

September 2022

Five Big Mistakes Even Smart People Make with Credit Cards

Despite the popularity of credit card accounts, it's easy for holders to make mistakes that can cost them money. These are the top blunders to avoid:

1. Not having a payback plan — Because it's so easy to carry over a balance on a credit card and pay a minimum balance every month, people often pull out their credit cards assuming they'll just figure out how to pay off the debt as income becomes available.

Instead, remember that credit card transactions are, in essence, loans. So if the loan were much more significant than that \$20 shirt or car repair or fast food you just bought, how would you convince a loan officer that you're not a liability? What do you have in writing to support your story? If you don't have the details about where the payback will come from and how long you expect it to take, then you should be your own loan officer, deny your request, and put the card away.

2. Treating credit as "extra" money — Credit is not extra money. In fact, it often costs money if you have to pay interest. Instead, credit is just the money you promise a lender you'll have later. That means you are limited by your existing budget, regardless of what your credit limit on the card actually might be.

What a credit card should do for the average person going about daily life is assist with cash flow. For example, if most of your bills are due on the first of the month, you would pay them from your checking account and decide to use your credit card for groceries and commit to paying off the card on your next payday.

3. Not knowing which card to pay off first — Some gurus advocate paying off cards with small balances first so you get the psychological boost of knowing the accounts are "finished." But mathematically, you'll save money and get out of debt faster if you push as much as you can toward the card with the highest interest rate first. Regardless of your method, remember that each time you eliminate a card, take the money you'd allocated for payment and put it toward the card with the next payment.

4. Assuming you'll remember every payment — Even if you have just one card, life is busy. That's normal. And pretty soon, it happens—you miss your credit card payment due date and get hit with a late fee. The more cards you have, the harder it is to remember when to pay, too. At the absolute minimum, set yourself a reminder on your smart phone or calendar to access your account and pay. Better yet, set up auto-pay or use e-billing through your financial institution's online banking system.

5. Handling opening and closing of accounts poorly — Every time you open a new credit card account, you should ask yourself how it would affect your debt-to-income ratio if you maxed out your credit lines. The purpose of the account also should be much more significant than just a great APR or introductory offer—it should fit your vision and lifestyle, too.

Skip the hassle and high interest rate of credit cards and get a Line of Credit instead! Learn more on Page 3!



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Article is written by our partner, [BALANCE](#).

What Happens When There Are No Beneficiaries

Where do those accounts and policies end up?

Some accounts have no designated beneficiary. Rarely, the same thing occurs with insurance policies. This is usually an oversight. In exceptional circumstances, it is a choice. What happens to these accounts and policies when the original owner dies?

The investment or insurance firm gets the first chance to determine what happens. On many retirement plans, for example, a spouse is often the default beneficiary, even if not named on a beneficiary form. If the deceased has no spouse, then the plan assets may just become part of that person's estate. Brokerage accounts without any designated beneficiaries are also poised to become part of the estate of the decedent. The next stop for these assets could be probate.

The state may end up deciding where the assets go when beneficiary forms are blank. If the deceased failed to name account or policy beneficiaries but had a valid will or other valid estate documents, this will influence the path from here - but it may not exempt the assets from probate court.

If no legally valid estate documents exist, then the deceased party dies intestate, and the state determines the destiny for the assets. Most states go by the same ladder of potential inheritors - surviving spouse at the top, then kids, then grandkids, then parents, grandparents, siblings, nephews or nieces. If absolutely no legitimate heir can be found, then the assets become property of the deceased's state of residence.

What about life insurance policies? A life insurance policy usually has at least two levels of designated beneficiaries, and it is rare when a policyholder outlives them and even rarer when a policy has none. In such a circumstance, the proceeds of the life insurance policy become part of the estate of the policyholder upon the policyholder's death.

Several factors will affect the cost and availability of life insurance, including age, health, and the type and amount of insurance purchased. Life insurance policies have expenses, including mortality and other charges. If a policy is surrendered prematurely, the policyholder also may pay surrender charges and have income tax implications. You should consider determining whether you are insurable before implementing a strategy involving life insurance. Any guarantees associated with a policy are dependent on the ability of the issuing insurance company to continue making claim payments.

What if a person simply lacks possible heirs, or sees no worthy heirs? Occasionally, this happens. Some people remain single for life, and others are estranged from relatives or heirs who would otherwise be beneficiaries.

