



There are many things to learn when you move to a new country. And we are here to provide guidance as you establish yourself. Obtaining and using a credit card can be very useful. Here are some of the important things you need to know.

## Credit card basics

Credit cards are widely used and accepted in Canada. And they are more than just a convenient way to shop. They are also needed to rent a car or set up contracts for a mobile phone or cable TV. And more importantly for newcomers to Canada, credit cards are also one of the best ways to establish your credit history.

### What is a credit history?

Your credit history is created when you first borrow money or apply for credit. Credit card companies (and other creditors) keep a record of what you owe and when you pay your bills. This information is used to give you a credit score. Banks, rental agencies, and other businesses use this score to help them decide whether or not to lend you money, rent you an apartment, or approve your mortgage.

### Establishing a good credit history in Canada

One of the key benefits of having – and using – a Canadian credit card is that it's an easy way to establish a credit history here and build a good credit rating. Even if you have a credit card from your home country, it's a good idea to get a Canadian card to show banks and other lenders that you can borrow – and pay back – money responsibly. Your good credit history will help you earn a better credit score, which will make it easier for you to borrow money down the road when you want to make a bigger purchase, such as a home or a car.

To establish your credit history, you need to use your card and make regular payments to pay down your balance. It's that simple. It's very important to make at least your minimum payments, on time, every month. If you can, pay the full balance to avoid interest charges.

### Choosing the right card

There are many different kinds of credit cards to choose from. Finding the right one will help you save money and make the most of your card benefits.

BMO Bank of Montreal offers a range of credit card options, each providing exceptional value, security and convenience. Whether you're looking for a card that offers cash back or travel and merchandise rewards, we have a credit card to suit your needs and lifestyle.

Please note that in some cases, approval for a credit card may require a deposit or other collateral worth the full amount of the credit limit.

For a full list of the credit cards we offer, visit us online at [bmo.com/creditcards](https://www.bmo.com/creditcards). You can also compare cards or take our 30-second quiz to find the right card for you. To apply, visit any BMO Bank of Montreal branch.

## Good credit card practices

It's important to keep your card, and your credit rating, as safe as possible. Here are some steps you can take to protect your card and maintain a good credit score.

### *Protect your card:*

- Sign the back of your card as soon as you receive it.
- Report a lost or stolen card immediately.
- Never write down your credit card PIN.
- Track your spending online or against your statement.

### *Protect your credit rating:*

- Pay off your credit card balance in full every month. If you can't, try to pay more than the minimum payment due.
- Make sure your payment is received by your bank on or before your due date. Note that phone and online payments are generally processed the next business day, while mailing a cheque can take up to one full week.

TIP