Using Credit Cards Wisely and Safely

Credit cards offer the convenience of purchasing now and paying later. When used responsibly, they can function like an interest-free loan. Many cards also come with rewards and promotional benefits. One key advantage over cash is the fraud protection they provide.

However, it's important to stay vigilant. Fraudsters are constantly seeking access to credit card numbers, passwords, and PINs. Protecting your personal information is essential.

Here are some practical tips to help safeguard your credit card accounts:

1. **Understand zero liability protections**
    - Regularly review your account activity to ensure all charges are legitimate.
2. **Set up fraud alerts**
    - Enable both text and email alerts to monitor account activity in real time.
3. **Use alerts to manage your account**
    - Get notified for purchases, payment due dates, spending limits, and balance thresholds.
4. **Freeze your account if needed**
    - You can temporarily freeze your card while allowing recurring payments and rewards to continue.
5. **Take advantage of digital wallets**
    - Transactions are encrypted and use a unique code instead of your card number.
    - You can remotely lock your wallet if your phone is lost or stolen.
    - No fees for using digital wallets.
6. **Shop online safely**
    - Use strong passwords and keep your software updated.
    - Avoid public Wi-Fi and use a credit card instead of a debit card for added protection.

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7. **Travel smart**
    - Notify your card issuer of your travel plans.
    - Carry copies of your credit cards in case of loss or theft.
8. **Practice safe internet habits**
    - Be skeptical of offers that seem too good to be true.
    - Ignore unsolicited messages claiming to be from the IRS or other agencies.
    - Never share sensitive information unless you initiate contact.
    - Avoid clicking on suspicious links—go directly to the company's website.
9. **Use available security features and monitor your data**
    - Enable two-factor authentication.
    - Keep your contact information current.
    - Check your credit report regularly for any unusual activity.

Remember, using credit cards wisely means treating them as a tool, not free money. Pay your balance in full each month to avoid interest charges, and keep your credit utilization low—ideally under 30% of your limit. Monitor statements regularly for errors or fraud, and take advantage of rewards only if they align with your spending habits. Responsible use builds a strong credit score and helps you maintain financial flexibility without falling into debt.

To learn more about credit, visit the Financial Resource Center by logging into the Start Right website, startright.bokf.com. From the main menu, go to the "Planning Tools" tab.

Start Right Website

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