

Dear Member:

Chadwick FCU has been faced with unprecedented credit card fraud in 2016 in the months leading up to our conversion to the new EMV Chip cards. You will be receiving your new card in the mail during the month of your existing card expiration. Unfortunately, fraudsters are taking advantage of previously stolen card numbers and are making and using fake cards at previously unheard of rates to try and utilize these numbers before the new chip cards are issued. The new chip cards will greatly deter their ability to create and use fake credit cards.

In an effort to help limit credit card fraud, losses to the credit union and inconvenience to you our member, we have taken some temporary steps that we expect to remove by year end 2016.

Your credit card will work as normal as for your limits, however; you are limited to THREE (3) transactions per day.

The reason we have chosen to take this step is that most fraud follows a very specific pattern, the fake card is used for a small amount first to make sure the card is still active. The second transaction is typically done for a larger amount and then the subsequent transactions happen in rapid succession and for much larger amounts until they hit the limit. Most of the fraud we are experiencing are charges at Target, Walmart and other major large box stores. Typically the criminals are buying \$500 gift cards until they reach the stole cards credit limit.

Please note that if you utilize your credit card more than three times a day on a regular basis you should let us know so that we can place you in a VIP status, this will eliminate any barrier to usage of your card.

We value you as a member and your security and that of your credit card is important to us.

Please feel free to contact the credit union to make changes if you feel you will be using your card on a regular basis more than three times a day. We greatly appreciate your patience and cooperation while we make the conversion to our new EMV chip cards.

Please do not hesitate to call Michelle Hernandez at 401-415-1098 anytime for assistance.

Thank you.