

## Transcription Sequence

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How do credit cards work?

Credit cards are not linked to your bank account and they allow you the facility to buy now and pay later. Like debit cards, you can use your credit card to pay for goods and services in shops and on the Internet. You can also take cash from a cash machine using your credit card, but be aware that this does incur a charge. Your bank may offer you a credit card or you may choose to apply for one. You need to consider that the Bank will run checks just to make sure that you are creditworthy. Think carefully before using your credit card. If you don't make the full balance repayment by the due date you will incur interest charges. Also, if you don't make your payment at all, you'll incur a late payment charge and additional interest, and this will also stop you being able to use your account. Bear in mind also that some credit cards will charge you an annual fee just for having the card, so make sure that if you've got that type of card, you are going to use it.