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Middle School U.S. History, Lesson 3 Adapted Guide Level A





Teacher Tip: This lesson will focus on students learning why having a good understanding of when to borrow money and when not to borrow money is important for their financial outlook. Borrowing money and not paying it back can have major consequences. Students will also be introduced to the idea of principal and interest.

This lesson has six vocabulary terms for students to focus on. These terms are **debt, credit, interest, repossess, creditor, and principal**. This is a very vocabulary-heavy lesson. These terms are important for students to understand the risk that can be associated with borrowing money.

The adapted lessons are vocabulary matching activities, there is also a scenario-based activity dealing with the vocabulary terms since they are so important to this lesson. Lastly, there is a true or false lesson dealing with the idea of principal and interest.

Middle School U.S. History

Lesson 3

Chester Borrows Money

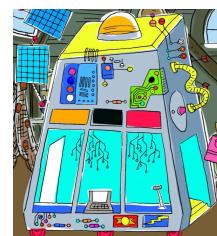
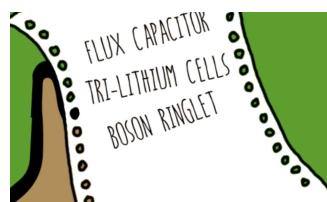
Level A



The friends did it! They stuck to the plan, and



they have all the parts to fix the time machine



and go home. Chester goes to the mall while



the time machine is getting fixed. He finds out

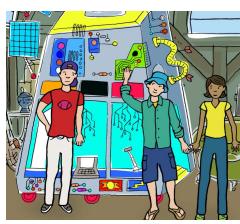


he has \$10,000 of credit at the mall.

He uses future Chester's credit and buys lots of



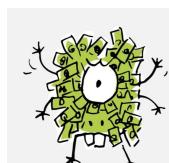
goods at the mall. The group tries to go home, but



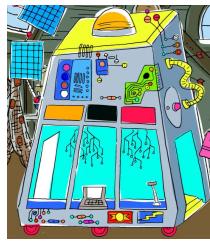
is transported further in the future. Chester is in



big trouble. He didn't pay his credit card debt. The



friends bump the time machine again and head to



the past.

They learn all about credit. People in the past



borrowed money to move to America and start

businesses. People now borrow money to buy



houses, cars, and more. Since the friends have

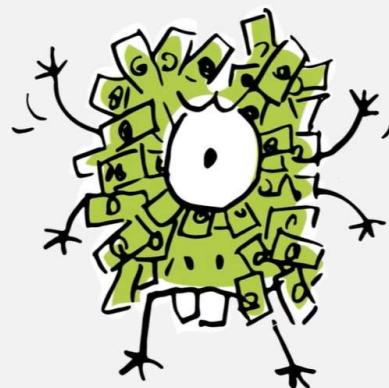


learned so much about using credit wisely they get



to go home!

Debt



The amount of money you owe to other people or companies.

Credit



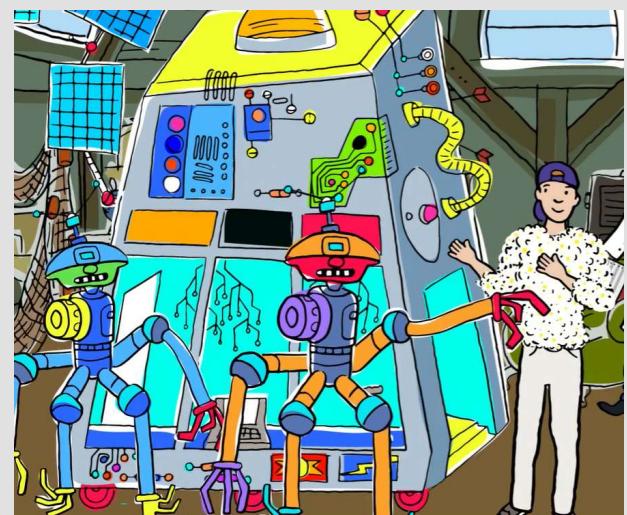
Borrowed money that you have to pay back with interest.

Interest



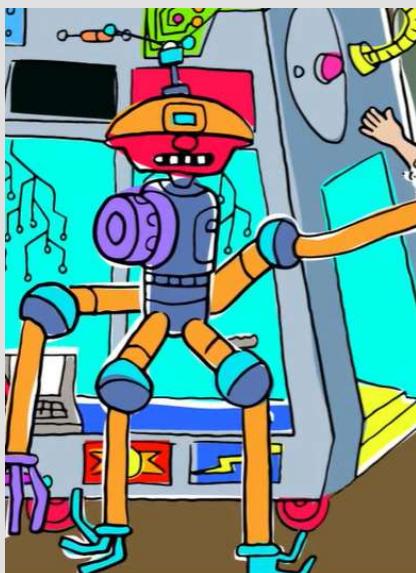
The amount a person or company charges to be able to borrow their money.

