

Gift Cards Intermediate

Beth's Aunt Sally is getting married. Beth comes from a large family, so her parents and aunts and uncles have decided to pool their money together (\$500) to purchase a gift card as their wedding present for Sally and her new husband. They have asked Beth to do some research on which gift card is best.

The family has decided a gift card would allow Sally and her husband to purchase whatever they need for their new home. They want to get the best value for the card. Beth realizes they should be concerned about being able to purchase the size of gift card they need (\$500), purchase fees and monthly fees should be low, and it would be nice if they could receive the cash from the card (availability of cash) at a reasonable cost if they wanted to redeem the card for cash.

Help Beth select the best card.

Criteria:

- Ability to purchase \$500 card
- Low purchase fees
- Low monthly fees
- Availability of cash

Gift Cards Senior

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#1 American Express Gift Card

Whether it's a trip to the spa on their honeymoon or something for their new home, the *American Express Gift Card Especially for the Bride & Groom* lets the happy couple decide for themselves how to celebrate their wedding day!

The card is elegantly designed to help celebrate their special day. Accepted at over a million places! The gift card can be used virtually everywhere in the United States that welcomes American Express cards.

- **Card value** - \$200
- **Purchase fee** - \$5.00
- **Monthly service fee** – \$2.00 per month beginning 366 days after purchase
- **Replacement fee** – If lost or stolen, unused balance can be replaced for \$5.95
- **Expiration** –The Gift Card may not be used after the ‘valid thru’ date which appears on the card, however the available funds on the card do not expire, but may be reduced by service fees or other fees. Call the Customer Service number to obtain a free replacement card.
- **Cash Availability**: \$10 check-issuance fee to receive a check for the amount of available funds on the gift card after the “valid thru” date expires



#2 Discover Gift Card

The Discover Gift Card is a prepaid stored value Card that can be used everywhere Discover Network Cards are accepted in the United States, except ATM's, check cashing agencies and certain locations where an authorization may be attempted for an amount that exceeds the value of the Card (such as gas stations where a pay-at-the-pump device is used). Personalize your Gift Card with a name and greeting.

Include a personal message in the greeting card.

- **Card value:** Available in denominations of \$20.00 to \$500.00.
- **Purchase Fee:**
 - For \$6.95, receive a Gift Card in a matching greeting card
 - For \$3.95, receive a Gift Card in a folded 8.5 x 11" card carrier
 - FREE standard shipping! 3-Day Express shipping is available for \$9.95
- **Monthly service fee:** a \$2.50 maintenance fee per month is charged only if the Card is not used for 12 consecutive months after activation
- **Replacement fee:** \$5.00 replacement fee for a lost or stolen Card.
- **Cash Availability:** The Gift Card cannot be redeemed for cash.
- **Expiration:** The Card will expire 24 months from the date of purchase; this date will be imprinted on the front of the Card. A replacement card can be requested up to 90 days following expiration, less a \$5.00 card replacement fee.



#3 Master Card Gift Card

MasterCard gift cards are safe and convenient alternatives to cash, checks, and paper gift certificates. These cards are used just like credit cards, but they are issued with spending limits set by the purchaser. Accepted at millions of locations, MasterCard gift cards are perfect for any gift-giving occasion.

- **Card value:** between \$25.00 and \$500.00
- **Purchase Fee:** \$7.95 issuance fee (includes Shipping and Handling) for orders \$201 - \$500
- **Monthly service fee:** \$2.50 monthly maintenance fee (after the 12 month grace period)
- **Replacement fee:** A replacement card will be issued and any available balance will be transferred to the new card, less a \$15.00 replacement card fee that will be deducted from the card's available balance.
- **Cash Availability:** The card can be cashed out for a \$15.00 fee
- **Expiration:** The card expires 24 months from the purchase date

#4 Visa Gift Card



Visa Gift Cards are the perfect gift for everyone, so don't worry about buying the wrong gift again. Give them the freedom to choose what they want. Create your own gift card today with the name of the recipient and a personal message embossed right on the Card. The Gift Card is a prepaid card that can be used at retail establishments that accept Visa Debit Cards.

- **Card value:** from \$25 - \$500
- **Purchase Fee:** Shipping fee of \$6.95 for card values \$250-500 first class shipping in 7-10 days
- **Monthly service fee:** Beginning on seventh month after the card issue date, an administrative fee of \$2.50 will automatically be deducted from the card balance on the first day of each month until the balance reaches \$0.
- **Replacement fee:** \$5.00 for a reissuance/replacement on lost or stolen cards
- **Cash Availability:** \$5.00 fee to receive cash value of card
- **Expiration:** The Card expires on the expiration date listed on the front of the Card, or when the entire value has been exhausted, whichever comes first. After the Card has expired, it is no longer valid. You may request a replacement card at any time after expiration. All fees continue to apply to cards on file that have expired.
- **Additional Fees:** A fee of \$0.35 is charged for each Visa purchase at a merchant.

Gift Cards Official Placing

Placing: 2-4-3-1

Cuts: 3-2-4

I place this class of gift cards 2-4-3-1

In the top pair I place 2 over 4 because it has a lower purchase price option and the monthly fee of \$2.50 per month only kicks in if the card is not used for twelve consecutive months. Granted, 2 does offer the cash out option that Beth was looking for, but she believes they will be able to spend the entire amount on an appliance or furniture for their new home.

In a close middle pair I place 4 over 3 because 4 has a lower purchase price and because 4 can be cashed out for a lower fee of only \$5.00. Granted, 3 has a longer period of time before the monthly fee kicks in.

In the bottom pair I place 3 over 1 because 3 met the first and most important criteria of being able to purchase the card with the \$500 amount they wanted to spend. Granted, 1 has a slightly lower purchase price, monthly fee and cash out fee.

I criticize 1 and leave it at the bottom of the class simply because it can only be purchased in a \$200 amount, not meeting their need to purchase a \$500 card.

For these reasons I place this class of gift cards 2-4-3-1.

gift cards
Official
Placement:2-4-
3-1
Cuts:3,2,4

1-2-3-4 - 29
1-2-4-3 - 31
1-3-2-4 - 24
1-3-4-2 - 21
1-4-2-3 - 28
1-4-3-2 - 23
2-1-3-4 - 38
2-1-4-3 - 40
2-3-1-4 - 42
2-3-4-1 - 48
2-4-1-3 - 46
2-4-3-1 - 50
3-1-2-4 - 28
3-1-4-2 - 25
3-2-1-4 - 37
3-2-4-1 - 43
3-4-1-2 - 31
3-4-2-1 - 40
4-1-2-3 - 34
4-1-3-2 - 29
4-2-1-3 - 43
4-2-3-1 - 47
4-3-1-2 - 33
4-3-2-1 - 42

Gift Cards Questions

1. Which card can not be ‘cashed in’? #_____
2. Which card has the lowest purchase fee? #_____
3. Which card has the monthly fee that begins after the 7th month? #_____
4. Which card has a set value of \$200? #_____
5. Which card expires at 24 months with no option of getting a replacement card? #_____

Gift Cards Questions

1. Which card can not be ‘cashed in’? #_____
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5. Which card expires at 24 months with no option of getting a replacement card? #_____

Gift Cards Questions - Answers

Gift Cards Questions

- 1. Which card can not be ‘cashed in’? #__2__**
- 2. Which card has the lowest purchase fee? #__2__**
- 3. Which card has the monthly fee that begins after the 7th month? #__4__**
- 4. Which card has a set value of \$200? #__1__**
- 5. Which card expires at 24 months with no option of getting a replacement card? #__3__**