

Explanation: **TRUE.** The minimum payment is the LEAST amount you can pay to keep the card active. If you pay less, your card will be deactivated.

Card #9:

If your credit card is lost or stolen, or has been used without your permission, you will be responsible for only the first \$100.00 of unauthorized charges if you report it right away

Explanation: **FALSE.** If you notify the authorities right away, you will be responsible for only the first \$50 of unauthorized charges.

Card #10:

If you pay your bill in full during the grace period, you won't have to pay a finance charge on purchases for that bill

Explanation: **TRUE.** Paying your bill in-full during the grace period ensures you won't have to pay late-fee finance charges.

Teaching:

Go over some basic credit card safety tips, such as how to keep credit card numbers safe and what to do if a card is lost or stolen. Next, briefly discuss the material on interest rates in the Student Guide as they relate to credit.

Emphasize that the best practice for paying credit card interest, which can add up significantly over time (leading to credit card debt), is to pay one's credit card bill in full. If that's not possible, an individual should try to pay as much over their credit card minimum payment as possible (even just \$10 more each month can reduce credit card interest).

Pros & Cons of Credit; Paying Down Credit Cards

Facilitator:

Suggested time: 10 minutes

Materials: PowerPoint slides; Student Guide p. 105-107