

## Credit Card Activity

**Instructions:** You have a credit card with a \$500.00 limit. Read the scenarios below and fill in the three columns on the left. Add up the amount of your charges.

Spending Scenario	Amount of Charge	Good or Bad Charge?	Why is it considered a good or bad choice?
Happy Birthday! You are 18. You are now a responsible adult. For your birthday, you applied for a credit card and were issued a card with a \$500.00 limit. Congratulations.			
You have started college, and you have been studying with your study group all evening. Your friends want to go get pizza. Your share of the cost will be \$7.50. You do not have any money and you really deserve a reward after all that studying. You could charge it.			
Your car would not start this morning. Your neighbor jumped your battery and you got to work, but at the end of your shift, your car would not start. You convinced the mechanic at the station next door to check it out. He tested it and said you need a new battery. The battery costs \$60.00 which you do not have so you decide this would be a good time to use your credit card.			
You go shopping with your friends. You see a pair of shoes you absolutely love! They are not on sale and the price on the tag is \$90.00. If you buy the shoes, you are going to have to buy a pair of pants to wear with the new shoes.			
Your mother's birthday is coming up. You find something your mother would like, and it costs \$40.00. You usually don't spend that much on your mother, but since you have			

Name: \_\_\_\_\_ Period: \_\_\_\_\_ Date: \_\_\_\_\_

<p>gone to college, you have thought about all the things she used to do for you. Perhaps she deserves a nicer gift. What will you buy her? How much will it cost? How much will you charge?</p>			
<p>Wow, there is really a cute girl/guy in your history class. He/she is kind and seems like someone you would like to build a relationship with. You decide to ask him/her out. You limit yourself to charging \$50.00 for a nice dinner.</p>			
<p>Your friends want to hang out at the mall. You will go along just to hang out, but you are not buying anything because you are broke. You see a nice shirt that you could wear for your debate contest. Everyone knows you are judged by your appearance. You decide to charge it for \$28.00.</p>			
<p>Add your charges. If this is your typical month, how long will it be before you max out your credit card?</p>			
<p>How do you define good charges and bad charges? Are any of these good charges?</p>			
<p style="text-align: right;">Total Amount of Charges</p>			

**Reflection:**

Based on your spending habits on this activity, how long would it take you to max out on your \$500.00 limit?