



Mistake or Real Deal?

It's hard to keep up with all of the things you want to buy—clothes, CDs, DVDs, computer accessories, and concert tickets—especially when you're a full-time student with limited income. You may use credit cards to bear the load of your immediate expenses. After all, it's like you're getting your stuff for free, right? Or is it?

Check out these common mistakes involving credit cards. Are you guilty of any of them?

MISTAKE 1 *My credit card is filled with free cash that I can use whenever I like.*
Actually, your credit card charges are loans that you have to pay back. Credit cards are tools to help you now and in the future. Used responsibly, the convenience and safety of a credit card can be beneficial, helping to establish credit history and protecting your purchases. Used irresponsibly, credit cards can turn into a long-term burden.

MISTAKE 2 *I can use my credit card to buy anything and everything and just hope that I'll have the money to pay my bill at the end of the month.*
Actually, you should always plan and budget your expenses. Shop as carefully with credit as you do with cash. You don't want to pay finance charges on a bag of chips!

MISTAKE 3 *I don't have to pay credit card bills while I am in school.*
Credit cards are not like student loans. You need to pay at least the minimum amount due each month, so you can start building a good credit history. Try to pay more than the minimum due.

MISTAKE 4 *I can let my roommate use my credit card just this once.*
Not true! You and only you are authorized to use your card. Safeguard it as you would your cash or debit card.

MISTAKE 5 *If I miss a few months of credit card payments, it won't affect my credit history.*
Wrong! In a few years, you may want to buy a new car, rent an apartment, or take out a loan. Missing payments now, or even just making late payments, will negatively affect your overall credit history and make it more difficult for you to do these things.

MISTAKE 6 *I can use my credit card to get quick cash advances.*
While using your card to get cash is convenient and particularly useful in emergency situations, cash advance transactions may be subject to additional fees and interest rates from the moment you get the money. Read your credit card agreement carefully.



A on Your Credit Report

A credit report usually pops up before you make big purchases like buying a car, renting an apartment, or applying for a loan. Use these tips to make sure that credit report is ready whenever you are!

- 1 Prove you know how to use credit.**
It's OK to have a credit card, as long as you spend within your budget and make timely payments.
- 2 Try not to accumulate too much debt.**
If your report shows that you are overloaded with monthly bills, you may not be approved for a new purchase or you may have to pay higher interest rates, regardless of whether you pay on time.
- 3 Pay your bills on time.**
Even if you have a good excuse for paying a few days behind schedule, your credit report will record a late payment.

Go to Citi's www.Students.UseCreditWisely.com for more helpful tips!