CREDIT SCORE

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GROWING CENTS: CREDIT SCORE

Your credit score may just be a number, but it can have a big impact on your future — from getting a car loan to renting an apartment. This kit will teach you what a credit score is, what affects it, and how to build a strong one from the start.

This Kit Includes:

- ★ Credit Score Breakdown
- ★ Score Check Simulation
- ★ Scenario Challenges
- ★ Score Smarts
- ★ Further Reading and Resources

Work through each section at your own pace — there's no right or wrong order. No prior investing knowledge is needed, everything you need to learn is included!

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CREDIT SCORE BREAKDOWN

What is a Credit Score?

A credit score is a number that shows how trustworthy you are with borrowed money. Lenders (like banks or credit card companies) use it to decide whether to approve you for a loan — and how much interest to charge

What Affects Your Score?

Factor	% of Score
Payment History	35%
Credit Utilization	30%
Length of Credit History	15%
New Credit	10%
Credit Mix	10%

Score Range

Score	Meaning
800–850	Excellent
740–799	Very Good
670–739	Good
580–669	Fair
300–579	Poor

Why It Matters

- Helps you get approved for loans or credit cards
- A higher score = lower interest rates
- Can affect renting apartments, buying a car, even some jobs

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SCORE CHECK SIMULATION

Instructions:

You'll review three imaginary teen profiles and estimate whether their credit score would be high, medium, or low — and explain why.

Profile 1: Alex

Pays credit card bill late 3 months in a row. Opens two new credit cards in one month. Uses 90% of credit limit.

→ Score likely: _____

→ Why?

Profile 2: Priya

Always pays bills on time. Uses 25% of her credit limit. Has had a credit card for 3 years.

→ Score likely: _____

→ Why?

Profile 3: Daniel

Has a car loan and a credit card. Missed one payment but uses only 10% of credit limit.

→ Score likely: _____

→ Why?

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SCENARIO CHALLENGE

Now its YOUR turn to apply the concept in different scenarios!
Think about what you've learned and circle your answer!

SCENARIO 1

You spend close to your full credit limit each month.
A) Keep spending — you pay it off anyway
B) Try to stay below 30% to protect your score

SCENARIO 2

You want to close your oldest credit card.
A) Close it to avoid the temptation
B) Keep it open to help your credit history

SCENARIO 3

You get offered a cool-looking new credit card.
A) Open it just because it looks fun
B) Think about how a new account affects your score

SCENARIO 4

You forget to pay your credit card bill one month.
A) Pay it late with a fee
B) Set reminders or auto-pay to never miss a payment

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SCORE SMARTS

Is each habit Helpful (H) or Harmful (X) to your credit score?

Paying bills late → _____

Using only 20% of your credit limit → _____

Keeping a credit card open for 5+ years → _____

Applying for 5 credit cards in a week → _____

Paying the full balance each month → _____

Pick one situation and explain WHY it is helpful or harmful:

_____

_____

_____

_____

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FURTHER READING AND RESOURCES

Curious to learn more? These sites and tools are a great next step if you want to build your financial skills, learn how the market works, or even try investing for the first time.

Investopedia

Great for understanding investing terms, stock market basics, and how different types of investments work.

NerdWallet

Beginner-friendly guides on personal finance topics, including how to start investing as a teen.

MarketWatch Stock Market Game

A free simulation where you can practice investing using virtual money.

Fidelity Youth Account

An actual investment account for teens ages 13–17, created with parental guidance in mind.

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