# Activity: Good and Bad Uses of Credit

Directions:

For each situation below, mark (X) if you think this is a good reason to borrow money. If you did not mark an X, explain why you think the situation is not a good reason to use credit.

1. Taking out a $5,000 student loan for college tuition.

2. Charging dinner and movie tickets during a night out with your friends.

3. Buying a laptop that’s on sale using the store’s financing program.

4. Getting a loan to pay your credit-card bills.

5. Charging repairs to get your car running again.

6. Borrowing cash from a friend to buy some magazines.