

Things to think about with Electronic or Online Banking



A debit card is directly tied to your bank account and is used in the same way as cash or a check. When you use your debit card, the amount of your purchase will be automatically deducted from your account. It's important to keep a record of all your debit card transactions – just as you would with checks that you write. It's also important that you check your transactions against your bank statement to make certain they are correct. It's important to

contact your bank immediately if you have a problem or think there may be a security breach of your account.

The internet has brought massive changes to almost everything, including banking. It provides connections to almost anything imaginable – all within a matter of seconds. It's important to think about the pros and cons of using online banking. Here are a few main considerations:

Advantages. Generally, online banking is secure, as long as the website has a valid security certificate. Be sure you only use a website that has 'https' before the website's domain name. If it does not, it can be a red flag that the website is not safe. Another advantage is you can visit the website and conduct transactions when it is convenient for you, and on a variety of devices, instead of worrying whether the bank is still open. There are many bank-related services available online such as viewing your statements, applying for a loan, and transferring money.

Disadvantages. Identity theft is a problem and banks can be affected. It can take months, sometimes even years, for a breach in your identity to be cleared up. Remember that not all online transactions are immediate. If you are paying a bill that's due, it may take a couple of days for the transaction to clear so plan accordingly and don't wait until the last minute. Sometimes it's hard to determine if an email you

Electronic Banking includes:

- Automated Teller Machines (ATMs)
- Debit cards
- Automatic withdrawals and transfers
- Direct deposits
- Online banking services

You can use an ATM to:

- Make deposits or withdrawals
- Transfer money between accounts
- Check your balance

You can use a debit card to:

- Pay for purchases at a store
- Pay for purchases online

You can use a computer or digital device to:

- Check your account balance
- Transfer money between accounts
- Pay bills
- Make payments on loans

receive is actually from your bank or an online hacker. Always make sure you log on directly to your bank's website and not by clicking a link through an email message.

Overall, online banking does have some advantages and disadvantages, but consumers will likely use it even more in the coming years. Therefore, you must take care to protect your personal and financial information. Remember, get a hold of your bank right away if you ever have doubts about something. It's always good to listen to your 'gut instinct' when you feel something is not right.

Monitor the fees! Most banks charge service fees but be careful – fees can sneak up on you and quickly add up. Here are a few tips:

- ✓ **Minimum balance.** It can be easy to lose track of your monthly balance when using a debit card. If your balance falls below the minimum, you will receive a service charge. This amount is automatically deducted from your account.
- ✓ **Overdrawn accounts.** Overdrawing an account means that you have used more money than you have in the account. Most banks will charge you an overdraft fee in addition to other charges.
- ✓ **Savings account withdrawals.** There is a federal law limiting how many times you can withdraw money from a savings account. You will be charged an excessive-activity fee if you withdraw six times per month. The law encourages people to build up their savings instead of frequently using it for incidental purchases.



Did you know that purchases under \$25 cause the majority of debit card overdraft fees?

Always keep track of your how much money you have in the bank!