

HOW TO NEGOTIATE WITH YOUR CREDIT Card Company in Good Times and Bad

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There are times when you may want to negotiate with your credit card company. Perhaps you've been shopping for the best rates and discovered that your company is on the high end of the spectrum. Or maybe you've fallen behind on your payments and need all the help you can get to lower your debt.

Either way, you'll be glad to know that many credit card companies are open to negotiating.

These tips provide helpful information about negotiating with your credit card company. Your chances of getting more of what you want from your creditor are greater when you prepare ahead of time and have all the information you need in front of you.

Negotiating in Good Times

Follow these tips when you have a good credit score and you're in good standing with the credit card company:

1. **Have all your information in front of you.** Know your credit card number, balance, current interest rate, and the amount of your monthly payments.
2. **Speak clearly and calmly at all times.** Avoid raising your voice with the person on the other end of the phone. *If you have difficulty with them, ask to speak to their manager.*
3. **Ask for the appropriate staff member.** Speak with someone who has the

authority to grant your request. For example, if you want to raise your credit limit, speak with someone who handles credit limits. If you want to lower your interest rate, speak with someone who is allowed to do that.

4. **Ask for special promotions.** Since you're a good customer, you can ask them if they can give you a promotion or extra points on your credit card. ***Credit card companies often give extra rewards to their good customers, so be sure to ask them.***

5. **Request an interest rate decrease.** When you have good credit and standing with the company, they may certainly consider lowering your interest rate. Do your homework to compare other credit cards beforehand and don't be shy about letting them know if they charge more than the norm.

Negotiating in Challenging Times

Use these negotiating tips when you're behind on your payments:

1. **Get your credit information together.** Have your last bill out when you place the phone call to them. Be prepared to be on hold for a time if necessary.
2. **Ask to speak to the person who makes payment arrangements.** The person you need to speak to may be a manager. ***Explain that you are interested in making payment arrangements to satisfy your debt.***
3. **Stay calm when you're telling the person your situation.** Explain that you're having money issues and wish to work out a plan. Tell them what happened to you to cause you to fall behind on your payments.
4. **Discuss decreasing the amount of interest that you owe.** Ask them if they can

reduce or eliminate the interest that you owe. Explain again that you want to honor your commitment to pay your debt, but the high interest is exacerbating the challenge.

5. Offer to pay a portion of your balance as a final payment. Ending the relationship would mean that your account would be closed. ***They might accept your offer, knowing that getting something is better than getting nothing at all.*** This is especially true if you're considering bankruptcy and tell them that you may be going that route.

6. Ask them to remove their negative information from your credit report. Sometimes, they will agree to this. Ensure you understand their terms and get the agreement in writing before you pay them.

7. Thank them for their help when the call is over. Be kind and grateful when you're finished speaking with them.

Learning how to negotiate with your credit card company can benefit you in numerous ways. For greater success, take the time to prepare for your negotiations and use these tips in your discussions.