

## Financial Products Information

<b>Current account</b>	A personal bank account is one place to hold and receive money. You can take cash out of the account by using a debit card at a cash machine or in branch. You can spend money by using your debit card in shops, or send money via Internet Banking. When choosing an account, think about fees, the interest rate charged on overdrafts, and accessibility.
<b>Savings account</b>	A savings account is a place to store your savings. Savings accounts offer a rate of interest on the cash you deposit. This means that over time you will 'earn' money on the cash you have in the account. When choosing an account think about interest rates, withdrawal limits and accessibility.
<b>Phone insurance</b>	Phone insurance offers you protection against loss, theft or accidental damage to your phone. Most policies have an excess fee. This is an amount you will be required to pay towards any claim. When choosing a policy think about what you're covered against, e.g. just theft or just accidental damage and how much the excess fee is.
<b>Digital wallet</b>	An app that allows you to make electronic transactions. You can purchase items online with a computer, or using a smartphone to purchase something at a store. Your bank account can also be linked to the digital wallet.
<b>Overdraft</b>	An overdraft is when the balance on a bank account drops below zero. You have spent more money than you have. In this situation, the account is said to be "overdrawn". You will be charged interest on the money you owe. Interest may apply if you exceed your agreed overdraft limit. Check what the interest rate will be before using an overdraft. Make sure you have plans in place to be able to repay the debt.
<b>Unsecured personal loan</b>	A personal loan that provides money without a form of security. Security, such as a home or car, can be seized in the event of the loan remaining unpaid. To be approved for an unsecured loan, a borrower usually must have a good credit history. Unsecured loans have higher interest charges than a secured loan.
<b>Direct debit</b>	This is a regular payment taken from your account that you have agreed to. The company providing the service takes the payment. You know in advance what the amount will be. Direct debits are used to make regular payments such as your council tax or your energy bills.
<b>Credit card</b>	They work like a debit card in that you pay for things in shops or online. You borrow the money that you spend. If you re-pay the amount by a certain date, you don't pay any interest. If you only pay back some of the money, then you may pay interest on the remaining debt. You may be charged interest on what you owe each month until the debt is repaid in full. When choosing a credit card, think about fees, the level of interest you will pay, how you plan to pay off the debt.
<b>Mortgage</b>	A mortgage is a loan of money which you can get from a bank or other mortgage providers in order to buy a property. The property is security for the loan of money. There are lots of different types of mortgages available. You should always seek financial advice before signing up for a mortgage. When choosing a mortgage, think about rate of interest, how much the monthly repayments will be, how long the mortgage will run for, and if you will be able to afford the monthly payments.

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<b>Standing order</b>	A standing order is an instruction that you give to your bank or other financial institution to make a payment for a set amount of money. This payment comes from the money you have in your bank account. It is often used to make a payment to a person or a charity, or possibly to pay for a subscription like a magazine or a service.
<b>Debit card</b>	A debit card is linked to a bank account and is used to pay for goods and services from money that is in your bank account when you are out and about, or if you want to pay for something online with money you have in your bank account. You can use a debit card to get cash from a machine (ATM). A 'hole in the wall'.
<b>Mobile banking</b>	Mobile banking is a service provided by a bank or other financial institution that allows its customers to conduct financial transactions remotely using a mobile device, such as a smartphone or tablet. Unlike internet banking, it uses software, usually called an app. Mobile banking is usually available on a 24 hour basis.
<b>Internet Banking</b>	Banking online allows you to make transactions such as transferring money, paying a bill, checking your balance, or setting up a regular payment on your bank's secure website. This is accessible via a computer/tablet or a mobile phone.
<b>Add on warranty</b>	A warranty is a written promise from a company to repair or replace a product that develops a fault within a given time. Some shops will try and sell you increased cover – an add on warranty, when you buy a product. These can be costly. Before purchasing additional cover think about cost, how much extra time it will cover you for, if it is really worth it. Sometimes, extra cover costs almost as much as the price of the product.