Repossess



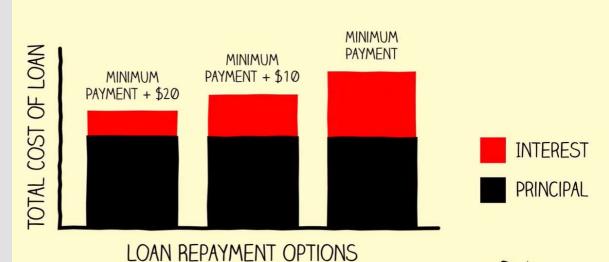
When borrowed money is not paid back, the purchased item may be taken back by the creditor.

Creditor



The person or company whom the money is borrowed from.

Principal



The original amount borrowed before interest is added.

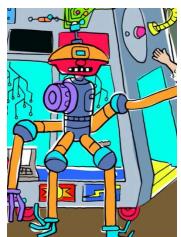
Match the correct word with the definition. Use the pictures to help!

Principal



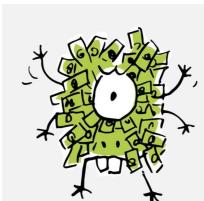
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Creditor



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Debt



The amount of money you owe to other people or companies..

Interest



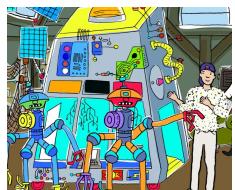
When borrowed money is not paid back, the purchased item may be taken back by the creditor.

Credit



The amount a person or company charges to be able to borrow their money.

Repossess



The person or company whom the money is borrowed from.

Fill in the blank with the correct vocabulary term.

1. Sam used a credit card to purchase a pair of new shoes that were \$200. It took him a few months to pay it back, so because of _____, the shoes ended up costing \$220.

Debt Credit Interest

2. Sarah forgot to pay her bill for three months, then she received a phone call from the to either pay or send back the item.

Creditor Principal Debt

3. Hannah is going to purchase a new home. She has saved up her money and has enough income to pay the bill every month. She is going to take out a loan to help purchase the home.

Interest Repossess Credit

4. Nolan pays \$20 a month over his minimum payment. This entire amount goes to the **balance**, not the interest.

Creditor Principal Debtor

5. After six months of not paying his car payment, the creditor that Jake owed money to, _____ his car.

Repossess Creditor Interest

Debt Credit Interest

We learned many financial lessons during this unit. Circle whether the statement is true or false.

1. It is good to prepare for the skills you will need to do a job well.

True

False

2. It is important to save for your future.

True

False

3. It's OK to buy whatever you want and not worry about a budget.

True

False

4. Prioritizing your goals will help you make a good budget and buy what you need.

True

False

5. An opportunity cost is the good or service that you cannot buy because you spent your money on something else.

True

False

6. If you borrow money with a credit card you do not have to pay it back.

True

False

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Middle School U.S. History, Lesson 3
Adapted Guide
Level B

Middle School U.S. History

Lesson 3

Chester Borrows Money

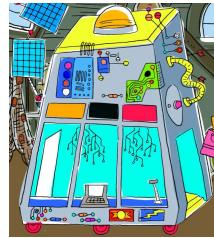
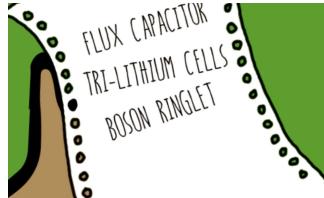
Level B



The friends stuck to the plan, and they



have all the parts to fix the time machine.



Chester goes to the mall. He finds out he



has \$10,000 of credit at the mall.

He uses future Chester's credit and buys a lot at



the mall. The group tries to go home, but is



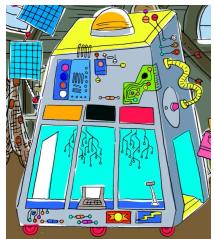
transported further in the future. Chester didn't



pay his credit card debt. The friends bump the time



machine again and head to the past.



People in the past borrowed money to move to

America and start businesses. People now



borrow money to buy houses, cars, and more.



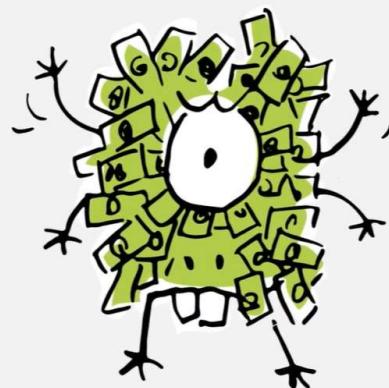
Since the friends have learned so much about



using credit they get to go home.



