

## Maste Spend Now, Pay Later Card

### Understanding bad credit key to controlling debt, avoiding financial woes

BY MICHELLE MCNEELY  
The Battalion

Late-night phone calls from credit-card companies threatening to take away prized possessions, credit cards being rejected by the store clerk and letters of complaint asking for money: if these scenarios seem familiar, it is time to wipe the slate clean and discover the benefits of good credit.

The number one cause of bad credit is the late payment. Other causes of bad credit include delinquent charges and charge-offs — debts that companies finally stopped trying to collect.

Note that nothing is free. Charge-offs are extremely detrimental to a credit record and are fatal to loan applications.

Credit reports can help students monitor their credit. There are three major credit reporting services that students can call to check their credit status: Equifax (800-685-1111), Experian (800-682-7654) and Trans Union (800-916-8800).

It costs \$10 to obtain a credit report, but for those who have been denied credit in the past 60 days, its free. Credit reports contain information such as occupation, annual salary, student loans, balances in credit and loan accounts and the number of late payments made to creditors. Creditors include not only credit-card companies but also banks, credit unions and any other lender — including Texas A&M.

Peggy Carey, supervisor of Financial Services at TAMU said credit reports are extremely valuable.

"When trying to buy a house or car, companies use credit reports to determine if a person is going to pay them off," Carey said.

It is very important for students to talk to their creditors if they are unable to make payments on time. Believe it or not, creditors want to help. Most are willing to set up payment schedules that are feasible for both parties.

Carey said the main thing students should know is to not ignore payment.

"We try to help students in any way we can, but we can't help them if they do not call," Carey said.

Creditors will take what they can get, so it is unnecessary to feel uncomfortable when talking with them. Students should simply explain problems to their creditors and set up a reasonable amount of money they can pay out each month.

Carey said there are some myths that need to be corrected about paying off late charges.

"Students think if they make a payment for the entire amount they owe, then we can take the charges off their record. The charges must stay on their record for seven years," she said. "It is illegal for creditors to delete anything on their account except for mistakes."

The good news is that it is still possible for students to obtain credit even if their previous record is blemished. The bad news is that their interest rates are usually higher.

Carey said credit-card companies can usually distinguish good credit from bad credit.

"People with the best credit get to shop around, find different levels of interest and receive the best rate," Carey said. "While people with bad credit have to take what they can get."

The number two myth is that paying off the minimum balance each month is a good thing. Carey said students get in a rut when paying only the minimum balance.

"It will take years to pay off your balance if all you are doing is paying the minimum amount due because all you are doing is paying off interest," she said.

For example, by paying the minimum amount each month on a \$3,000 charge with an 18-percent interest rate, it would take eight years and \$5,690 to pay off the balance. That is an extra \$2,680.

Eric Tyson, author of *Personal Finance For Dummies*, says one answer to investigate is lower-interest-rate credit cards.

"Here's one of the few times in your life when you want to be below average," says Tyson. "Until you get your debt paid off, make it more difficult for your debt to grow. Once you are approved for a lower-interest-rate card, you can simply transfer your outstanding balances from your higher-rate card."

For those who think emergencies include buying new threads for a blind date on Thursday night or purchasing the new Britney Spears album, help is soon on the way.

Debt Management will be a new organization on campus to help students deal with their credit problems.

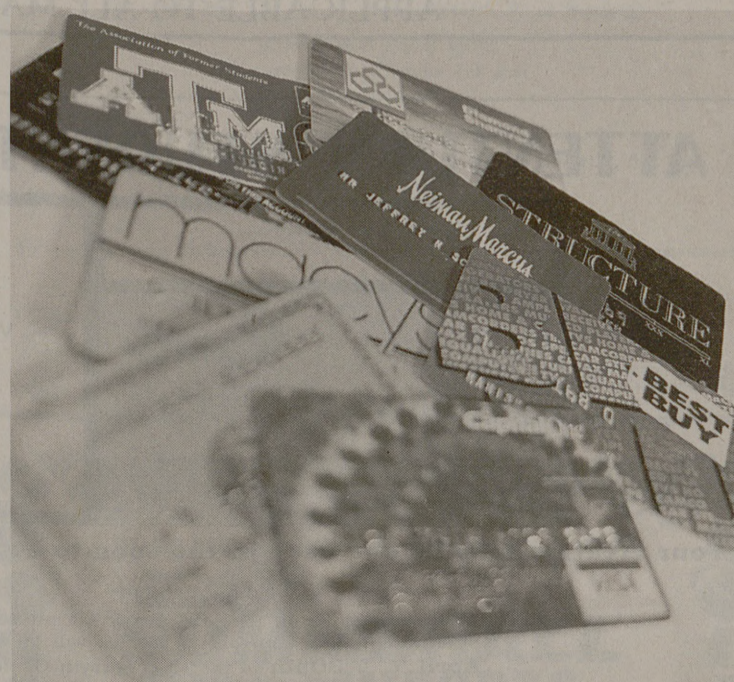
Carey said the debt council will explain to students how to pay their creditors on time and the effects of bad credit now and in the future.

