

## Sample Credit Card Offer 1

Interest Rates and Interest Charges	
<b>Annual Percentage Rate (APR) for Purchases</b>	12.99%, 13.99% or 14.99%, introductory APR for one year, based on your creditworthiness. After that, your APR will be 14.99%. This is a variable-rate APR that will vary with the market based on the Prime Rate.
<b>APR for Balance Transfers</b>	15.99% <ul style="list-style-type: none"> <li>• This APR will vary with the market based on the Prime Rate</li> </ul>
<b>APR for Cash Advances</b>	21.99% <ul style="list-style-type: none"> <li>• This APR will vary with the market based on the Prime Rate</li> </ul>
<b>Penalty APR and When it Applies</b>	28.99% This APR may be applied to your account if you: <ol style="list-style-type: none"> <li>1. Make a late payment;</li> <li>2. Go over your credit limit;</li> <li>3. Make a payment that is returned; or</li> <li>4. Do any of the above on another account that you have with us.</li> </ol> <b>How long will the Penalty APR apply?</b> If your APR's are increased for any of these reasons, the Penalty APR will apply until you make six consecutive minimum payments when due.
<b>How to Avoid Paying Interest on Purchases</b>	Your due date is at least 25 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month.
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than \$1.50.
<b>For Credit Card Tips from the Federal Reserve Board</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at <a href="http://www.federalreserve.gov/creditcard">http://www.federalreserve.gov/creditcard</a>
Fees	
<b>Set-up and Maintenance Fees</b>	NOTICE: Some of these set-up and maintenance fees will be assessed before you begin using your card and will reduce the amount of credit available initially. For example, if you are assigned the minimum credit limit of \$250, initial available credit will be only about \$209. <ul style="list-style-type: none"> <li>• <b>Annual Fee:</b> \$20</li> <li>• <b>Account Set-up Fee:</b> \$20 (one-time fee)</li> <li>• <b>Participation Fee:</b> \$12 annually (\$1 per month)</li> <li>• <b>Additional Card Fee:</b> \$5 annually (if applicable)</li> </ul>
<b>Transaction Fees</b>	<ul style="list-style-type: none"> <li>• <b>Balance Transfer:</b> Either \$5 or 3% of the amount of each transfer, whichever is greater (maximum fee: \$100)</li> <li>• <b>Cash Advance:</b> Either \$5 or 3% of the amount of each cash advance, whichever is greater</li> <li>• <b>Foreign Transaction:</b> 2% of each transaction in U.S. dollars</li> </ul>
<b>Penalty Fees</b>	<ul style="list-style-type: none"> <li>• <b>Late Payment:</b> \$29 if balance is less than or equal to \$1000 OR \$35 if balance is more than \$1000</li> <li>• <b>Over-the-limit:</b> \$29</li> <li>• <b>Returned Payment:</b> \$35</li> </ul>

\* How We Will Calculate Your Balance: We use a method called "average daily balance (including new purchases)."

\* Loss of Introductory APR- We may end your introductory APR and apply the Penalty APR if you become more than 60 days late in paying your bill

