



# To Your Credit

## Student Workbook

***Use the space below to take notes on what you want to remember  
and what you want to share with others.***

**Extra Resources:**

Use this QR Code to access additional resources  
for topics discussed in this lesson.



*Fill in the key terms.*

**Credit is:**

\_\_\_\_\_ that is \_\_\_\_\_ to you that you pay back with \_\_\_\_\_.

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***Match each vocabulary term with the correct definition by entering the corresponding number in the space provided.***

①

APR

The fee charged if the minimum payment is made after the due date

②

Grace  
Period

Annual rate that is charged for borrowing

③

Available  
Credit

The amount of credit you have to spend

④

Late  
Payment Fee

The number of days between the statement date and the payment due date

**VISA**



**DISCOVER**

# Comparing credit card offers

*Compare the offers below to determine which is best and why. For each category, circle the feature that is most appealing to you. Then, see which card has the most features circled.*

	 Card A	 Card B	 Card C
Annual Fee	\$0	\$50	\$0
Introductory Rate	None	0% for 6 months	0% for 12 months
Interest Rate	17.5%	13.9%	15.2%
Late Payment Fee	\$45	\$0 for the first late payment, then \$41	\$41
Over-the-Limit Fee	None	\$35	None
Rewards	Travel points for air and hotel	None	1% cash back on all purchases

**Card \_\_\_\_\_ is a good offer for me.**

**Consider these questions when choosing a credit card:**

- Is there an introductory rate, what is it, and how long does it last?
- What will my interest rate be after the introductory rate?
- Is there an annual fee?
- What is the late payment fee?
- Is there an over-the-limit fee?
- Are there any other fees, like account-termination fees or balance-transfer fees?
- How can a fixed rate be changed?
- What is the grace period before interest is charged?

***Fill in the key terms.***

***The terms of your loan  
(how much you pay for how long)  
are determined by your***

***which is determined by your***

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## ***Review a Credit Report***

*More information on each section can be found by scanning the QR Code on the first page of this workbook.*

### **Section 1: Basic identification information**

Name, social security number, etc.

### **Section 2: Public records**

Bankruptcies or tax liens are listed here

### **Section 3: Collection agency information**

A list of creditors who have hired a collection agency to contact you and try to collect what you owe

