



PLAY YOUR CARD RIGHT



*Learn the Top Tips & Tricks for
Successful Credit Card Ownership*

CREDIT SCORES & CREDIT CARDS:

What You Need to Know

The relationship between credit scores and credit cards is very much a two-way street. Your credit score (which reflects your credit history) will affect the interest rate you receive on your credit card. Conversely, how you handle your credit card will affect your credit score and the subsequent interest rates you'll receive on future borrowings.

If you want to minimize the amount of interest you'll pay and prevent a dip in your credit score, follow these guidelines:

- **Always pay your bills on time.** Even if you can only afford the minimum payment, make sure you at least pay your bills by their due dates.
- **Don't spend more than 30% of your credit limit.** For example, if you have a \$1,000 limit, don't have a balance of more than \$300 at any given time. While it's not the end of the world if you do, don't make a habit of it, as this is an important aspect of your credit score.
- **Check your credit report each year.** Simply go to annualcreditreport.com to request your free report. [You can request a free yearly copy from each of the three major credit bureaus.] Check to make sure all information is accurate and there are no signs of identity theft.
- **Get personalized tips with My Credit Score.** You can get instant access to your credit score along with tips on how to improve or maintain your score through My Credit Score by SavvyMoney®, available in Online and Mobile Banking.



CREDIT LIMIT
IDEAL MAX BALANCE

Discover a Great Way to Pay

Need a suggestion for a great starter credit card? At Gain, we highly recommend our Classic Mastercard® card. You'll enjoy:



Fixed rates as low as

9.90%
APR*

\$0

No annual fee

No balance transfer fee

- No balance transfer fee
- No annual fee
- Worldwide acceptance

- No cash advance fee
- No foreign transaction fee

*APR = Annual Percentage Rate. Rates listed are our best rate based on approved credit. Actual rate may be higher depending upon applicant's credit rating and other underwriting factors. Effective as of 11/1/2020.

READY TO MAKE THE BIG LEAP INTO THE LAND OF CREDIT?



Credit cards offer great ways to earn points and rewards, get peace of mind for emergencies and build your credit history. But credit cards can also come with surprise fees, high interest rates and a scary cycle of debt.

» **To ensure your credit card experience is a positive one, check out the information in this guide. With a little bit of knowledge and a commitment to acting responsibly, you can set yourself up for confident and successful credit card ownership.**

Seven Safety & Security Tips

Keep your card – and your finances – safe with these best practices:

01 BEWARE OF CARD SKIMMERS

Don't use an ATM, gas pump or other type of card reader that looks like it's been altered or meddled with.

02 TAKE ADVANTAGE OF ALERTS

Sign up for credit card alerts (if available) so you can be notified immediately of any suspicious activity.

03 TREAT YOUR CARD LIKE CASH

Know where your credit card is at all times – and never lend it to anyone!

04 KEEP A LIST

In a safe place at home, keep a list of all credit cards and the numbers to call if they're lost or stolen.

05 HANDLE RECEIPTS CAREFULLY

On charge slips, draw lines through any blank spaces. This will prevent anyone from being able to change the amount.

06 PREP FOR TRAVELS

Notify your credit card provider of any upcoming trips. Let them know the dates and location of your travels so they can prevent your account from being blocked.

07 SIGN THE BACK OF YOUR CARD.

Everyday Ways to Practice Smart Credit Card Management

You may already know that paying your credit card on time and in full is the best way to manage your account. But what else can you do to ensure a good experience? Here are some ideas:

DON'T SPEND BEYOND YOUR MEANS.

If your credit limit is \$1,000 – but you don't have the resources to pay a \$1,000 bill at the end of the month – don't charge \$1,000 on your card! No matter the size of your credit limit, you should continue to follow a budget and only spend what you can afford.

IF YOU MUST CARRY A BALANCE, TRY TO PAY MORE THAN THE MONTHLY MINIMUMS.

Your goal should be to pay down your credit card balance as quickly as possible. If you cover only the minimum amount each month, you'll end up spending lots of money on interest – and you may spend years trying to pay off your debt!

CONSIDER TRANSFERRING BALANCES.

If you have balances on multiple credit cards, you may be able to save money by consolidating to one low-rate card. Plus, you'll save time by having fewer payments to remember each month. Just be sure to factor in any balance transfer fees and all applicable rates and benefits to ensure it's a wise financial decision.

UTILIZE ONLINE TOOLS.

Online and mobile banking make it extremely easy to keep tabs on your credit card account. Other online tools you may have access to include automated bill payment options; fraud monitoring and alerts; and low balance, overdraft and payment due date notifications. These offerings can simplify your financial life and make ongoing card management easier.





Decisions, Decisions...

Choosing a Credit Card That Works for You

With the seemingly endless array of credit card options these days, selecting your best match can be difficult. Keep these tips in mind to give structure to your search and help guide your decision-making:



CONSIDER STICKING WITH THE BASICS.

Cards that offer numerous perks often come with higher interest rates and/or higher fees. For experienced cardholders, these offers can be a great deal. But for beginners, it might be best to opt for a more basic card that offers lower rates and fees.

THINK LONG TERM.

An extremely low introductory rate or a discounted purchase for opening a store credit card can be tempting. But always pay attention to a card's long-term features. If the store credit card comes with sky-high rates and fees, it probably isn't worth a one-time discount.

COMPARE THE FOLLOWING FEATURES:

- **APRs:** A card's APR (or annual percentage rate) can be defined as the cost of borrowing money. A lower APR means you'll pay less money in interest.
- **Fees:** Fees can range from annual fees and over-limit fees to balance transfer fees, late fees and more. Take note of all fees, along with their corresponding amounts.
- **Benefits:** Weigh the advantages of any perks, such as rewards points (and what it takes to earn them), extended warranties, travel assistance, etc.

Talking Straight About Rates

Did you know your credit card's APR can vary depending on the type of transaction and even the time period? It's true! Here are some basic APR types you may encounter as a cardholder:



Purchase APR

As the name implies, this is the rate you'll pay on any purchases made with your credit card.



Introductory (or Promotional) APR

This is a lower interest rate you'll pay for a limited period of time.



Penalty APR

If you don't abide by your card's terms and conditions (for example, if you make a late payment), you may have to pay a higher rate called a penalty APR.



Balance Transfer APR

This is the rate you'll pay on any balances transferred to your credit card account. (Your balance transfer APR may be the same as or different from your purchase APR.)



Cash Advance APR

Usually higher than your purchase APR, the cash advance APR is the cost of borrowing cash from your credit card.



THE FINAL WORD

Credit Cards – Friend or Foe?

Ultimately, your success as a credit card holder will largely depend on how you manage your account. If you choose a credit card carefully, use it wisely and practice good safety habits, your credit card will likely serve as a very useful and convenient tool – and one that will help you build a solid credit history in the process!

If you have any questions about credit card ownership or our offerings, please let us know.
We're here to help you make financial decisions that are in *your* best interest.

**FOR ADDITIONAL CREDIT CARD
INFORMATION, CONTACT US TODAY.**



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