TELL AUDIENCE:
There are four main categories of credit available to consumers:

- **Charge cards.** While they often look like revolving credit cards and are used in the same way, charge accounts differ in that you must pay the total balance every month.
- **Revolving credit.** With revolving credit, you are given a maximum credit limit, and you can make charges up to that limit. Each month, you carry a balance (or revolve the debt) and make a payment. Most credit cards are a form of revolving credit.
- **Installment credit.** With installment credit, a creditor loans you a specific amount of money, and you agree to repay the money and interest in regular installments of a fixed amount over a set period of time. Car loans and mortgages are two examples of installment credit.
- **Service credit.** Your agreements with service providers are all credit arrangements. You receive electricity, cellular phone service, gym membership, etc., with the agreement that you will pay for them each month. Not all service accounts are reported in your credit history.

TELL AUDIENCE:
Knowing the types of credit is important because it gives you the opportunity to see that credit comes in many forms. But again the question is, “How will you handle it?” Let’s take another survey.