

Comparing Credit Cards

Credit cards are becoming a necessary financial tool in a modern society. They make purchasing goods online, easy. You need one to rent a car or a hotel room. They're handy when you're traveling or when you run out of cash. Some cards offer a variety of special features.

But not all cards are the same. They charge interest rates that vary from less than 10% per year to almost 30%. Some don't charge interest for several days, but others charge from the day you use them. It's important to know the benefits and the costs of a card before you apply for one.

Assignment:

Working in groups of 1-3, research a type of credit card and include the following information:

1. Have each member of your group gather as much information as possible about the card, including:
 - a. The annual interest rate charged on purchases and cash advances
 - b. When is interest charged for purchases and cash advances
 - c. Any special benefits available to card users, including purchase insurance, credits or points toward future purchases, travel etc.
 - d. Where the card may be used
 - e. Whether the card is available for young people and any conditions that apply for young people
2. Do your research by using sources like:
 - a. Websites of the company that issues the card
 - b. The website of the Financial Consumer Agency of Canada (<http://www.fcac-acfc.gc.ca/eng/consumers/creditcard/index-eng.asp>)
3. Communicate your understanding of the following terms:

a. Credit	d. Interest Rate
b. Credit card	e. Minimum Payment
c. Annual Fee	f. Grace Period
4. Address the following central question: *Why would a credit card company want to let you use their money?*

5. Gather all the information your group has found, and summarize the most important facts about the credit card.
6. Prepare a comparison chart, (please indicate which card you would chose and why.) You will also need to include the answers to the questions asked above.

You must compare a minimum of 5 cards.

At Least one Visa, one MasterCard, and one other.

At least one of the cards should be a student card.

Each group member will hand in their own copy of the chart with their final game of life project.

Some Examples You May Want To Use:

- CIBC Aerogold Visa
- TD U.S. Dollar Visa
- BMO Air Miles Mastercard
- Royal Bank Visa Classic Student
- Scotiabank Value Visa
- Van City Enviro Classic
- Royal Bank AvionVisa
- American Express Blue Sky