

NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

## ACTIVITY

## Financially Me: Credit Do's and Don'ts

**What + Why:** Create a set of credit “Do’s and Don’ts” that summarize how to use credit responsibly.

Credit can help people access money when they need it. But borrowing also creates responsibilities and potential risks.

This artifact serves as a guide you can use when considering borrowing credit in the future.

**Instructions:**

1. Think about what someone should do and what someone should avoid when using or deciding on credit.
2. Consider topics around:
  - Interest rates
  - Fees and penalties
  - Repayment timelines
  - Missed payments
  - Understanding credit terms before borrowing
3. Write at least four total ideas/actions in the Do's and Don'ts table.
4. For each Do or Don't, include a brief justification explaining why it matters. (Consider referencing things like repayment structure, total cost, financial risk, or how circumstances could change.)

| Credit Do/Don't | Action                                                           | Why It Matters                                                                                                                                                                                          |
|-----------------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DO              | <i>pay your full balance before the promotional period ends.</i> | <i>The promotional period has a hard deadline. Miss it by even a dollar and interest gets added back to your original balance from day one.</i>                                                         |
| DONT            | <i>borrow based on monthly payment alone.</i>                    | <i>Focusing only on what you can afford each month ignores things like total repayment cost, fees, and interest adding up over time. A lower payment often means paying significantly more overall.</i> |
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