

Name _____ Period _____

CREDIT MATCHING REVIEW

DIRECTIONS: Match the definition with the word. Place the correct letter in the space provided.

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| 1. _____ | APR | A. Security for a loan in case the borrower cannot pay back the amount borrowed. |
| 2. _____ | Capital | B. The total dollar amount that it costs a consumer to use credit. |
| 3. _____ | Capacity | C. Used to purchase goods or services in exchange for a promise to pay for them later. |
| 4. _____ | Cash Credit | D. The cost of a loan over a full year, expressed as a percentage. |
| 5. _____ | Character | E. A type of credit that allows the purchase of products or services with the agreement that the balance will be paid in full or that a finance charge will be paid on the unpaid balance. |
| 6. _____ | Collateral | F. A person who guarantees to pay a debt if the person who obtained the loan cannot do so. |
| 7. _____ | Cosigner | G. Assets in the form of cash and securities available to spend and invest. |
| 8. _____ | Credit Bureau | H. Creditor's evaluation of a debtor's willingness and ability to pay debts based on past performance. |
| 9. _____ | Credit Rating | I. Price paid for the use of rented or borrowed money. |
| 10. _____ | Finance Charge | J. The original amount of a loan on which interest is based. |
| 11. _____ | Interest | K. A private corporation that is a clearing house for consumer credit information. |
| 12. _____ | Principal | L. Credit given for a service one receives, like using the telephone. |
| 13. _____ | Revolving Charge Account | M. Credit you receive when you borrow cash and pay it back later. |
| 14. _____ | Sales Credit | N. The quality of one's reputation or name; financial or economic trustworthiness. |
| 15. _____ | Service Credit | O. Ability to fulfill obligations evidenced by diligence at work and prospects of continuing employment or income. |