

## PICK A CARD

Having a major credit card such as Visa, MasterCard, or American Express can be a real convenience. To select and use a credit card wisely, you need to be aware of all the potential costs on top of your purchases.

Look closely at the terms offered by two different credit cards. One may be better than the other in some ways, but not in others.

### HANDY CARD

Annual Percentage Rate (APR) for Purchases	0.00% introductory rate for the first 6 months of membership; thereafter 13.99%
Other APRs	Balance Transfers: 0.00% until the day of the last billing period ending 6 months after inception; thereafter the standard APR for service will apply. Default Rate: 19.99% or 24.99%* Cash Advances: 21.99%
Grace Period for repayment of the Balance of Purchases	At least 25 days when balance is paid in full each month
Method of Computing the Balance for Purchases	Two-cycle Average Daily Balance (including new purchases)
Cash Advance Transaction Fee	3% for each cash advance, with a minimum of \$5 and no maximum. This fee does not apply to balance transfers submitted with this application.
Late Fees	\$25 on balances up to \$99.99; \$30 on balances from \$100 to \$1,000; \$45 on balances over \$1,000.
Over-limit Fee	\$15 on balances up to \$1,000; thereafter \$35
Line of Credit:	\$10,000
Annual Fee:	\$25

\*Default Rate: If you fail to make a required payment when due, any introductory/specials rates terminate and the standard Purchases APR will apply to purchases and balance transfers. If you fail twice, or if you exceed your account credit limit, your purchase APR will be increased to 19.99%. If you fail three times or exceed your credit limit twice, your purchase APR and cash advance APR will be increased to 24.99%. See Card Member Agreement for details.

# Lucky Card

<i>Annual Percentage Rate (APR) for Purchases</i>	<b>3.9% introductory rate for the first 6 months of membership; then 13.99%</b>
<i>Other APRs</i>	<b>Balance Transfers: 3.9% for the first 9 months of membership; then 12.99% Default Rate: 25.99% Cash Advances: 18.99% Your APR may vary.</b>
<i>Grace Period for Repayment of the Balance of Purchases</i>	<b>At least 20 days for purchases, if full balance is paid by the due date</b>
<i>Method of Computing the Balance for Purchases</i>	<b>Average Daily Balance including purchases</b>
<i>Fees</i>	<b>Cash Advance Transaction Fee: 4% for each cash advance, with a minimum of \$5 and no maximum Late Fee: \$25 on balances of \$99.99 or less; \$35 on balances from \$100 to \$1000; \$45 on balances over \$1,000 Over-limit Fee: \$35 Balance Transfer Fee: 3%, \$5 minimum, \$40 maximum Annual Fee: None Minimum Finance Charge: \$.50</b>
<i>Line of Credit:</i>	<b>\$14,900</b>
<i>Minimum Income Required:</i>	<b>\$40,000</b>

The highest rate (25.99%) may be charged if the cardholder is late making a payment to any creditor; this can include phone and utility bills, car payments and the like, even if credit card payments are made on time.

## SHOP AROUND

Read the fine print on the credit card terms above and fill in the table below.  
Does one card have terms that are better than the other?

	HANDY CARD	LUCKY CARD
1. APR for purchases		
2. APR for cash advances		
3. Universal default provision		
4. Grace period		
5. Annual fee		
6. Late payment fee		
7. Over credit limit fee		
8. Transaction fee for cash advances		
9. Minimum finance charge		

**Answer:** 1. Handy; 2. Lucky; 3. Lucky; 4. Handy; 5. Lucky; 6. Handy; 7. Handy; 8. Handy; 9. Can't say, Lucky Card does not disclose minimum finance charge