

Managing Your Money

What You Should Know About Your Chip Card

by Stephanie Ericksen

(NAPS)—Hundreds of millions of chip cards have been distributed to help strengthen the security of the U.S. payments system. Instead of swiping these cards, you'll be asked to insert your card in the terminal and keep it there until prompted to remove. Whether you're using one for the first time or are getting used to the subtle differences between chip and magnetic stripe, here are a few things to keep in mind.

• **Chip cards are a weapon against fraud.** Each time you insert your chip card into a chip-enabled terminal, the tiny computer embedded generates a unique single-use code. Because that code is different in every transaction, the data flowing through retailers' systems is much less appealing to hackers. Even if they steal the data, it's nearly impossible for them to use it to create a fake or counterfeit copy of your card. By January 2016, counterfeit fraud dollars at U.S. chip-enabled merchants had fallen by 26 percent from the year before.

• **Don't worry if you don't have a chip card yet.** Whether you're paying with a Visa chip or magnetic stripe card, you're still protected by Visa's Zero Liability policy, which guarantees that you won't be held responsible for unauthorized charges made with your account.

• **Verification isn't always needed.** Small purchases for everyday items, which account for more than 70 percent of transactions, can be processed without a signature or a PIN.

• **You can choose signature or PIN.** Some merchants require cardholders to enter a PIN for purchases with a debit card. If you ever have a problem signing for your debit purchases with a Visa card, let the company know. Both PIN and signature are supported by chip cards. Signature-based cards are more common in the U.S. and you can use your chip card with a signature, even in countries where PINs are common.



Chip cards and chip-enabled merchants put America on the way to the next level of payment security for consumers, businesses and financial institutions.

• **Chip transactions are getting faster.** Payment networks are working on ways to make chip transactions faster. For example, Visa's Quick Chip for EMV speeds up checkout by streamlining card processing. Once a merchant's chip terminal is updated, customers can dip and remove their EMV chip card from the terminal, typically in two seconds or less, without waiting for the transaction to be finalized.

• **The transition to chip is accelerating.** Each week, about 23,000 new merchant locations turn on chip terminals. The U.S. already has more Visa chip cards than any other country.

• **There's more progress behind the scenes.** Chip cards are part of a much broader effort to deliver ironclad security with each transaction. Advanced fraud detection analytics are also applied to each and every Visa transaction, evaluating up to 500 data points in less than a millisecond to identify and disrupt suspicious activity. New services, such as mobile location confirmation and consumer transaction controls, enlist cardholders' mobile devices in the fight against fraud. Cardholder verification is also getting smarter, with the introduction of biometric authentication. Meanwhile, technology is making mobile, in-app and online purchases more secure.

Learn More

For further facts and figures on chip cards, visit www.visa.com.

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