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