

Personal Finance, 6e (Madura)
Chapter 7 Assessing and Securing Your Credit

7.1 Background on Credit

1) If you refrain from using any credit, it will assure you the lowest possible interest rate when you decide to use it.

Answer: FALSE

Diff: 1

Question Status: Previous edition

2) The proper use and control of credit is the best way to build a good credit history.

Answer: TRUE

Diff: 1

Question Status: Previous edition

3) Credit issued by department stores for relatively long periods of time is called non-installment credit.

Answer: FALSE

Diff: 1

Question Status: Previous edition

4) Funds provided by a borrower that will be repaid in the future, with interest, is credit.

Answer: FALSE

Diff: 1

Question Status: Previous edition

5) Credit cards are an example of revolving open-end credit.

Answer: TRUE

Diff: 2

Question Status: Previous edition

6) Revolving open-end credit typically does not specify a maximum amount that can be borrowed.

Answer: FALSE

Diff: 2

Question Status: Previous edition

7) In order to have good credit in the future, you must have used it wisely in the past.

Answer: TRUE

Diff: 1

Question Status: Revised

8) An advantage to credit is it eliminates the need for writing checks.

Answer: TRUE

Diff: 1

Question Status: Previous edition

9) It is always easier to pay back what you borrow than to obtain credit in the first place.

Answer: FALSE

Diff: 2

Question Status: Previous edition

10) The Credit CARD Act of 2009 made it easier for college students to obtain credit cards.

Answer: FALSE

Diff: 1

Question Status: New

11) Excessive use of credit can impair your ability to save money.

Answer: TRUE

Diff: 1

Question Status: Previous edition

12) Using more credit than can be repaid is a primary cause of individual bankruptcies.

Answer: TRUE

Diff: 1

Question Status: Previous edition

13) You can begin to build a credit history by using utility services.

Answer: TRUE

Diff: 1

Question Status: Revised

14) All of the following are correct statements about credit **except**

A) creditor provides funds.

B) credit needs to be paid back in the future.

C) repayment will include interest.

D) the interest is the total amount to be repaid.

Answer: D

Diff: 2

Question Status: Previous edition

15) Advantages of using credit are all of the following **except**

A) the ability to cover cash flow shortages.

B) increases the number of checks written.

C) the ability to buy large items earlier.

D) convenience in making day-to-day transactions.

Answer: B

Diff: 1

Question Status: Previous edition

16) Of the following statements, which is **not** a disadvantage of using credit?

- A) It can be costly to use.
- B) It can be difficult to repay if overused.
- C) It is more difficult to obtain than repay.
- D) It may tempt you to make impulse purchases.

Answer: C

Diff: 2

Question Status: Previous edition

17) Which of the following is **not** a disadvantage of using credit?

- A) Makes it easier to save
- B) The potential high cost
- C) The difficulty in paying back loans
- D) The potential for personal bankruptcy

Answer: A

Diff: 2

Question Status: Previous edition

18) The ability to save funds is _____ when credit payments are _____.

- A) increased; small
- B) reduced; small
- C) reduced; large
- D) Both A and C are correct.

Answer: D

Diff: 2

Question Status: Previous edition

19) The impact of credit _____ saving and _____ spending.

- A) increases; decreases
- B) decreases; increases
- C) decreases; decreases
- D) Credit has no relationship on saving and spending.

Answer: B

Diff: 2

Question Status: Previous edition

20) Improper use of credit may

- A) increase your ability to save money.
- B) make it necessary to file for bankruptcy.
- C) increase your personal wealth.
- D) All of the above.

Answer: B

Diff: 2

Question Status: Previous edition

21) The use of credit may result in _____ spending and _____ debt.

- A) controlled; reduced
- B) excessive; increased
- C) excessive; reduced
- D) controlled; increased

Answer: B

Diff: 2

Question Status: Revised

22) All of the following situations are valid reasons to borrow funds **except**

- A) a medical emergency.
- B) a college education.
- C) purchasing a car in order to return to the workforce.
- D) borrowing for every day living expenses.

Answer: D

Diff: 2

Question Status: Previous edition

23) Of the following statements, which is **not** an advantage of using credit?

- A) Using credit wisely creates stability and allows you to establish a favorable credit history.
- B) Buying today and paying tomorrow seems ideal, but continual spending can lead to financial problems.
- C) Using credit is safe since using charge accounts and credit cards when you shop and travel is safer than carrying large amounts of cash.
- D) Credit cards permit the purchase of goods even when cash funds are low.

