



Now Ready to Roll Out... Chip Cards!

We are beginning our rollout of microchip embedded debit cards (known as “chip cards” or “EMV cards”) in July 2017.

What can I expect?

Starting in July 2017, SHAZAM chip cards will begin replacing our existing debit cards. Replacement will during the regular renewal process, but we plan to accelerate that schedule so that many customers will receive replacements earlier than their current cards’ expiration dates. Customers will receive them automatically in the mail as usual.

Each person must have his or her own unique card number. Therefore, customers having joint cards (2 cards, same number) will be issued a second card having a new number.

Renewal terms will be 3 years instead of 2.

With the improved security of chip cards, daily maximum usage will increase to \$1000 and 3-day limits will increase to \$2500.

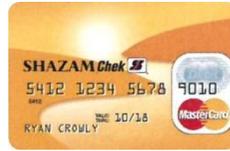
The transition to new chip-based debit cards is free of charge. Card renewals will remain free of charge indefinitely. The fee for replacement of damaged, lost, or stolen cards shall increase from \$10 to \$20.

Feel free to call the bank with questions at 712-485-2245. Ask for Connie or Mike.

Why the change?

Criminals were becoming successful at creating counterfeit magnetic stripe cards using stolen card data. Chip-imbedded cards, however, are extremely difficult to counterfeit (no criminal to date has done so). Sales terminals using chip-based technology virtually eliminate fraudulent charges by counterfeit cards.

Current Debit Card Design



Magnetic stripe card

New Card Design



Chip embedded card

The “Chip”

Swipe no more? Well, almost.

For the time being, chip cards will contain both an embedded chip and the old magnetic stripe. Retailers may choose to remain with the older magnetic stripe “swiping” terminals or upgrade to newer chip reader terminals. To enable your card to work at either type of terminal, we are furnishing cards having both chips and magnetic stripes.

As you use your card, you will find that sometimes you must insert or “dip” it into a card reader and sometimes you will have to swipe it in the magnetic stripe reader. As time goes on, more and more retailers will switch from magnetic stripe to chip reader terminals.

So how does it work?

When you dip your chip card into a sales terminal, it reads card data from the embedded microchip, including a unique one-time transaction code. This encrypted code is required to validate the card and authorize the transaction.

No more fraud, right?

Not exactly. The move to a chip card will not stop all fraudulent purchases, but it will substantially reduce fraud by counterfeit cards.

Sadly, fraudulent purchases made online or via the phone using stolen card data will remain a threat for the foreseeable future.