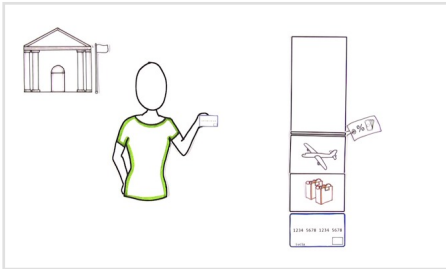


Lesson Plan

This lesson plan is designed to help you teach using a Common Craft video. Use the information below to introduce the video and then follow the video with discussion questions and other resources.



commoncraft.com/video/credit-card-responsibility

ISTE Standard:

**Knowledge Constructor,
Indicator 3d**

Credit Card Responsibility

Explained by Common Craft

Credit Cards have become a part of modern life that comes with significant risks. This video introduces the high level concepts of using credit cards responsibly. Lucia and Marlon - one learns to save money by paying off their balance every month while the other encounters the hard lessons of being delinquent on payments.

Learning Outcomes

- Explain the value of using a credit card to borrow money
- Identify important details to be aware of when getting a credit card
- Describe how to avoid being charged interest when using a credit card
- Describe the consequences that can occur if a credit card is not used responsibly

Discussion Questions

Q #1

How would you determine whether to use a credit card instead of a bank to borrow money? Explain your reasoning.

Q #2

In which situations would the consequences of using a credit card outweigh the benefits of using one?

Knowledge Check Q&A

Q

Why is the interest from a credit card optional?

A

If a borrower completely pays off the credit card each month, the borrower can avoid paying interest. The interest is paid on what a borrower still owes.

Q

What is the consequence if a borrower becomes delinquent on a credit card payments?

A

The interest and fees stack up, and eventually the credit card company will report the debt.

Q

What happens to a delinquent borrower if a credit card company reports the debt?

A

The poor credit rating will prevent the borrower from getting other credit cards, borrowing money, or using credit for years into the future.

Resources for Learning More

Investopedia

“Understanding credit card interest” 9/2017

<http://www.investopedia.com/articles/01/061301.asp>

Barron's Next

Emily Bary

“Here are the 5 biggest mistakes you can make with a credit card” 5/2017

<http://www.barrons.com/articles/here-are-the-5-biggest-mistakes-you-can-make-with-a-credit-card-1493929743>

Time

Martha C. White

“Credit-card fine print is too smart for most Americans” 9/2016

<http://time.com/money/4481284/credit-card-agreements-fine-print/>

Investor.gov

“Pay off credit cards or other high interest debt”

<https://investor.gov/introduction-investing/basics/save-invest/pay-credit-cards-or-other-high-interest-debt>

NPR: Weekend Edition Sunday

“Crushed under credit card debt: A tale of survival” 8/2014

<http://www.npr.org/2014/08/03/337434498/surviving-a-personal-debt-crisis>

New York Times

Ann Carrns

“How to make your credit card act like a debit card” 7/2017

<https://www.nytimes.com/2017/07/19/business/how-to-make-your-credit-card-act-like-a-debit-card.html>