Answer: B

Diff: 2

Question Status: Revised

24) Which of the following is a disadvantage of using credit?

- A) Ease of returning merchandise
- B) Shopping convenience
- C) Slowing of progress toward financial goals
- D) Capacity to access credit in the future

Answer: C

Diff: 2

Question Status: Previous edition

25) The average credit card balance of undergraduate students including those with a zero balance is between

- A) \$200 and \$700.
- B) \$1,000 and \$3,000.
- C) \$5,000 and \$8,000.
- D) \$12,000 and \$15,000.

Answer: A

Diff: 2

Question Status: Revised

26) Which of the following will **not** help you establish a good credit history?

- A) Paying your phone bill on time
- B) Financing a car and making payments on time
- C) Making as many purchases as possible with cash
- D) Never exceeding your credit limit on your credit card

Answer: C

Diff: 2

Question Status: Previous edition

27) Which of the following is **not** true regarding revolving open-end credit?

- A) Credit cards are an example of it.
- B) A specific maximum amount of credit is established.
- C) If the balance is not paid off over a period of months, a penalty is incurred.
- D) Interest is charged on the remaining balance each month.

Answer: C

Diff: 2

Question Status: Previous edition

28) Credit extended to consumers for short periods of time to make specific purchases is

- A) installment credit.
- B) non-installment credit.
- C) revolving open-end credit.
- D) minimum limit credit.

Answer: B

Diff: 2

Question Status: Previous edition

29) Which of the following statements is true regarding non-installment credit?

- A) The borrower has a longer time to repay.
- B) Monthly payments of principal and interest must be paid.
- C) The borrower has an unlimited amount of credit.
- D) Credit is usually issued for 30 days or less.

Answer: D

Diff: 2

Question Status: Previous edition

30) A commitment by an insurance company to cover credit repayments under adverse conditions such as accident or illness is called

- A) accident insurance.
- B) credit insurance.
- C) health insurance.
- D) unemployment insurance.

Answer: B

Diff: 2

Question Status: Revised

31) The law that prohibits denying credit due to gender, age, race, national origin, religion, or marital status is

- A) Fair Labor Standards Act.
- B) the Fair Isaac Act.
- C) Equal Credit Opportunity Act.
- D) Fair Treatment of Borrowers Act.

Answer: C

Diff: 2

Question Status: Previous edition

32) _____ is short-term credit provided by some department stores to consumers to purchase specific items.

Answer: Non-installment credit

Diff: 1

Question Status: Previous edition

33) Paying your phone bill and electric bill on time each month will help you to establish a(n)

_____.

Answer: credit history

Diff: 1

Question Status: Previous edition

34) The federal law that prohibits the denying of credit based on gender, age, race, national origin, religion, or marital status is the _____.

Answer: Equal Credit Opportunity Act

Diff: 1

Question Status: Previous edition

35) A _____ extends credit by providing a service and billing for the service at the end of the time period.

Answer: utility company

Diff: 1

Question Status: New

36) _____ is a borrowing arrangement in which regular monthly payments of principal and interest must be made.

Answer: installment credit

Diff: 1

Question Status: New

37) If you are making a purchase that you know that you will not be able to pay off for a relatively long period of time, you should seek which type of credit and why.

Answer: Installment credit. It is designed for a longer repayment period with structured monthly payments of principal and interest.

Diff: 1

Question Status: Previous edition

38) List at least three disadvantages of using credit.

Answer: A) high cost of using credit; B) difficulty in repayment; C) impulse purchases that you cannot afford; D) reduces your ability to save; E) potential bankruptcy.

Diff: 1

Question Status: Previous edition

39) Building a strong credit file (by making timely payments) when you in college and beginning your career is

A) unwise as you will have to pay interest on the deferred amounts.

B) wise so that when you are ready to make major purchases like a car and a home, you can obtain favorable interest rates.

C) unwise; only buy what you can afford to pay cash for.

D) Both A and C are correct.

Answer: B

Diff: 2

Question Status: New

40) You are ready to make a new car purchase and the manufacturer is offering a 60 month, zero percent interest loan, or, a \$1,500 cash rebate. The price of the car is \$25,000. Which option should you choose?

