



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 _____.

***Draw a line to connect each vocabulary term
with the correct definition.***

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

Work with a partner or a small group to 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?

Review a Credit Report

Write the name of the sections found on 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: _____

Name, social security number, date of birth, previous addresses.

Section 2: _____

Bankruptcies, judgements, or tax liens are listed here.

Section 3: _____

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

Section 4: _____

Information on your credit accounts.

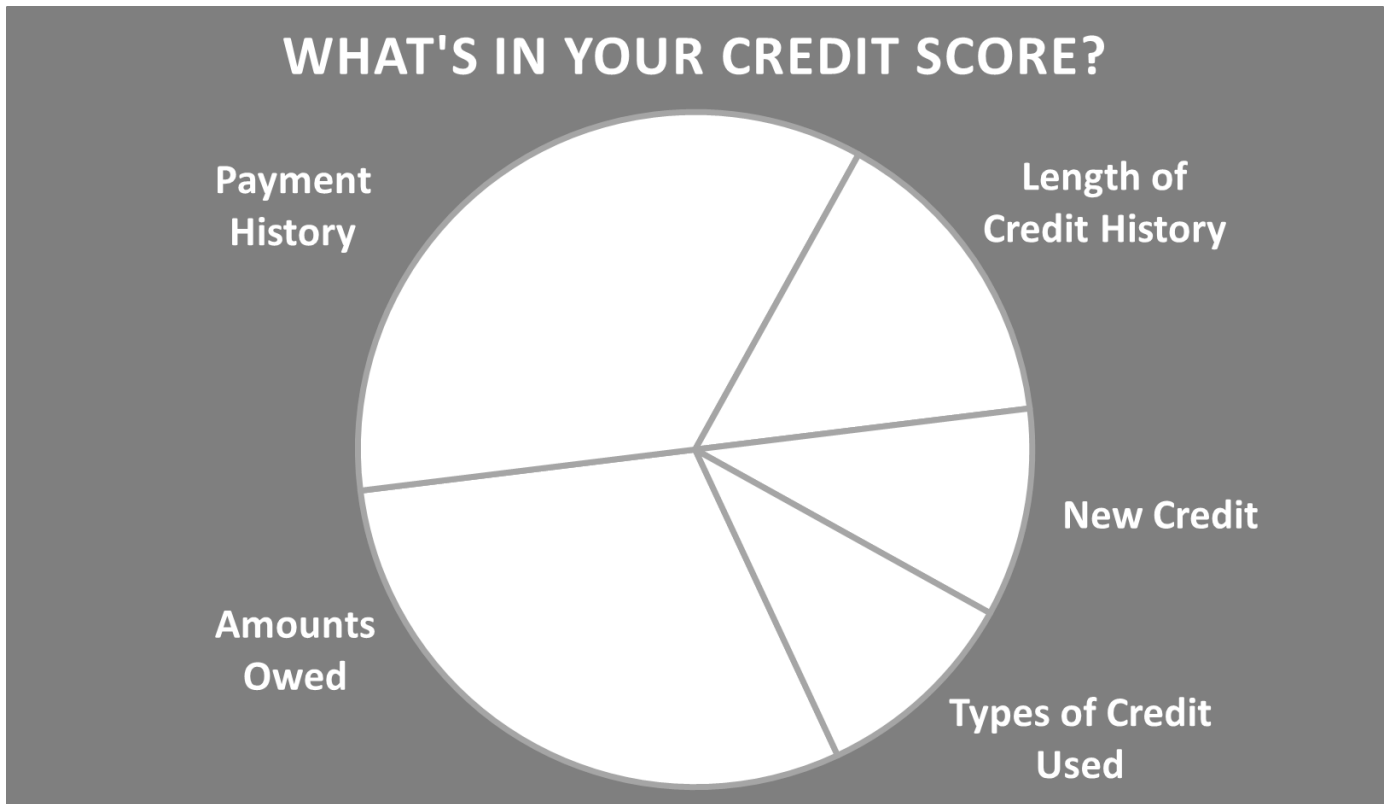
Section 5: _____

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

Section 6: _____

Reports from annualcreditreport.com DO NOT have your credit score.

Fill in the percentages below.



Fill in the credit scores below.

FICO Score Ranges	
	Exceptional. You will likely have little trouble getting approved for credit and will qualify for the best loan terms.
	Very good. You likely will qualify for better interest rates.
	Good. Lenders see you as an “acceptable” borrower, but may require answers to additional questions about your credit history.
	Fair. You might have difficulty getting credit. When you are approved, it likely will be at a higher interest rate.
	Poor. 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 up with my Credit Score?

*For each scenario, circle if your credit score will go up or down.
Discuss your answers with the group.*

Scenario #1

You skipped a credit card payment.

UP DOWN

Why? (discussion notes):

Scenario #2

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

UP DOWN

Why? (discussion notes):

Scenario #3

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

UP DOWN

Why? (discussion notes):

Scenario #4

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

UP DOWN

Why? (discussion notes):

Scenario #5

You missed a car payment by 2 days.

UP DOWN

Why? (discussion notes):

ADDITIONAL NOTES:

GO DO IT NOW!

Financial Issue	Best Practices to Help Manage Money Responsibly	My Financial To Do List
Credit Cards	☐ 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. ☐ 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	☐ I will pay all of my bills and any loan payments I have on time and in full. ☐ 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. ☐ I will not apply for multiple credit cards in short periods of time.	
Credit Report	☐ I check my credit report at AnnualCreditReport.com at least once each year. <i>(Only use this site! Others can scam you and make you pay for your report.)</i> ☐ I will address any problems or inaccuracies I find on my credit reports with the credit reporting agencies.	
Building a Good Credit History	☐ I will consider the following when I am financially ready and responsible to help build a good credit history and score: ○ Applying for a store credit card and using for periodic purchases. ○ Asking a family member to add me as an authorized user on a major credit card. (Remember, it is a joint account so if they use the card and don't pay off their purchases, it affects you.) ○ Talking to my bank or credit union about opening a secure credit card. ○ Asking a friend or relative to be a co-signer for loans, etc.	