

# Take Charge of Your Credit

*Tips from the Federal Trade Commission*

## **1. Keep track of your spending.**

**\$** Incidental and impulse purchases add up. Remember credit cards are just like loans; you have to pay what you owe. Owing more than you can repay can damage your credit rating. That can make it hard to finance a car, rent an apartment, get insurance – even get a job.

**\$** Pay your bill on time, and in full, if possible. If you don't, you'll have to pay finance charges on the unpaid balance – and it takes forever to get caught up if you just pay the minimum.

## **2. Keep an eye on your card and account number.**

**\$** Never lend your credit card to anyone, because you're responsible for paying the bill. Any problems with the bill can damage your credit rating.

**\$** Don't sign a blank charge slip. Draw a line through blank spaces on charge slips above the total so the amount cannot be changed.

**\$** Never put your account number on the outside of an envelope or a postcard.

**\$** Be cautious about disclosing your account number over the phone unless you know you are dealing with a reputable company.

**\$** Carry only the cards you anticipate using to help prevent loss or theft.

**\$** If your credit and ATM cards are lost or stolen, report it to the card issuers as quickly as possible. Many companies have toll-free numbers and 24-hour service to deal with such emergencies. Follow up with a letter, including your account number, when you noticed the card was missing, and the date you first reported the loss.

## **3. Keep good records**

**\$** Save your receipts. Compare them with your monthly bill. Promptly report problems to the company that issued the card. Usually, your statement will provide instructions for disputing a charge.

**\$** If you order by mail, phone or online, keep copies or printouts with details about the transaction, including any warranties, or return and refund policies if you're not satisfied. You should have the company's name, address, phone number, the date of your order; a copy of the order form you sent to the company or a list of the items ordered and their stock codes, the order confirmation codes and the ad or catalog from which you ordered.