



**Lesson Nine**

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Protecting Your Money



## can you identify these advertising techniques?



### directions

In the space provided, write the letter of the advertising technique that the statement represents. Use each letter only once. There will be two letters you do not use.

1. \_\_\_\_\_ You're the kind of person who can think for yourself. Once you drive one of our cars, you'll know it's the smoothest ride.
2. \_\_\_\_\_ Everyone else is using this hair gel. Why aren't you?
3. \_\_\_\_\_ Our medical research team has finally done it! We have a pill that allows you to eat anything you want without gaining weight!
4. \_\_\_\_\_ Work in your home, part-time, and earn up to \$10,000 per week.
5. \_\_\_\_\_ You'll never pass the course alone. You need this instructional workbook.
6. \_\_\_\_\_ This all-star champion eats puffed rice. Shouldn't you?
7. \_\_\_\_\_ It doesn't matter how bad your credit is. For one small fee, you can buy that car you've always wanted.
8. \_\_\_\_\_ Your date will want to get closer when you wear this cologne!

- |                              |                           |
|------------------------------|---------------------------|
| A. Out-of-context quotations | F. Independence           |
| B. Peer approval             | G. Health fraud           |
| C. Hero endorsement          | H. Easy credit repair     |
| D. Sex appeal                | I. Get rich quick schemes |
| E. Entertainment             | J. Scare tactics          |



## lesson 9 quiz: advertising techniques

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choose the correct answer.

1. ——— Which of these advertising techniques might use a movie star to sell a product?
  - a. peer approval
  - b. health fraud
  - c. status
  - d. hero endorsement
  
2. ——— The name of a new product sounds like a familiar brand name. What advertising technique is being used?
  - a. product misrepresentation
  - b. status
  - c. information
  - d. intelligence
  
3. ——— A program-length commercial is commonly called:
  - a. product misrepresentation.
  - b. get rich quick scheme.
  - c. infomercial.
  - d. out-of-context quotation.
  
4. ——— What is the best way to pay for a product advertised on television?
  - a. borrow a friend's credit card
  - b. order by phone with a bank account number
  - c. order by phone with a bank PIN
  - d. send a check in the mail
  
5. ——— Always read, watch, and listen to advertisements closely because:
  - a. they may be misleading.
  - b. they may influence you to spend money unwisely.
  - c. they may make unproven claims.
  - d. all of the above.



## lesson 9 quiz: protecting yourself from fraud

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choose the correct answer.

1. \_\_\_\_\_ **The most reliable source of consumer information is a:**
  - a. shopping network.
  - b. door-to-door salesperson.
  - c. telemarketer.
  - d. product label.
  
2. \_\_\_\_\_ **You should mail a check for a purchase ordered by phone because:**
  - a. it will be covered by the fair credit billing act.
  - b. it will be covered by the mail-order rule.
  - c. it will be covered by the cooling-off rule.
  - d. it is never safe to pay with a credit card.
  
3. \_\_\_\_\_ **The right to cancel purchases of \$25 or more within three business days is the:**
  - a. credit billing rule.
  - b. cooling-off rule.
  - c. mail order rule.
  - d. telemarketing rule.
  
4. \_\_\_\_\_ **The mail-order rule requires that companies:**
  - a. notify customers if an item is not currently available.
  - b. only sell certain items by mail.
  - c. accept credit cards for mail order purchases.
  - d. allow a person to return an item for full credit.
  
5. \_\_\_\_\_ **When shopping online, always:**
  - a. use a secure browser.
  - b. shop with companies that you know.
  - c. keep your password private.
  - d. all of the above.

name: \_\_\_\_\_

date: \_\_\_\_\_



# writing a letter of complaint

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# solving consumer problems



## directions

Put an X next to the best way to solve these consumer problems.

1. Brad has taken his new car back for the same repairs four times. He has complained to the dealer and written several letters to the company. He bought the car only ten months ago. What should he do?

- \_\_\_\_\_ Return to store
- \_\_\_\_\_ Contact company
- \_\_\_\_\_ Contact consumer or government agency
- \_\_\_\_\_ Take legal action

2. Joanie was seriously injured by a fan she recently bought. She needed to go to the emergency room for stitches. What should she do?

- \_\_\_\_\_ Return to store
- \_\_\_\_\_ Contact company
- \_\_\_\_\_ Contact consumer or government agency
- \_\_\_\_\_ Take legal action

3. Ellis keeps getting phone calls offering him magazine subscriptions. He has told the company not to call him a number of times already. What should he do?