Debt



The amount of money you owe to other people or companies.

Credit



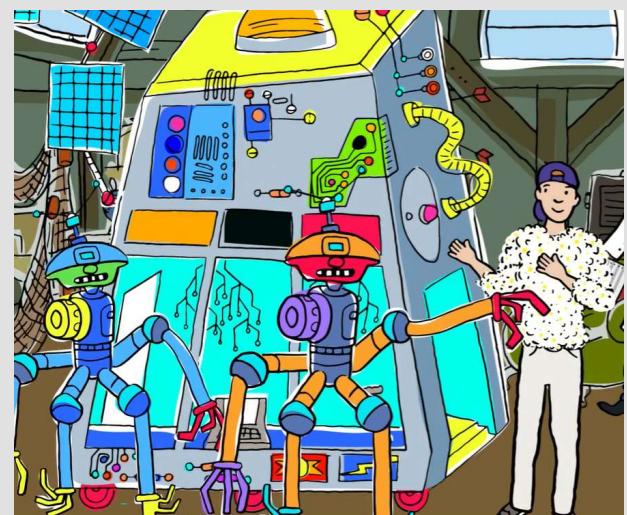
Borrowed money that you have to pay back with interest.

Interest



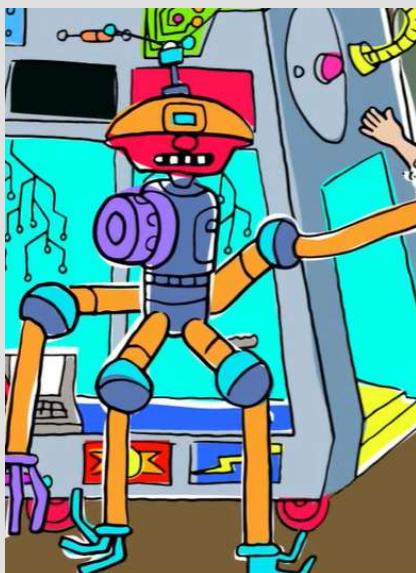
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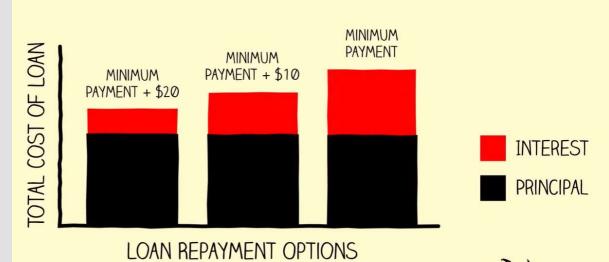
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Creditor



The person or company whom the money is borrowed from.

Principal



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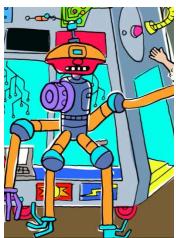
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Principal



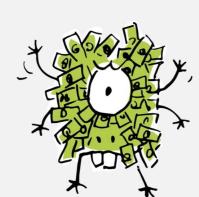
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Debt



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Interest



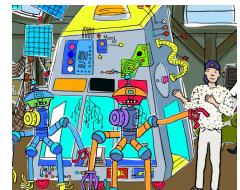
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Fill in the blank with the correct vocabulary term.

1. Sam used a credit card to purchase a pair of new shoes that were \$200. It took him a few months to pay back, so because of _____, the shoes ended up costing \$220.

Debt **Interest**

2. Sarah forgot to pay her bill for three months, then she received a phone call from the _____ to either pay or send back the item.

Creditor **Principal**

3. Hannah is going to purchase a new home. She has saved up her money and has enough income to pay the bill every month. She is going to take out _____ to help purchase the home.

Repossess **Credit**

4. Nolan pays \$20 a month over his minimum payment. This entire amount goes to the _____ balance, not the interest.

Creditor **Principal**

5. After six months of not paying his car payment, the creditor that Jake owed money to, _____ his car.

Repossess **Interest**

6. Violet is going to work really hard to save any extra money she has each month to pay off her _____, so she won't owe anyone money.

Debt **Credit**

We learned many financial lessons during this unit. Circle whether the statement is true or false.

1. It is good to prepare for the skills you will need to do a job well.

True

False

2. It is important to save for your future.

True

False

3. It's OK to buy whatever you want and not worry about a budget.

True

False

4. Prioritizing your goals will help you make a good budget and buy what you need.

True

False

5. An opportunity cost is the good or service that you cannot buy because you spent your money on something else.

True

False

6. If you borrow money with a credit card you do not have to pay it back.

True

False

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Middle School U.S. History, Lesson 3
Adapted Guide
Level C

Middle School U.S. History

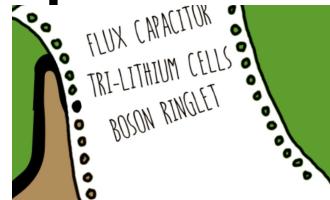
Lesson 3

Chester Borrows Money

Level C



The friends have all the parts to fix the



time machine. Chester goes to the



mall and spends a lot of money with



credit.



