Name: ____ Date: ______

Getting a Credit Card

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.