

10 Steps to Financial Success Quiz

1. Which of the following is an example of a typical short-range goal?

- Vacation
- Down payment for a house
- Retirement

2. Your net worth should:

- Decrease over time
- Increase over time
- Stay the same over time

3. What is the golden rule of money management?

- Your expenses should never exceed your income
- 10% of your net income should be put away in savings
- You should only use your credit card once a month

4. What is the recommended amount of money you should have in an emergency savings fund?

- 2-4 months worth of essential living expenses
- 3-6 months worth of total expenses
- 3-6 months worth of essential living expenses

5. In a _____, money from several investors is pooled to buy different stocks, bonds, and/or cash equivalents:

- Treasury bill
- Mutual fund
- Roth IRA

6. What are the two basic types of life insurance?:

- Short-term and long-term
- Term and cash-value
- Liability and full

7. The positive payment history for which of the following does not show on your credit report?:

- Rent
- Credit cards
- Student loans

8. Creditors are usually more willing to lower your interest rate if you:

- Cry on the phone
- Have a high balance
- Make your payments on time

9. Which of the following typically makes it easier to get a mortgage?:

- Having a credit score of at least 600
- Having a down payment
- Having a positive payment history for your rent

10. If you are looking to learn more about financial topics:

- You should avoid the internet completely, as all of the information is worthless
- The internet is a good place to get information, but pay attention to the source
- You should only get information from certified financial planners