

Credit Education

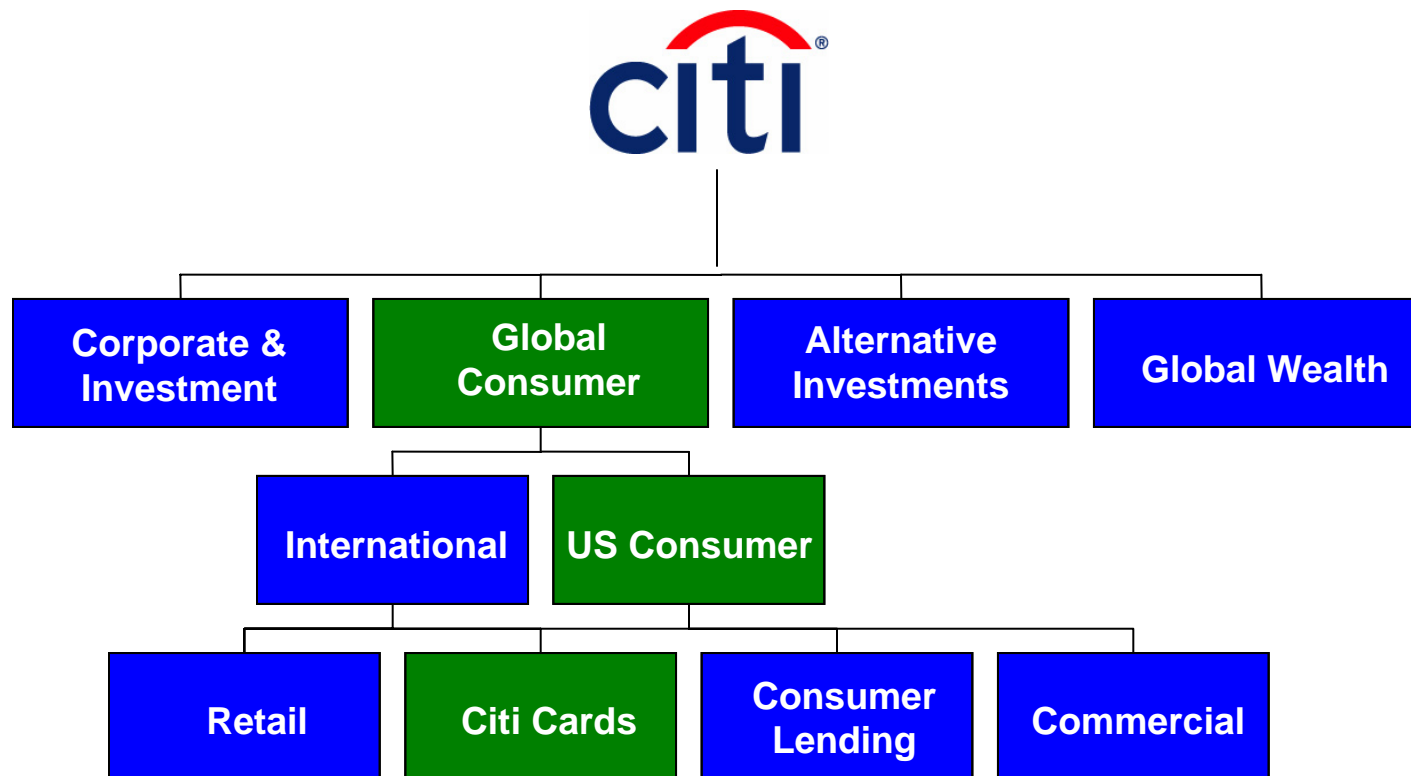


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- How Citi Cards Fits within the Citi Franchise
- Philosophy
- Citi Commitment to Financial Education
- Student Financial Profile and Credit Card Usage/Attitudes
- Citi Commitment to Credit Education
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- Quick Financial Management Tips for Helping Students

Citi Cards: A Key Business Unit within the Citi Franchise



- Citi is committed to providing best in class financial services to its customers.
- Credit cards are a necessary payment tool for students and a means for them to build credit history.

