

## Quizzes: MoneyCoach LLC ©

**Instructions:** Every video in the MoneyCoach curriculum has a six question quiz. The answers to each quiz question are **bolded**.

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### Why Invest? (Investing Basics - Part 1)

1. Which of the following is true about bonds?
  - a. **They are loans made to governments and companies.**
  - b. They are *more* risky than stocks or REITs.
  - c. A and B
  - d. None of the above
  
2. Which of the following is true about stocks?
  - a. **They're a little piece of a business. That means when the business does well, the stock price generally goes up!**
  - b. They're just numbers on a screen. That means the success or failure of the business will rarely affect the stock price
  - c. Only rich and powerful people are allowed to own them.
  
3. Which of the following is true about REITs?
  - a. They are a professional managed real estate portfolio.
  - b. They allow anyone to easily invest in commercial real estate.
  - c. **A and B**
  - d. None of the above
  
4. Your friend recently inherited \$50,000. He opts to put it into a bank account. What do you say to him?
  - a. Good job! Keeping your money at the bank is a great way to make money.
  - b. **Excuse me, but you're actually losing money to inflation doing that.**
  - c. Bad idea! Your mattress is a much safer place to keep your money.
  
5. Your friend wants to beat inflation, but isn't sure what to invest in. What do you recommend she invest in?
  - a. Stocks
  - b. REITs
  - c. Bonds
  - d. **All of the above**

6. Your friend wants to know if there is an advantage to investing early. What do you tell her?
  - a. **Yes there is! The earlier you start, the longer your investment can compound for.**
  - b. Yes there is! But mostly because there is a huge tax break for it.
  - c. Nope! It really doesn't matter when you start investing.

#### How to Invest (Investing Basics - Part 2)

1. Which of the following is true about mutual fund managers?
  - a. They buy a lot of shares in a few companies.
  - b. They are open to everyone, unlike private equity or hedge funds.
  - c. They rarely "beat" the market after fees in the long-run.
  - d. **All of the above**
2. Which of the following is true about robo-advisors?
  - a. They buy a bunch of ETFs to track the market and diversify your portfolio.
  - b. They require zero investing knowledge.
  - c. They try to "beat" the market.
  - d. **A and B**
3. True or False. Diversification dramatically lowers your investing risk by keeping all your eggs out of one basket.
  - a. **True**
  - b. False
4. Your friend is thinking of investing. What needs to be true before he starts?
  - a. No high-interest debt
  - b. At least six months of living expenses saved up
  - c. **A and B**
  - d. None of the above
5. Your friend is choosing between his investment options. What do you advise?
  - a. Invest in a mutual fund. These are trained professionals with a long history of beating the stock market.
  - b. **Invest with a robo-advisor. They track the market, require zero investing knowledge, and can even personalize a portfolio to your situation.**
  - c. Do the investing yourself.
6. Your friend just invested some money with a robo-advisor, but is worried about making some rookie mistakes. What do you advise?

- a. Don't invest money you'll need in the next five years.
- b. Automatically invest a fixed amount of your paycheck each month.
- c. **A and B**
- d. None of the above

#### 401K and IRA 101 (Investing Basics - Part 3)

1. Which of the following is true about retirement accounts, like 401(k)s and IRAs?
  - a. **They come in two forms, Traditional and Roth.**
  - b. They let you withdraw money penalty-free before age 59.5.
  - c. They have *no* restrictions on contribution size and what you can invest in.
  - d. All of the above
2. Which of the following is true about 401(k)s?
  - a. They're virtually identical to their non-profit employer counterpart, 403(b)s.
  - b. They feature "free money" in the form of employer-matching.
  - c. Unlike IRAs, which are more flexible and can be opened at any brokerage firm, 401(k)s are restrictive and can only be opened with your employer.
  - d. **All of the above**
3. True or False. With a Traditional account, the money you put in is pre-tax, and then taxed when withdrawn, while with a Roth account money it's the opposite.
  - a. **True**
  - b. False
4. Your friend Sam is in a low to moderate tax bracket, while your friend Alice is in a high tax bracket. Both are choosing between a Roth and Traditional retirement account. What do you advise?
  - a. **Sam should choose a Roth account. Alice should choose a Traditional account.**
  - b. Sam should choose a Traditional account. Alice should choose a Roth account.
  - c. Both should choose a Traditional account.
5. Your friend is deciding between a 401(k) and IRA. What do you advise?
  - a. First max out your 401(k), and then max out your IRA.
  - b. First max out your IRA, then max out your 401(k).
  - c. **First contribute to your 401(k) until you've hit maximum matching, then max out your IRA, and then finally, return to max out your 401(k).**
6. Your friend is about to leave his job, but he needs to deal with his 401K. What do you recommend to him?

- a. Leave it with your old employer.
- b. Do a 401K rollover into an IRA with the help of a robo-advisor.**
- c. Cash out of the 401K.

## Retirement 101

1. Which of the following is true about Medicare?
  - a. It's the government's healthcare insurance plan for individuals over 65.
  - b. It's made up of two parts: A and B.
  - c. It caps out-of-pocket expenses and covers prescription drugs.
  - d. A and B**
  
2. True or False. Claiming early will maximize your Social Security benefits.
  - a. True
  - b. False**
  
3. Which of the following should you avoid purchasing during retirement?
  - a. An estate plan
  - b. Long-term care insurance
  - c. Annuities
  - d. B and C**
  
4. Your friend is choosing between Medigap and Medicare Advantage. He wants maximum flexibility and is fine with higher premiums. What do you recommend to him?
  - a. Original Medicare + Part D + Medigap**
  - b. Original Medicare
  - c. Medicare Advantage
  
5. Your friend wants to start saving for retirement, but has no idea where to start. What words of wisdom do you offer?
  - a. Factor in Social Security, because it will definitely be there for you.
  - b. Ignore Social Security, and instead focus on the 3% safe withdrawal rate.
  - c. Try to save 10-15% of your paycheck for retirement.
  - d. B and C**
  
6. Your friend has saved up 10x her annual expenses and wants to quit her job and retire. What do you advise?
  - a. Great idea! You're definitely ready for a bulletproof retirement.
  - b. You're not ready. Target 25x your annual expenses.
  - c. You're not ready. Target 33x your annual expenses.**

- d. You're not ready. Target 50x your annual expenses.

