

# Plastic Money

What You Need To

**KNOW !!**

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# Plastic money

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- Plastic money is the name given to all types of plastic cards.
  - New and easier way of paying for goods and services.



# Types of Plastic money

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**The most common card types are:**

- CREDIT CARD
- DEBIT CARD
- CASH CARD or ATM CARD

# Credit card

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- Allows its holder to buy goods and services

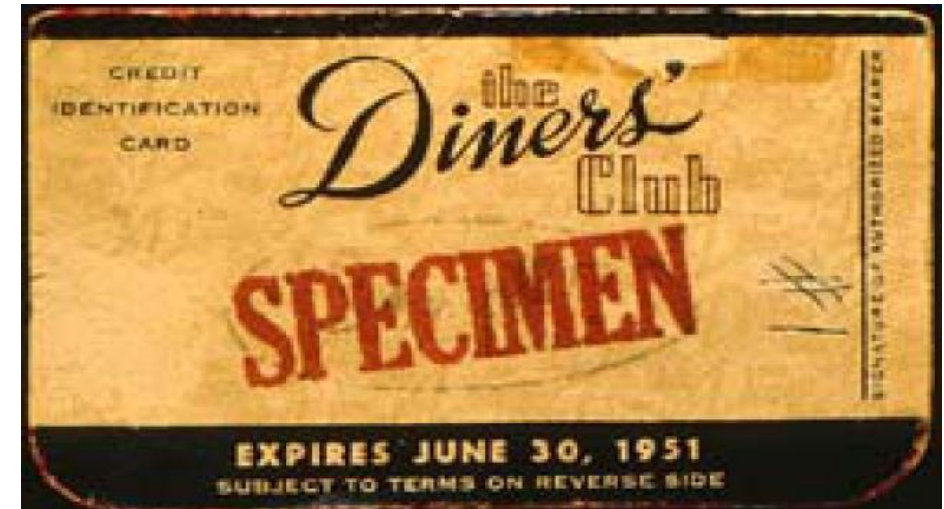
based on the holder's promise to pay for these goods and services.

- The issuer of the card creates a revolving account and grants a line of credit to the consumer from which the user can borrow money for payment.



# Brief History

- Diners' Club, Inc., in 1950.
  - An annual fee.
  - Billed cardholders on a monthly or yearly basis.
- The American Express Co., 1958.
  - The famous TV commercial ("**Don't leave home without it!**")



## Brief History (Cont.)

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- VISA introduced in 1976.
  - The Bank of America in California 1959.
  - The first national bank plan “BankAmericard”.
  - Licensed in other states starting in 1966 and renamed **VISA** in **1976**.
- The MasterCard brand was introduced in 1979.
  - Interbank Card Association (ICA) in the United States in 1966.
  - Formerly "Master Charge"

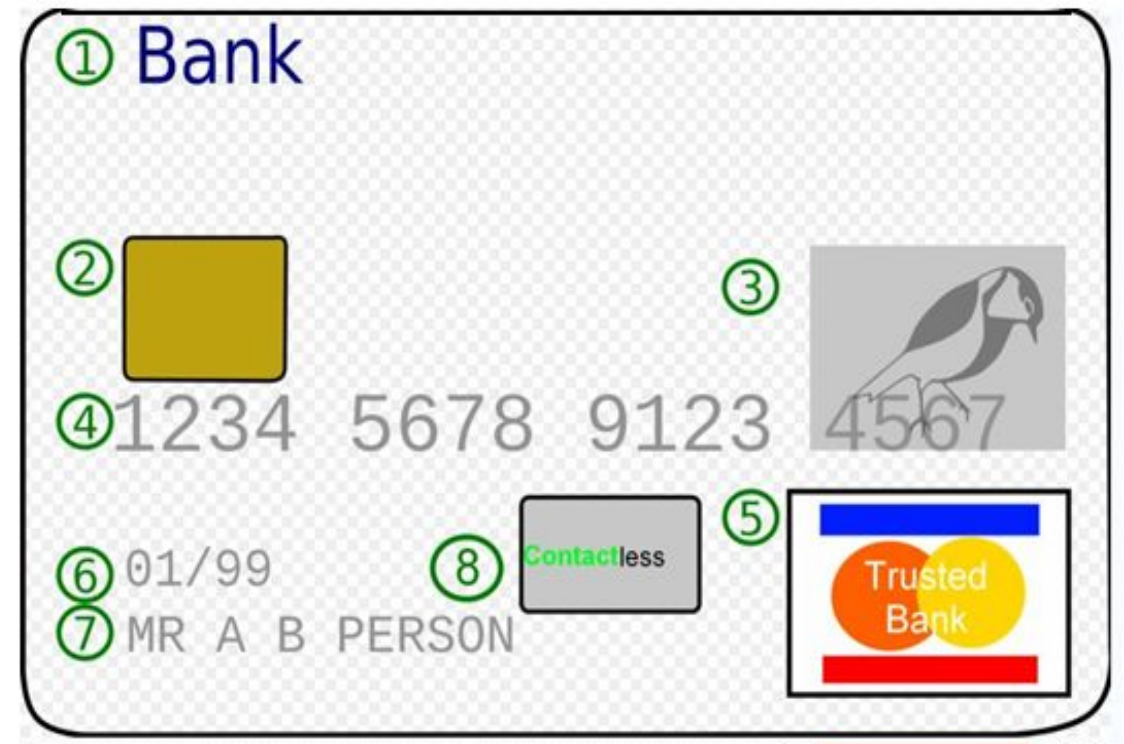


# Credit card in detail

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- 1) Issuing bank logo
- 2) EMV chip on "smart cards"
- 3) Hologram
- 4) Credit card number
- 5) Card brand logo
- 6) Expiration Date
- 7) Card Holder Name