A) Zero percent loan

B) \$1,500 cash rebate

C) Negotiate to get both

D) Not enough information to make the decision

Answer: D

Diff: 2

Question Status: New

7.2 Credit Bureaus

1) Historical credit problems normally remain on a credit bureau's report for seven years and ten years for bankruptcy.

Answer: TRUE

Diff: 2

Question Status: Previous edition

2) Your credit report can be requested online and should be checked periodically for errors.

Answer: TRUE

Diff: 1

Question Status: Revised

3) With a credit score of over 500, you should have no problem getting approval for credit purchases.

Answer: FALSE

Diff: 2

Question Status: Revised

4) The Equal Credit Opportunity Act allows a creditor to deny credit based on a person's age.

Answer: FALSE

Diff: 2

Question Status: Previous edition

5) Federal law requires creditors to explain the reasons for the denial of credit.

Answer: TRUE

Diff: 2

Question Status: Previous edition

6) The Fair Credit Reporting Act requires credit bureaus to correct any erroneous information on your credit report.

Answer: TRUE

Diff: 2

Question Status: Previous edition

7) TransUnion is not one of the three primary credit bureaus.

Answer: FALSE

Diff: 1

Question Status: Previous edition

8) The Fair Reporting Act limits the sharing of credit information.

Answer: TRUE

Diff: 2

Question Status: Previous edition

9) When creating credit scores, credit bureaus rely on a model created by the Fair Isaac Corporation.

Answer: TRUE

Diff: 2

Question Status: Previous edition

10) The most important element in FICO credit scoring is your payment history.

Answer: TRUE

Diff: 2

Question Status: Previous edition

11) The longer you maintain relationships with creditors, the lower will be your credit score.

Answer: FALSE

Diff: 1

Question Status: Previous edition

12) If you find that you will not be able to make credit payments on time, the best course of action is to immediately notify the creditor.

Answer: TRUE

Diff: 2

Question Status: Previous edition

13) Which of the following is **not** one of the three primary credit bureaus?

- A) Equifax
- B) Experian
- C) TransUnion
- D) Fair Isaac Corporation

Answer: D

Diff: 1

Question Status: Previous edition

14) Which of the following will **not** be included on your credit report?

- A) Social Security number
- B) FICO score
- C) Unpaid accounts
- D) Companies that have recently accessed your report

Answer: B

Diff: 3

Question Status: Previous edition

15) The item that receives the most weight in the FICO credit scoring system is

- A) the amount of credit used each month.
- B) credit payment history.
- C) credit utilization.
- D) credit inquiries.

Answer: B

Diff: 3

Question Status: Previous edition

16) Creditors prefer a _____ level of cash inflows and _____ level of cash outflows.

- A) low; low
- B) high; low
- C) high; high
- D) medium; low

Answer: B

Diff: 2

Question Status: Previous edition

17) Creditors prefer a _____ amount of capital and _____ collateral in the best of circumstances.

- A) low; low
- B) high; low
- C) high; high
- D) medium; low

Answer: C

Diff: 2

Question Status: Previous edition

18) Which of the following is **not** a factor in the FICO credit scoring?

- A) Credit utilization
- B) Length of relationship with creditors
- C) Marital status
- D) Number of inquiries

Answer: C

Diff: 2

Question Status: Previous edition

19) The minimum credit score required by financial institutions

- A) varies by institution.
- B) is 500.
- C) is 550.
- D) is 600.

Answer: A

Diff: 2

Question Status: Previous edition

20) Credit scores in the 500-600 range will likely result in

- A) lower interest rates.
- B) higher interest rates.
- C) automatic acceptance of your credit application.
- D) preferential treatment of your application.

Answer: B

Diff: 2

Question Status: Revised

21) Historical credit problems remain on a credit bureau's report for _____ years while a bankruptcy remains for _____ years.

- A) ten; twenty
- B) seven; ten
- C) eight; fifteen
- D) five; ten

Answer: B

Diff: 2

Question Status: Previous edition

22) A credit score of _____ would normally allow you to have easy approval for credit.

- A) 500
- B) 600
- C) 700
- D) 1,000

Answer: C

Diff: 3

Question Status: Revised

23) Generally, the _____ the credit history, the _____ the credit limit.

- A) better; lower
- B) worse; higher
- C) better; higher
- D) None of the above.

Answer: C

Diff: 3

Question Status: Previous edition

24) Which of the following can be used by a creditor in deciding whether or not to grant credit?

