

# How Credit \$mart Are You?

A lot of people think that credit means free money. However, credit is really borrowed money that you have to pay back to the credit card company. Also, the loan isn't free. Not only do you have to pay for the purchases you made with the card, but also the fees that the credit card company or lender assigns to you.

Test your knowledge of credit cards by **matching the term on the left with the definition on the right.**

1. Annual Fees
2. Annual Percentage Rate (APR)
3. Late Fees
4. Over-Credit Limit Fees
5. Lost Card Replacement Fees
6. Penalty Rates
7. Credit Limit
8. Currency Conversion Fees
9. Low Interest Teaser Rates

A. A way of making a credit card look like a really good deal when you first sign up. This rate goes up after a couple of months.

B. The money you pay each year just for having a credit card.

C. What you are charged if you lose your card and need a replacement.

D. The amount you have to pay if you send in a payment late.

E. How much the credit card companies charge you for borrowing their money. This rate can change year to year.

F. Like to travel? Credit card companies charge you a \_\_\_\_\_ for using your credit card overseas.

G. The increased interest rate you will have to pay if you often miss payments or send them in late.

H. The extra money you will have to pay if you go over your credit limit.

I. Credit cards are NOT a blank check; you have a spending limit you cannot go over.