

# WHAT YOU SHOULD KNOW ABOUT CREDIT CARD



A type of loan, where the money you spend is actually borrowed from the card provider rather than debited from your personal account.



## PROS

- It is safer than carrying cash.
- It can build a credit-rating
- Earn rewards points when you spend You can request a chargeback
- Credit cards work in any currency Credit cards give you an emergency line of credit
- Credit cards often have complimentary extras

## CONS

- Paying high rates of interest
- Credit damage
- Credit card fraud
- Cash advance fees and rates
- Other fees can quickly add up
- Overspending



## CREDIT CARD VS. DEBIT CARD

A credit card allows you to access a credit limit that's provided by your credit card issuer. Your credit limit is the maximum amount you can borrow.

Debit card is linked directly to a money market or checking account and debited from the available balance in that account. There is no monthly bill or interest charges