## Sample Credit Card Offer 2

Interest Rates and Interest Charges	
<b>Annual Percentage Rate (APR) for Purchases</b>	14.99% This is a variable-rate APR that will vary with the market based on the Prime Rate.
<b>APR for Balance Transfers</b>	0% introductory APR for six months. After that, your Balance Transfer APR will be 18.99% <ul style="list-style-type: none"> <li>This APR will vary with the market based on the Prime Rate</li> </ul>
<b>APR for Cash Advances</b>	24.99% <ul style="list-style-type: none"> <li>This APR will vary with the market based on the Prime Rate</li> </ul>
<b>Penalty APR and When it Applies</b>	29.99% This APR may be applied to your account if you: <ol style="list-style-type: none"> <li>Make a late payment;</li> <li>Go over your credit limit;</li> <li>Make a payment that is returned; or</li> <li>Do any of the above on another account that you have with us.</li> </ol> <p><b>How long will the Penalty APR apply?</b> If your APR's are increased for any of these reasons, the Penalty APR will apply until you make six consecutive minimum payments when due.</p>
<b>How to Avoid Paying Interest on Purchases</b>	Your due date is at least 25 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month.
<b>Minimum Interest Charge</b>	There is no minimum interest charge.
<b>For Credit Card Tips from the Federal Reserve Board</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at <a href="http://www.federalreserve.gov/creditcard">http://www.federalreserve.gov/creditcard</a>
Fees	
<b>Set-up and Maintenance Fees</b>	NOTICE: Some of these set-up and maintenance fees will be assessed before you begin using your card and will reduce the amount of credit you initially have available. For example, if you are assigned the minimum credit limit of \$250, initial available credit will be only about \$209. <ul style="list-style-type: none"> <li><b>Annual Fee:</b> \$0</li> <li><b>Account Set-up Fee:</b> \$20 (one-time fee)</li> <li><b>Participation Fee:</b> \$15 annually</li> <li><b>Additional Card Fee:</b> \$5 annually (if applicable)</li> </ul>
<b>Transaction Fees</b>	<ul style="list-style-type: none"> <li><b>Balance Transfer:</b> Either \$25 or 5% of the amount of each transfer, whichever is greater (maximum fee: \$100)</li> <li><b>Cash Advance:</b> Either \$25 or 5% of the amount of each cash advance, whichever is greater</li> <li><b>Foreign Transaction:</b> 3% of each transaction in U.S. dollars</li> </ul>
<b>Penalty Fees</b>	<ul style="list-style-type: none"> <li><b>Late Payment:</b> \$30</li> <li><b>Over-the-limit:</b> \$30</li> <li><b>Returned Payment:</b> \$30</li> </ul>

\* How We Will Calculate Your Balance: We use a method called "average daily balance (including new purchases)."

\* Loss of Introductory APR- We may end your introductory APR and apply the Penalty APR if you become more than 60 days late in paying your bill

## Sample Credit Card Offer 3

Interest Rates and Interest Charges	
<b>Annual Percentage Rate (APR) for Purchases</b>	11.99%, introductory APR for one year. After that, your APR will be 15.99%.
<b>APR for Balance Transfers</b>	14.99%
<b>APR for Cash Advances</b>	20.99%
<b>Penalty APR and When it Applies</b>	28.99% This APR may be applied to your account if you: <ol style="list-style-type: none"> <li>1. Make a late payment;</li> <li>2. Go over your credit limit;</li> <li>3. Make a payment that is returned; or</li> <li>4. Do any of the above on another account that you have with us.</li> </ol> <b>How long will the Penalty APR apply?</b> If your APR's are increased for any of these reasons, the Penalty APR will apply until you make six consecutive minimum payments when due.
<b>How to Avoid Paying Interest on Purchases</b>	Your due date is at least 25 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month.
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than \$2.00.
<b>For Credit Card Tips from the Federal Reserve Board</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at <a href="http://www.federalreserve.gov/creditcard">http://www.federalreserve.gov/creditcard</a>
Fees	
<b>Set-up and Maintenance Fees</b>	NOTICE: Some of these set-up and maintenance fees will be assessed before you begin using your card and will reduce the amount of credit you initially have available. For example, if you are assigned the minimum credit limit of \$250, initial available credit will be only about \$209. <ul style="list-style-type: none"> <li>• <b>Annual Fee:</b> \$15</li> <li>• <b>Account Set-up Fee:</b> \$10 (one-time fee)</li> <li>• <b>Additional Card Fee:</b> \$10 annually (if applicable)</li> </ul>
<b>Transaction Fees</b>	<ul style="list-style-type: none"> <li>• <b>Balance Transfer:</b> \$0</li> <li>• <b>Cash Advance:</b> Either \$10 or 3% of the amount of each cash advance, whichever is greater</li> <li>• <b>Foreign Transaction:</b> 3% of each transaction in U.S. dollars</li> </ul>
<b>Penalty Fees</b>	<ul style="list-style-type: none"> <li>• <b>Late Payment:</b> \$35</li> <li>• <b>Over-the-limit:</b> \$35</li> <li>• <b>Returned Payment:</b> \$35</li> </ul>

\* How We Will Calculate Your Balance: We use a method called "average daily balance (excluding new purchases)."