"If students are having credit problems or need help making a budget, we will help them find solutions to get their finances under control,"

Carey said.

Heather Lowrey, a junior business major, said students should think twice before using their credit cards.

"It's very stressful being in debt," she said. "After paying off my credit cards and cutting up the rest, I feel a huge weight has been lifted off my shoulders try to resist the urge because you'll pay for it later, literally."



MIKE FUENTES/THE BATTALION

### Gay Awareness Week

April 5-8, 1999

**Wednesday, 4/7 - "Hate Crimes"**  
Gender Issues Education Services  
Rudder 601, 7pm

**Thursday, 4/8 - "Gay & Greek"**  
GLBTA, Governance Room, 7pm

**Friday, 4/9 - "ALLY RALLY,  
March on TAMU"**  
ALLIES, Rudder Fountain, Noon

For more information please contact Gender Issues Education Services at 845-1107

### Free Food!

## Bowen BBQ

100 Lucky Students  
Will Be Selected To  
Have Free BBQ  
At The President's  
Home With

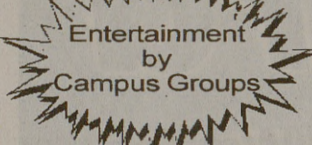
**Ray and  
Sally  
Bowen**

Thursday,  
April 15, 1999,  
6:30 p.m.

(Rain site: Clayton Williams Alumni Center)

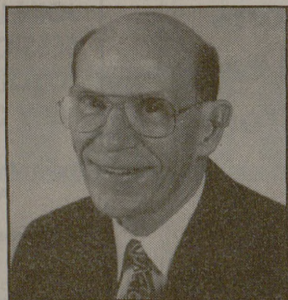
Students sign up at:  
<http://rev.tamu.edu/freebbq>  
Registration deadline: April 8, 1999

For more info call  
the Office of University Relations 845-4642  
Winners will be notified via e-mail or phone April 9



## RENEWAL '99

A One-Day Conference  
Sponsored by the TAMU Navigator Ministry



**Speaker: Jerry Bridges**

Author of several books including *The Pursuit of Holiness*, *The Practice of Godliness*, *Trusting God*, *Transforming Grace*, *The Discipline of Grace*, *The Crisis of Caring*, and *The Joy of Fearing God*

WHEN:

Saturday, **April 10th**, at Rudder Tower on the A&M Campus. Registration opens at 8:00 a.m. on Level 2; Meetings are from 8:30 a.m. to 5:15 p.m., in Room 601

TOTAL COST:

Registration \$10 ea. at the door

### Are you '00 ?

## Class of 2000 Week

<p>Nintendo 64 James Bond-a-thon \$2 per entrant Preliminaries 10:30-1:30pm Rudder 410 7:30-9:30pm Rudder 601</p>	<p><b>Monday</b></p>	<p>"Chili's" Night 6-9 Wear 2000 T-shirt Free awesome blossom per table with entree</p>
<p>James Bond-a-thon Finals MSC Breeczeway 11-1 Cash Prizes</p>	<p><b>Tuesday</b></p>	<p>Baseball Game/Tailgate Party Left Field @ 7:00 Only \$1 per plate! Silver Taps--9:45 Cain Eagle</p>
<p>Carnival Day 10-3pm Rudder Area FREE Food! FREE Prizes!</p>	<p><b>Wednesday</b></p>	<p>Wolf Pen Bowling 8pm</p>
<p>FREE Cookies! 11-1pm Rudder Area</p>	<p><b>Thursday</b></p>	<p>Karaoke at Chelsea's Street Pub at 9pm Epicenter 11pm</p>
<p>FREE BBQ 4-6pm Research Park</p>	<p><b>Friday</b></p>	<p>Come join us and show your Aggie Spirit! Whoop!</p>

★ April 5th - 9th ★

### NOW HIRING TOUR GUIDES for the AGGIELAND VISITOR CENTER FIRST FLOOR, RUDDER TOWER

Applications available & accepted  
April 5-9  
for more details, call 845-5851

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## The Biotech Century

*Biotechnology: Natural Linkages between Agriculture and Medicine*

As a new millennium dawns, the biotechnology field is growing in order to meet the needs of the increasing human population.

**Wed., April 7, 1999  
7 p.m.  
MSC 292B**

Featuring:

**Dr. Fuller Bazer,**

Director of the Institute of Biosciences and Technology  
Texas A&M University Health Science Center

Discussing:

The historical efforts of humans to use biotechnology to ensure that they had an abundant supply of food and how those technologies have benefited human and animal health in the past and the high expectations for even greater breakthroughs in the future.

Presented by



For special needs please call 845-1515