

IO3: Financial Literacy Training for Parents

Handout M1.4

Financial Vocabulary

The facilitator will suggest that some people say there are 2 types of debt: 'good' debt and 'bad' debt. Identify from the list below what might be seen as 'good' debt by you or a family.

- educational loan
- house mortgage
- buying essential items
- borrowing to buy the latest fashion items
- borrowing medical care treatments
- borrowing to buy stocks and shares
- borrowing to buy the late

Write them in the first column, explaining why in the second column.

Are there any other suggestions?

My future “good debts” could be:	Why?