

Credit Checklist

If you want to improve your credit rating:

- Live at the same address for at least 2 - 5 years
- Stay at the same job for at least 2 - 5 years
- Stay in the same profession/field for at least 2 - 5 years
- Avoid using a finance company
- Use retail cards and bank cards
- Make payments on time
- Avoid having too much credit available, e.g., don't always pay off balances
- Check your credit reports every year – correct any errors

CREDIT CARDS

Before applying for a credit card:

Determine:

- The interest rate for purchases (watch out for unspecified rates, e.g., " as low as " a certain rate)
- The interest rate for cash advances
- If there's an annual fee and if so how much it is
- The waiting period before finance

When you receive a new card:

- Make a note (in your wallet, home files) of the phone number to call if the card is lost or stolen

When you receive a notice (e.g., " important changes ") with your credit card statement:

Read it carefully, looking for:

- New or increased penalties for paying off your balance
- Cutbacks in rebate programs
- Shorter waiting period before payments are late
- Higher late charges
- Penalty interest rate if you're late making payments

DEALING WITH DEBT

If you're in debt:

- Keep track of everything you spend for a month
- Establish a budget
- Take your credit cards out of your wallet – better yet, destroy them
- Buy things only with cash
- Set up a payment plan to pay off debt
- Consider having a professional counselor help you
- Call the Consumer Credit Counseling Service (1 - 800 - 388 - 2227) to find a nearby counselor
- Consider consolidating your loans

