



You and your Debit Card Managing Your Purchasing Power

Part 2 of a 2-part series

This is the final segment in our two-part series on the debit card.



What is the difference between a debit card and a credit card?

A debit card is a means by which purchases are automatically deducted from a cardholder's account. When you use a debit card, you are withdrawing money from your own account. Payments made using a debit card do not accrue interest charges because the money is deducted from funds which are available in the cardholder's account.

A credit card is a means of executing payments by drawing on a line of credit with the financial institution that has issued the card. Each financial institution has certain qualifying criteria for issuing credit cards. These include your credit history, income, other debts and the ability to repay. Cardholders are given a period of time to clear their outstanding credit balances. If payment is not made in full by the end of this period, interest is charged on the outstanding balances.

The basic difference is that a debit card accesses the cardholder's money while a credit card draws on the financial institution's money.



Understanding your transaction receipt

When you use your debit card to withdraw cash at an ATM, you would receive a transaction receipt which will usually show:

- The amount withdrawn.
- The balance in your account after the withdrawal.
- The unused portion of your assigned limit.



Debit Card Do's and Don'ts

The following are some useful tips for using your debit card wisely:

- **Do keep your ATM/Debit card in a safe place** and never "lend" it to anyone, including friends and family members.
- **Do keep your PIN private.** Your PIN is your Personal Identification Number. Memorize it and do not give it to anyone, even a bank employee.
- **Do conduct ATM transactions when and where you feel safe.**
- **Do use your hand or body** as a shield to prevent others from observing the details of your transaction.
- **Do remember to take your card and your transaction record** after completing your transaction.
- **Do carefully count the cash received and secure it immediately** after making a withdrawal.
- **Do reconcile your withdrawal slips and LINX receipts** against your account statements on a regular basis.

- **Do report any discrepancies immediately.** Missing and/or unfamiliar transactions could be a sign that your card has been used fraudulently.
- **Do keep your receipts in one place** for easy retrieval and better oversight of your account.
- **Do report lost or stolen cards** to your financial institution immediately.
- **Do report any fraudulent use of your card immediately** to your financial institution.
- **Don't keep your PIN with your card.**
- **Don't choose a PIN that others could figure out**, such as your phone number or birth date.
- **Don't accept assistance from any unknown individuals** at the ATM Machine.
- **Don't ask anyone to conduct your transactions** for you.

Remember your Debit Card can be an extremely useful tool. Here are three main advantages of Debit Cards to bear in mind:

- ✓ Using a debit card frees you from the risk inherent in carrying cash.
- ✓ Debit cards may be more readily accepted by merchants than personal cheques.
- ✓ The debit card is a quick, "pay now" product, so that there is no worry about late payments!

USE YOUR CARD WISELY!

