

TEST Q3

Indicate whether the statement is true or false.

1. Software is a computer program that controls the operation of a computer and directs the processing of programs.
 - a. True
 - b. False
2. If you have difficulty with an item you purchased, receipts are not necessary for proof of purchase as the store knows which products it carries.
 - a. True
 - b. False
3. Public utilities are legal monopolies.
 - a. True
 - b. False
4. Consumer finance companies specialize in loans to people who have excellent credit ratings and, therefore, offer lower interest rates.
 - a. True
 - b. False
5. Before making a major purchase, the consumer should be informed by the salesperson of the facts about how the product is rated on safety, performance, and value.
 - a. True
 - b. False
6. With U.S. bankruptcies, creditors can take some or all of a debtor's assets to get back some of their money.
 - a. True
 - b. False
7. The Consumer Credit Protection Act states that if your credit card is lost or stolen and someone else uses it, your payment for any unauthorized purchases will be limited to \$500.
 - a. True
 - b. False
8. Federal law requires sellers of products that cost more than \$15 to have a warranty.
 - a. True
 - b. False
9. Values are what you believe to be important.
 - a. True
 - b. False
10. Most occupations have career ladders.
 - a. True
 - b. False

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Indicate the answer choice that best completes the statement or answers the question.

11. Career planning involves
 - a. assessing your potential.
 - b. analyzing your options.
 - c. education or training.
 - d. all of the above
12. Which statement is most true?
 - a. Some jobs require drug testing.
 - b. All jobs require drug testing.
 - c. Good jobs require a person to have a driver's license.
 - d. The best jobs are taken.
13. Discontinued or flawed merchandise can often be found at
 - a. department stores.
 - b. outlet stores.
 - c. limited-line retailers.
 - d. convenience stores.
14. The Fair Packaging and Labeling Act requires that manufacturers
 - a. truthfully list all ingredients and raw materials used in production.
 - b. stamp the manufactured product with the date and time it was made.
 - c. disclose the quality control inspector's name and/or employee number.
 - d. list the name of the president or CEO of the manufacturer.
15. If you enjoy working with people, which career would *not* be a good choice?
 - a. salesperson
 - b. nurse
 - c. teacher
 - d. computer programmer
16. All of the following are input devices *except*
 - a. keyboards.
 - b. joysticks.
 - c. scanners.
 - d. fax machines.
17. When shopping, making choices
 - a. is always risky.
 - b. should not be a problem.
 - c. is not always easy.
 - d. takes a long time.
18. A grace period is
 - a. an allowable time in which to repay a debt without having to pay interest charges.
 - b. a penalty imposed for missing payments.
 - c. the ability to skip a payment.
 - d. the time when the APR is determined.
19. When setting goals,
 - a. be as specific about each goal as you can.
 - b. ask friends what they think your goals should be.
 - c. plan a set amount of time to achieve all of the goals.
 - d. make them easy to achieve.

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20. The best source of information about a product would be
- a. word of mouth.
 - b. a recommendation by a friend.
 - c. an article in *Consumer Reports*.
 - d. advertisements about the product.
21. Before making a purchase, a smart consumer should
- a. study advertisements.
 - b. read consumer publications.
 - c. read labels and warranties.
 - d. all of the above
22. An example of an extracurricular activity would be
- a. doing homework.
 - b. attending classes.
 - c. having perfect attendance.
 - d. working on the school newspaper.
23. When you go on a job interview, you should do all the following *except*
- a. be on time.
 - b. shake the interviewer's hand.
 - c. ask questions about the job.
 - d. expect an answer right away.
24. Which U.S. government agency prepares a fact sheet that tells how a product is rated for safety, performance, and value?
- a. the Department of Homeland Security
 - b. the Department of Labor
 - c. the Food and Drug Administration
 - d. the Consumer Product Safety Commission
25. Credit counselors
- a. can restore good credit to someone who legitimately has a bad score.
 - b. remove reports of missed payments from a credit report.
 - c. assist consumers with managing their money.
 - d. contact the consumer's creditors and ask them to absolve the debt.
26. Training increases one's
- a. skill in performing a job.
 - b. time on a job.
 - c. interest in a job.
 - d. self-awareness.
27. An example of emotional advertising would be an ad
- a. showing the ingredients of a product.
 - b. indicating that by purchasing the advertised product you would be considered cool.
 - c. comparing gas efficiency in cars.
 - d. indicating that a product has a guarantee.

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28. The higher your credit rating,
- a. the less money you can borrow.
 - b. the more payments you have to make.
 - c. the less payments you have to make.
 - d. the more money you can borrow.
29. The letter that accompanies a résumé is called a
- a. personal statement.
 - b. business letter.
 - c. cover letter.
 - d. job reference.
30. The first step you should take when you get a credit or ATM card is
- a. write your PIN on the back of the card.
 - b. use the card to make sure that it works.
 - c. tell a friend or relative your PIN in case you forget it.
 - d. write down the card issuer's phone number and other contact information.

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Match each item with the correct statement below.

- a. consumer advocates
- b. grade labels
- c. recall
- d. legal monopoly
- e. licenses
- f. price discrimination
- g. warranty
- h. express warranty
- i. full warranty
- j. limited warranty

- 31. A warranty that covers only certain parts of a product
- 32. An order to take back and repair or replace a product that has defective parts
- 33. Legal permits to conduct business
- 34. A warranty that is explicitly stated, in writing or verbally
- 35. The act of charging more than one price for the same product or service in different markets or to different customers
- 36. Groups and individuals who work to protect, inform, and defend consumers
- 37. A company that is allowed to operate without competition
- 38. A guarantee about the quality of goods or services
- 39. A promise or guarantee to a customer that a product will meet certain standards
- 40. A note that indicates the level of quality of foods

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