



## Module 2: GOOD CREDIT

1. If you are over 16, how often can you get a free credit report from credit agencies like Experian, TransUnion, or Equifax?
  - A. Three free credit reports from each company every year
  - B. One free credit report from each company every year
  - C. Each company will only ever issue one free credit report
  - D. None of these companies offer free credit reports
2. Which of these items are not eligible for matching funds when using your Opportunity Passport™ account?
  - A. A secured credit card
  - B. Credit building loans
  - C. My monthly payments on a car loan
  - D. Fees or expenses to remove barriers to opening a bank account
3. According to the Equal Credit Opportunity Act, which of the following are used to determine a credit score?
  - A. Race, color, national origin
  - B. Sex, marital status
  - C. Recipient of public assistance
  - D. None of the above
4. What is the greatest factor a credit agency considers when evaluating your credit score?
  - A. Your payment history
  - B. Length of your credit history
  - C. The amount you owe
  - D. The types of credit you use

5. What is the difference between credit and debt?
- A. Credit is what you will not have to pay back, whereas debt has to be repaid
  - B. Credit is the ability to borrow money, whereas debt is the result of using credit
  - C. There is no difference between credit and debt
  - D. Credit is the result of debt, whereas debt is the ability to borrow money
6. When using credit, the principal is?
- A. The interest you pay for the borrowed money
  - B. The interest and fees you have to pay for the borrowed money
  - C. The amount of borrowed money
  - D. The amount of borrowed money plus interest
7. Which of the following is true about interest rates?
- A. Fixed interest will change as the market interest rates change
  - B. Variable interest will not change as the market interest rates change
  - C. Fixed interest can change as the market interest rates change
  - D. Variable interest can change as the market interest rates change
8. What is the term for an asset pledged against a secured loan?
- A. Collateral
  - B. Variable interest
  - C. Debt
  - D. An unsecured loan
9. Which of the following is an example of an unsecured loan?
- A. Mortgage
  - B. Car
  - C. College education
  - D. Jewelry
10. Which type of loan would be easiest when planning a monthly budget?
- A. A line of credit
  - B. An installment loan
  - C. A revolving loan
  - D. A loan with variable interest rate