

Agenda: March 8, 2007
Finance 442—Financial Planning

1. Handouts

Lecture notes for Chapter 6
Lee Case Questions – Part 3

2. Do you know what these terms mean?

Debt safety ratio
Revolving line of credit
Overdraft protection
Home equity credit lines
Credit scoring
Chapter 13 personal bankruptcy
Chapter 7 personal bankruptcy

3. Items for Discussion (Chapter 6)

- Benefits and problems with using consumer credit
- Develop a plan to establish a strong credit history
- Distinguish among the different forms of open account credit
 - i. Bank credit cards
 - ii. Other credit cards and charge accounts
 - iii. Debit cards
 - iv. Revolving credit lines
- How to apply for, obtain and manage open account credit
- How to choose the right credit cards
- How to avoid credit problems, protect yourself against credit card fraud, and understand the personal bankruptcy process

4. In-class Exercises (Chapter 6)

- Financial Planning Exercises: #4, #6, #8.

5. Homework (Chapter 6)

Xtra! Quiz: Chapter 6

End of Chapter Questions

- Financial Planning Exercises: #2, #3, #7, #9, #10.
- Contemporary Case Applications: #6.1 -- #6.2

For Next Time, Read Chapter 7