30 days to reality

Effective May 18, 1970 the Federal Trade Commission prohibits the distribution of unsolicited credit cards issued by oil companies, retailers and all other creditors except banks and common carriers which are not under FTC regulation.


Your Cooperative Extension Service, Oregon State University, Corvallis, can provide information and help on programs in agriculture, home economics, 4-H club work, and community resource and development.
30 days to reality

what is a credit card?

Do you use credit? You probably do whether you realize it or not. When you pay your gas or electric bill once a month, you are actually using credit.

A credit card makes it easy to pay later for many of the things you buy. This is getting credit. The card is sometimes made of heavy plastic probably with your name stamped or embossed into it. When you present this to clerks, you can charge almost anything from gasoline to vitamin pills. Some credit cards may even allow you to charge cash loans.
With some credit cards, keeping or using them means you have accepted the terms. This is true though you never sign a formal agreement.

Before you ever use any credit card, read the terms of the agreement carefully. Be sure that you understand all the conditions. If there is anything which you do not understand, get your questions answered before you use the card.

You may feel that you can pay a certain amount each month. However, if you look at the agreement carefully you will find that some bills are due when you get them.
If the interest charged on past due bills is $1\frac{1}{2}\%$ a month, this is really 18% a year. On an account charged up to $500$, these extras could amount to $90$ a year. Is there any other way which you would have liked spending that $90$?

The entire debt may be due without notice if you miss even one payment. Or it may be due at any time the card sender wishes to collect from you. He does not have to give you a reason.

Portion of an actual credit card agreement:

By use of a charge card issued by __________ the holder of such charge card agrees to the following terms and conditions:
If you have any complaints about the things which you have charged, you must take them up with the store where you bought the things. Stores do not usually give your money back.

The credit card sender may change the terms of the agreement at any time.

While you hold a credit card, you must pay for all charges made to your account.

if you are a cardholder, observe these following rules:

A If your card is lost or stolen, notify the sender of the credit card right away by phone or telegram. Follow this with a certified letter. Keep the receipt so that you can be sure the credit card sender got your letter.
Don't be afraid to cut up any credit card which you receive which you did not order. Do the same with any card that you do not intend to use. Do it right away. Destroy all expired or cancelled cards.

Be sure your card is returned to you by the clerk after each use.

Remember to ask for your card after every purchase!

Never lend your credit card — you must pay for its use and you are responsible if it is lost.
Keep track of the numbers of your credit cards in a safe place, not just in your wallet.

(Available at $.50—Record of Important Family Papers—College of Agriculture and Natural Resources, The University of Connecticut, Storrs, Conn. 06268)

disadvantages

1 When a store owner lets you buy on credit his costs go up. Because of this, the price of things may go up.

2 It usually says in the customer agreement that you must take any of your complaints to the store owner or clerk not the one sending the card. Yet, because the store owner has already received his money from the lending agency, he may not want to help you.

3 If you use your credit card to spread your payments over a period of time, you may be paying as much as 18% every year for the use of the money which you have borrowed from the credit card sender.
4 Credit cards are likely to tempt you to buy beyond your means to pay.

5 One of the greatest dangers of using credit cards is that your monthly bill can become very large without your knowing what is going on. This happens especially with all-purpose credit cards, because they can be used to charge so many everyday items and expenses.

It May Tempt Me To Overbuy

6 It may tempt you to buy more than you can afford. The so-called "easy terms" may lead you into buying more things, or more expensive ones, than your pocketbook can stand.
7 Emergencies such as loss of your job, a strike, or illness may create a crisis.

8 You may lose what you bought plus the money you have already put into them if you cannot meet the payments. You still might owe the balance.

You missed a payment:
You could lose the item PLUS the money you have already paid PLUS the $100 you still owe.

$200 $100

Your wages may be garnisheed:

$100 TAKE HOME PAY
$ 65 EXEMPT FROM GARNISHMENT (in Connecticut)
$ 35 EACH WEEK, MAY BE GARNISHEED FROM YOUR PAY
Often the contract is hard to understand.

**advantages**

1. You do not need to carry a lot of cash when shopping or when on a long trip.

2. It is quick and easy to write a few rather than many checks each month.

3. The bill from the credit card sender may make it easier to keep records, especially if the statement lists every item you bought. Make sure that it does.

4. A credit card allows you to buy things on sale and also to buy things when short of cash.
pointers to consider if using a charge card:

A Read the fine print in the customer agreement (contract).

B You may pay 1½% monthly or 18-22% annual interest. Can you borrow money for less than this?

C With some credit cards, if you don’t pay, the money can be taken from your bank account without your signing any papers.
You cannot walk away from a bill you owe. Records are kept in a central place all your life and wherever you live. Make sure you pay your bills on time — even if you are unhappy with what you bought. You signed an agreement to pay and the law says you must pay.

