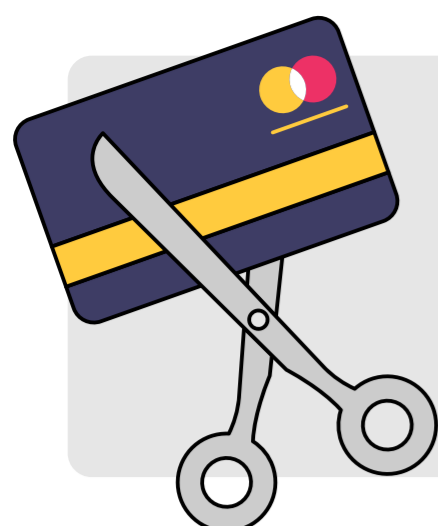


HOW TO CLOSE YOUR CREDIT CARD SAFELY



You've weighed the pros and cons, and have decided to close out your credit card. Continental Finance has polled the experts from around the industry and these are the top recommendations on how to close out a credit card safely and smoothly.

1 UPDATE AUTOMATIC PAYMENTS

If you've used the card to set up automatic payments, switch those payments to another credit card or link them to your checking account before you close out your credit card. Otherwise, the payments won't be made, and you could be hit with late fees or lose a service altogether. To be sure you've caught all recurring payments, look through several months' worth of statements.

2 TALK TO OTHER AUTHORIZED USERS

Talk to all the authorized users of the card to give them a heads up on what you are doing. The same applies to every person permitted to use the account. If you have authorized users on your account, give them ample notice that you plan to close it and by what date. They, too, will need to make other payment arrangements. You also don't want them to continue using the card between the time you pay it off and request final closure. Also, take notes throughout the cancellation process in case something goes wrong.

3 REDEEM ANY OUTSTANDING REWARDS

Before making the cancellation call, redeem any remaining rewards so you don't lose them. If you've amassed cash back, points or other rewards, use them before you close the card or you'll most likely lose them. It's a good idea to ask your card issuer for details and follow the expiration rules of the loyalty programs so you don't lose them.

4 PAY OFF THE CARD BALANCE

If the card has a balance, pay it off in full or transfer it to a card with better terms. Remember to talk to your card issuer about your payoff amount. Don't assume that your statement balance is everything you owe. Ask the issuer for your payoff amount, which includes your current balance, plus interest and fees. Unless you remit the full payoff amount, your card will maintain a balance, and interest and fees can continue to accrue. Also, remember that paying off the card is just one option. Another option is that you can transfer the balance to another card, preferably one with a lower interest rate. If you don't have another card, be sure to set up the new account before you close the old one.

5 CONFIRM YOUR ZERO BALANCE

Never assume anything. After you make the final payment, call the issuer again to confirm that there is no balance left on the card. Also you can call your bank, confirming with them that your card is balance-free.

6 REQUEST ACCOUNT CLOSURE

With a zero balance, you can now instruct the issuer to completely close the account. Don't be surprised if it offers you a bonus to keep the card open, but if you don't want the card, stand firm. An additional option is to send a letter requesting card account closure, just to be sure it happens.

7 CONFIRM ACCOUNT CLOSURE

A month following the cancellation call, check your credit report to make sure the account is marked "closed."

8 PROPERLY DISPOSE OF THE CARD

After you have final confirmation that the account is closed, get out your scissors and cut up the card, or put it in a shredder.



Continental Finance is one of America's leading marketers and servicers of credit cards for people with less-than-perfect credit. Learn more by visiting: www.continentalfinance.net