

## It's Your Money Quiz

**Please do not spend a lot of time on any one question. We will review the issues presented in class throughout the workshop series.**

1. Women are better money managers than men. T F
2. A fixed annuity is regulated by the SEC and generally offers protection from inflation T F
3. Insurance agents are required by California law to be compensated through commissions. T F
4. The first question you should ask a Financial Advisor is about their education & experience. T F
5. The Securities Investor Protection Corporation was chartered by Congress to combat fraud. T F
6. It is normal for your investments to go up and down. T F
7. Declining interest rates make bond funds appreciate in value T F
8. If you owe a lot of money at death or are concerned with fraudulent claims at the time of death you probable better off going through probate and not have a living trust T F
9. Money market funds lend out their money for up to 90 days T F
10. People are very rational when it comes to their money T F
11. An advisor is legally obligated to serve your best interests T F
12. Key issues to review before investing are: your time horizon, cash flow needs, risk tolerance, future income requirements and your tax situation. T F
13. Suppose you have \$100 in a savings account earning 2 percent interest a year. After five years, would you have more than \$102, exactly \$102 or less than \$102? (Please Circle)
14. Imagine that the interest rate on your savings account is 1 percent a year and inflation is 2 percent a year. After one year, would the money in the account buy more than it does today, exactly the same or less than today? (Please Circle)
15. If interest rates rise, what will typically happen to bond prices? Rise, fall, stay the same, or is there no relationship? (Please Circle)
16. A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage but the total interest over the life of the loan will be less. T F
17. Buying a single company's stock usually provides a safer return than a stock mutual fund. T F