



TIPS TO GET THE MOST FROM YOUR CREDIT CARD



Top Ten Easy Ways to Make the Best of your Credit Card

1. **PAY BILLS ON TIME** – If you don't, you'll be charged fees and additional interest.
2. **PAY OFF YOUR BALANCE OR KEEP BALANCES LOW** – Pay more than the minimum due if you can. You'll reduce the time it takes to repay your credit card debt and save money by paying less interest.
3. **CHARGE ONLY WHAT YOU CAN AFFORD TO PAY OFF** – Only purchase items you can afford to pay back in a reasonable amount of time; if you know you can't afford something, don't buy it.
4. **LEARN ABOUT FEES AND HOW TO AVOID THEM** – Know the interest rate on your card and read the terms and conditions of your account to familiarize yourself with all possible fees, such as those applied for cash advances.
5. **KEEP WITHIN YOUR LIMIT** – If you go over your limit, you could damage your credit rating. To maintain a healthy credit score, keep your credit utilization ratio under 30%. This credit utilization ratio is the percentage of total available credit that you're using. For example, if your limit is \$1,000 you should keep your balance under \$300. The ratio also applies to the sum of all your cards.
6. **USE YOUR PHONE OR GO ONLINE TO MONITOR YOUR TRANSACTIONS AND BALANCES** – Be sure to check your monthly statement to see if all charges and payments have been reported accurately. Call your card issuer to report any fraudulent purchases immediately.
7. **CHECK YOUR CREDIT RATINGS THROUGH FREE ANNUAL REPORTS** – Check your report for any inaccuracies and if you need to dispute errors, contact the reporting agency to explain the disputed items.
8. **DON'T OPEN CREDIT CARDS YOU DON'T NEED** – Inquiries from lenders directly affect your credit score since lenders assume that multiple inquiries are a sign that you're looking for loans, which may make you a poor credit risk.
9. **DON'T CLOSE UNUSED CREDIT CARDS** – The credit rating formula looks at the difference between the amount of credit a person has, and the amount being used. Closing one or more credit card accounts reduces your total available credit. This will lower the percentage of available credit and lowers your credit score.
10. **REDEEM REWARDS** – If you have a card with a rewards program, depending on the credit card, you can redeem rewards for a statement credit, a check to your bank account, travel, hotels, gift cards, and more. Some rewards have an expiration date, which means you'll have to use them or lose them.

About Master Your Card

Master Your Card is a community empowerment education program sponsored by Mastercard, that works with committed partners nationwide to bring information about the benefits of electronic payments technology for underserved communities to build brighter financial futures. The program has facilitated presentations and workshops in numerous cities around the country, provided financial education to tens of thousands of students and reached millions through partners' initiatives and education materials.