

Explanation: TRUE. This is called a credit limit – the maximum amount of credit a credit card company or bank will allow a client to use. Beginner cards often have lower credit limits, and a person's credit limit can increase over time and as their credit report improves with good credit management.

Card #2:

Late fees, if you don't pay your bill on time, can be as high as \$35

Explanation: TRUE. Late fees (if you do not pay your bill by the day the grace period expires) can be costly. It can be helpful to write yourself reminders or sign up for automatic credit card payments to avoid these fees.

Card #3

Usually, the lower your credit score, the higher your credit card interest rates will be

Explanation: TRUE. Consumers with higher credit scores tend to receive lower interest rates than consumers with lower credit scores. This is because a higher credit scores signifies a history of paying back credit responsibly.

Card #4

The grace period for credit cards is usually about 30 days

Explanation: FALSE. A grace period is usually about 25 days. A grace period is the period between the end of a billing cycle and the date your payment is due. Your credit card statement must be made available to you no later than 21 days before the due date.