Example of Terms & Conditions Statement

**APR** is the interest rate you pay per year to borrow this money! This rate is subject to change (Variable Rate) based on the Prime Rate. To learn more about Prime Rate, see “How Do You Calculate My Variable Rates?”.

On this example the APR is the same for Purchases, Transfers, and Cash Advances, however, other credit cards may have different APR for each.

The promotional (introductory) APR is 0% until January 2023 for Purchases ONLY!

Please note: APR is quoted as a simple interest rate!

This part states that if you pay off new purchases at least 25 days after the close of each billing cycle, you will not be charged interest on those purchases if paid in full. This called **GRACE PERIOD**.

E.G., your billing cycle is 3/10-4/10. Since your statement date (end of the billing cycle) is April 10th, you have until May 5th (due date) to pay your balance. If you pay the new balance in full before the due date, there will be no interest nor late fees on this balance.

Be careful, some cards might not have grace period at all.

Also, in this example the grace period is only for Purchases!

If you transfer balance to this credit card you will not be charged transactional fee.

However, if there is a promotion (introductory) APR of 0% for Transfers, you will be charged 3% of the transferred balance. This example does not have any promotional APR for transfer.

Prime Rate is the lowest rate that banks charge to the best and/or loyal customers (usually close to the rate that Federal Reserve set). If the Prime Rate increase, your APR will increase as well.

The current Prime Rate in the U.S. is 3.5% as of 04/28/2022 according to the WSJ.

Daily Periodic Rates refers to daily compound interest. It is important to pay attention on what is the compounding period, as it can add up quickly!