Personal Financial Literacy

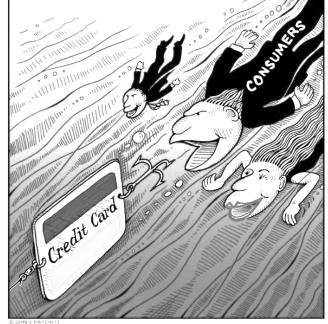
Unit 6

Vocabulary

Creditor	Person who loans money	
Debtor	Person who borrows money	
Debt	Amount of money owed	

Guided Notes

Guiding Question: How can credit/debt be used to a consumer's advantage? How can it be used incorrectly?					
Questions	Credit Cards				
	Not all forms of debt are				
	People build debt by		_, etc.		
	But sometimes				
	People also build debt when	Buying on credit is like			
		1) What's happening in this cartoon?			



- 2) Explain the title "Hooked on Credit Cards."
- 3) What message does this cartoonist want to deliver about credit?
- 4) What questions about credit do you have after viewing this cartoon?

"Hooked on Credit Cards"

Discuss with your team, what are the "good" ways and "bad" ways to use credit?

Good ways to use credit	Bad ways to use credit

Dia	uss with your team, what does this video say about how you should and shouldn't use
	it? (Write your conclusions from your team's discussion)
Wat	ch the video: "Life Lesson #3: Credit Card Debt."
	uss with your team, what does this video say about paying your credit card bill? (Write conclusions from your team's discussion)
Wat	ch the video: "Credit Card Debt Explained with a Glass of Water."
	uss with your team, what does this video say about paying your credit card bill? (Write conclusions from your team's discussion)
Wat	ch the video: "Credit Scores and Reports 101 (Credit Card and Loan Basics 2/3)"
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	Building Wealth
	There are many strategies you can use to make the money you make work for you.
	1. Put money in: The money
	will grow, but it is
	2. Buy: Similar to a CD,
	when you buy a, you can
	years later at a much higher price.
	3. <u>Buy a home</u> : In most economic situations, house prices When you
	buy a house, you should be able to
	4. <u>Invest in the Stock Market</u> : When you buy you are buying
	You can make money from stocks in two ways:
	a. <u>Dividends</u> : You get a piece of the company's for owning some of the company.
	Capital Gains: your shares of stock
	b. Which wealth building strategies are safe? Which are risky? Why do people use the risky
	strategies?
Summary	