

THINK CRITICALLY

Handwrite your responses in the space below; 2 sentences each.

1. What is the purpose of a credit report? What kind of information does a credit report contain?
2. What is the purpose of a credit score? How can you find your credit score?
3. What can you do if you are denied credit?
4. How often can you see your credit report (without charge)? What Web site can you use to get a free credit report?
5. List the basic provisions of the Truth-in-Lending Act.
6. Explain the procedures for resolving errors under the Fair Credit Billing Act.
7. List the items that cannot be the basis for discrimination in the granting or denial of credit.
8. List some activities that the law does not allow in the collection of credit debts.
9. Describe three types of alternate dispute resolution.

10. Describe the process of going to court to file a lawsuit to settle a dispute.

IN DEPTH: Taking Action

Write a few sentences for each of the situations below, telling what would you do to resolve it. Be sure to include any outside source of information or support you would contact.

1. You tried to use your credit card, and it was rejected. When you called your credit card company, you were told that your balance is over the limit. You have not used your card in the last week. There should be well over \$1,000 worth of credit available on it. What do you do?

2. A representative from your bank called and told you about a special offer—a free safe deposit box and a \$50 gift—if you upgraded your account. You verified your personal information with the caller. After the call, you phoned the bank to ask a question about the deal, but you found that no one from the bank had called you. What do you do?

3. You took your car in to have the brakes replaced. When the mechanic did the job, he also found that your muffler needed replacing. You authorized him to do the work. After you got home, you noticed a bill that shows your spouse had the muffler replaced 2 weeks earlier. What do you do?