A person in this situation has a choice: charity. Perhaps a charitable or non-profit organization deserves the assets. Perhaps a college or university would be a worthwhile destination for them. Choices exist, and those who are single can explore them as they consider their estate.

Upcoming Events + Holidays



Sept 17th	Electronic Shred Day - Shiloh
Oct 10th	Closed - Columbus Day
Oct 22nd	Electronic Shred Day - St. Peters (Final event for 2022)
Nov 11th	Closed - Veterans Day

Hello Autumn!



First day of autumn is **September 22nd**.
Pumpkins, turkey, family, friends, and cooler temps!

LOAN RATES

EFFECTIVE September 15th, 2022

VEHICLE LOANS

<i>The following are approx. payback terms.</i>	AS LOW AS
Up to 36 months	1.99% APR*
37 to 48 months	3.00% APR*
49 to 63 months	3.45% APR*

OTHER LOANS

	AS LOW AS
Mortgage	<u>Click for current rates.</u>
Share Secured	2.01% APR*
Stock Secured	9.25% APR*
Signature Loans	7.99% APR*
Personal Line of Credit	12.90% APR*

*APR=Annual Percentage Rate. Rates are subject to change, and terms and conditions apply. Our website contains the most current rates. Contact GMFCU for complete details. NMLS# 410276

LOST CREDIT/DEBIT CARDS



If your GMFCU credit or debit card is lost, stolen or if you suspect unauthorized use, please call:

CREDIT CARD (800) 558 3424 | 24/7
DEBIT CARD (314) 621 4575 or
(800) 621 4828 during business hours or
(800) 472 3272 | 24/7

Would you like to discuss investments or your financial goals? **Reach out to Bill Anderson at 636-222-7585.**

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About Bill

Bill has been a financial advisor since 2012, focusing on creating a client-centric experience by providing education, organization, objectivity, proactivity, accountability, and partnership. In 2012, Bill started his financial services career at Edward Jones, providing investment services, retirement planning, protection strategies, estate planning opportunities and education savings plans for almost six years. In April of 2018, Bill moved his practice to Huntleigh Securities to provide a more customized client experience for his varied clientele and continue to grow professionally. Since then, Bill has continued to grow his services and practice, and has expanded into offering services and advice to Gateway Metro Federal Credit Union members.

Continued... Five Big Mistakes

Try not to open a bunch of new accounts in a short time frame, as creditors can wonder why you need so much credit all of a sudden. If you already have accounts, don't let any sit idle; make occasional purchases to keep them active. If you must close an account, try to keep ones that have the longest history for you and would best show long-term evidence of spending and the ability to pay.

Credit cards can be wonderful financial tools if used correctly. As long as you run your numbers in advance, stay realistic, and understand that the funds aren't a free license to spend, you'll be ahead of the game.

Line of Credit: Quick Transfer to Checking



Keeping up with life can sometimes cause you to fall behind with making timely or sufficient payments. A Line of Credit (LOC) can fund any upcoming or last minute events in your life without worry. Our Line of Credit allows you to transfer money straight from your LOC to your Gateway Metro checking account whenever you need it. A Line of Credit is easy, convenient and a cost saver.

No need to keep track of a credit card or a credit card's high interest rates. Just open a Line of Credit and transfer the funds to your GMFCU checking account whenever you need it.

Learn more about our Line of Credit option at [goGMFCU.org](https://www.gmfcu.org)

*Must be eligible for membership with GMFCU. Must qualify for loan based on credit worthiness. Rates and offers current as of September 1, 2022 and are subject to change.



Save to Win

With our Save to Win share certificate, you can gain entries into a free drawing every month! You could win up to \$5,000 just for saving money. Each \$25 deposit* you make into your Save to Win certificate will gain you an entry. That's all you have to do!

Want to learn more about the Save to Win program? Visit Save to Win's official FAQ here: [STW FAQ](#)

*Limited to 10 entries per month and 30 per quarter.

*Congratulations to our
July winners!*



Mobile Banking Has You Covered



Always stay in the know with your finances with our Gateway Metro Mobile Banking app! Easily check your balances, make transfers, deposit checks and so much more. Our Gateway Metro app is the perfect way to keep your accounts accessible whether you are at home or on the go!

