

Credit Scores WS #2

Directions: Circle the bad credit choices on this example credit card statement. Justify your answer. Then answer the questions on the back.

CREDIT CARD STATEMENT

June 15 - July 14

ACCOUNT SUMMARY		PAYMENT INFORMATION	
1 PREVIOUS BALANCE	\$755.36	6 NEW BALANCE	\$989.01
PAYMENTS AND CREDITS	\$160.20	Total Credit Available	\$1,000.00
2 PURCHASES	\$329.33	Minimum Payment Due	\$15.00
BALANCE TRANSFERS	\$0.00	Payment Due Date	August 5
3 CASH ADVANCES	\$40.00	7 ⚠️ Last payment overdue, please pay now	
4 FEES CHARGED	\$17.00		
5 INTEREST CHARGED	\$7.52		

Transactions

Date	Transaction details	Amount
8 JUNE 16	BLING KING EXPENSIVE FAKE JEWELS	\$160.20
JUNE 18	CASH ADVANCE	\$40.00
9 JUNE 21	*CASH ADVANCE FEE	\$5.00
JUNE 27	MOONBUCKS COFFEE, DOWNTOWN	\$9.90
JULY 01	CAT MART FELINE WAREHOUSE	\$55.30
10 JULY 04	*OVER LIMIT FEE	\$12.00
JULY 06	FINANCE CHARGE-INTEREST	\$7.52
11 JULY 07	REFUND-BLING KING RETURNS DEPT.	-\$160.20
JULY 10	MONDO MART	\$22.04
JULY 11	FARMER'S MARKET-CARL'S RUTABAGAS	\$9.50
JULY 14	WHATMASHOP ONLINE DOODADS	\$35.99
12 JULY 11	DELICATE TRUFFLE EMPORIUM	\$21.40
JULY 14	FIVE DOLLAR PIZZA SLICE	\$15.00

13 ⚠️ YOU ARE NEARING YOUR CREDIT LIMIT

Justify the reason you circled the choices above.

1. High credit utilization rate
2. habit of over spending
3. debt
4. bad spending habit
5. avoid by making payment ontime
6. continued high credit utilization rate
7. hurts credit
8. Bad spending decision
9. extra fees, less chance of paying off in time

10. Using more than is available
11. guilty feeling
12. Bad spending decisions
13. high utilization rate

1. A credit score of 720 or more is considered:

- D
- A. Poor
 - B. Average
 - C. Good
 - D. Prime (excellent)

2. How can you improve your credit score?

- E
- A. Open a large amount of credit cards in a short time.
 - B. Monitor your credit.
 - C. Keep your utilization low.
 - D. A & B
 - E. B & C

3. What is the largest contributing factor to your credit score?

- D
- A. Mix of credit
 - B. New credit
 - C. Length of credit
 - D. Payment history
 - E. Capacity

4. To ensure that your credit report is accurate, you should:

- D
- A. Request your free credit report from each of the main credit bureaus
 - B. Review your personal information and make sure it's up to date
 - C. Report any unauthorized activity to the issuing credit bureau
 - D. All of the above

5. Checking your credit report will negatively affect your credit score.

- B
- A. Always
 - B. Sometimes
 - C. Never