

<b>Interest</b>	<b>Cost of credit</b>
<b>Collateral</b>	<b>Security on a loan (house, jewelry, car, etc.)</b>
<b>Co-signer</b>	<b>Second signer who will pay for the loan if the first party defaults</b>
<b>Default</b>	<b>Failure to repay a loan</b>
<b>Bankruptcy</b>	<b>Legally getting out of having to repay debts; destroys credit rating for seven years; admitting and accepting financial failure.</b>
<b>Garnishment</b>	<b>Your employer pays your creditor before you receive pay.</b>
<b>Credit</b>	<b>Allows immediate use of products or services in exchange for a promise to pay in the future.</b>
<b>Annual Percentage Rate (APR)</b>	<b>The cost of a loan over a full year expressed as a percentage.</b>
<b>Credit Rating (FICO Score)</b>	<b>A rating based on how promptly a person pays his/her debts. Ranges from 350 to 850.</b>