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| Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

Getting a Credit Card

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| **1.** APR: The interest rate that the user of a credit card will pay. The APR advertised by creditors varies and should be used to compare different credit card | **A.** later. |
| **2.** credit: Making purchases now and paying for them later (also known as | **B.** offers. |
| **3.** credit card: A plastic card used to make purchases now and pay for them | **C.** borrowing!). |
| **4.** creditor: Any bank or business that extends credit to others; a | **D.** borrowed. |
| **5.** debtor: Anyone who owes money; a | **E.** bill. |
| **6.** finance charge: A fee for borrowing money, added to a monthly credit card | **F.** APR. |
| **7.** interest rate: The fee, expressed as a percentage, a borrower pays for the use of a creditor’s money. At an interest rate of 10%, a borrower would pay $110 for $100 | **G.** lender. |
| **8.** introductory rate: A temporary interest rate advertised as a low APR to entice customers to apply for a credit card. After the introductory period, the interest rate will increase to the regular | **H.** card. |
| **9.** late fees: Additional fees that can be added to a credit card bill if the cardholder fails to make at least the minimum payment by the due | **I.** lender. |
| **10.** minimum payment: The smallest required payment that a credit card holder can pay on a monthly bill and still remain in good standing with the | **J.** borrower. |
| **11.** principal: The amount of money borrowed. On a credit card bill, the principal is the purchase price of all items bought with the | **K.** date. |