

Section 2—Financial Basics

Title of Lesson/Subject: *Credit Cards- Which ones are good, which ones aren't?*

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Time Allotment: Two Class Periods

Grade Level or Target Audience:10-12 grade

National Standards Competencies: Social Sciences: NSS-EC.9-12.12

Key Economic Concepts: credit cards, financing, APR, Annual Fee, Budget

Brief Description: Students compare the features of three different types of credit cards.

Learner Objectives: Students understand the various features of credit cards, evaluate credit card choices, and learn about responsible credit card use.

Introduction: Have many different paper credit cards and have each student pick one based on anything they want, the color of it, the design of it, the company of it, etc. Then after they have picked one, give them the information of the credit card, like if it has an annual fee, what the APR is, any cash-back perks, etc. Tell them that they need to do research on a credit card before they pick one.

Materials Needed: paper credit cards, Students and Credit Cards guide, Shopping for a Credit Card checklist worksheet (the guide and checklists can be found at: http://www.education-world.com/a_lesson/01-1/lp232_02.shtml)

Audio/Visual Equipment Needed: Computer (internet)

Lesson Outline:

- Introduction Activity
- Provide students with the information about the advantages and disadvantages of credit cards, types of credit cards, credit record, choosing a credit card, costs of credit, calculation of the finance charge, credit card evaluation, credit availability, and credit card responsibilities.
- Complete the discussion questions at the end of the Student and Credit Cards guide.
- Ask students to obtain credit card applications from three different sources, evaluate each card on the Shopping for a Credit Card worksheet, and compare the costs involved with each card.
- Optional: Provide students with the list of additional resources provided at the bottom of the Students and Credit Cards guide. Invite students to write for one of the pamphlets, read the information, and present it to the rest of the class. Provide each student with a copy of different credit cards, and ask students to discuss the features with their parents or guardians.

Resources: http://www.education-world.com/a_lesson/01-1/lp232_02.shtml , National Institute for Consumer Education

Activities: Research different kinds of credit cards, compare different credit cards, fill out the Shopping of Credit Cards checklist for each credit card they research, present pamphlets on different credit cards that they have received

Application/Assignment: Research credit cards and fill out the checklist worksheet. Write in and ask for pamphlets on different credit cards. Prepare a presentation in regards to the pamphlets that the students receive.

Evaluation Plan: Evaluate the student's checklists and also grade them on their presentation of the credit card pamphlets.