

Best Practices for Credit Cards

1

WANTS VS NEEDS



If you are an impulse shopper, it's important that you are careful because spending can easily get out of hand. Get into the habit of questioning each purchase to know if it's a want or a need. Stick to a budget and go in with a clear mindset to shop for needs. If it's a "want" and you have extra money in your budget, great. If you don't, walk away or start saving for it.

2

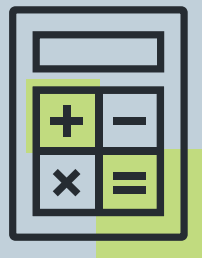
ALWAYS PAY ON TIME



The most important rule when owning credit cards is to make your payments on time. You'll pay less interest and avoid expensive late fees. Paying late can hurt your credit score in the long run and makes it difficult to open new accounts in the future.

3

PAY MORE THAN THE MINIMUM



When you only make minimum payments on your credit card, it takes you longer to pay off balances. The more you pay, the more money you will save by avoiding interest. If possible, pay off the full balance every month and you'll be awarded with zero interest charges.

4

KEEP YOUR BALANCE LOW



With high credit card balances, you are less likely to pay the balance in full and will need to pay interest. Over time, this can lead to an accumulation of debt. Having low balances and an accurate budget will help you when it comes time to pay your bill.

5

BE CAUTIOUS



Keep your card information in a safe place. You never want to leave your credit card lying around or the information saved on computers for others to access without your permission. Simple precautions, such as blocking pin pads during transactions and never lending credit cards to other people, can go a long way toward keeping your credit safe.

Contact education@visionsfcu.org for more resources on other financial wellness topics!