📘 **MONEYONLINERS MONEY MANAGEMENT ACADEMY**

MODULE 4 • LESSON 23 OF 40

Understanding Credit and Credit Scores

Focus Keyword: credit score

SEO Title: Understanding Credit and Credit Scores

URL Slug: understanding-credit-and-credit-scores

📄 **PAGE 1**

LESSON PURPOSE

Learn what credit is, how credit scores work, why they are important, and the everyday habits that help you build and maintain a strong credit history.

WHY THIS LESSON MATTERS

Your credit history reflects how responsibly you borrow and repay money. In many countries, lenders, landlords, insurers, and even some employers may review your credit history when making decisions. Building good credit can help you qualify for loans, receive better interest rates, and access more financial opportunities. Understanding how credit works allows you to make informed borrowing decisions throughout your life.

BEFORE YOU BEGIN

☐ I want to understand how credit works.

☐ I know that borrowing creates financial responsibilities.

☐ I am ready to build healthy financial habits.

☐ I will complete every activity honestly.

MONEY TIP OF THE LESSON

"Good credit is built through consistent responsible financial behavior, not overnight."

MY CONFIDENCE LEVEL BEFORE THIS LESSON

1 2 3 4 5

Not Confident • Neutral • Very Confident

MY GOAL FOR THIS LESSON

What would you like to learn about credit and credit scores?

📄 **PAGE 2**

ACTIVITY 1

Healthy Credit Habits

Tick the habits that help build a strong credit history.

Financial Habit	Helps Build Good Credit
Paying bills on time	☐
Missing loan payments	☐
Borrowing only what you can afford	☐
Ignoring loan statements	☐
Reviewing your financial records regularly	☐
Keeping repayments consistent	☐

ACTIVITY 2

Credit Responsibility Self-Assessment

Statement	Good	Needs Improvement	Not Yet
I understand what credit means.	☐	☐	☐
I pay financial obligations on time.	☐	☐	☐
I borrow responsibly.	☐	☐	☐
I understand how my financial decisions affect my future.	☐	☐	☐
I am committed to building a positive financial reputation.	☐	☐	☐

KNOWLEDGE CHECK

1. What is credit?

---

2. What is a credit score?

---

3. Why is paying on time important?

---

4. Name two habits that help build good credit.

---

5. Why should you borrow only what you can comfortably repay?

WEEKLY CHALLENGE

Review your current financial habits.

Write down **three actions** you can begin this week that would help you build a stronger financial reputation.

PRACTICAL WORKSHEET – MY CREDIT BUILDING PLAN

A. MY CURRENT FINANCIAL HABITS

Habit	Keep	Improve
Paying bills on time	☐	☐
Following my budget	☐	☐
Saving regularly	☐	☐
Borrowing responsibly	☐	☐
Reviewing finances monthly	☐	☐

B. MY CREDIT IMPROVEMENT GOALS

Goal	Target Date
Never miss a payment	
Follow my budget consistently	
Reduce unnecessary debt	
Save more each month	

C. MY RESPONSIBLE BORROWING PROMISE

1. ______________________
2. ______________________
3. ______________________
4. ______________________

5.

D. REFLECTION

Why is building a good financial reputation just as important as earning more money?

📄 **PAGE 4**

KEY TAKEAWAYS – WHAT I LEARNED TODAY

1. One thing I learned about credit is:

2. One habit I will improve immediately is:

3. One financial responsibility I will always remember is:

4. The biggest lesson from today's workbook is:

MY 7-DAY CREDIT BUILDING ACTION PLAN

Day 1: Review my financial commitments.

Day 2: Organize payment dates.

Day 3: Review my monthly budget.

Day 4: Save money for future obligations.

Day 5: Avoid unnecessary borrowing.

Day 6: Review my financial progress.

Day 7: Set one long-term financial habit to continue.

LESSON COMPLETION CHECKLIST

☐ I completed all activities.

☐ I completed my Credit Building Plan.

☐ I understand how responsible borrowing affects my future.

☐ I identified habits that help build strong credit.

☐ I am ready for Lesson 24.

MY CONFIDENCE LEVEL AFTER THIS LESSON

1 2 3 4 5

Not Confident • Neutral • Very Confident

NEXT LESSON PREVIEW

Lesson 24 – Protecting Your Money From Scams and Financial Risks

Learn how to recognize common financial scams, protect your personal information, avoid fraud, and make safe financial decisions in today's digital world.

MY COMMITMENT

I commit to borrowing responsibly, paying my financial obligations on time, maintaining good financial habits, and building a strong financial reputation that supports my long-term financial success.

Signature: ____________________________

Date: ________________________________