But if you can't pay, make sure that you write to the credit card sender and explain your problem. They might help you to make smaller payments.

You must decide for yourself whether or not you should use a credit card. No one else knows better than you do what your money position is, your strengths and weaknesses, your personal values. But to do this, you must KNOW THE FACTS. Learning the facts is your responsibility.
We’re In Your Area

OREGON COUNTY EXTENSION OFFICES

You are invited to visit, write, or phone your Extension office for information, publications, or other assistance. In Baker County, for example, the office is in the Courthouse, but if you write, address the Baker County Extension Office, P.O. Box 71, Baker, Oregon 97814.

BAKER—Courthouse, P.O. Box 71, Baker 97814, Ph. 523-6373
BENTON—Post Office, P.O. Box B, Corvallis 97330, Ph. 752-7186
CLACKAMAS—256 Warner-Milne Rd., Oregon City 97045, Ph. 655-3311
CLATSOP—Post Office, P.O. Box 207, Astoria 97103, Ph. 325-2871
COLUMBIA—Courthouse, St. Helens 97015, Ph. 397-3462
COOS—Courthouse, Coquille 97423, Ph. 396-3121, Ext. 246
CROOK—Courthouse, Prineville 97754, Ph. 447-6451
CURRY—County Office Bldg., P.O. Box 488, Gold Beach 97444, Ph. 247-6654
DESHUTES—Chadwick Bldg., 344 S. 7th St., Redmond 97756, Ph. 548-3152
DOUGLAS—1134 SE Douglas Ave., P.O. Box 1165, Roseburg 97470, Ph. 672-4461
GILLIAM—Courthouse, P.O. Box 707, Condon 97823, Ph. 384-2271
GRANT—Courthouse, Canyon City 97820, Ph. 575-1911
HARNEY—Courthouse, P.O. Box 433, Burns 97720, Ph. 573-2506
HOOD RIVER—Courthouse, P.O. Box 499, Hood River 97031, Ph. 386-3343
JACKSON—1301 Maple Grove Drive, Medford 97501, Ph. 773-8215
JEFFERSON—McCauley Building, Madras 97741, Ph. 475-3808
JOSEPHINE—Courthouse, Grants Pass 97526, Ph. 476-6613
KLAMATH—Post Office, P.O. Box 55, Klamath Falls 97601, Ph. 882-7761
LAKE—Courthouse, Lakeview 97630, Ph. 947-2279
LANE—950 W. 13th Street, Eugene 97402, Ph. 342-5537

LINCOLN—Courthouse, 225 W. Olive Street, Newport 97365, Ph. 265-5376
LINN—Courthouse Annex, P.O. Box 765, Albany 97321, Ph. 928-9323
MALHEUR—City Hall, Ontario 97914, Ph. 889-9129
MARION—Courthouse Rm. 75, Salem 97301, Ph. 364-4401, Ext. 64
MORROW—Gilliam & Bisbee Bldg., P.O. Box 397, Heppner 97836, Ph. 676-9642
MULTNOMAH—611 E. Powell, Gresham 97030, Ph. 665-3181
NORTH WILLAMETTE AREA Extension Office, P.O. Box 1491, Portland 97207, Ph. 226-6601, Ext. 1106
POLK—Courthouse Annex, P.O. Box 348, Dallas 97338, Ph. 623-8171
PORTLAND 4-H OFFICE—Couch School, 2033 NW Glisan, Portland 97201, Ph. 226-2635
SHERMAN—Courthouse, P.O. Box 385, Moro 97039, Ph. 565-3230
TILLAMOOK—Courthouse, Tillamook 97141, Ph. 842-4426
UMATILLA—Courthouse, P.O. Box 1107, Pendleton 97801, Ph. 276-7111—240 E. Gladys Street, P.O. Box 84, Hermiston 97838, Ph. 567-8321—15 S. Main Street, P.O. Box 468, Milton-Freewater 97862, Ph. 938-5597
UNION—4th & Adams Street, P.O. Box 760, La Grande 97850, Ph. 963-2127
WALLOWA—Courthouse, P.O. Box 280, Enterprise 97828, Ph. 426-3781
WASCO—Courthouse Annex, P.O. Box 821, The Dalles 97058, Ph. 296-5494
WASHINGTON—Branch Co. Office Bldg., Courthouse, Hillsboro 97123, Ph. 648-8755
WHEELER—Courthouse, P.O. Box 407, Fossil 97830, Ph. 763-4115
YAMHILL—Courthouse Room 42, McMinnville 97128, Ph. 472-5161

There are Extension offices in most counties throughout the Nation. Check local telephone directories under “county offices.”