



AFSA Education Foundation

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For Immediate Release

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Smart Credit Card Strategies for the '08 Holiday Season

Basic Steps Can Help Card Users Stay on Track, Says AFSAEF

WASHINGTON, November 20, 2008 . . . While the unstable economy means cutbacks in this year's holiday spending for many Americans, those who plan to use credit cards can avoid adding stress to their finances by following a few simple steps, says the American Financial Services Association Education Foundation (AFSAEF).

“Setting a realistic holiday budget has never been more important and, in fact, is the first step toward responsible spending,” says Susie Irvine, AFSAEF president and CEO. “That way, you won't be paying for December's purchases come Fourth of July.”

AFSAEF recommends that consumers who intend to shop with credit cards:

- Make a gift list before shopping to keep a handle on how much you spend.
- Check your card's credit limit. It may have changed recently, as some issuers have lowered lines of credit in response to today's tightened economy. If you make a purchase that exceeds the card's credit limit, it may be declined or generate an over-the-limit fee.
- Consolidate holiday purchases onto one card. In addition to keeping track of spending, this approach allows you to direct expenses to a card with a lower interest rate or greater rewards.
- Know how cash advances work. They typically have a higher interest rate than regular credit card charges and have no grace period.
- Don't wait until the last minute to shop. You will be more likely to stick to your holiday budget when you aren't under pressure.
- Mail card payments early. Allow an additional seven to ten days, given the volume of mail this time of the year. If you think your payment may not arrive on time, consider an online or telephone payment, as the service fee is likely to be less than the late fee.

AFSAEF also offers *Manage Your Holiday Spending*, a free brochure containing a worksheet to create a holiday budget and suggestions on avoiding the stress of seasonal expenses. Another brochure, *Understanding Credit Cards* explains credit card terms and offers advice on protecting oneself from credit card fraud. Consumers may obtain a copy of either brochure by visiting www.afsaef.org or by calling 1-888-400-2233.

Based in Washington, D.C., the AFSA Education Foundation's mission is to help consumers realize the benefits of responsible money management, understand the credit process and seek help if credit problems occur. It is affiliated with the American Financial Services Association, the national trade association for the consumer credit industry, protecting access to credit and consumer choice.

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