

Using Credit Cards Wisely

Matching Quiz

Match the words in the first column to the best available answer in the second column.

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|--|-------------------------------|
| _____ A monthly statement designed to show the cardholder how much is owed, when the payment is due. | 1) Credit |
| _____ The amount the borrower owes the bank that lent her the money. | 2) Billing Cycle |
| _____ The interest rate over the period of one year that is applied to credit cards and loans. | 3) Credit Card Statement |
| _____ Money given in exchange for a promise for future payment. | 4) Debit Card |
| _____ Allows consumers to dispute charges they do not recognize, charges for products they never received, and other errors. | 5) Federal Trade Commission |
| _____ This card requires cardholders to pay off their full balance each month. | 6) Fair Credit Billing Act |
| _____ Lists all the key financial facts about a credit card, including APR, interest rate and interest calculation methods, etc. | 7) APR/Annual Percentage Rate |
| _____ Established to promote consumer protection and eliminate harmful anti-competitive business practices. | 8) Debt |
| _____ The period of time involved in interest calculation. | 9) Charge Card |
| _____ When using this card, funds are directly withdrawn from the cardholder's bank account. | 10) Disclosure Box |

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Fill-In-The-Blank

Select the correct term from the list below and write it in the blank space. Some terms may be used more than once, while others not at all.

1. With a car loan or a school loan, you get all the money at once, but with a credit card's _____, you get a pool of money you can draw from a little bit at a time.
2. The original amount you borrow is called the _____.
3. The _____ is the period of the time in which a borrower can pay off the full balance of their credit account without incurring additional finance charges.
4. The _____ is the least amount payable to the bank during a billing cycle so as to avoid being charged additional fees or experiencing damage to the borrower's credit worthiness.
5. A "security deposit" is sent to a lender by a person who has not previously had credit to obtain a _____, and thereby begin to establish a good credit history.
6. _____ are used to pay for purchases only in the chain of stores whose name is on the card.
7. A _____ allows you to move a balance from one credit card to another—usually to get a lower interest rate.
8. _____ occurs when an individual's personal or confidential information is illegally obtained or when a person pretends to be someone else to steal that person's money or benefits.
9. While a _____ is a kind of loan that allows you to get cash from your credit line without making a specific purchase, the fees and high APR may be very expensive, and there's no grace period to avoid interest.
10. _____ look at many elements of your life as a borrower, and use the information about your life as a borrower to rate your history and determine your credit score.

grace period	minimum payment	cash advance	principal
credit bureaus	revolving credit	identity theft	balance transfer
store cards	interest	secured card	creditor