**Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Period: \_\_\_\_\_**

**Quiz - Credit History and Ratings**

**Part 1. Multiple Choice – Identify the correct response to each of the following statements. Write the letter corresponding to the correct answer in the space provided to the left of each item.**

\_\_\_\_\_1. Which of the following statements best describes your right to check your credit history for accuracy?

1. Your credit record can be checked once a year for free.
2. You cannot see your credit record.
3. All credit records are the property of the U.S. Government and access is only available to the FBI and Lenders.
4. You can only check your record for free if you are turned down for credit based on a credit report.

\_\_\_\_\_2. Which of the following can impact your credit rating?

1. Borrowing money from a friend to pay for lunch.
2. Living with your parents until you earn enough money to afford to rent an apartment
3. Paying cash for a used car
4. Making a late car loan payment

\_\_\_\_\_3. Which of the following agencies provide free credit reports for consumers?

1. Equifax, credit unions
2. Credit unions, your bank
3. Experian, Credit Reports Association
4. TransUnion, Experian
5. None of the above, you must pay a fee for any credit report

\_\_\_\_\_4. Suki wants to move into her own apartment after graduating from high school, but she is worried that she won’t be able to rent an apartment without significant credit history. What can Suki do to start using credit wisely?

1. Rent an apartment with a friend who will sign the lease
2. Apply for a store credit card
3. Apply for several major credit cards
4. Close her checking account to avoid bouncing a check

\_\_\_\_5. Credit experts recommend that you check the status of your credit reports at least…

1. Every time you apply for a loan or credit card.
2. When you apply for your first loan or credit card.
3. Once a year.
4. Once every five years.

**Part 2. Matching and Short Answer. Match each situation described below with whether it is an appropriate or inappropriate use of credit by placing a check in the correct column. In the right column, write at least one sentence to justify your answer.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Situation** | **Appropriate** | **Inappropriate** | **Reason** |  |
| **(X)** | **(X)** |  |
|  |  |  |
| 6. 1 – year loan to  buy a mountain  bike |  |  |  |  |
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| 7. Borrow $5,000  to pay for a  wedding reception |  |  |  |  |
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| 8. Use store credit  to buy a new  refrigerator to  replace one that  no longer is  working properly |  |  |  |  |
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| 9. 5-year loan for  used car |  |  |  |  |
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| 10. Set up a 6-  month payment  plan to pay  hospital fees for  X-rays from an  accident |  |  |  |  |
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