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| **Borrowing Money** | | |
| Defines the term loan and identifies some reasons why people might borrow money.  “I know that vehicles are a lot of money  and people may need to borrow money  to purchase one.” | Identifies basic sources of loans and understands that borrowing money involves repayment.  “I know that a bank or financial institution may lend money and that it needs to be repaid. If not repaid, there will be penalties and it will be difficult for me to get a loan in the future.” | Identifies factors to consider when deciding to borrow money.  “I have a full-time job with a regular income  and the interest rate is quite low. I can afford  the monthly payments and would be able  to pay the loan back on time.” |
| **Observations/Documentation** | | |
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| **Borrowing Money (cont’d)** | | |
| Identifies factors used by banks and financial  institutions when making decisions about loans.  “They have a full-time job, a good loan history, and very little debt. I think the bank  would grant them the loan.” | Analyzes the risks and benefits of borrowing money in a variety of situations.  Jane wants a $200 loan to buy a new bicycle. Jane plans to pay it back in 3 monthly installments. Jane earns $50 per week  from their part-time job.    “Jane makes about $200 per month from their part-time job. A new bicycle will get Jane  to and from their job. The repayment time  is reasonable. There is a risk that Jane loses  her job and source of income.” | Identifies situations where an individual can responsibly take on debt.  “Jane makes about $200 per month,  so they should be able to pay back $200  over 3 months. It seems unlikely that Jane  will lose their job, and the risk of Jane not repaying the money seems low. I think Jane  can responsibly take on the debt.” |
| **Observations/Documentation** | | |
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| **Investing Money** | | | |
| Defines the term investing and identifies some reasons why people invest money.  “I know that investing involves purchasing something that is expected to earn additional money or increase in value. Many people invest money for their retirement.” | Identifies different types of investments and describes the general purpose/benefits of each.  “People can buy stocks and when they do, they have ownership in the company. They can earn money through dividends and capital gains.” | Analyzes the risks associated with each type of investment.  “Stocks can provide relatively high returns, but there is a higher risk  of losing some or all  of the investment. They are affected by the economy and by  the company’s performance.” | Analyzes the risks and benefits associated with different investment opportunities to make reasonable investment choices.  “I know stocks often involve high risk, but I think electric vehicles  are the way of the future.  So, I will buy stocks in a company that makes electric vehicle battery cells. I will only spend $2000 because I can afford to lose that  if I am wrong.” |
| **Observations/Documentation** | | | |
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