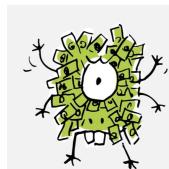
The friends try to go home, but are



sent to the future. Chester didn't pay



his credit card debt. The friends bump



the time machine again and head to the



past.

LeveL C

People in the past borrowed money to start

the first stores. People now borrow money to



buy houses, cars, and more. Since the friends

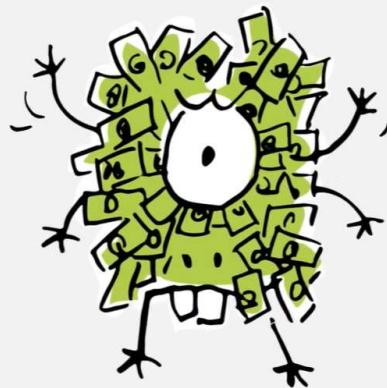


have learned so much about using credit they



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Debt



The amount of money you owe to other people or companies.

Credit



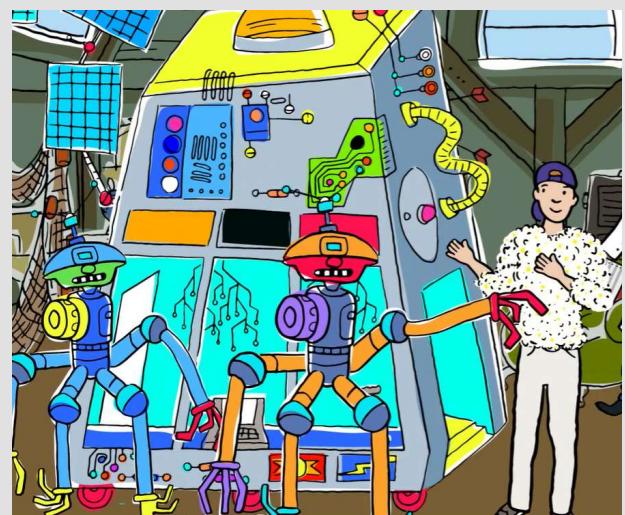
Borrowed money that you have to pay back with interest.

Interest



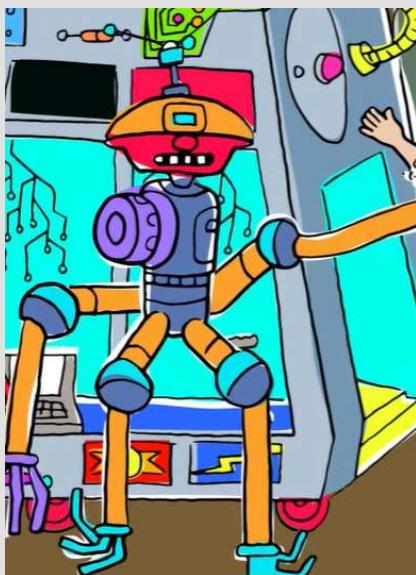
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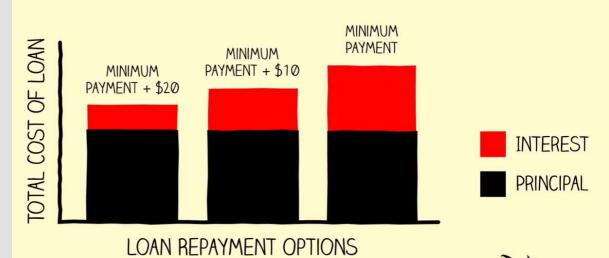
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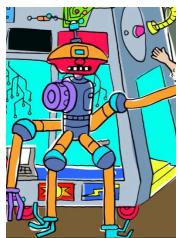
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Principal



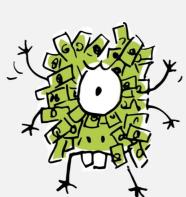
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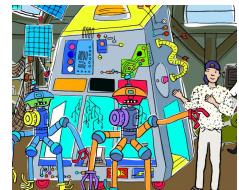
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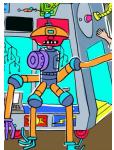


Interest



2. Sarah forgot to pay her bill for three months, then she received a phone call from the _____ to either pay or send back the item.

Creditor



Principal



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Repossess



Credit

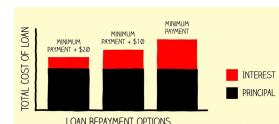


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Principal



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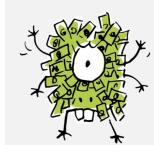


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