

Unit 4 Credit

Credit Card Search

Students are to complete Internet research to gain more knowledge of credit card options to make a more informed decision as a consumer.

Go to the following address: <http://www.themint.org/kids/try-it.html> At this site complete the following two steps. The entire project is worth **40 points**.

1st Step What is your Credit Card IQ 5 points

Take quiz on line. Write down either T or F and explain why. Grade yourself on the screen and record your results. Turn in your original answers with notes on why you might have chosen the wrong answer.

2nd Step Complete the Spending Challenge 5 points

Complete the challenge. The challenge lasts for 16 weeks, after 16 weeks record the information and answer the following questions below.

You are at the end of your 4-month trial, so how did you do?

1. How much do you have in savings?
2. How much debt do you have?
3. How much money did you have on hand when you got into the accident in week 16?
4. What did you learn about having cushion money for unexpected expenses that had to be purchased?
5. How wise were your spending choices?

3rd Step Credit Card Search

15 points

Please refer to the site listed below to answer the following questions.

<http://money.howstuffworks.com/credit-card.htm/printable>

1. What are the dimensions of a credit card? _____

2. What identification information does a credit card contain? _____

3. Who introduced the first universal credit card? _____

4. What year did American Express offer their credit card? _____

5. What is the national standard for credit card numbers? _____

6. Explain four points about the numbering system of credit cards:

7. What is the magnetic strip on the back of a card called? _____

8. What is a smart card? _____

9. What federal government agency monitors credit? _____

10. List four tips to protect yourself from credit card theft.

11. List and define four credit terms.

12. List four items you should have access to due to the Truth in Lending Act .

13. What is the amount that is usually required for a minimum payment?

14. What law helps with the credit card billing errors? _____

15. List four items the lenders look at to decide about if you are a good credit risk.

16. List three items to help eliminate debit.

Step 4 Debit Calculator

Go to <http://www.calculatorweb.com/calculators/creditcardcalc.shtml>. Finish the table below. 15 points

Balance	APR Rate	Months to Pay	Minimum Payment 2%	Minimum Payment 5%	Minimum Payment 10%	Interest Paid	Total Amount Paid
\$11,500	14%		*use this				
\$11,500	14%			*use this			
\$11,500	14%				*use this		
\$ 3,500	2.9%		*use this				
\$ 3,500	2.9%			*use this			
\$ 3,500	2.9%				*use this		
\$ 10,500	5.9%		*use this				
\$ 10,500	5.9%			*use this			
\$10,500	5.9%				*use this		
\$15,000	13.9%		*use this				
\$15,000	13.9%			*use this			
\$15,000	13.9%				*use this		