Some amazing features that come with our mobile banking app are Credit Sense, Deposit 2 Go*, Gateway Card Guard, Trends, Two-Way Fraud Alerts and Zelle! Learn more about these great features by reading below:

Credit Sense – Always know where your credit score stands. You can access information about your credit score and get tips on how to improve it. Available through Online Banking and our mobile app!

Deposit 2 Go* – Don't worry about stopping by a branch every time you have a check to deposit. Easily deposit your checks through our mobile app with Deposit 2 Go*!

Gateway Card Guard – Don't be caught off guard by unauthorized purchases. Click on the My Cards link within your Mobile Banking app to set up transaction limits, merchant limits or even location limits. Don't want your card to allow certain transactions like department stores outside of St. Louis? You can set that up!

Trends – For those who want help budgeting and tracking their spending. Trends is available on both online and mobile banking.

Two-Way Fraud Alerts – A quick, easy way to protect your debit card from potential fraud. Anytime a suspicious transactions takes place, we will send you a text to confirm if the transaction is legitimate or fraudulent.

Zelle® – Quickly send money from your account to anyone. All you need to know is their email and you can set up a payment to them. Never send money to someone you do not personally know!

*Must be eligible for membership with GMFCU. Must complete application to utilize Deposit 2 Go feature. Ask an MSR for details.



Expertise, Commitment and Service

You may not know her face, but if you have called Gateway Metro Federal Credit Union you most likely know her name. Now let's put a face to the name (*and the voice*) on the other end of the phone.

Meet LaNae, Solution Center Representative here at Gateway Metro. LaNae joined our team in 2019 after 25+ years in the retail industry. Spending half her lifetime in Customer Service, LaNae loves people! She has never met a stranger and if you have ever traveled with her you know no matter where you go, across the river or across the country, you likely will run into someone who knows her. LaNae loves singing and once dreamed of running off to New York to be an Opera singer. These days she is happy hanging out with friends and singing a few good rounds of Karaoke.



LaNae is committed to the credit union and our members. She loves helping members learn about the great products and services we offer and providing financial education to our members. Give LaNae a call and she will be happy to help you on your road to realizing your financial potential.

How a Home Equity Line of Credit Can Help This



Holiday Season



A Home Equity Line of Credit (HELOC) can help you get your holiday season started off right without those pesky high interest rates. Whether you are making big travel plans for the holidays, stuffing stockings until they overflow or renovating that living room before all your guests arrive, Gateway Metro is here to help you fund your goals and activities.

HELOCs can be used for just about anything!

Vacations | Shopping | Renovations | Debt Consolidation and so much more!

With the Home Equity Line of Credit you are able to access lower rates that help you save loads of money over time. Rates start *as low as 2.95%** for 12 months. No closing costs! Learn more about our HELOC options, rates and terms by visiting our [Mortgage Center](#) online.

*Must be eligible for membership with GMFCU. Must qualify for loan based on credit worthiness. Introductory rate is applicable for first 12 months of loan. Rate is subject to change and is subject to credit qualifications. No additional discounts. Had there not been a rate discount, the applicable rate would have been 5.50% -7.00% (based on Prime as of August 1st, 2022) depending on credit. The maximum payback period for the loan is 240 months. The maximum draw period is 120 months. After the Introductory Period, the APR may adjust semi-annually in the months of January and July during the life of the loan based on the Prime Rate published in The Wall Street Journal, plus a margin that is based on credit worthiness. Maximum APR is 18.00%. After the introductory period the minimum APR is 5.00%. If loan is paid off and closed within 24 months from opening of loan, member must reimburse the credit union for fees paid. These are currently estimated at \$650.00-\$900.00. Minimum advance of \$5,000.00 is required at loan closing. Cannot be combined with any other offer. Offer valid through 12/31/2022.

9 Ways to Stay Safe on Social Media



- #1: Lock down privacy settings
- #2: Use text messaging to prevent unauthorized logins
- #3: Be discreet about your whereabouts
- #4: Avoid and report duplicate friend requests
- #5: Don't use social credentials to sign into third party sites
- #6: Avoid quizzes and games that require access to profile information

- #7: Handle passwords with care
- #8: Consider identity theft protection
- #9: If you have kids, pay attention to their accounts as well

Get more in depth with these tips by reading the full article. [Click here](#) to read the full article now.

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