- A) Credit history
- B) Race
- C) Gender
- D) Both A and C are correct.

Answer: A

Diff: 1

Question Status: Previous edition

25) Which of the following is not a step you should take to try to improve your credit score?

- A) Reducing unnecessary expenditures
- B) Destroying some credit cards
- C) Applying for more credit cards
- D) Notifying creditors of late payments

Answer: C

Diff: 2

Question Status: Revised

26) Which of the following statements is **not** true regarding reviewing your credit report?

- A) You will be able to determine if any errors have been made so they can be corrected.
- B) It will help determine if there are credit cards that you should apply for to improve your credit standing.
- C) It will reveal the kind of information that lenders will consider when making a decision to extend credit.
- D) It will reveal deficiencies that you can work to eliminate that will improve your credit rating.

Answer: B

Diff: 2

Question Status: Revised

27) Free credit reports are accessible to all U.S. consumers at

- A) www.creditreport.com.
- B) www.freecreditreport.com.
- C) www.annualcreditreport.com.
- D) www.experian.com.

Answer: C

Diff: 2

Question Status: Previous edition

28) _____, _____, and _____ are the three major credit bureaus.

Answer: Equifax; Experian; TransUnion

Diff: 1

Question Status: Previous edition

29) Very high credit scores are considered anything over _____.

Answer: 700

Diff: 1

Question Status: Previous edition

30) You should review your credit report from each credit bureau at least _____.

Answer: once a year

Diff: 1

Question Status: Revised

31) The _____ is the most important factor used in the FICO credit scoring model.

A) credit report

B) credit payment history

C) revolving open-end credit

D) debit report

Answer: B

Diff: 2

Question Status: New

32) _____ is a credit arrangement where the balance may be paid off monthly and interest is only charged on the remaining unpaid amount.

A) The credit report

B) The credit payment history

C) Revolving open-end credit

D) The debit report

Answer: C

Diff: 2

Question Status: New

33) The _____ is a document showing information reporting your payment history and past use of credit.

A) credit report

B) credit payment history

C) revolving open-end credit

D) debit report

Answer: B

Diff: 2

Question Status: New

34) Discuss the factors that are used in determining credit scoring in the FICO model.

Answer: A) paying your bills on time over the past seven years; B) the amount of credit used each month; C) length of relationship with creditors; D) number of recent credit inquiries

Diff: 1

Question Status: Previous edition

35) What steps can you take to improve your credit score?

Answer: A) catch up late payments; B) reduce unnecessary expenditures; C) destroy credit cards to reduce temptation; D) notify creditors of late payment and work out arrangements to pay

Diff: 1

Question Status: Revised

36) Why is it so important that you make all of your credit and loan payments on time?

A) Late payment history lasts 7 years on your credit file.

B) The lender will be annoyed and not extend additional credit to you.

C) Late payment history lasts 10 years on your credit file.

D) Paying your credit cards and loans late can lead to bankruptcy.

Answer: A

Diff: 2

Question Status: New

37) If you plan on using your credit card to carry a balance for more than a month or two, you should

A) use the store issued cards since they are easier to obtain.

B) shop around for the card that offers the most introductory points.

C) shop around to find the lowest interest rate card on the market before you make the purchases.

D) A, B and C are all correct.

Answer: C

Diff: 2

Question Status: New

7.3 Identity Theft: A Threat to Your Credit

1) Obtaining money, goods, and services are the only reasons for identity theft.

Answer: FALSE

Diff: 2

Question Status: Revised

2) Most identity theft victims discover the crime in a reactive as opposed to a proactive manner.

Answer: TRUE

Diff: 2

Question Status: Revised

3) If you are a victim of identity theft, you may be turned down for employment as a result of incorrect background information.

Answer: TRUE

Diff: 2

Question Status: Previous edition

4) The personal cost of identity theft is difficult to measure, but calculating the financial cost is an easier task.

Answer: TRUE

Diff: 2

Question Status: Previous edition

5) Identity theft occurs when an individual obtains, without your permission, any of the following information **except**

A) Social Security number.

B) date and place of birth.

C) drivers license number.

D) bank account number.

Answer: B

Diff: 2

Question Status: Previous edition

6) Which of the following is the least common manner in which an identity theft victim discovers the crime?

