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## **Risk Less & Gain More**

*People don't plan to fail, they fail to have a good plan. If you want to know how good your plan is call Maureen*

### **'Tis The Season.... For Credit**

#### **Are you a credit card junkie?**

Christmas is just around the corner. The pressure to get that perfect gift may cloud your judgment when it comes to using credit cards. Impulse buying is one of the big no no's when it comes to using credit cards.

Take a moment to complete this quiz to see if you are a credit card junkie.

How can you tell if you're a credit card junkie?

- You have more than two or three credit cards
- You pay the minimum or less on your credit cards
- You charge items you used to pay with cash
- You've reached your credit limit on your credit cards
- You take cash advances on your credit card to pay other bills
- You have late fees on your credit cards
- You've taken a consolidation loan to pay off your credit cards, but then charge to the credit cards again
- You use your bank overdraft protection to cover your bills

If you answered yes to any of the questions, you may be a credit card junkie. If you answered yes to more than three, you are a credit card junkie.

It's important to be aware of the risk factors that can cause credit card abuse, the first rule to getting out of the junkie cycle is to reduce your exposure. This includes;

#### **Can the Credit Card Offers**

Credit card companies send out over three billion credit card solicitations each year. That doesn't mean you have to take them up on their offer. Write "Cancel and take me off your list" when these offers arrive and send them back to the credit card company.

#### **Avoid Shopping Centers**

Cruising the malls without a definite plan in mind is like taking a dieter to an all you can eat buffet and telling them not to eat anything. Limit your exposure by planning your shopping trips. The fewer trips you make to the mall, the less impulse buying you'll do.

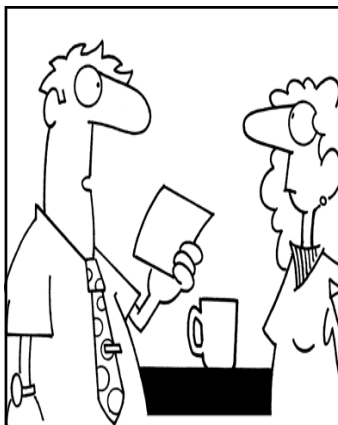
#### **Reduce Visits to Online Stores**

Online stores stimulate your desire to buy things you don't need and didn't even know you wanted. If you shop online, prepare a list of what you need ahead of time and stick to it.

#### **Be Aware of Advertising**

Our addictions to spending start with the hundreds of advertisements we're bombarded with each day. Awareness is the first line of defense.

For more information on controlling credit card debt, call me.



**"Happy Holidays to all our customers, except the ones who still owe us money. Does that sound festive enough?"**



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## Dos and Don'ts of credit Cards

### Do

- Make wise decisions about purchasing items you need versus those you simply want.
- Let your creditor know in advance if you won't be able to make your monthly payment on time.
- Stay within 30% of your credit limit. A large part of your credit score considers the amount of debt you have.
- Negotiate a lower interest rate. Your interest rate determines how much you pay for carrying a balance on your credit card. Evaluate the interest rate on your credit card periodically to be sure you are getting the best deal possible.

**"If you think no one cares you're alive, just miss a couple of monthly payments"**

### Don't

- Use your credit care to make every day purchases. Using credit cards as a substitute for cash is a habit that can quickly lead to debt.
- Get into the habit of making minimum only payments. Making minimum payments each month increases the amount of time it will take to pay off your debt. It also increases the amount of interest you end up paying over the long term.
- Use your credit card to buy things you can't afford. Living a borrowed lifestyle is the quickest way to get into debt.
- Close out a credit card without knowing how your credit will be effected. There are times when closing a credit card can hurt your credit score. Avoid closing cards that still have a balance or those that make a significant amount of your credit history.

**AMARACK:**  
The spirit of the wolf represents strength and guidance as a pathfinder, teacher and protector



### **Amarack**

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## How much credit is too much?

You can tell if you have too many credit cards by the effect on your credit. When lenders evaluate your loan application, they consider available credit as an opportunity for debt. They may figure your debt-to-income ratio as if your credit cards were totally maxed out. The more credit cards you have, the more temptation you have to charge purchases. As your credit card balances increase, your credit utilization goes up. One way to keep your credit utilization down is to keep your number of credit cards and balances down.



For more information about investments, insurance and affordable ways to make your financial plan a success, call Maureen.

To receive a copy of my book *The Gender Gap, what every woman should know about money*, contact us.

### **For more information:**

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Maureen has been in the financial industry since 1972. Education and relationship building are the foundation for Maureen and her clients. She understands that each person is unique, having goals and dreams. She works with them and prepares a financial plan they can follow to achieve those dreams.