

What is a credit card?

Activity 1: Use the missing words below to complete the gap fill explaining what a credit card is?

- A credit card is a card issued by a bank or (1)..... that allows you to borrow money to pay for goods and services with (2)..... that accept credit cards for payment.
- Credit cards are a type of (3)..... They are not attached to an account like debit cards, so the person is not (4)..... money they have but are borrowing money from the bank/financial institution.
- This means that the bank allows them to borrow money based on the (5)..... that they pay the money back over a period of time, plus interest (*the extra money paid regularly, usually monthly, as a percentage of the sum of money borrowed*) and any other (6)the bank may have stated when the person signed up for the credit card.

spending

condition

debt

charges

retailers

financial services company