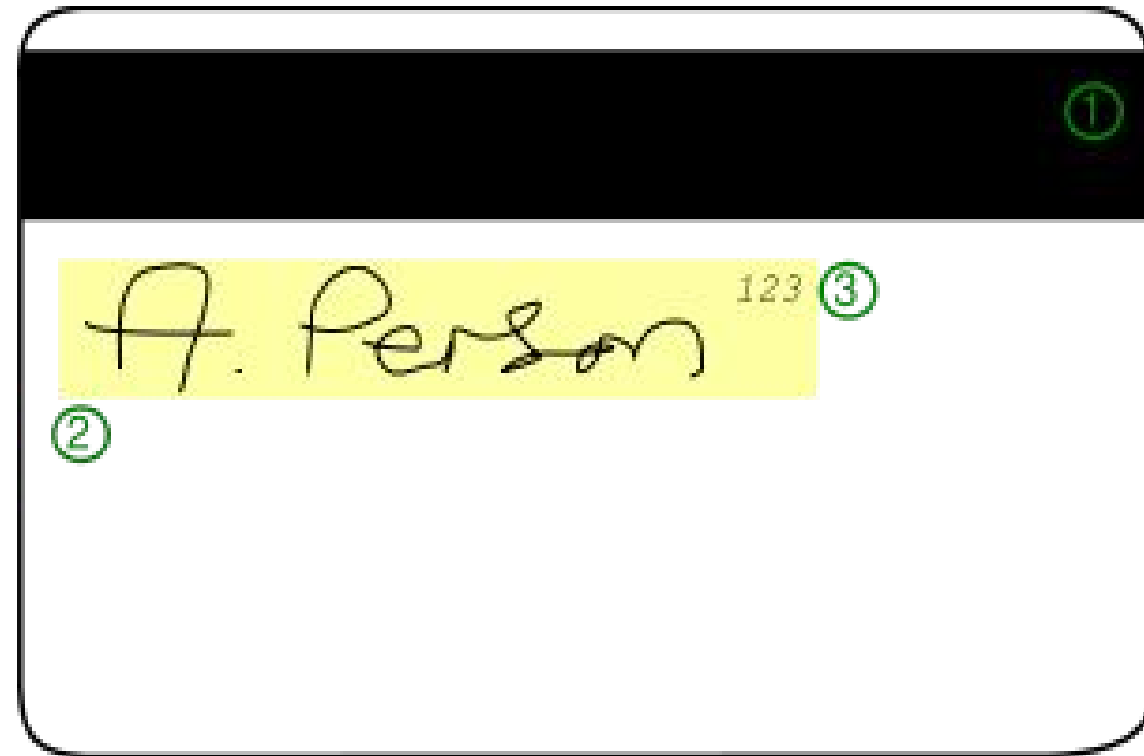
- 8) Contactless chip



## Credit card in detail (cont.)

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- 1) The magnetic stripe.
- 2) The signature strip
- 3) The CVC or CVV  
(Card verification code or value)code.





# Credit Card Sample





## Credit Card Terms

- **"Annual Fee"** A flat, yearly charge similar to a membership fee.
  - **"Grace Period "** The grace period is the number of days you have before a credit card company starts charging interest on new purchases.
  - **"Transaction Fees"** A fee for a cash advance, a late payment, or going over your credit limit. Sometimes there is a monthly fee if you did not use the card.
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# Debit Cards

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- Also known as **Bank Card** or **Check Card**.
- A **debit card** is a plastic card that provides an alternative payment method to **cash** when making purchases.
- It can be called an electronic cheque, as the funds are withdrawn directly from either the bank account, or from the remaining balance on the card.



## CASH CARD or ATM CARD

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- Also known as a **bank card**, **client card**, **key card**, or **cash card**
- Enables the customer to use an **Automated Teller Machine (ATM)**
- Deposits, cash withdrawals, obtaining account information, and other types of banking transactions.
- Will not allow the holder to purchase anything directly with it.
- In some countries, the two functions of ATM cards and debit cards are combined into a single card called a debit card or also commonly called a bank card.

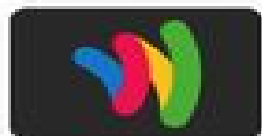
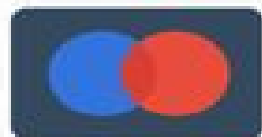
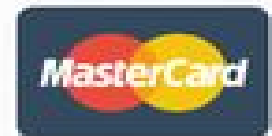
# Credit Card VS Debit Card

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|                           | Credit Card                                 | Debit Card   |
|---------------------------|---|--|
| <b>Transaction nature</b> | Transactions are of Credit Nature           | Transactions are of Debit Nature                           |
| <b>Rational</b>           | Source of additional funds                  | Eliminates need to carry hard cash                         |
| <b>Can be used as</b>     | Credit card only                            | Debit card and Credit card                                 |
| <b>Monthly bills</b>      | Yes   | No, (transactions statement )                              |
| <b>Bank Account</b>       | No need to connect to any bank account      | Savings account  |
| <b>Interest</b>           | Need to pay interest on the amount borrowed | No, “Only Fees are charged on yearly basis for card usage” |

# Some company logos

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Thank you !!

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