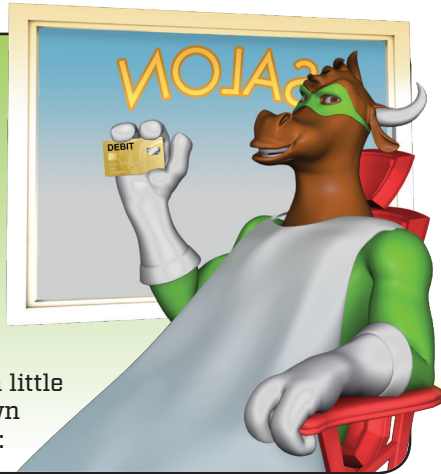


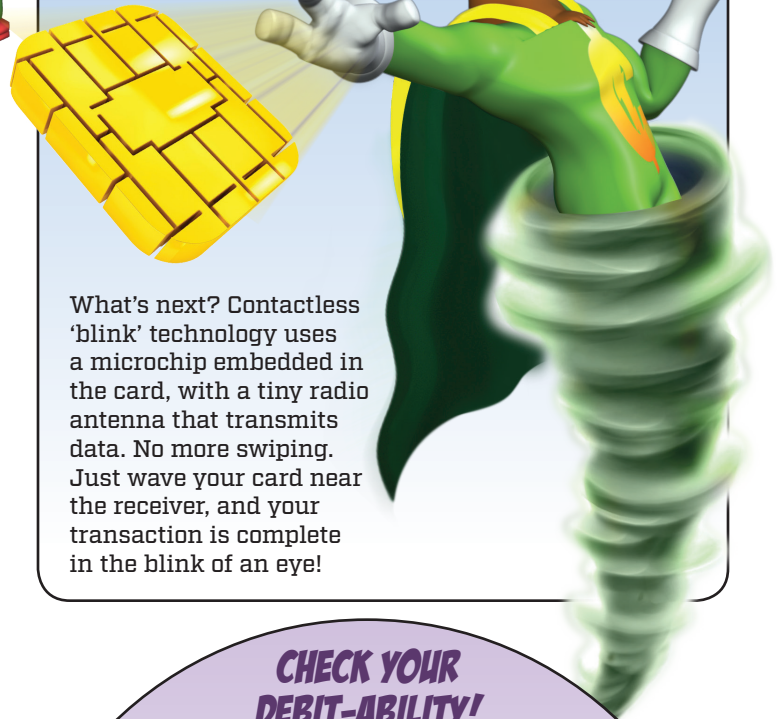
# DEBIT CARDS

## THE CONCEPT OF CASHLESS PURCHASES

I have brought no money to this fine salon, yet I can pay for everything without using a credit card. You doubt it? I 'debit!' A debit card is used to withdraw funds from my account. It is like a combination of a check and cash, with a little electronic magic thrown in. Here's how it works:

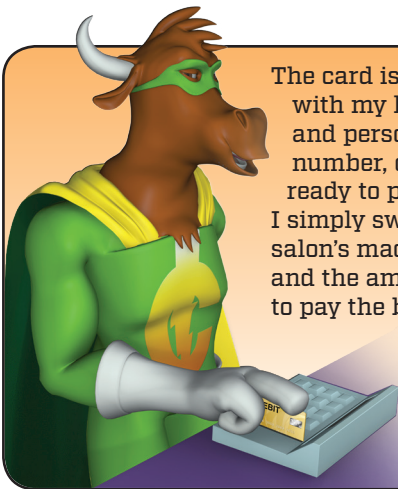


Debit cards have only been around since the early 1990s, yet today nearly half of all American adults carry one! Though you must be over 18 to have a debit bank account, prepaid and 'smart' cards are taking kid consumers by storm. They are purchased in certain dollar amounts, like gift cards. Transactions are deducted until the card's cash value has been depleted.



What's next? Contactless 'blink' technology uses a microchip embedded in the card, with a tiny radio antenna that transmits data. No more swiping. Just wave your card near the receiver, and your transaction is complete in the blink of an eye!

The card is magnetically encoded with my bank account number and personal identification number, or PIN. When I am ready to pay for today's trim, I simply swipe my card in the salon's machine, type in my PIN, and the amount of money needed to pay the bill is withdrawn from my account, and transferred to the salon's account. No cash to carry! No checks to write!



Do not confuse debit and credit cards, amigos! A debit card withdraws cash you already have in your account. Your transaction is approved only if there is enough money in your account, and with each purchase, your balance is reduced. It is a 'pay now' card. A credit card is like a loan you make to purchase something. Your credit card company pays for it, and you pay them back when you receive their monthly bill. It is a 'pay later' card.



### CHECK YOUR DEBIT-ABILITY!

Connect the phrases on the left to their correct meanings:

- |  |  |
|--|--|
| PREPAID OR SMART CARD <input type="radio"/>  | PERSONAL IDENTIFICATION NUMBER <input type="radio"/> |
| BLINK TECHNOLOGY <input type="radio"/>       | DEBIT <input type="radio"/>                          |
| CREDIT CARD <input type="radio"/>            | PURCHASE UPFRONT <input type="radio"/>               |
| SECRET PIN <input type="radio"/>             | TRANSACTION <input type="radio"/>                    |
| PURCHASE OR WITHDRAWAL <input type="radio"/> | PAY LATER <input type="radio"/>                      |
| PAY NOW <input type="radio"/>                | SWIPELESS <input type="radio"/>                      |

Answers: Prepaid or smart card - Purchase upfront, Blink technology - swipecard, Credit card - pay later, Secret PIN - personal identification number, Purchase or withdrawal - transaction, Pay now - debit

**DID YOU KNOW?**

**YOU WOULD NEED TO FOLD A DOLLAR BILL OVER AND BACK MORE THAN 4000 TIMES BEFORE YOU COULD TEAR IT.**