Name:________________________
Date:________________________
Class:________________________

The Credit Game

Patricia Profitt has been busy using credit to get a lot of the goods she wants. It could be a risky game she's playing with all these loans! You can find out about what she's been doing by playing this credit game. Play it alone or with a friend.

Get two coins. Toss one coin to land on **Board 1**. Read the credit situation. Find the square on **Board 2** that describes what Patricia has done. Place the second coin on that square.

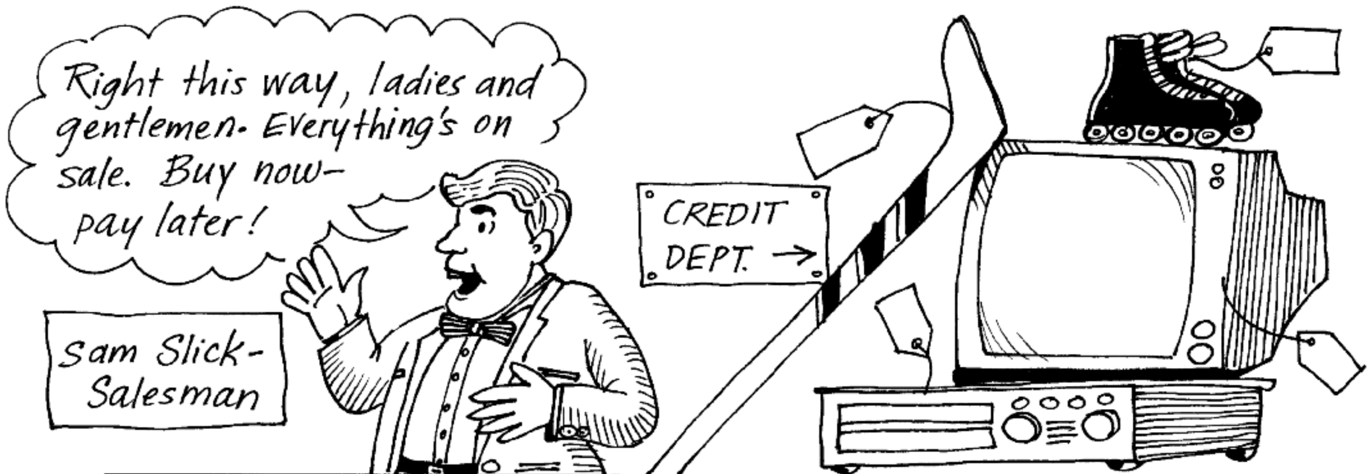
Board 1:

1. The bank has agreed to loan Patricia money, but they're holding the title to her boat until her loan is paid off.	2. Borrowing money has a price. Pat bought a new sound system on credit, and she must pay 8% interest.	3. A bank has given Patricia a card that allows her to buy things now and pay later.	4. Patricia bought a new computer. The store financed it for her. The smallest payment she can make each month is $50.
5. A bank has agreed that Patricia can borrow up to $2,000 any time she needs money.	6. Patricia just went to a bank and borrowed money by giving only a credit history and her signature.	7. Patricia bought a new motorbike. She made a down payment of $100, and must pay $30 a month at 9% interest.	8. Patricia has charged as much on her credit card as the credit card company will allow her.
9. Patricia has failed to pay a loan according to her agreement.	10. Patricia is shocked to learn that the finance charge on her credit card is 21 ½ % a year.	11. Patricia has just signed an agreement to borrow money from a bank to buy a piece of property.	12. Patricia has bought a $2,000 car that she paid for with someone else's money. She owes the money for this car to her friend.
13. A credit card company allows Patricia to get cash from her card. She can get cash at a machine, or write herself a check.	14. On the 15th of every month, Patricia must pay $35 on the debt owed for her new snowboard.	15. She had spent so much money that her credit was weak, so Pat needed someone else to sign along with her for her latest loan.	16. Patricia paid a lump sum of money as the first payment when she signed the loan agreement for her new skis.

WORLD BOOK
Building Blocks of Finance

Name:____________________
Date:____________________
Class:____________________

Board 2:



A. She has signed for an unsecured loan.	B. She has made a down payment on a loan.	C . She has reached her credit limit.	D. Patricia has defaulted on a debt.
E. Something valuable she owns is being used as collateral for a loan.	F. Patricia has just gotten a credit card.	G. She must make installment payments on a purchase.	H. Patricia has arranged for a mortgage.
I. Patricia has agreed to a series of credit terms.	J. She has just been given a line of credit.	K. Patricia needed someone to cosign for a loan.	L. Patricia has a debt of $2,000.
M. The loan agreement has set a minimum payment for each month.	N. One of the terms of her credit purchase is an 8% finance charge.	O. The annual interest percentage rate on this credit card is a high one.	P. Patricia has a credit card that offers cash advances.