

## LECTURE 6 – WHAT SHOULD YOU DO

What should you be doing with your credit cards?

Well, if you're using them really well and you pay off the balance in full at the end of each month, I would suggest you do nothing. You might be getting your rewards points that work out well for holidays or whatever you use them for.

But if you're on top of them, you're doing the right thing and paying them off and not paying any interest, then I would say, "Good luck to you. You're using them really smartly. Keep doing what you're doing because they are very convenient."

For those that have more than one credit card, all of these things come with a yearly fee and that can be up to a couple of hundred dollars. I know some of the AMEX specialist cards can go into the thousands of dollars. I don't think any of that makes any common sense. The benefits are just not there for these really high-end cards.

There might be some prestige for some people, but for the lay person, that's not us.

So, have one credit card that you can keep control of.

I think it's obviously best practice, pay it off in full as you can. Do not pay the minimum amount. That's falling into the bank's trap.

And, if you can't use them wisely, get them paid off and then cut the things up.

I think also from an internet purchasers' point of view, you need to be very careful about where you use it, what website you use it on.

I would encourage you to use PayPal. It's a secure, safe option to utilise your credit cards online and you're doing it through the intermediary, being PayPal, which offers a lot of security when you're making online purchases.

## UNDERSTANDING CREDIT CARDS

I personally have had ongoing issues with credit cards being compromised when the cards are being used online.

Be careful when using the Internet with your credit cards because once the scammers get a hold of them, they don't easily let go.

We'll catch you at the next one where we'll do a few calculations on how to pay down credit card debt. We'll see you then.