

Would You Lend This Person Money? (Key)

Read each situation below. Circle yes if you would lend the person money. Circle no if you would not. Explain why or why not. **Correct answers are in bold.**

1. Your friend never has any money. She always asks you for money. Sometimes she pays you back. Sometimes she doesn't. Would you lend your friend money the next time she asks?

Yes No

Why or why not?

Even though she's your friend, she's always borrowing money from you. It appears you can never borrow money from her. She also doesn't always pay you back.

2. Your brother sees a video game he really wants. He has enough money to buy most of the game. He needs a bit more money. He asks to borrow money from you. You have the money, and your brother has been good at paying you back. You create a payback plan for your brother to pay you back. Would you lend your brother money?

Yes No

Why or why not?

Your brother is asking to borrow money for something specific: to buy a video game. (He also has most of the money he needs, which shows he's good at saving.) He also creates a payback plan to payback the money. He is good at paying you back. He's reliable and responsible with his money.

3. Your friend has borrowed money from you before. He was really good at paying you back last year, but this year he hasn't paid you back completely for the money he's borrowed. Would you lend him money?

Yes No

Why or why not?

Your friend needs to pay you back for the last loan. Explain that you don't lend money to people who don't pay you back—or pay you back in a timely manner.

