

## CREDIT SCORE MATCHING

Draw a line between the vocabulary word or phrase and its definition.

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|--|--|
| 1. Credit score                          | A. Total owed and how much available credit a person is using.   |
| 2. FICO                                  | B. All new loans or accounts and all creditor credit report requests.  |
| 3. Poor FICO credit score                | C. How long a person has had an account or loan.   |
| 4. Exceptional FICO credit score         | D. Stands for Fair Isaac Corporation, a company that provides lenders with formulas to figure out credit scores. |
| 5. Payment history                       | E. Credit score that is below 580.   |
| 6. Length of credit history              | F. A way for lenders to predict how likely a person is to pay back a loan on time.                               |
| 7. New credit                            | G. Whether a person is paying bills on time and as agreed.   |
| 8. Total debt, balances, and utilization | H. Credit score of 800 or more.  |

Name \_\_\_\_\_ Date \_\_\_\_\_

### Reflection Questions

1. Why are credit scores important? Give 3 or more reasons.

2. As an adult, having a good credit score is very important. What are two things you can do as an adult to be sure that you have a good credit score?

Name \_\_\_\_\_ Date \_\_\_\_\_

Answer Key:

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Name \_\_\_\_\_ Date \_\_\_\_\_

### Reflection questions:

1. Why are credit scores important? Give 3 or more reasons.

Possible answers will include the following:

- Access to better borrowing terms and loan products
- Lower interest rates
- Insurance discounts
- Access to better credit cards and rewards
- Greater options for renting houses or apartments
- Security deposit waivers on utilities
- Employers may review credit scores

2. As an adult, having a good credit score is very important. What are two things you can do as an adult to be sure that you have a good credit score?

Possible Answers

- Pay loans on time, every time
- Don't get close to your credit limit – don't max out credit cards
- Apply only for credit you need
- Monitor your credit report – make sure yours is accurate and dispute any inaccurate information
- Know your credit score
- Keep old accounts open – or think before you close them
- Protect yourself against fraud and identity theft