

WHAT IS A CARD?

A card is a payment method that functions like a credit line.

This means that you have an amount of money available that you can use whenever you need it.

When I pay with my card, do I use my money?

No.

When you pay with your card you don't use the money you have in your account, and you don't use your savings either.

You can shop without spending your money.
Of course: you can only use it up to the limit available.

For example:

If your card has a limit of €3,000 and you have already used €1,000, you still have €2,000 available.

You can use that money for shopping, going to the cinema, eating out or travelling.

How do I get the money back on my card?

It is important to know that cards have different forms of payment.

How you pay the money back is up to you.

And you can change it whenever you want, at no extra cost.

But there is one important thing to bear in mind: some forms of payment are subject to charges, which are called **interest**.

That is why it is important to be well informed before choosing.

Card payment methods

There are 3 main methods of payment.

1. PAYMENT AT THE END OF THE MONTH

This is the most commonly used form.

With this option, at the end of the month you pay all the money you spent that month.

This payment method is normally interest and cost free.

2. DEFERRED PAYMENT (REVOLVING)

With this payment method,
each month you pay only part of what you owe
and the rest you continue to pay in the following months.

You can choose how much to pay each month,
but it must be at least the minimum amount
indicated in the contract.

This option can be useful
if you make a large purchase
and you want to pay the money back bit by bit.

But you should know that:
revolving payments are interest-bearing.

Therefore, the higher the monthly instalment,
the faster you will finish paying
and the less interest you will pay.

3. PAYMENT IN INSTALMENTS

Payment in instalments is used to divide one purchase in several months.

For example, you can split a purchase and pay in 3, 6, 10 or more months (depending on what the bank offers you).

In order to do so, you must have selected the “end of month” payment method on your card and ask for instalments when you need it.

You should bear in mind that: interest is also charged on payments in instalments.



Final advice

Cards can be used in almost all establishments around the world.

They can be used: online, with your mobile phone, tablet or computer.

Shopping is secure and means you don't have to carry cash.

But to use a card well, it is important:

- to control your spending,
- understand the payment methods
- and choose the option that suits you best.