracking information.

Can chip cards be used anywhere?

- Yes, chip cards are the standard in much of the rest of the world, including frequently traveled places such as Europe, Canada, and Mexico.
- In some places around the world, the current magnetic stripe cards like those used in the U.S. are no longer accepted at unattended terminals (at vending machines, for example).

What are Synergy Bank's chip card plans?

- We will be upgrading to chip cards as a cardholder's current card expires. New cards are typically mailed the first week in the month your current card expires.

Can I request a chip card before my current card expires?

- Yes, you can request a chip card before your current card expires at no charge by calling us at 985-851-2217 or going to any of our offices once we have started to issue the new chip cards.

Will my card numbers change when chip cards are issued?

- No, the card numbers will remain the same.

Can I choose my own PIN?

- Yes, your PIN will remain the same as before. If you would like to change it, you can bring your new card to any Synergy Bank location or Synergy Bank ATM to change your PIN.

What happens if a chip card is lost or stolen?

- You should notify the bank immediately.

Is there a replacement charge?

- Yes, the replacement fee is the same as before - \$12 per card.

Who do I contact if I have questions?

- Please call us at 985-851-2217 with any questions.

We appreciate your understanding through this transition.

With this new technology, we can continue to fight against card fraud.

Please contact us with any questions at 985-851-2217 or through the "Contact Us" portion of our website www.banksynergy.com.