Citi Commitment to Financial Education

Financial education web site: citigroup.com/citigroup/financialeducation

Citi Financial Education Program

Knowledge is your greatest asset.®

Financial Education Home

Visit Our Sites
Citi's financial education sites

Find More Information
Resources from Citi and its partners

Programs We Support
Citi's involvement around the world

In the News
Releases and news about our programs

Highlights
Recent activities and events

Find More Information Resources from Citi and Its Partners

Independent Financial Education Resources

- [Jump\\$tart Clearinghouse](#) — Financial education materials from kindergarten through college.
- [My Money](#) — Financial education database managed by the Federal Financial Literacy and Education Commission.
- [NEFE Economic Independence Clearinghouse](#) — Financial education materials for low to moderate income adults.
- [Treasury Clearinghouse](#) — Financial education materials that government agencies have developed.
- [Federal Trade Commission](#) — This site provides practical tips from the federal government and the technology industry to help you be on guard against Internet fraud, secure your computer, and protect your personal information.

» click here

for answers
to your money questions.



Smith Barney's Young Investors Network



Because money doesn't grow on trees, young people are learning the value of money: how to save it, invest it, and help it grow.

Citi's Financial Education Partners

- [Aspira](#)
- [Do Something](#)
- [Junior Achievement](#)
- [National Academy Foundation](#)
- [National Community Reinvestment Coalition](#)
- [One Economy](#)
- [Operation HOPE](#)
- [Rainbow/PUSH Coalition](#)
- [Thirteen/WNET New York: Ed Online](#)
- [UK Career Academy Foundation](#)
- [United Way](#)
- [Urban League](#)

Student Financial Profile

➤ Income

- Annual personal earnings of \$5,246
- 56% have full or part-time jobs during the school year
- 96% of students report some personal income through summer or school year employment
- 68% receive money from home averaging \$376 monthly

➤ Age

- Average age is 20.7 years old.

Student Credit Card Usage

Credit cards are a fact of life among college students

- 38% have a general purpose credit card in their own name
 - Down from 44% two years ago
 - 29% of freshmen and 46% of seniors have their own card
 - 65% have a debit card
- Students have an average of 1.2 general purpose cards in their own name
- Only 8% of student monthly spending is on credit cards (36% is cash and 37% is ATM/debit)
- Top three items purchased with credit card:
 - Airline tickets – 44%
 - Textbooks – 31%
 - Car repairs – 29%
- 61% acquired their first credit card before age 19

Benefits of Credit: Meeting Students' Needs

- Helps build credit history
 - 50% of college students cite “establishing a credit history” as the primary reason for obtaining their first credit card
- Builds financial management skills
 - 69% of students agree that it is their responsibility to keep track of credit card spending
- Provides emergency protection and enhanced security
 - 20% of students want credit cards for use in emergencies
- Makes purchasing convenient
 - 35% of students want a card for the convenience

Students Recognize Importance of Credit Education



College upperclassmen are practicing positive credit management, but still apprehensive about financial responsibilities post-graduation

- 50% acknowledge they could do a better job of managing their spending
- 48% believe their current spending habits will not have a major impact on their credit report in the future
- 48% believe strongly that they will be able to handle their credit and finances responsibly after graduation
- 92% feel that credit card education is very important for college students
- 53% want to increase their understanding of sensible credit management
- 76% rely on their parents for financial information
- 50% are likely to ask their parents for assistance if they are unable to meet financial obligations
- 69% rely on financial institutions and the Internet as sources for financial information

