

# DEBIT CARD SAFETY

How do you pay for your purchases? It may be instinct for you to pull out any piece of plastic without thinking, but your random card of choice might not be the safest way to pay.

Let's explore when and how to use your debit card.

Credit and debit: How are they different?

Appearances aside, your credit and debit cards have very little in common.

Credit cards allow you to choose your purchases now and pay for them days, weeks, or even months later. A balance that grows over time will be charged interest, but if you make timely payments, you'll have yourself a small loan that usually costs you little to nothing. Credit cards also offer rewards, purchase protection and the ability to back out of a purchase you've decided against. You can also contest fraudulent charges on your account, or freeze your credit on a compromised card.

Debit card payments, on the other hand, will take the money right out of your checking account as soon as you swipe. There's no interest here, but there also may be less purchase protection. Also, if you reserve a hotel room with a debit card your available balance can be lowered quickly which may lead to overdraft charges.

Debit cards are great for helping you stick to your budget and steer clear of debt. However, because they may offer little recourse in case of fraud, credit cards can be the better choice in vulnerable situations.

Here's where you may not want to use your debit card:

## 1.) At the pump

Card skimmers at gas stations are on the rise. By using your credit card instead of your debit card at the pump, you'll have an added layer of protection against fraud. You can also choose to use cash and avoid the risk of getting skimmed altogether.

## 2.) At an isolated ATM

Isolated ATMs in locations with very little security and sparse foot traffic are prime targets for hackers.

## 3.) In an unfamiliar location

When on vacation, think before you swipe. You don't know the area and you can't be certain which clerks are to be trusted. You're better off paying with a credit card or with cash so your purchases are protected against fraud.

## 4.) For large purchases

If you're springing for a big-ticket item, use your credit card. It'll offer you dispute rights in case the product doesn't turn out as you expected.

## 5.) Restaurants

When you hand a restaurant server your debit card at the end of a meal, they have more than enough time to also swipe your card info!

Always use your debit or credit card with caution. Check the payment processor for anything that looks out-of-place, such as a newer keypad on an older machine or a hard-to-use slot for your card. Don't forget to cover the pad with your hand when inputting your PIN.

Stay ahead of hackers by using your debit card wisely!

As always please be sure to keep all your information with the credit union up to date - that includes your address, phone numbers and email.