

Tips for Using Your Debit Cards Responsibly

- Choose a PIN that a smart thief couldn't figure out. Avoid obvious choices, such as your address, phone number, or birth date.
- Keep your PIN private. Memorize it and don't write it down. And never tell it to anyone.
- Know your current account balance. Don't forget about checks that have not yet cleared your account.
- Always take sales receipts and carbons. They may contain valuable information a thief could use to make mail, phone, or Internet purchases on your account.
- Record your transactions in your check register as soon as possible. Remember to include any debit card fees that may apply. Then store your receipts safely in one place in case you need them later.
- If your card is lost or stolen contact your card Issuer immediately. This will limit your liability in case of fraudulent use of your card.

For more information, visit
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What You Should Know About Using Debit Cards



Debit cards work like checks—only better

A debit card combines the directness of a check with the convenience of a credit card. With a debit card, you can shop at many merchant locations without having to carry cash or remember your checkbook. Just present your debit card anywhere you see the card's logo, and have the purchase amount deducted directly from your checking account. This pamphlet explains more about debit cards and how to use them.

Practical Money Skills Pamphlet Series:

Overview

Avoiding Credit Trouble

Budget Basics

Card Security

Credit Card Basics

Credit History

Debit Card Basics

*When you understand how to manage your finances, you've got an invaluable tool in taking control of your life. Wise use of these skills can provide peace of mind, financial freedom, increased buying power and a secure future. This pamphlet is one of a series on **Practical Money Skills for Life.***

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Debit Cards—More Convenient than Cash or Checks

What Are Debit Cards?

Debit cards let you make purchases at many merchant locations—such as supermarkets, retail stores, restaurants, gas stations, and Internet sites—and get cash from ATMs. Each transaction amount is immediately deducted from your checking account.

You can use your debit card at any merchant location or ATM that displays your card's brand name or logo. As with checks, you receive a record of each transaction on your monthly account statement.

Debit Cards Look Like Credit Cards, but Work Differently

Debit cards are “pay now” products that quickly debit, or subtract, money from your checking or savings account, as if you were taking out cash. So, for your debit card to work, you must already have the money in your account to cover the transaction. Credit cards are “pay later” products that draw from a credit line, money made available by your card issuer, and give you a grace period to pay. If you do not pay in full by the end of this period, you are charged interest.

Using Your Debit Card at Merchant Locations

You can use your debit card in two ways. The first way is to swipe your card through the merchant terminal and enter your Personal Identification Number (PIN), just as you do at an ATM. The second way is to sign the sales receipt instead of entering a PIN. Both ways deduct from your checking account, but using a PIN in some cases can result in a transaction fee from your financial institution. The choice is yours: if you want to use your signature, choose “Credit” instead of “Debit” on the terminal. This does not mean you will be billed later, but does afford you the same protections as your credit card, including Zero Liability.* These protections may not be available using your PIN. If you'd like to use your PIN instead of a signature, select “Debit.”

Benefits of Debit Cards

- **Payment convenience and safety.** You don't have to carry a bulky checkbook or large amounts of cash when you go out shopping.
- **Wide merchant acceptance.** Debit cards are more accepted than checks, even when you travel, and let you make Internet purchases.
- **Fast, easy payment process.** There are no checks to write, and no need to present an I.D. or other personal information at the sales counter.
- **Easier qualification.** Because debit cards use your own money at the time of sale, they are often easier than credit cards to obtain.

Before You Use Your Card, Be Aware of These Facts

- **Debit cards look like credit cards.** Know what type of cards your financial institution has given you. Your ATM card may also be a debit card. So you may already have a debit card without realizing it.
- **There is no grace period for a debit card purchase.** Since it's directly deducted from your checking account, make sure you have the money available to cover the full transaction amount at the time of sale.
- **Some debit cards have monthly or per-transaction fees.** Carefully review your cardholder agreement. Your Issuer is legally required to disclose any fees you will be charged for card use.

To learn more about how to use Debit Cards, and how they fit into your overall personal finance picture, visit
www.practicalmoneyskills.com

It Pays to Act Quickly if Your Card Is Lost or Stolen

By reporting card loss or theft immediately to your card issuer, you will reduce your liability.

When you use your Visa® card to shop online, in a store, or anywhere... you're protected from unauthorized use of your card or account information. With Visa's Zero Liability policy,* your liability for unauthorized transactions is \$0—you pay nothing!

Zero Liability has you covered:

- Worry-free shopping
- Ultimate security
- Complete fraud protection

You owe nothing for unauthorized charges.

*U.S.-issued cards only. Visa's Zero Liability policy does not apply to commercial card or ATM transactions, or to PIN transactions not processed by Visa. See your Cardholder Agreement for more details.