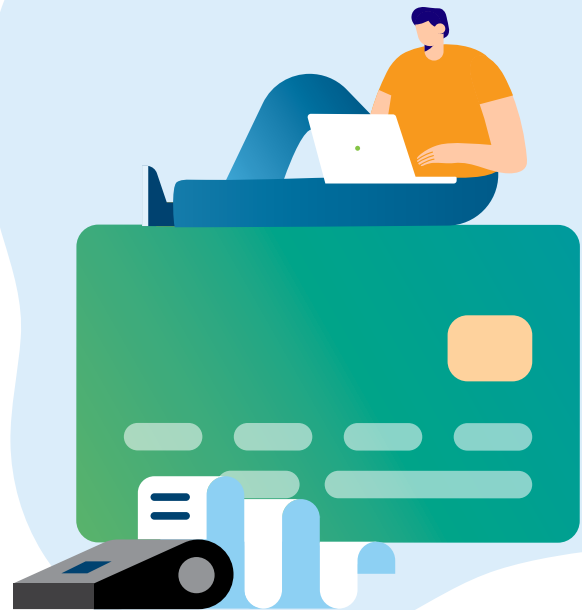


## Your credit card

### What you need to know about credit cards

Credit cards allow you to borrow money (up to a certain limit), as long as you make regular minimum repayments. Credit cards tend to have higher interest rates than other forms of credit (like personal loans.) Unless you use a card that is interest-free and fee-free, buying items with a credit card will always cost you more than paying with cash

If you make only the minimum repayment on your credit card each month, you will pay more in interest and it will take longer to pay off your balance.



### Step 1



#### Keep track of your spending

The best way to keep track of your spending is review your receipts against your statement each month. Keep an eye out for:

- Charges by companies you do not recognise
- Large or unusual charges
- Changes in direct debit amounts
- Duplicate charges



### Step 2

**Pay on time** When you receive your statement, check the date that your payment is due, and make sure you pay on time to avoid extra interest charges or hefty late payment fees.

To make it easier to pay on time, consider setting up a direct debit each pay day, to pay a fixed amount off your balance owing. Just ensure these payments cover the minimum monthly payment due on your card.



### Step 3

#### Maximise your credit card repayments

If you only make the minimum repayments on your card each month, you'll pay high levels of interest, and it could take you years to pay off your debt. Simply peek at your monthly statement to see how long it will take to pay off your entire balance if you only make minimum repayments.

You can also use the [Moneysmart credit card calculator](#) to work out how much time and money you'd save by making more than just minimum payments.

smartMonday is a registered trading name of Aon Solutions Australia Limited ABN 48 002 288 646 AFSL 236667 (Aon), the sponsor of the Aon Master Trust ABN 68 964 712 340 (the Fund). The trustee of the Fund is Equity Trustees Superannuation Limited ABN 50 055 641 757 AFSL 229757 RSE Licence L0001458. This document has been prepared by Aon on behalf of the Trustee. smartMonday PRIME, smartMonday DIRECT and smartMonday PENSION products are part of the Fund.

Aon has taken care in the production of this document, the contents of which has been obtained from sources that it believes to be reliable. To the extent permitted by the law, Aon does not warrant, represent or guarantee the accuracy, adequacy, completeness or fitness for any purpose that this document may be used and accepts no liability for any loss incurred by anyone who relies on it. Past performance should not be considered a guide to future performance.

The information in this document is general in nature and should not be relied upon as personal advice as your personal needs, objectives and financial situation have not been considered. Before deciding whether a particular product is right for you, please consider the relevant Product Disclosure Statement or speak with your financial adviser. If you do not have a financial adviser, contact us to ask about the intra-fund advice services you can access through your membership.

© 2020 Aon Solutions Australia Limited

SBSM0085 U 0720