

## First American Experiences Group



### Debit or Credit, Be Safe!

Times have surely changed, and these days, it's more likely you will pay for purchases with your First American Bank ATM/debit card, rather than cash. Convenience is king, but caution is also the name of the game. State-of-the-art thieves are concentrating on plastic cards. In the past, this type of fraud was not very common. Today, it is big business for criminals. Plastic cards bring new convenience to your shopping and banking, but they can turn into nightmares in the wrong hands. We work to help our customers understand credit and debit cards, and share here some common schemes involving card fraud with tips to help you avoid them.

### Credit and Debit Cards

Although they may look the same, all plastic cards do not work the same. In fact, there are two very different kinds of cards in use today: credit cards and debit cards. As the names imply, credit cards allow the extension of credit and the delay of payment while debit cards charge or debit your account at the moment of the transaction.

### Credit Cards

Many credit cards work as follows: You charge goods or services and the merchant who accepts your credit card sends the transaction information to the card-issuing institution. The institution then bills you, usually monthly. In many cases, payment may be made by the due date with no interest assessed. If the total bill is not paid by the due date, you often can pay off your debt in monthly payments including finance charges.

### Debit Cards

Debit cards, unlike credit cards, automatically withdraw funds from your account at the time you make a transaction. Debit cards are used most commonly at automated teller machines (ATMs) and for purchasing goods directly in stores, at point of sale (POS). The machine-readable plastic card contains a magnetic strip indicating your account number, bank number, and type of account. Debit card users gain access to the issuing institution's computer by using a personal identification number (PIN). Your PIN should only be known to you. Protect your credit and debit cards as you would cash. Never write your PIN number on your debit card. Instead, always commit your PIN number to memory.

### Avoiding Card Fraud

Although credit and debit card fraud can take many forms, here are some examples to show situations to watch for.

### Discarded Charge Slips

Sometimes, people may collect copies of your discarded charge slips from the wastebasket. Dishonest people could use the information from the copies to order merchandise by mail and ship it to a phony address. After signing a credit card slip, ask for your receipt or duplicates. After you have compared them to the charges listed on your monthly credit card statement, shred them or tear them up and throw them away.

### Unsigned Credit Cards

Protect your credit cards. When you receive a new or replacement card, sign the back of it as soon as it is activated. Or, instead of signing your name, write "Ask for Photo ID" in the signature block. This way, merchants will be able to identify that you are the proper person using your card, and if the card is stolen, thieves will have a harder time proving their identity.

### More Tips

Always be sure to store your card in a safe place, cut up expired cards before disposing of them and separate your cards.

Only carry those cards with you that you plan to use and check your cards from time to time and put aside those cards you don't use very often. Practicing safe credit card use benefits you and your bank.