

Glossary of Terms Used in the Presentation and Activity Sheet

| WORD | DEFINITION | IN YOUR LANGUAGE |
|---------------------------|--|------------------|
| Account | <p>Checking account - A checking account is a deposit account held at a financial institution that allows withdrawals and deposits, often either using a check or a debit card.</p> <p>Savings account - A savings account is an interest-bearing deposit account held at a bank or other financial institution.</p> | |
| Bills | A bill is a written statement of money that you owe for goods or services received. | |
| Borrower | A person who receives money and pays it back with interest. | |
| Credit | Borrowed money paid back with interest. For example, loans, lines of credit, credit cards. | |
| Credit - Available | Available credit is the amount of money that is available, given the current balance on the account. | |
| Credit Bureau | A company that gathers information about you as a borrower and provides reports about your credit-worthiness. | |
| Credit Card | <p>Credit card - thin rectangular piece of plastic or metal issued by a bank or financial services company, that allows cardholders to borrow funds with which to pay for goods and services with merchants that accept cards for payment. Such as a VISA or Mastercard.</p> <p>Secured credit card - A secured credit card is a type of credit card that is backed by a cash deposit from the cardholder, providing the card issuer with security in case the cardholder can't make payments.</p> | |
| Credit History | Your credit history is a record of your borrowing behavior. It includes a credit report and credit score. | |
| Credit Limit | A credit limit is the total amount that can be borrowed. If all available credit has been used, then the credit limit has been reached, the account is maxed out, and the available credit is zero. | |
| Credit Score | A score between 300 and 900 that credit bureaus use to rate the information in your credit report. | |
| Credit Report | The report has your personal information as well as information about you the types of credit you use. It also shows whether you have made your payments on time. | |
| Current Balance | The current balance (also called the credit card balance) reflects the current amount of all charges and payments made to your account up to that day. It includes fees, interest, penalties, and credits, as well as any purchases or payments you've made. | |
| Debt | Debt is something, usually money, borrowed by one party from another. A debt arrangement gives the borrowing party permission to borrow money under the condition that it is to be paid back at a later date, usually with interest. | |
| Due Date | The date on which something falls due, especially the payment of a bill or the expected birth of a baby. | |
| Interest | The cost of using borrowed money. It is expressed as a percentage (interest rate) of the principal amount borrowed. | |
| Lender | A person or an organization, such as a bank, that gives money to the borrower. The borrower receives the money. | |
| Loan | An amount of money that is given to someone for a period of time with a promise that it will be paid back along with the financial fees. | |

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| Minimum payments (or Due) | The minimum monthly payment is the minimum amount you must pay for a given month if you are carrying a balance on your credit card. If you don't pay the minimum amount by the due date, your payment is considered late – this could affect your credit score. | |
| OCLF | Ottawa Community Loan Fund. An Ottawa-based not-for-profit organization. | |
| Payment | The action or process of paying someone or something, or of being paid. | |
| Principal | The total amount of money borrowed, or the amount still owed on a loan separate from interest rate charges. | |
| Risk | Credit risk is the possibility of a loss resulting from a borrower's failure to repay a loan or credit card debt. | |

Optional Supplementary Preparatory Activities

To see these words in context in various ESL activities, please visit Prosper Canada's Learning Hub:

<https://learninghub.prospercanada.org/toolkit/>