- \_\_\_\_\_ Return to store
- \_\_\_\_\_ Contact company
- \_\_\_\_\_ Contact consumer or government agency
- \_\_\_\_\_ Take legal action

4. Thomas was charged the wrong price for a CD he bought at a discount store. What should he do?

- \_\_\_\_\_ Return to store
- \_\_\_\_\_ Contact company
- \_\_\_\_\_ Contact consumer or government agency
- \_\_\_\_\_ Take legal action

5. Marla received a late payment notice for a store credit account. She had paid off the amount on her credit card several months ago. What should she do?

- \_\_\_\_\_ Return to store
- \_\_\_\_\_ Contact company
- \_\_\_\_\_ Contact consumer or government agency
- \_\_\_\_\_ Take legal action



## lesson 9 quiz: protecting yourself from identity theft

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choose the correct answer.

1. \_\_\_\_\_ Which of these numbers is commonly used as a personal identifier?
  - a. checking account number
  - b. Social Security number
  - c. credit card number
  - d. phone number
  
2. \_\_\_\_\_ Which of the following would an identity thief most want to have?
  - a. car keys
  - b. jewelry
  - c. credit card number
  - d. cash
  
3. \_\_\_\_\_ Who can a person safely give his/her social security number to?
  - a. a telemarketer
  - b. an employer
  - c. a grocery store clerk
  - d. none of the above
  
4. \_\_\_\_\_ Which of these should not be kept in a person's wallet?
  - a. social security card
  - b. credit card
  - c. debit card
  - d. cash
  
5. \_\_\_\_\_ Which of these should be torn up before they are disposed of?
  - a. pre-approved credit offers
  - b. bank statements
  - c. credit card receipts
  - d. all of the above



## Rose's car choices



\$4,000 (Amount of loan: \$3,000)

APR	10%	12%	14%	16%
Length of Loan	36 months	36 months	36 months	36 months
Total Cost of Loan	\$	\$	\$	\$
Monthly Payment				
Total Finance Charge				



\$6,000 (Amount of loan: \$5,000)

APR	10%	12%	14%	16%
Length of Loan	36 months	36 months	36 months	36 months
Total Cost of Loan	\$	\$	\$	\$
Monthly Payment				
Total Finance Charge				



\$8,000 (Amount of loan: \$7,000)

APR	10%	12%	14%	16%
Length of Loan	36 months	36 months	36 months	36 months
Total Cost of Loan	\$	\$	\$	\$
Monthly Payment				
Total Finance Charge				



name: \_\_\_\_\_

date: \_\_\_\_\_



# Manuel's budget

	Without a Car	Owning a Car
<b>Income</b>		
Job #1	\$	\$
Job #2	\$	\$
Other	\$	\$
<b>Total Income</b>	\$	\$
<b>Fixed expenses</b>		
Rent	\$	\$
Car insurance	\$	\$
Installment payments		
Car loan payment	\$	\$
Credit card 1	\$	\$
Credit card 2	\$	\$
<b>Total installment debt</b>	\$	\$
<b>Percentage of net income</b>	%	%
<b>Flexible expenses</b>		
Savings	\$	\$
Utilities	\$	\$
Food	\$	\$
Transportation	\$	\$
Bus fare	\$	\$
Gas and oil	\$	\$
Parking and tolls	\$	\$
Repairs	\$	\$
Tuition	\$	\$
School expenses	\$	\$
Clothing	\$	\$
Entertainment	\$	\$
Household items	\$	\$
Personal items (toothpaste, etc.)	\$	\$
<b>Total Monthly Expenses</b>	\$	\$
<b>Total income – Total expenses</b>	\$	\$

name: \_\_\_\_\_

date: \_\_\_\_\_



# Rose's budget

	Without a Car	Owning a Car
<b>Income</b>		
Job #1	\$	\$
Job #2	\$	\$
Other	\$	\$
<b>Total Income</b>	\$	\$
<b>Fixed expenses</b>		
Rent	\$	\$
Car insurance	\$	\$
Installment payments		
Car loan payment	\$	\$
Credit card 1	\$	\$
Credit card 2	\$	\$
<b>Total installment debt</b>	\$	\$
<b>Percentage of net income</b>	%	%
<b>Flexible expenses</b>		
Savings	\$	\$
Utilities	\$	\$
Food	\$	\$
Transportation	\$	\$
Bus fare	\$	\$
Gas and oil	\$	\$
Parking and tolls	\$	\$
Repairs	\$	\$
Tuition	\$	\$
School expenses	\$	\$
Clothing	\$	\$
Entertainment	\$	\$
Household items	\$	\$
Personal items (toothpaste, etc.)	\$	\$
<b>Total Monthly Expenses</b>	\$	\$
<b>Total income – Total expenses</b>	\$	\$