

Student \_\_\_\_\_

Date \_\_\_\_\_

Class \_\_\_\_\_

Instructor \_\_\_\_\_

## **CHAPTER 26** How to Get and Keep Credit

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### **Key Words: Completion**

*DIRECTIONS: Write the letter for the key word that best completes each sentence below.*

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|--|--------------------------------|
| <b>a.</b> annual percentage rate (APR) | <b>h.</b> garnishment of wages |
| <b>b.</b> cash advance                 | <b>i.</b> grace period         |
| <b>c.</b> credit bureau                | <b>j.</b> principal            |
| <b>d.</b> credit limit                 | <b>k.</b> repossess            |
| <b>e.</b> cosigner                     | <b>l.</b> secured loan         |
| <b>f.</b> down payment                 | <b>m.</b> unsecured loan       |
| <b>g.</b> finance charge               | <b>n.</b> variable rate        |

1. A person's   **d**   is the maximum amount they can spend or charge on a credit account.
2. The amount of money owed on the original amount of a loan is the   **j**  .
3. A   **i**   is an amount of time to pay off a debt without having to pay interest on it.
4. Creditors have a legal right to take all or part of a debtor's paycheck for an unpaid debt, an action called   **h**  .
5. A   **l**   is backed by collateral. An   **m**   is not.
6. The   **e**   of a loan agrees to make the payments if the borrower doesn't make them.
7. A   **c**   is an agency that collects information about consumers of credit.
8. The   **g**   is the total amount it costs to finance a loan, stated in dollars and cents.
9. If you pay a portion of the total cost of an item at the time of purchase, you're making a   **f**  .
10. A   **n**   of interest on a loan changes as interest rates in the banking system change.
11. The   **a**   is the cost of credit on a yearly basis.
12. When you use a credit card to borrow money rather than make a purchase, you're taking a   **b**  .
13. To   **k**   collateral is to take it back if the loan is not paid.