Citi Commitment to Credit Education



- At Citi, our focus on the customer extends beyond providing a quality product. We are committed to providing materials, messages and services that help customers make the most of their money and fiscal security.
 - National media campaign advocating responsible spending (Use Credit Wisely).
 - April 2004 launch of 10 year, \$200 million commitment to Financial Education by Citigroup and the Citigroup Foundation and creation of the Office of Financial Education, led by Dara Duguay, formerly of Jump\$tart.
 - In 2006, Citi and the Citi Foundation invested nearly \$32 million in 72 countries, for a total of nearly \$85 million to date (well ahead of schedule).
 - Credit-Ed program has distributed 5+ million credit education materials for free to students, administrators, and parents
 - To further reinforce its commitment to credit education, Citi announced a newly enhanced usecreditwisely.com website in November 2007

- Credit education starts at acquisitions and continues throughout the time a student is in college.
 - Credit information at acquisition on all our applications
 - Student-oriented credit education website
 - Monthly themes conveyed to customers through on-going statement messaging, e-mails and inserts specifically designed for student customers – 30 messages/year to a customer
 - Custom & branded credit education materials available for college administrators at no cost; materials are free for immediate downloads or order

Citi Commitment to Credit Education



Resource Center

- FAQs
- Glossary
- Helpful Links
- Site Map
- Home

Interactive Tools

- Budget Builder
- Know When to Stop
- Use Credit Wisely mini-movie

Boost your financial IQ! Take the **Credit-ED® Challenge.**

Size up your credit smarts...see how good you are at credit management, budgeting and more. Score high enough and get Credit-ED Certified -- impress your friends, your parents and surprise yourself!

Get more information about Citigroup's Financial Education Program.

Students: Get Credit-ED Certified ONLINE

Administrators: Order free Credit-ED Challenge workshop materials and more!

Use Credit Wisely website for students: www.Students.UseCreditWisely.com

About Us | Credit-ED® To Order | Contact Us

Help your students get the knowledge and skills they need for a healthier financial future.

Use Credit Wisely website for administrators:

Healthy Credit Tips for Students

If you charge day-to-day expenses, pay them in full each month.

From organizing on-campus financial education workshops and accessing free podcasts on a range of credit management topics to airing a cutting-edge, award-winning, animated television Public Service Announcement and much more, Citi's Credit-ED® program offers a wealth of free materials to help you promote financial literacy among your students. We've made it easy for administrators like yourself to provide students with the guidance, on-going support and free resources they need to use credit wisely.

- ▶ [NEW! Free Credit-ED Podcast Series](#)
- ▶ [Credit-ED® Challenge](#)
- ▶ Return to [Students Use Credit Wisely](#) home page.

Citi Credit-ED Challenge

- Developed to help address the fact that only 30% of students think their college provides them with the resources necessary to use credit responsibly*
- Features 1-hour, interactive, free financial education workshop that teaches students about budgeting, credit management, and the importance of a credit history
- After completing the challenge (either via on-campus workshop or online), students can take the certification quiz and become Credit-ED certified
- In 2007, the Credit-ED challenge was incorporated for the first time into a curriculum requirement for college freshmen of a major university – Drexel University's LeBow College of Business

Citi Credit-ED Challenge

- Available as both an on-campus workshop and as an online tutorial at www.students.usecreditwisely.com
 - Website is also where schools can order the kit, which contains all materials necessary for a facilitator to conduct the 1-hour interactive workshop:
 - Facilitator Guide
 - Student Handouts Booklet
 - DVD of students talking about credit
 - Flyers to advertise workshop
 - Credit-ED Public Service Announcement DVD
 - Access to the Credit-ED Challenge certification quiz
 - New, free downloadable Credit-ED Podcasts are also now available for administrators

Citi Commitment to Credit Education

Credit Education Communication student examples



Spruce Up Your Financial "Resume"

Students Use Credit Wisely

Dear Fname Lname,

A good credit history is essential for life after graduation – when renting an apartment, buying a car, even applying for a job. To make a powerful first impression with future creditors, keep your financial "resume" – your credit report – as notable as your professional one.

