

Ambassador Good Credit



Complete this badge to know what it takes to keep good credit and borrow money smartly, including how to pay back what you owe in time. These skills will help you throughout life.

- 1) Do your own research on credit scores. Anything above 700 is very good while below 500 are considered subpar. There is lots of information on line, but it is hard to sort through it all to find what is important. Spend two hours researching then write two paragraphs. One where credit scores come from and the other on ways to keep a good credit score.
- 2) Learn about student loans. Search on line to find out about different types of student loans, as well as how and when you're expected to pay the loan back after graduation.
- 3) Credit cards is the way most people borrow money. Go on line of three different banks or credit unions and compile information on the various credit card offers you find and complete the worksheet. Then rank each offer for the best deal and discuss with family or friends.
- 4) Talk to an adult who has experience with both getting and paying back loans. Ask for advice and tips on borrowing. Find out if they would have done anything differently, and if so why?
- 5) Write a draft of your own credit commitment and talk to your family about it. Explain the details, and give everyone a chance to discuss their feelings. After revisit your credit commitment to make a final draft. Make sure it includes at least three personal guidelines for how or when you will borrow money in the future.

Use this worksheet to compare three credit card offers. Pay attention to the Annual Percentage Rate, or APR. The APR is the yearly rate of interest paid on a credit card.

Name of Bank or other source	Example Town Bank			
Initial APR interest rate	18%			
APR after making a purchase	25%			
Annual Fee? Y/N	Yes			
Rewards? Y/N	Yes			
Late Payment Fee?	\$25.00			
Credit Limit	\$1000.00			
Minimum Finance Charge	\$1.50			
Cash Advance Fee	\$10.00			
Grace Period	25 days			
Special Offers	No			

My pledge card

