



# PRESS RELEASE

Federal Deposit Insurance Corporation

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## FDIC Issues Tips to Help Consumers Save Hundreds on Loans and Credit Cards

### *Special Edition of FDIC Consumer News Features 51 Ways to Cut the Costs of Borrowing Money*

The Federal Deposit Insurance Corporation (FDIC) today issued a collection of 51 simple, practical tips that can help consumers save hundreds, if not thousands, of dollars on loans and credit cards. The advice, in a special edition of the agency's quarterly **FDIC Consumer News**, provides ideas and information on topics such as how to: get the best possible interest rates, avoid paying unnecessary fees, find "emergency" cash at affordable prices, and steer clear of credit-related rip-offs and scams.

The publication, entitled "51 Ways to Save Hundreds on Loans and Credit Cards," includes tips for saving money any time -- in a consumer's basic financial affairs, when shopping for new credit, and when using loans and credit cards. Examples:

- *Pay bills on time to maintain a good credit record and qualify for low rates.* People shouldn't wait until the last minute to pay monthly bills -- that can result in late-payment fees and, perhaps more importantly, higher interest costs. That's because payment history is a big factor lenders consider when setting an interest rate.
- *Check credit reports for accuracy.* Something as simple as correcting incomplete or erroneous information in a credit record may be enough to qualify a consumer for a better interest rate on a loan or credit card and save hundreds of dollars each year in interest payments.
- *Periodically review existing loans and credit cards.* For example, consumers can talk to a customer service representative to make sure existing credit accounts are still a good fit in terms of features and costs, especially if their financial situation has changed recently or new products are available.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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- *Compare the products offered by a few competitors and then negotiate the best deal.* It's fine for consumers to let their bank and other lenders know that they are shopping around for the best possible terms and that they are not afraid to negotiate.
- *Don't be afraid to ask for a break.* Depending on the circumstances, a lender might be willing to reduce an interest rate or waive a fee or penalty, especially if the person has been a good customer.

In addition, the new FDIC publication includes special tips just for credit cards as well as home, auto, student and small business loans. There's also a section on how people who need a small amount of cash fast can find affordable alternatives to high-cost, nonbank service providers.

The goal of **FDIC Consumer News** is to deliver timely, reliable and innovative tips and information on financial matters, free of charge. This special edition can be read or printed online at [www.fdic.gov/consumers/consumer/news/cnsum07](http://www.fdic.gov/consumers/consumer/news/cnsum07). There is also an online form for ordering up to two free paper copies.

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Current and past issues of **FDIC Consumer News**, including special editions for senior citizens, teens and young adults, are online at [www.fdic.gov/consumernews](http://www.fdic.gov/consumernews). The FDIC also offers a free subscription service that provides an e-mail about each new issue posted to the Web site and a link to stories of interest. Instructions for subscribing are posted at [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html).

Members of the media interested in additional information or an interview with an FDIC expert should contact Jay Rosenstein in the FDIC Office of Public Affairs (202-898-7303 or [jrosenstein@fdic.gov](mailto:jrosenstein@fdic.gov)).