

Lesson Plan:

# Understanding Credit



## Course Specifications

# of Videos: **7**

Workbook Pages: **63-101**

Course Duration\*: **38 minutes**

Homework Time: **1 hour**

### Items Needed:

- Computer
- WI-FI
- Calculator

### Other Useful Items:

- Sample Credit Card Statement
- Sample Credit Card Application

\*Approximate time for videos and course work only  
Classroom discussion times may vary.

## Course Description

This course introduces students to the world of credit. They will learn what credit is, how it is built, and how to protect it while encouraging them to understand their own credit history in a much more informed and practical way.

[Link to Sample Schedule](#)

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## Course Details

- Understand that the amount of money you make is important, but the key to financial health is learning what to do with the money you make
- Learn how important your credit score is to building wealth
- Understand how your credit score is calculated and the true cost of damaged credit
- Learn how to read and understand a credit card statement and the impact minimum payments can have on your ability to save money
- Discover the top ten ways to build an excellent credit score
- Understand the difference between good debt and bad debt
- Learn how buying decisions can delay your ability to save money



## Learning Outcomes

Upon completion of this course the successful student will have the ability to:

- Understand how credit cards work and how to use them more responsibly
- Recognize the common pitfalls around credit and credit cards like only paying only minimum payments
- Understand how credit scores and credit histories are calculated and how to protect or improve them
- Read a credit card statement successfully
- Understand the difference between good debt vs bad debt
- Understand how early buying decisions can offset retirement



## Topics to Discuss Before Viewing

- How often do you check your credit score?
- You have a credit card owing \$1,000, and you only pay the minimum amount every month. How long will it take to pay that off in full?
- What is the value of your financial freedom? What does it mean to you?
- What do you think affects your credit score?
- What is the difference between good debt and bad debt?
- Do you ever make impulse purchases or do you like following a budget?



## Topics to Discuss After Viewing

- What did you learn today that you didn't know before when it comes to credit?
- Do you think having a good credit score is helpful to you? Why?
- What causes your credit score to go down?
- If you miss a student loan payment, will that impact your credit score? How?
- What did you learn about minimum payments on your credit card or debts?

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## Interviews and Experts:

- **Laurie Campbell** (CEO Credit Canada)
- **Matt Fabian** (TransUnion Executive)
- **Noah Morris** (Assistant Deputy Minister, OSAP)
- **Mara Soriano** (Recent Graduate)
- **Jimmy Simmons** (Realtor, Investor)



## Additional Recommendations for Homework

### Homework Assignment #1:

Have students go online and check their credit score and credit history.

### Homework Assignment #2:

Have students review their own credit card statements focusing on the fine print, and ask how long it will take them to pay it off if they only make minimum payments.

### Homework Assignment #3:

Have students calculate how much good debt and how much bad debt they currently have. Ask them to create a game plan to correct any imbalances.



## Books and Resources:

Get your **Free Consumer Disclosure** from [Equifax](#) or [Transunion](#).

Research **6 Quick Fixes** for Bad Credit (page 95 in Workbook).

