

CREDIT ABUSE POP QUIZ  
Test Your Consumer Knowledge

1. TRUE or FALSE: The ability to obtain a job, car, and/or home loan critically depends on your credit history and score.
2. What does FICO stand for?
  - a) Federal Insurance Credit Organization
  - b) Fair Isaac Corporation
  - c) Financial Income Credit Office
  - d) Fair Interest Consumer Organization
3. What is FICO?
  - a) it keeps a report card of your late payments and debt
  - b) it punishes consumers for going over their credit limit
  - c) a three-digit number that determines the interest rate you will pay on your credit cards, car loans and home mortgages or whether you will be able to get a cell phone or have your application for a rental apartment accepted
  - d) it offers credit cards
4. What is the biggest factor in determining your credit rating with lenders?
  - a) income level
  - b) home ownership
  - c) amount of debt
  - d) FICO score
5. The average amount of time it takes to "clean up" a negative credit history is:
  - a) 2-3 years
  - b) 12 years
  - c) 7 years
  - d) 10 years
6. TRUE or FALSE: A higher FICO score puts you in line for a lower interest rate on a loan or credit card.
7. TRUE or FALSE: High school students are considered to be one of the "easier" targets by credit card companies because they know they are uninformed and ready to spend.
8. TRUE or FALSE: The only way to avoid credit card debt is to never use your credit card.
9. What's an APR?

10. Always use cash, not credit cards for:
  - a) emergencies, food, and movie tickets
  - b) food, movie tickets and anything less than \$10.00
  - c) internet shopping, emergencies and gas
  - d) gas, anything less than \$50.00 and movie tickets
  
11. If you have a \$5,500 balance on a credit card and the interest rate is 12% and you make the minimum monthly payment of \$110.00, how long will it take you to pay off the balance?
  
12. By the end of a college student's freshman year he/she will have accumulated an average of \_\_\_\_\_ in credit card debt alone.
  - a) \$1,500.00
  - b) \$500.00 - \$800.00
  - c) \$500.00
  - d) \$50.00
  
13. What will you owe if you pay your credit card balance after the due date?
  - a) a late penalty
  - b) interest on your entire balance
  - c) both of the above
  - d) neither of the above

YOU MIGHT LIKE TO CHECK OUT THESE WEB SITES:

- 1) [Http://www.myfico.com](http://www.myfico.com)
- 2) [http://econ4u.org/econ4u\\_topic.cfm](http://econ4u.org/econ4u_topic.cfm)
- 3) <http://www.casb.uscourts.gov/html/care/index.htm>
- 4) <http://www.apexcreditcards.com>
- 5) <http://www.creditcards.com>