



Tips On Managing Your Credit Cards

(NAPSA)—Credit cards can be a useful tool, even when money is tight. However, you have to know how to take control of your credit cards and your finances so they don't take control of you.

Here are some tips on how to get the most from your credit cards. The tips—along with a credit card calculator—are from the experts at the Federal Reserve.

- **Pay on time.** Paying your credit card account on time can help you maintain a good credit record and avoid late fees. A good credit record leads to a higher credit score, which can help you qualify for lower interest rates.

If your bill is due at an inconvenient time of the month, contact your credit card company to see if it will change your billing cycle to fit your cash flow and schedule.

- **Stay below your credit limit.** If you go over your credit limit, your card issuer could charge a fee and increase your interest rate to a higher penalty rate. To avoid this, keep a close eye on your account.

- **Shop for a card that fits you.** Not all cards are alike, particularly when it comes to the terms and benefits they offer. Some have a fixed interest rate, others a variable rate. Some will offer a longer grace period than others. Look for the card that's the best fit for you.

- **Avoid unnecessary fees.** Credit card companies not only charge late-payment and over-the-limit fees, but also fees for cash advances and transferring balances. Read your credit card agreement to learn about the fees that your credit card company charges.

- **Pay more than the minimum payment.** If you can't pay your balance in full each month,

How long will it take me to pay off my credit card balance if I make only the minimum payment?

My total balance: \$

My highest annual percentage rate (APR) (Please scroll down to see your results)

You have entered a balance of \$3,000 at 13.00%. We estimate that:

\$60 Estimated initial minimum payment

16 Years Amount of time to pay off your balance, if you make no more charges and make only the minimum payment on time each month

\$2,812 Interest charges you will pay in that amount of time

If you can't pay your balance in full each month, try to pay as much as you can.

try to pay as much as you can. Over time, you'll pay less in interest charges and can pay off your balance sooner.

- **Watch for changes in the terms of your account.** Credit card companies can change the terms and conditions of your account. By reading these "change in terms" notices, you can decide whether you want to change the way you use the card.

- **Use the credit card calculator.** To make it easier to manage your credit cards effectively, the Federal Reserve's Web site has a credit card repayment calculator.

It's designed to help you calculate how long it will take you to pay off a credit card balance under different payment scenarios.

To learn more, visit www.federalreserve.gov/creditcard/calculator/.