\* Loss of Introductory APR- We may end your introductory APR and apply the Penalty APR if you become more than 60 days late in paying your bill

## Should They Apply for a Credit Card? Scenarios

<p style="text-align: right; font-size: small;">2.6.3.H1</p> <p>Sofia is a college senior in the first week of school. She is bombarded with credit card applications, many of which mention something about special “student rates.” Sofia is starting a part-time job, and she is sure she’ll get a good job after graduation. She is wondering if a credit card is right for her.</p>	<p style="text-align: right; font-size: small;">2.6.3.H1</p> <p>Nelson is a recent college graduate, but he has not started a job in his degree field. He is currently working in retail and has numerous expenses for material items. He wants a credit card.</p>
<p style="text-align: right; font-size: small;">2.6.3.H1</p> <p>Max often finds that he cannot make it to his next payday on the money he makes, so he wants a card to get cash advances when he needs them.</p>	<p style="text-align: right; font-size: small;">2.6.3.H1</p> <p>Laurence and Cindy both have had good jobs for several years and want to get a credit card. They expect to pay off all charges in full each month to keep from having to pay finance charges. They are trying to decide if the card is right for them.</p>
<p style="text-align: right; font-size: small;">2.6.3.H1</p> <p>Drew has had a good job for a couple of years and is considering getting a credit card. He has been thinking about traveling and feels that it might be a good idea to have a card that offers frequent flyer miles.</p>	<p style="text-align: right; font-size: small;">2.6.3.H1</p> <p>Levi is excited because he has just received his first job. He wants to get a credit card so that he can buy new things and pay for them over time. He has decided that the most important thing for him is to get a card with a low minimum payment so that he won’t have large bills to pay each month.</p>
<p style="text-align: right; font-size: small;">2.6.3.H1</p> <p>Ginny is a single mom with three young children. She has a good job, but she also has many expenses with the children and only one income in the household. She is considering getting a credit card.</p>	<p style="text-align: right; font-size: small;">2.6.3.H1</p> <p>The Lees are a young family of four, with both parents working. Eddy is thinking about buying a new car in a year or two, and both he and Tiana will want to buy a house someday. They are thinking about getting a credit card now even though they presently don’t have a lot of need for credit.</p>
<p style="text-align: right; font-size: small;">2.6.3.H1</p> <p>Rosa has a good job and wants a credit card. She expects to carry over a balance each month as she buys the things she needs for her new apartment.</p>	<p style="text-align: right; font-size: small;">2.6.3.H1</p> <p>Finn wants to help out his friend who can’t get a credit card on his own. He knows he can be a co-signer and help his friend establish a positive credit. He’s not sure if he should get a card in just his friend’s name or one in his name as well.</p>

## Should They Apply for a Credit Card? Scenario Considerations

1. Sofia: A credit card may not be a good idea for Sofia. Credit card debt and student loans are the big reasons many students graduate with huge debts. Sofia might be better off with a debit card. However, if Sofia is a good money manager, getting a credit card may help her build a credit history.
2. Nelson: Nelson might be tempted to use his credit card as income in this situation, which could lead to huge debt. Remind participants of the “boomerang generation,” which refers to college graduates who have moved back in with their parents due to financial difficulties.
3. Max: A credit card would probably not be a good idea for Max. If he can’t manage on his current salary, he probably would not be able to make the monthly payments. Also, using credit card advances could result in large cash advance fees.
4. Laurence and Cindy: They would be wise to get a card with no annual fee, and a longer grace period, to help them pay the card off each month. The APR is not as important, if they can truly pay the entire charges on time each month. They will need to take care to do this if the APR is high.
5. Drew: Airline miles and other rewards are sometimes offered as incentives to get people to use the cards. If Drew is going to fly a lot, this card might be good for him but he should watch out for large annual fees or high APR’s.
6. Levi: Levi needs to realize that a low minimum payment only postpones the repayment of the debt and can cause the total payment to be much greater because of the interest that he must keep paying on the debt over time. He should be thinking more about a card with a low APR, if he plans to pay it off slowly. If he doesn’t understand this, perhaps having a credit card is not a good thing for him.
7. Ginny: A credit card might be helpful to her for emergencies, but it could easily lead to debt because a she may not have the finances to pay it off. She should be careful.
8. The Lees: This family might benefit from a credit card, using it for small purchases, buying things by telephone or Internet, and/or using it in an emergency. This way, they can build up their credit history so that they will be able to finance a car or a house in the future.
9. Rosa: She should be careful about adding more to the card each month, so that her payments don’t get too high. She needs to look for a card with a low APR.
10. Finn: Finn should think of another way to help out his friend. There may be many reasons his friend is unable to get a credit card, some of which may stem from previous credit card abuse of debt. If Finn becomes a co-signer, then his credit will suffer if his friend isn’t able to make payments on time, goes over the spending limit or only makes the minimum payment each month.