

# How to Be a Savvy CREDIT CARD OWNER

When used responsibly, credit cards can be a useful tool to make major purchases and handle emergencies. They can help you build a solid credit history so you can get loans with low interest rates, buy cheaper insurance and even get a better cell phone plan. And they can help you earn rewards and protect purchases in case of theft or damage.

## WHAT TO COMPARE WHEN LOOKING FOR A CREDIT CARD

### APR

The cost of "borrowing" money when you use the card, also known as the Annual Percentage Rate (APR). Be sure to compare both introductory and standard rates.



**Fees** such as annual fees, balance transfer fees, late fees, penalties, over-limit fees and cash advance fees.



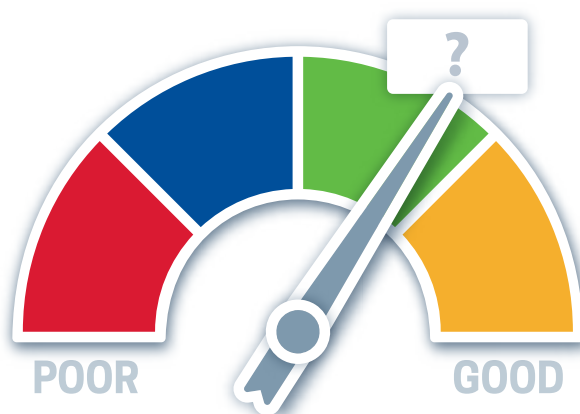
**Benefits** including the type of rewards offered (points for travel/merchandise, cash back, etc.) and what it takes to redeem them, as well as other perks like extended warranties, insurance and travel assistance.

## WHAT'S IN A NUMBER?

**Your score matters.** Your credit score reflects your credit history and affects how much interest you will pay when you get a credit card. A small difference in rate can cost you hundreds more in interest.

**Check your credit score.** You can request your credit score from the three major credit reporting agencies: Equifax, Experian and TransUnion.

**Get a free copy of your credit report every year from AnnualCreditReport.com.** Make sure all the information is accurate and up to date.



## ABCs of APRs

Your APR can vary by transaction type. Be sure you know what you're paying and stay on top of any rate changes. Interest can add up fast.



### Purchase APR

The rate applied to credit card purchases.



### Other APRs

The cost of borrowing cash from your credit card (cash advance) tends to be higher than your purchase APR. You may also have a different APR for balance transfers.



### Penalty APR

Usually the highest APR, it's applied when you violate your card's terms and conditions, such as when making late payments.



### Introductory APR

Also called promotional APR, this is a lower APR for a limited time and is often used for balance transfer specials.

## Safety DOs & DON'Ts

### DOs

- » Be cautious of ATMs, gas pumps and other machines that can easily be compromised by card skimmers.
- » Opt for credit over debit so you don't have to enter your PIN.
- » Sign the back of your card.
- » Sign up for purchase and fraud alerts so you can keep track of any suspicious activity.
- » Notify your financial institutions when you're traveling.

### DON'Ts

- » Never lend your card to anyone.
- » Don't leave your credit card information anywhere it can be stolen.
- » Don't save your information when shopping online.
- » Don't use an ATM that looks like it's been tampered with.
- » Never sign a blank charge slip. Draw lines through blank spaces on charge slips so the amount can't be changed.

## THE BIG PAY-OFF

Paying your credit card on time and in full is the best way to stay out of debt and avoid extra fees.



Know your financial means and limits, and don't go beyond them. Only charge items that you know you can pay off each month and cancel any unused cards.



If you carry a balance, pay more than the minimum payment (or the most you can afford). Try to keep your balance as low as possible – ideally less than 30% of your limit. Remember, only making the minimum monthly payment is like running on a financial treadmill.



Don't get a store credit card just to get a discount – the interest and fees you'll incur probably cost more than the discount, unless you can pay your balance in full when the bill comes.



If you are making payments on several credit cards, consolidate them into a single card with a low APR. Or, pay off the card with the highest interest rate first.



## GIVE YOUR BUDGET A BOOST

Balance transfers can save you a lot of money in interest fees, but you need to play it smart. Look for a longer term 0% offer and use that interest free time to pay down your debt. Once the introductory rate period ends, review your situation to make sure you're still getting the best deal possible.

## TECHNOLOGY IS YOUR FRIEND

Many credit card companies and banks offer free, easy-to-use tools to help keep you in control of your credit accounts.

- Online, mobile and phone access to your account
- Automated bill payment options
- Low balance, overdraft and "payment due" alerts by text, email or telephone
- Instant, free transfers to and from your other accounts
- Fraud monitoring and alerts

**Tip:** There's often a fee to transfer your balances to a new card. Don't fall for fine print surprises – ask and compare before you make a transfer.

## TRANSFER AND SAVE!

Transfer and pay down your debt sooner.

### JUST COMPARE!

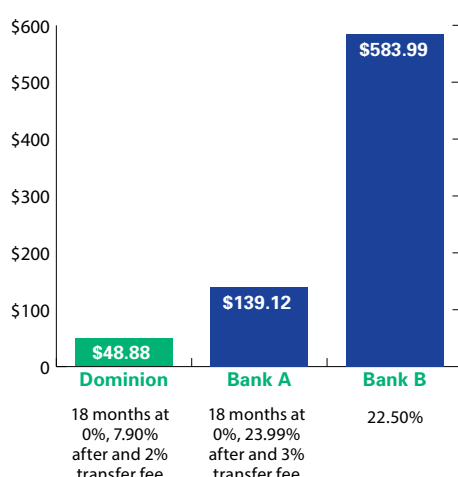
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## A LOWER RATE CAN HELP YOU SAVE BIG

Finance charge examples based on \$1,000 balance transfer with \$30 per month payments. \*Finance charge includes transfer fee.



Example DECU rate of 7.90% APR is valid as of 10/3/20 and subject to change. Variable rate based on credit qualifications.