



ELECTRONIC BANKING

WHAT IS E-BANKING?

Electronic banking or **e-banking** gives people access to bank accounts and cash in a fast and paperless way. Computer networks are used to transfer money electronically among bank accounts. E-banking allows a person to make withdrawals, deposits, and bill payments, check account balances, and transfer money over the phone, Internet, or at a store or **automated teller machines (ATMs)**, rather than in person or through the mail..

Why can e-banking be more convenient than banking in person or through the mail?



BENEFITS OF E-BANKING:

- 24 hour access
- Fast
- No paper
- Variety of methods
- Convenient
- Worldwide access

DEBIT CARD

A **debit card** is a plastic card which looks like a credit card, but it is connected to the cardholder's bank account. When a purchase is made, money is automatically taken from the designated account. Some cards are dual function cards, meaning one card performs both ATM and debit card functions. Debit cards require using a **personal identification number (PIN)** to access an account to perform transactions. A PIN confirms that the user of the debit card is authorized to access the account.

Debit cards can be used:

- At a store for purchases: These machines are located at a store and allows the customer to use a debit card to make purchases.
- At an **automated teller machines (ATMs)** or cash machines.



ATMS

Automated teller machines or cash machines are electronic computer terminals which offer automated, computerized banking. ATMs can be found in a variety of places including financial institutions, supermarkets, and convenience stores. ATMs offer simple and fast 24 hour access to bank accounts. ATMs can be accessed with an ATM or debit card and a PIN.

Why is a PIN required when using an ATM?



E-BANKING SAFETY AND PRECAUTIONS



- Sign the back of the debit card and write "See ID."
- Memorize the PIN and keep hidden.
- Do not write it down where the card is kept.
- Do not tell others the PIN.
- Shield the PIN with body when using ATMs.
- Do not give it out over the phone or through email.
- Change the PIN if it is suspected someone else knows it.
- Report a lost or stolen card immediately!
- Write down the card number and financial institution contact information.
- Store financial institution and contact information in a safe place separate from the card in case the card is lost or stolen.

Why is it important to sign the back of a debit card with "See ID?"



Where is a safe place to store financial institution and card contact information?



OVERDRAFT

An overdraft occurs when a consumer withdrawal from a bank account exceeds the available balance. As a result of The Card Act (effective 2010), Consumers must now choose to allow their depository institution to accept transactions which will exceed their available balance and be charged a \$20-\$30 transaction fee. Or, a consumer may choose to allow a transaction to be declined if there are not sufficient funds. However, debit card transactions may not clear the depository institution until the next business day depending upon how quickly a business processes its sales. For this reason it is important to know the account balance prior to making a debit card purchase.

FUTURE TRENDS

Electronic banking is always changing. It is important to keep yourself informed of new advancements in technology to keep up with the banking industry!

In the future we may see a change from PIN accessed accounts to fingerprint, hand or voice scans. Some companies may move towards one card that acts as a smart card, debit card, credit, and ATM card all in one!