A) Routine examination of a credit report

B) Receiving a collection notice

C) Being denied credit

D) Reviewing a credit card statement

Answer: A

Diff: 2

Question Status: Previous edition

7) According to the Federal Trade Commission, the average individual loss as a result of identity theft is about

A) \$10,500.

B) \$47,500.

C) \$1,500.

D) \$500.

Answer: C

Diff: 1

Question Status: Revised

8) Discuss the reasons why someone would wish to steal your identity.

Answer: To obtain money, goods, and services and also to create a new identity unknown to authorities to facilitate criminal activities.

Diff: 1

Question Status: Previous edition

9) Using a shredder to destroy personal data will protect you from shoulder surfing.

Answer: FALSE

Diff: 1

Question Status: Previous edition

10) Posing as an employee of a financial institution to obtain information for purposes of identity theft is an example of pretexting.

Answer: TRUE

Diff: 2

Question Status: Previous edition

11) Identity theft only occurs through individuals who do not have legitimate access to your information.

Answer: FALSE

Diff: 2

Question Status: Previous edition

12) You should be very selective in shredding documents and when in doubt, do not shred them.

Answer: FALSE

Diff: 1

Question Status: Previous edition

13) Unless your identity is stolen by someone out of state, you should only report the crime to local law enforcement.

Answer: FALSE

Diff: 2

Question Status: Previous edition

14) If a person obtains your credit card number by standing close enough to you to either see your credit card or hear you speak the number during a telephone call, they are

A) shoulder surfing.

B) dumpster diving.

C) pretexting.

D) skimming.

Answer: A

Diff: 2

Question Status: Previous edition

15) Identity thieves that obtain your information from the magnetic strip on your credit card are using a technique known as

- A) shoulder surfing.
- B) dumpster diving.
- C) pretexting.
- D) skimming.

Answer: D

Diff: 2

Question Status: Previous edition

16) Going through documents discarded by your bank to obtain information in order to access your bank account is an example of

- A) shoulder surfing.
- B) dumpster diving.
- C) pretexting.
- D) skimming.

Answer: B

Diff: 2

Question Status: Revised

17) Posing as an employee of a brokerage firm to obtain information to allegedly update your account information is an example of

- A) shoulder surfing.
- B) dumpster diving.
- C) pretexting.
- D) skimming.

Answer: C

Diff: 2

Question Status: Previous edition

18) Using e-mail messages that pretend to be from a legitimate source to obtain account information for the purpose of identity theft is referred to as

- A) pharming.
- B) phishing.
- C) skimming.
- D) trolling.

Answer: B

Diff: 2

Question Status: Revised

19) Identity thieves that have systematically infiltrated corporations and financial institutions in order to facilitate large-scale identity thefts are usually a part of

- A) the Federal Trade Commission.
- B) The Internal Revenue Service.
- C) a well-organized crime ring.
- D) a political party.

Answer: C

Diff: 2

Question Status: Previous edition

20) Manipulating e-mail viruses and host files to redirect users from legitimate commercial Web sites to bogus Web sites to obtain log-in names and passwords is referred to as

- A) pharming.
- B) phishing.
- C) skimming.
- D) trolling.

Answer: A

Diff: 2

Question Status: Previous edition

21) Which of the following may result in much of your personal financial information becoming part of the public record?

- A) Marriage
- B) Applying for financial aid at a college
- C) Purchasing a house with a mortgage
- D) Divorce

Answer: D

Diff: 2

Question Status: Previous edition

22) Which of the following items should **not** be removed from your wallet?

- A) Social Security card
- B) Birth certificate
- C) Infrequently used credit cards
- D) Drivers license

Answer: D

Diff: 1

Question Status: Previous edition

23) Which of the following is the best rule to follow in shredding information?

- A) If you have any question, shred it.
- B) Shred anything with your name and address on it received through the mail.
- C) Shred only items received from your bank or brokerage firm.
- D) Shred any item received that is first class mail.

Answer: A

Diff: 2

Question Status: Revised

- 24) If you receive a phone call that seeks to verify or update personal information you should
- A) ask several questions of the solicitor to verify the person's authenticity.
 - B) ask to speak to a supervisor.
 - C) obtain the person's name and address in case you need to contact him or her in the future.
 - D) obtain the person's name and phone number and call the company to verify his or her credentials.

Answer: D

Diff: 2

Question Status: Revised

- 25)) The widespread adoption of EMV technology is likely to reduce

- A) pretexting.
- B) phishing.
- C) pharming.
- D) skimming.

