

Pre-Test

Name _____

Terminology Quiz: Matching

Definition	Letter
1. The amount of money immediately available in your account	
2. A rating that indicates how good a credit risk you are	
3. Personal investments and alternative repayment sources	
4. When more is withdrawn from an account than the existing balance	
5. A fee paid for the use of money	
6. Money you owe	
7. A type of ATM card that is branded with a VISA or MasterCard logo	
8. When someone fraudulently uses your name & information for financial gain	

Select the letter that corresponds for the following definitions.

- A. Credit Rating
- B. Overdrawn
- C. Economy
- D. Check Card
- E. Interest
- F. Available Balance
- G. Identity Theft
- H. Capital
- I. Debts

Multiple Choice

11. The following are the three basic categories of expenses:
- a. Luxury, Essential, Flexible
 - b. Fixed, Flexible, Luxury
 - c. Fixed, Standard, Habits
 - d. Flexible, Fixed, Extras
 - e. None of the above
12. When a lender evaluates a loan application, which of the following 5 C's of credit is used?
- f. Capacity, Control, Character, Consensus, Condition
 - g. Capacity, Character, Conditions, Capital, Collateral
 - h. Capacity, Character, Conditions, Consent, Collateral
 - i. Credit, Capacity, Character, Conditions, Circumstances
 - j. None of the above



13. "Repayment sources" and "debt-to-income ratio" are examples of:
- Character
 - Consensus
 - Condition
 - Capacity
 - None of the above
14. A "personal valuable" used to guarantee repayment is:
- Collateral
 - Consensus
 - Conditions
 - Capacity
 - All of the Above
15. When you identify an error on your credit report, you should take the following steps:
- Complain to your tribal council
 - Do nothing and hope it goes away
 - Tell the lender from whom you are trying to get a loan to ignore the error
 - Send a letter of dispute to the credit bureau along with a copy of your credit report highlighting the error and an explanation of the error.
 - Close the account with the error and open a new account.
16. The four steps to a spending plan are:
- Track, spend, save, try again
 - Track, assess, take action, save
 - Budget, credit, expense, action
 - Goals, spend, track, save
 - None of the above

True or False

17. To gain access to credit from a lending institution, you must complete a loan application.

18. Car payments are an example of a flexible expense. _____
19. A long-term goal may take several years to attain. _____
20. It is not necessary to have an emergency reserve fund if you have a short-term savings goal. _____
21. A financial journal is a tool that will help you reach your savings goals. _____

