

# The Benefits of Using Credit Cards

The next time you purchase things like groceries, movie tickets, or to fill up your gas tank, you will likely have several different payment options. Using your credit card can have several benefits as long as you use it responsibly.

## Fraud/Unauthorized use protection fraud

Most major credit card networks provide zero fraud liability coverage, meaning you are generally not responsible for unauthorized, fraudulent charges on your credit card, as long as you promptly report the charge. SECU's Visa® credit cards are issued with Visa Zero Liability Policy<sup>1</sup> protection at no extra cost. In addition, SECU and many credit card issuers also monitor for potentially fraudulent purchases and will decline a transaction they suspect is not legitimate.

## Improve your credit score

Using your credit card responsibly may help improve your credit score, especially if you have limited credit history or a low credit score. Keep in mind that you don't have to spend a lot or accumulate debt on your credit cards to raise your credit score. Make small purchases that you normally would use cash or debit for, and then pay the total bill when your statement arrives. Making timely payments on any credit account is an important element of your credit score.

## Tips for using your credit responsibly:

### 1. Do use your credit line responsibly

Carrying a balance on credit accounts accrues interest, which adds to the amount you owe. Try to keep your total balance to no more than 30% of your credit limit, to reduce interest charges, maintain access to credit for emergency needs that may arise, and protect your credit score as higher utilization rates may negatively impact your credit score.

### 2. Do make your payments on time

As mentioned above, the credit bureaus consider making on-time payments one of the most important factors impacting your credit score. Sign up for auto-pay options to ensure your payments are made on time.

### 3. Don't use a credit card if you are struggling to manage your payments

Adding more debt on top of what you already owe just makes it worse. Stick to paying with cash to avoid over-spending and focus on paying down your debt first.

### 4. Do watch out for hidden "convenience" fees

Sometimes using a credit card to pay for things like utilities and other services can accrue an extra fee. Make sure to read and understand the fine print before you use your credit card in these instances.

SECU Visa® Credit Cards offer a low rate and more; benefits and options are on the way for SECU credit card holders. [State Employees' Credit Union - Visa Credit Cards \(ncsecu.org\)](https://ncsecu.org)

If you have questions about your credit and using it wisely, please visit your local SECU branch or contact our Member Services Support at (888) 732-8562.

<sup>1</sup> Visa's Zero Liability policy covers U.S.-issued cards only and does not apply to ATM transactions, PIN transactions not processed by Visa, or certain commercial card transactions. Cardholders must notify their issuing financial institution promptly of any unauthorized use. Contact your issuer for more details. For more details on the Visa's Zero Liability Policy visit their website: Visa's Zero Liability Policy | Visa