

# Personal and Financial Cards

## Part 2

*English text of information that is presented in Low German.*

### Financial cards

Now we are going to talk about cards that involve money.

This includes bank cards- debit and credit cards that you can use to pay for goods and services. The cards (Visa, MasterCard, Walmart etc.) all have PIN numbers. A pin number is a private number that only you know. You must remember this number every time you will use the card. Do not use your birthdate or your phone number for your pin. The debit card takes money out of your bank account to pay for your purchase. When you do not have enough money in your bank account the debit card will not work.

When using a credit or debit card, and punching the pin number at a store or machine, make sure that no one can see the number you are putting in. Never give your pin number to anyone, not your spouse or your children. Your entire bank account can be emptied, if someone knows your pin and has your debit card. Using your debit card and pin number is just like you were using cash from your wallet.

If your debit card is lost or stolen, call your bank immediately.

### Credit cards

Sometimes, it is very easy to get a credit card. Each bank and credit union has credit cards. Each credit card has a certain amount that you **can** spend. You are required to pay back every \$ that you get on credit. This is not free money. If you do not want to pay anything extra (interest) then you must pay the entire amount by the due date.

When you use a credit card, you will receive a bill every month. On this bill you will find a date and you need to pay this bill by that specified date. When your payments are late, you will experience extra charges (interest) and when you make late payments your credit rating becomes poor. When your credit is poor, it will be hard to get a bigger loan that has a lower interest rate. Credit cards charge a much higher interest rate than a loan from a bank or credit union. If you cannot pay the entire amount at due date, make sure that you at least pay the required minimum amount. These cards also have pin numbers and so you must remember this number too and not share it with

anyone. Otherwise they can use your card without your knowledge and you are responsible for paying for their purchases.

Not all credit cards are the same. Some credit cards have lower interest rates and they may carry travel insurance and other benefits. Some credit card companies will charge an annual fee for the use of the credit card. It is important that you understand the benefits of using a credit card and also the problems that can be associated with the use of credit cards.

## Gift cards

Many gas companies, restaurants and stores have gift and reward cards. Gift cards can only be used at the specific place listed on the card and for the exact amount. If you lose this card, it is just like losing money. When it is lost it is gone.

Reward cards are cards that places give you so that you can collect points or cash back. These places want you to come back and spend your money at their store. Every time you buy something and you show this card your points or rewards will increase. Usually you do not pay for these cards.

If you lose them or someone steals them you must report this loss right away.

Remember that if you do not understand something, it is your responsibility to ask questions. People expect you to ask questions. We hope that this information is helpful in knowing how to use these cards in Canada.