Answer: D

Diff: 3

Question Status: Revised

- 26) The safest way to obtain new checks is to

- A) have them mailed first class to your house.
- B) have them mailed first class to your work.
- C) have them sent via United Parcel Service.
- D) pick them up at the bank.

Answer: D

Diff: 1

Question Status: Previous edition

- 27) Which of the following will **not** protect you from identity theft while on vacation?

- A) Carry all credit cards, passports, and birth certificates with you.
- B) Have your mail stopped.
- C) Do not leave credit slips in restaurants.
- D) Do not leave sensitive information in your hotel room when you are not there.

Answer: A

Diff: 2

Question Status: Previous edition

- 28) At your place of employment, which of the following is acceptable?

- A) Use of your Social Security number as an employee number on your time card
- B) Inclusion of your Social Security number on your employee identity badge
- C) Inclusion of your Social Security number on your payroll registry in the accounting office
- D) Inclusion of your Social Security number on your paycheck

Answer: C

Diff: 3

Question Status: Previous edition

29) You can take all of the following steps to recognize and avoid identity theft online **except**
A) responding promptly to e-mails asking you to click on a link and change the passwords for your online accounts.

B) using a secure browser.

C) reading the privacy policies of the Web sites you visit.

D) not downloading files sent to you by strangers.

Answer: A

Diff: 3

Question Status: Revised

30) The Identity Theft and Assumption Deterrence Act has designated which federal agency as the central clearinghouse for all identity theft complaints?

A) FBI

B) CIA

C) FTC

D) WPA

Answer: C

Diff: 2

Question Status: Previous edition

31) Which of the following would **not** be contacted in all cases of identity theft?

A) Local law enforcement

B) Federal Trade Commission

C) Postal Inspection Service

D) The three major credit bureaus

Answer: C

Diff: 2

Question Status: Previous edition

32) Which of the following federal agencies should always be notified in the event of identity theft?

A) Federal Bureau of Investigation

B) Secret Service

C) Federal Trade Commission

D) Postal Inspection Service

Answer: C

Diff: 2

Question Status: Previous edition

33) If you think that your identity has been stolen, the FTC recommends you do all of the following **except**

A) contact the credit bureaus.

B) file a police report.

C) destroy all of your credit cards.

D) call your creditors.

Answer: C

Diff: 2

Question Status: Previous edition

Use the following two columns of items to answer the matching questions below:

- A) copying credit information from the magnetic strip on a credit card
- B) something you should install on your computer to protect you from hackers and worms
- C) Bsomething you should never carry in your wallet
- D) the federal agency that acts as a clearinghouse for all identity theft complaints
- E) obtaining information on a person's identity from discarded items

34) dumpster diving

Diff: 1

Question Status: New

35) skimming

Diff: 1

Question Status: New

36) FTC

Diff: 1

Question Status: New

37) Social Security card

Diff: 1

Question Status: New

38) Firewall and virus protection

Diff: 1

Question Status: New

Answers: 34) E 35) A 36) D 37) C 38) B

39) Discuss at least two ways that you can protect yourself from identity theft.

Answer: A) go through your wallet or billfold and remove anything that contains your Social Security number as well as rarely used credit cards; B) maintain a list of all items in your wallet and toll-free numbers that can be used to make notifications in the event of a loss; C) purchase a shredder; D) install a locked mail box or rent a P.O. box; E) be careful what personal information you post on social media. (Note—students may include other recommendations, however these are among the most common.)

Diff: 1

Question Status: Revised

40) Name and briefly discuss three tactics that an identity thief may use.

Answer: A) Shoulder surfing—standing close enough to see or hear credit card numbers and PINs; B) dumpster diving—going through discarded items to obtain credit card numbers and pre-approved credit card solicitations; C) skimming—copying information from the magnetic strip of credit or debit cards; D) pretexting—posing as a survey taker or employee of a firm to obtain information allegedly to update existing account information

Diff: 1

Question Status: Previous edition

7.4 How Credit Assessment and Security Fits Within Your Financial Plan

1) Making sure that you have an adequate credit standing should be an important part of your overall financial plan.

Answer: TRUE

Diff: 2

Question Status: Previous edition

2) If your credit report contains deficiencies, there is really nothing you can do to correct them.

Answer: FALSE

Diff: 2

Question Status: Previous edition