



Chip cards are coming

- We have made the decision to issue chip cards to all of our cardholders and it's essential that we communicate why we are reissuing these cards and when it will happen.
- It is important that we teach cardholders how the cards are used and how they add more protection when making in-person purchases.
- We want to help them be more confident about using their chip card and understanding that the change is for their security.

Chip cards are more secure

- An embedded computer chip in each chip card adds a new layer of security to point-of-sale and ATM transactions when used in chip-enabled card readers.
- These cards help protect cardholders and merchants from fraud because the chip gives every transaction a unique code that can't be used again.
- That protects against card counterfeiting and makes stolen transaction data virtually useless to crooks that try to use the data to make fake cards or purchases.
- Chip cards already are in use around much of the rest of the world and have been shown to reduce point-of-sale fraud.

When will we begin reissuing the cards?

- We will begin reissuing chip cards in March or April, and will be doing a natural rollout based on each current cardholder's card expiration date. The cards will be mailed out according to the expiration date month, not year. For example, if your card is due to expire in April of 2018, you will get your new card this year, April of 2017. The new cards will arrive in the mail.
- This process is expected to take approximately one year to complete.
- Consumers opening new accounts will receive a chip card at the time of reissuance.

How are chip cards used at merchants?

- Chip cards are easy to use, but there are some differences compared to using a magnetic stripe card.
- Begin the payment process by swiping the card through the terminal, if the terminal is chip-enabled, the cardholder will be asked to insert the card.
 1. Cardholders will insert their card, face up and chip end into the chip-enabled terminal.
 2. They will leave the card in the terminal during the entire transaction.
 3. They'll need to follow the instructions on the screen and either sign their name or enter their PIN as needed. Be sure to remind them to remove their card and take their receipt when the transaction is complete.
- If the merchant's terminal is not chip-enabled, the transaction will process as it normally does from the initial 'swipe'. Chip cards will still have a magnetic stripe on the back so cardholders can swipe their new card through terminals that are not chip-enabled yet.
- There are no changes to the way payments are made on the Internet or by phone.

How are chip cards used at ATMs?

- The process is essentially the same as at a merchant.
- Cardholders will insert their card into the ATM terminal and follow the instructions on the screen.
- Depending on the type of ATM, they might be prompted to re-insert their card.
- They will leave the card in the ATM until the transaction is complete and the card is released, then they will remove their card.
- A PIN is needed for ATM transactions.



What are chip cards?

A chip card - also called a smart card or an EMV card - is a debit or credit card that contains a microprocessor that enhances the security of cards during point-of-sale transactions.

These cards, already in use in much of the world, use a security standard originally developed by Europay, MasterCard and Visa (EMV) as a way to fight card fraud resulting from theft, skimming and counterfeiting. The EMV technology has been adopted by the other major card brands and issuers.

Is a chip card more secure than magnetic stripe cards?

Yes. Chip cards add an additional layer of security to the safeguards that already protect cards. Each time a cardholder uses their chip card it generates a code that is unique to that transaction. This makes it harder to counterfeit a card or to use it fraudulently for in-store purchases.

What information is on the chip?

The chip contains information about a cardholder's account and the card expiration date. It also generates a unique code for every transaction when used with a chip-enabled terminal at the point of sale.

Can a chip card be used anywhere?

Yes. Chip cards can be used virtually anywhere this brand of card is accepted in the U.S. and around the world. If a merchant has a chip-enabled card terminal, cardholders will insert their card during the transaction. In the U.S., cardholders will still be able to 'swipe' their card to make a payment if a merchant has a regular terminal. They will need a PIN to be able to make a transaction at an ATM.

How do cardholders use a chip card?

Start the payment process by swiping your card. If the merchant's terminal is chip-enabled, you will be prompted to insert your card.

1. Insert the card, face up and chip end into the chip-enabled terminal.
2. Leave the card in the terminal during the entire transaction.
3. Follow the instructions on the screen and either sign their name or enter their PIN as needed. They need to be sure to remove their card and take their receipt when the transaction is complete.

If the terminal is not chip-enabled, the transaction will process as it normally does from the initial swipe.

What if a merchant doesn't have a chip-enabled terminal?

For merchants without chip-enabled terminals, cardholders will 'swipe' their card through the terminal, just as is done today.

Can cardholders still use their current card?

They can use their current card until they get a chip card. At that time, they should activate the new chip card and start using it. They should destroy their old card by cutting it up or shredding it.

Do they need to sign the back of the card?

Yes. They still need to sign the back of their card.

Can a chip card be used to make purchases online or by phone?

Yes. There is no change to that process. Chip cards can be used to make these purchases the same way as is done today.

Can chip cards be used at an ATM?

Yes. For ATM transactions, cardholders will insert their card into the terminal and follow the instructions on the screen. Depending on the type of ATM, they might be prompted to re-insert their card. They will leave the card in the ATM until the transaction is complete and the card is released. Then they will remove their card and any money they might have withdrawn.

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

Cardholders might be asked to provide their signature or enter their PIN to complete a transaction when they use their card. They will need to use their PIN at ATMs and it might be required at some unattended card terminals such as fuel pumps and payment kiosks.

What happens if a chip card is lost or stolen?

- Consumers need to report a lost or stolen card promptly by calling the toll-free number listed on the back of their card.
- Replaced cards will be issued with new account numbers.
- Remind cardholders that they will need to update any automatic payments with their new numbers.

Is there a replacement charge?

Currently, there is not a replacement charge for a debit card.

How are they protected?

Liability for Unauthorized VISA Point of Sale Debit Card Transactions: Tell DWB, AT ONCE, if you believe your VISA point of sale debit card has been lost or stolen or of any unauthorized transactions. Your liability for unauthorized VISA point of sale debit card transactions that take place on the VISA system is Zero dollars (\$0.00). We may require you to provide a written statement regarding claims of unauthorized VISA point of sale debit card transactions.

These provisions limiting your liability do not apply to VISA commercial credit cards, ATM transactions, or PIN transactions not processed by VISA; and apply only to cards issued in the United States. With respect to unauthorized transactions, these limits may be exceeded to the extent allowed under applicable law only if we determine that you were grossly negligent or fraudulent in the handling of your account or point of sale debit card. To notify us of lost or stolen cards, or of unauthorized transactions, call or write us at: 701-523-5803 or Dakota Western Bank, PO Box D, Bowman, ND 58623. This will help prevent unauthorized access to your account and minimize any inconvenience.

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Will chip cards prevent data breaches?

While chip cards won't prevent the types of large-scale data breaches that have hit some merchants, they do make it extremely difficult to produce counterfeit cards from that stolen data.

Can cardholders be tracked with their EMV cards?

No. Chip cards contain no tracking information.

How will we notify cardholders that their chip card has been mailed?

DWB will be sending out a mass letter to our debit card holders to inform them about the upcoming transition.