Citi's **Credit-EDSM** program offers the following tips to help you build an attractive credit history:

1. Pay your monthly bills on time, every time. If you carry a balance, pay at least the minimum due - preferably more to minimize interest charges.
2. Don't exceed your credit limit.
3. Don't overextend yourself. The fewer accounts you have open - whether loans or credit cards - the better.
4. Notify creditors when you move, so bills arrive on time and you pay on time.
5. Check your credit report at least once a year to make sure it's accurate.

To find out more, check out www.Students.UseCreditWisely.com.

CREDIT POP QUIZ (CONT.)

9) Grace period is...

- a) A class taught by Miss Manners.
- b) The time spent praying you will have the money to pay your monthly credit card bill.
- c) The period of time you have to pay new purchase balances before interest charges apply.

Students Use Credit Wisely

A student pledged to help make credit work for you, not against you.

It includes tips on budgeting, saving and avoiding credit pitfalls.

Because the more you know about credit, the better you can manage it.

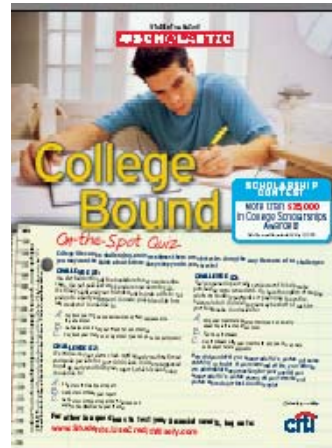
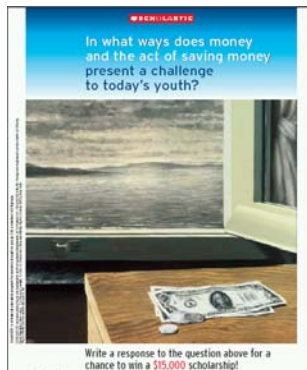
You have control. Your financial future will be. Think so too?

Students Use Credit Wisely

www.Students.UseCreditWisely.com

Citi Commitment to Credit Education

- Annual Citi/Scholastic National Essay Contest
 - Joint effort between Citi and Scholastic to help college-bound students prepare for life after high school with in-class lessons on money management
 - Contest challenges students to submit essays describing a personal experience that positively affected their financial management skills
 - Citi awarded \$39,500 in college scholarships to 17 high school students as part of the fourth annual contest in 2007



Conclusion

- Credit cards have become a way of life with the modern day student. 38% of students have a general purpose credit card in their own name.
- Citi is committed to offering products and services that promote financial education.
- Citi provides extensive credit education for students and is dedicated to cultivating its relationships with students beyond college and into adult life with a portfolio of financial services.
- Responsible credit card usage allows students to build a healthy credit history.

Quick Tips for Students

Key messages to help students establish a healthy credit history:

- Pay your bills on time; pay late and you not only incur a fee, but it can appear on your credit report for future lenders to see
- Budgeting is not a “bad” word, nor does it mean “not buying things I want.” Set up a monthly budget, and stick to it
- When applying for credit, provide complete, accurate, and consistent identification to set up a credit history correctly from the beginning
- Don’t apply for more credit cards than you need; too much available credit can make you look like a risk to future lenders. Find the card that suits your needs
- Keep balances well below your credit limits
- Review your credit report every year to check for inaccuracies

Quick Tips for Students

Key messages to help students set up a realistic budget and stick to it:

- Start by listing all sources of income, including loans, scholarships, work and funds from parents or family
- Subtract expenses such as tuition, books, meals and personal care; don't forget to estimate and plan for variable expenses like cell phone calls or travel home for the holidays
- Set aside money each month for emergencies
- What's left is your own personal "Credit line," or the discretionary amount you can afford to spend each month on "fun stuff"
- Finally, go over your budget every month and adjust it when needed; a budget helps you pay for what you need and afford what you want