

THE DIFFERENCE BETWEEN DEBIT & CREDIT CARDS

DEBIT	CREDIT
Linked to a checking account	Linked to a line of credit
Funds have to be available at the time of purchase	Allows you to spend up to your credit card limit
No payments required	Monthly payments due as long as the card is open with a balance
Can be used to withdraw cash from an ATM	Late fees will apply if not paid before monthly due dates
Does not report to credit bureaus	Reports to credit bureaus and can impact your credit score positively or negatively.
Can be used as debit or credit: Debit: Requires PIN number. Typically taken out of the account faster. Credit: Requires a signature. Typically takes longer to clear.	

TERMS TO KNOW

Debit Card Chip Reader (also known as EMV): In 2017, debit card companies created a more secure way to complete purchases. Instead of swiping your card, you insert the security chip at the end of your card into the reader to finalize your purchase.

3 Digit Security Code: The CVV (Card Verification Code) or the CSC (Card Security Code) is the 3-digit number next to the signature box on the back of the card.

PIN Number: The PIN Number is also known as your Personal Identification Number, chosen when you activate your card. This 4-digit code is entered when making purchases at store or when using an ATM.

Overdraft Protection: This service will automatically transfer money from your savings to your checking if there are not enough funds to cover a transaction. A \$3 fee will also be added to the amount transferred.

Opt In/Opt Out: This is an option to determine how you will handle a transaction if there are not enough funds in your checking account:

Opt In: If overdraft protection does not apply, and a purchase is made for more than what is in the checking account, the account will go negative. Then the account will be charged a fee.

Opt Out: For members who do not want to go negative, "opting out" allows the credit union to decline debit card purchases if there are not enough funds in the account to complete the transaction.

