

# Introducing Citi<sup>®</sup> Chip and PIN Commercial Cards for Program Administrators and Agency/Organization Program Coordinators

## Frequently Asked Questions

Chip and PIN is the next generation of payment card technology. It is being introduced as another tool to help your cardholders combat potential fraud.

Citi launched the Chip and PIN card, designed for U.S. cardholders traveling abroad, in 2011 and is working towards a 100% migration to Chip and PIN cards for all U.S.-based cardholders by Q4:15. For increased versatility and convenience, the Citi<sup>®</sup> Chip and PIN card continues to support magnetic stripe technology, enabling cardholders to use their cards even in regions where Chip and PIN technology is less prevalent.

Below are some frequently asked questions and answers to help you and your cardholders understand the transition from magnetic stripe cards to Chip and PIN cards.

**What are the benefits of Chip and PIN Technology?**

There are many benefits to Chip and PIN technology including:

- Enhanced security – The cards are yet another tool to combat potential fraud. By working together with chip-enabled terminals, they ensure a more secure transaction by validating both the card and cardholder. Additionally, Citi's Chip and PIN cards do not use Radio Frequency functionality and are strictly contact-only cards. Therefore, they are not susceptible to the skimming issue encountered by Radio Frequency Identification (RFID) cards.
- Improved convenience – The cards can be more readily used in regions where Chip and PIN technology is dominant. It is expected that in the coming year US merchants will be adopting Chip and PIN technology more widely.

**What is the difference between a traditional magnetic stripe and a Chip and PIN card?**

Chip and PIN cards contain an encrypted microprocessor that is embedded within the card. If the card is lost or stolen, the embedded microchip makes the card extremely difficult to counterfeit. All Citi Chip and PIN cards will continue to have a magnetic stripe, enabling cardholders to use their Citi Chip and PIN cards at merchants who have not yet adopted Chip and PIN technology. No personal information about the cardholder account (outside of account number, expiration date, PIN and Security Code) or cardholder is stored on the microchip.

**Will Citi replace all magnetic stripe cards with Chip and PIN cards?**

Yes and the migration will occur over time and the target date for completion is Q4:15.

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<b>Why is Citi Commercial Cards moving to 100% Chip and PIN?</b>	Chip and PIN is the next generation of payment card technology and merchants in the United States are expected to begin rapidly adopting Chip and PIN technology during the course of 2014 and into 2015.
<b>Will these Chip and PIN cards look the same as my current card?</b>	Yes, except that it will contain the chip.
<b>How will this impact my cardholders?</b>	When cardholders receive their new card, they will need to establish a 4-digit PIN during the card activation process using Citi's automated voice response system. The first chip transaction must be at a chip-enabled Point of Sale (POS) terminal attended by a person (not self service). They will insert the card, chip first, into the terminal and not remove it until the transaction is complete. They will confirm the purchase amount and sign the terminal receipt. Subsequent transactions will prompt for a PIN.
<b>Do I need to make internal system changes to support Chip and PIN cards?</b>	No, changes to client systems are not required to support Chip and PIN cards.
<b>Will client reports be impacted?</b>	No, client reports will not be impacted.
<b>Will billing statements be impacted?</b>	No, billing statements will not be impacted.
<b>What happens if a retailer does not support Chip and PIN technology?</b>	A Citi Chip and PIN card can be used at a retailer even if the retailer does not have a chip-enabled terminal. Citi Chip and PIN cards will continue to have a magnetic stripe on the back of the card which will allow transactions at all terminals. The cardholder simply signs for the purchase as they have in the past.
<b>Will cardholders retain the same account number?</b>	Yes, cardholders will retain the same account number with Chip and PIN cards.
<b>Will cardholders retain the same expiration date?</b>	No, the expiration date and the 3-digit security code on the back of the card will change with the new Chip and PIN card. Cardholders should notify and request all retailers who process recurring, preauthorized payments on their behalf, to update their records with the new security code.
<b>Will the current magnetic stripe cards work until the Chip and PIN cards are received?</b>	Yes, cardholders can continue to use their magnetic stripe cards until the Chip and PIN cards are received and up until the point when you activate your new card.

<b>What actions should cardholders take after receiving their Chip and PIN cards?</b>	<p>After receiving their Chip and PIN cards, cardholders should:</p> <ol style="list-style-type: none"><li>1. Sign the back of the new card.</li><li>2. Activate the card by calling the toll-free number on the activation sticker on the face of the plastic. Don't call the number on the back of card.</li><li>3. Select a PIN by following the prompts in the Voice Response Unit (VRU).</li><li>4. Destroy the old card by cutting it in half.</li></ol>
<b>Will the existing magnetic stripe PIN transfer to the Chip and PIN card if the cardholder has cash access on the account?</b>	<p>No, cardholders will need to call Citi using the toll-free number on the activation sticker on the face of the plastic and select a PIN during the activation process. The same PIN is used for point-of-sale purchases and cash access at an ATM.</p>
<b>How is the Chip and PIN card used at an ATM?</b>	<p>If the ATM is chip-enabled, the cardholder will be instructed to insert the card into the terminal and use the same PIN number they selected for transactions to access cash, provided that cash is available on their card.</p>
<b>Will the PIN Expire?</b>	<p>No, the PIN selected does not expire. However, if the cardholder is issued a new account number, he will be required to select a new PIN.</p>
<b>After the PIN is selected, can the card be used immediately?</b>	<p>Yes, the Chip and PIN card can be used immediately after the cardholder activates the card and selects their PIN.</p>
<b>What should the cardholder do the first time they use their Chip and PIN card at a chip-enabled terminal?</b>	<ul style="list-style-type: none"><li>• Go to a Point-of-Sale (POS) terminal that is attended by a person (not self-service).</li><li>• Insert the card, chip first, into the terminal and do not remove it until the transaction is complete.</li><li>• Confirm the purchase amount and sign the terminal receipt.</li><li>• Until cardholders complete their first chip transaction at an attended terminal, the newly selected PIN will not be recognized at chip-enabled self-service terminals.</li></ul>
<b>How should cardholders use their cards for subsequent transactions at chip-enabled terminals?</b>	<p>Subsequent transactions at chip-enabled terminals will prompt for a PIN. Cardholders should enter their PIN on the keypad, making sure nobody else can see what they are entering, just as they would at an ATM.</p>
<b>Will cardholders be required to give their PIN over the phone or on the Internet?</b>	<p>No, cardholders should never disclose their PIN to anyone. Purchases made over the phone and on the Internet do not require a PIN.</p>
<b>What if a cardholder enters his PIN incorrectly three or more times in a row?</b>	<p>If a cardholder enters an invalid PIN three or more times, his PIN will be blocked and he will need to select a new PIN by calling the toll-free or collect phone number listed on the back of his card.</p>

**What if a cardholder forgets or wants to change his PIN, but has not yet blocked his PIN?**

After resetting the PIN, the cardholder should:

- Go to a chip-enabled terminal that is attended by a person (not self-service).
- Confirm the purchase amount and sign the terminal receipt.
- During this transaction, the PIN will be unblocked.
- Until cardholders complete a transaction at an attended terminal, their new PIN will not be recognized at a chip-enabled, self-service terminal.

Cardholders can select a new PIN anytime by calling the toll-free or collect phone number listed on the back of their card.

Please be aware that during the cardholders' next transaction at a chip-enabled terminal, they may be required to enter the new PIN three or more times before the terminal will recognize it and complete the transaction.

**Will the PIN carry over to a re-issued card?**

Yes, when the card is reissued, the PIN will carry over.