

Bonus Box Questions

<p style="text-align: center;">Bonus Box</p> <p>Q: What is a credit report?</p> <p>A: A credit report is a record of your credit accounts and loans used to evaluate applications you make for credit cards and loans, insurance, jobs, and apartment rentals.</p>	<p style="text-align: center;">Bonus Box</p> <p>Q: Why is it best to keep overdue accounts open, rather than closing them?</p> <p>A: Because keeping them open shows a longer credit history, which is important for establishing credit.</p>	<p style="text-align: center;">Bonus Box</p> <p>Q: Which things will bad credit affect your ability to do?</p> <p>A. get credit cards B. get a car loan C. get insurance. D: All of the above.</p> <p>A: D → All of the Above.</p>	<p style="text-align: center;">Bonus Box</p> <p>Q: True or False - Having a credit card but not using it still gives you a good credit history because your records show you have a card, but no late payments.</p> <p>A: False.</p>	<p style="text-align: center;">Bonus Box</p> <p>Q: If you have established bad credit, what are some positive steps to improve it?</p> <p>A: Answers include: begin paying bills on time, keep balances low, find a new payment plan.</p>
<p style="text-align: center;">Bonus Box</p> <p>Q: True or False - The interest rate you pay on a credit card is based on your credit history.</p> <p>A: True.</p>	<p style="text-align: center;">Bonus Box</p> <p>Q: True or False - Your credit score improves when you always buy items on sale, because that shows financial responsibility.</p> <p>A: False. Buying items on sale has no affect on credit.</p>	<p style="text-align: center;">Bonus Box</p> <p>Q: How many years does it take for negative credit to go positive?</p> <p>A: Seven years.</p>	<p style="text-align: center;">Bonus Box</p> <p>Q: Is it generally better to have a lot of credit accounts or a few?</p> <p>A: It is better to have a few. Credit lenders would rather see a few well-managed accounts rather than a large amount of accounts.</p>	<p style="text-align: center;">Bonus Box</p> <p>Q: What is the difference between a "hard" and "soft" credit report inquiry?</p> <p>A: A "soft" inquiry is a request from an individual to check the credit; a "hard" inquiry is request from a company before lending credit.</p>