### **Section 4: Credit account records and payment history**

Information on all of your credit accounts

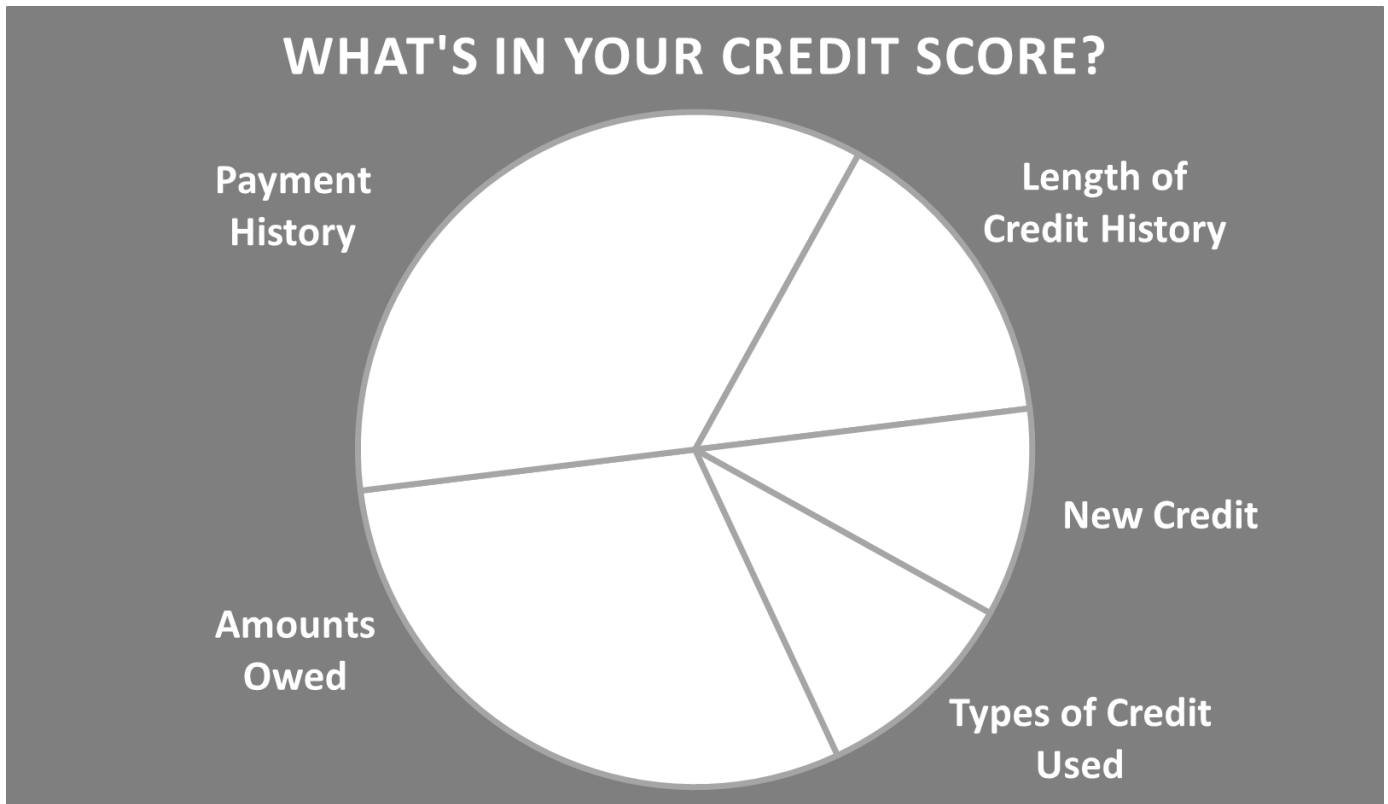
### **Section 5: Credit inquiries**

List of inquiries that have been made by credit companies about your credit history.

### **Section 6: Credit Score**

Reports from [annualcreditreport.com](https://annualcreditreport.com) DO NOT have your credit score

*Fill in the percentages below.*



*Fill in the credit scores below.*

FICO Score Ranges	
<input type="text"/>	<b>Exceptional.</b> You will likely have little trouble getting approved for credit and will qualify for the best loan terms.
<input type="text"/>	<b>Very good.</b> You likely will qualify for better interest rates.
<input type="text"/>	<b>Good.</b> Lenders see you as an “acceptable” borrower, but may require answers to additional questions about your credit history.
<input type="text"/>	<b>Fair.</b> You might have difficulty getting credit. When you are approved, it likely will be at a higher interest rate.
<input type="text"/>	<b>Poor.</b> This reflects some real hardships, such as bankruptcy, or a borrower who has not built up credit yet. If you are granted credit, you might need to put down a deposit or pay a fee.

# What's the Credit Score

*For each scenario, circle if your credit score will go up or down. Then decide by how many points and write the new score on the line provided. You will start with a score of 700 for each scenario.*

## Scenario #1

You skipped a credit card payment.

UP    DOWN

New Score: \_\_\_\_\_  
Why? (discussion notes):

## Scenario #2

You take out a credit builder loan and make 12 consecutive on-time payments.

UP    DOWN

New Score: \_\_\_\_\_  
Why? (discussion notes):

## Scenario #3

You completely paid off a credit card and will only use it for emergencies.

UP    DOWN

New Score: \_\_\_\_\_  
Why? (discussion notes):

## Scenario #4

You closed a credit card that you haven't used for five years.

UP    DOWN

New Score: \_\_\_\_\_  
Why? (discussion notes):

## Scenario #5

You applied for a car loan, which was a hard credit inquiry.

UP    DOWN

New Score: \_\_\_\_\_  
Why? (discussion notes):

## Scenario #6

You missed a car payment by 2 days.

UP    DOWN

New Score: \_\_\_\_\_  
Why? (discussion notes):

# GO DO IT NOW!

Financial Issue	Best Practices to Help Manage Money Responsibly	My Financial To Do List
Credit Cards	<input type="checkbox"/> When I have any type of credit card, I will only buy things I can afford to pay for in full at the time I make the purchase. <input type="checkbox"/> I understand that using my credit card to buy something that I will need to pay off for months or years will keep me in debt and result in me paying much more than the items I bought actually cost.	
Credit Score	<input type="checkbox"/> I will pay all of my bills and any loan payments I have on time and in full. <input type="checkbox"/> When I have a credit card I will pay off the full balance each month on time. I will always pay more than the minimum required. <input type="checkbox"/> I will not apply for multiple credit cards in short periods of time.	
Credit Report	<input type="checkbox"/> I check my credit report at <b>AnnualCreditReport.com</b> at least once each year. <i>(Only use this site! Others can scam you and make you pay for your report.)</i> <input type="checkbox"/> I will address any problems or inaccuracies I find on my credit reports with the credit reporting agencies.	
Building a Good Credit History	<input type="checkbox"/> I will consider the following when I am financially ready and responsible to help build a good credit history and score: <ul style="list-style-type: none"> <li>○ Applying for a store credit card and using for periodic purchases.</li> <li>○ Talking to my bank or credit union about opening a secure credit card.</li> <li>○ Talking to my bank about applying for a major credit card with a low credit limit and having a trustworthy co-signor age 21 or older apply with me. <b>(Remember, it is a joint account so if they use the card and don't pay off their purchases, it affects you.)</b></li> </ul>	