
Questions for Guided Reading 1

1. What is debt?

2. Can debt help your credit history?

3. When is debt bad?

4. The web page lists four ways of managing debt that can hurt your credit history. What are they?

5. What are two things that a credit counselor can do?

6. What do debt collectors do?

Questions for Guided Reading 1 - Answer Key

1. What is debt?

When you owe money to someone.

2. Can debt help your credit history?

Yes, if you pay your bills when they are due.

3. When is debt bad?

When you owe money you cannot pay back.

4. The web page lists four ways of managing debt that can hurt your credit history. What are they?

Owing a lot of money on credit cards

Paying bills late

Not paying the minimum amount due

Skipping payments

5. What are two things that a credit counselor can do?

Help you make a budget

Help you make a plan to repay your debts

6. What do debt collectors do?

Try to collect money you owe to someone else.