## Dating and Finances

1. True or False. 75% of divorces are partially due to poor money communication.
  - a. **True**
  - b. False
  
2. What does the "Money Talk" cover?
  - a. Financial goals
  - b. Assets, debts, and credit scores
  - c. Salaries
  - d. **All of the above**
  
3. What does the "Move-In" conversation cover?
  - a. Who's going to be on the lease.
  - b. Who's going to buy the one-time items, like furniture.
  - c. How shared expenses are going to be split.
  - d. **All of the above**
  
4. You've explained the "Money Talk" to your friend, but she seems unconvinced of its value. What do you tell her?
  - a. It will better align you and your partner on shared financial goals.
  - b. It will help you avoid any financial pitfalls or deal breakers.
  - c. **A and B**
  - d. None of the above
  
5. Your friend wants to have the "Money Talk" with his girlfriend, but hasn't decided on the place to have it. Where do you advise he have it?
  - a. **A relaxed environment, like a bar**
  - b. At his place of work
  - c. Over the phone
  
6. Your two friends are about to move in together, but are unsure how to split their expenses. What do you advise?
  - a. Split according to income.
  - b. Split 50/50.
  - c. **Have an honest conversation about how to split expenses.**

## Marriage and Finances

1. Your husband has just acquired a secret credit card. Your name is nowhere to be found. In which states are you responsible for the debts?
  - a. **Community property states**
  - b. Common law property states
  - c. A and B
  - d. None of the above
2. Which of the following is true about filing taxes once married?
  - a. Filing jointly is *always* better.
  - b. **Filing jointly is *generally* better.**
  - c. You are required to file jointly.
  - d. Filing jointly doesn't impact student loans.
3. True or False. The average cost of a wedding is around \$30,000 dollars.
  - a. **True**
  - b. False
4. Your friend wants to keep certain property separate during her marriage. What do you tell her?
  - a. Don't co-mingle separate and marital assets.
  - b. Keep exact records of your pre-marital property.
  - c. Hire a lawyer to create a prenup.
  - d. **All of the above**
5. Your friend just got married, and is looking for some smart ways to save some money. What do you tell her?
  - a. Move to your spouse's credit card.
  - b. **Shop around for new insurance policies.**
  - c. A and B
  - d. None of the above
6. Your friend is about to get married, and wants to avoid any financial mistakes. What do you tell him?
  - a. Make an estate plan.
  - b. Change the beneficiary of his 401K/IRA/Life Insurance to his spouse.
  - c. **A and B**
  - d. None of the above

## Estate Planning 101

1. Which of the following is true about wills?
  - a. They are superseded by any account with a beneficiary, like a 401(k).
  - b. They cover division of your property and who will be your children's guardian.
  - c. They're carried out by an individual you name, called an executor.
  - d. All of the above.**
  
2. Which of the following is true about trusts?
  - a. They cannot save your assets from probate.
  - b. They can minimize your estate taxes.**
  - c. They are only for the extremely wealthy.
  - d. B and C
  
3. True or False. Getting your estate plan through a DIY legal resource is a great way to save money in the long-run.
  - a. True
  - b. False**
  
4. Your friend is contemplating getting an estate plan. She is single, with no children and few assets. What do you advise?
  - a. Get an estate plan with a trust
  - b. Get an estate plan without a trust
  - c. Don't get an estate plan**
  
5. Couple A is childless, but has significant assets. Couple B is the exact opposite. Which of the following do you advise.
  - a. Couple A get an estate plan with a trust
  - b. Couple B get an estate plan without a trust
  - c. A and B**
  - d. None of the above
  
6. Your friend is having trouble understanding several estate plan components. What do you tell her?
  - a. Living will: dictates end-of-life-care.
  - b. Healthcare proxy: names an individual to make medical decisions on your behalf.
  - c. Assignment of the power of attorney: names an individual to make financial decisions on your behalf.
  - d. All of the above**

## How to Save for College

1. True or False. You need to save up for 100% of your child's college tuition costs.
  - a. True
  - b. False**
  
2. Which of the following is true about 529 plans and ESAs?
  - a. Both offer state tax deductions for contributions
  - b. Both lower financial aid by 5% of their total value
  - c. Both let you grow money tax-free
  - d. B and C**
  
3. Which of the following is true about 529 plans vs. ESAs?
  - a. ESAs have much higher contribution limits than 529 plans.
  - b. ESAs can only be used for college expenses, whereas 529 plans cover all educational expenses.
  - c. ESAs are easy to open at almost every brokerage, whereas 529 plans are only offered by the state.**
  - d. All of the above
  
4. Your friend wants to start saving for his newborn's college. What do you tell him?
  - a. Use an online calculator to understand how much to save.
  - b. Register for a free education rewards site.
  - c. Contribute to your own retirement first.
  - d. All of the above**
  
5. Your friend is choosing between a 529 plan and a Coverdell ESA for his newborn's college savings. What do you tell him?
  - a. Get the 529 Plan**
  - b. Get the Coverdell ESA
  - c. Both plans are equally effective
  
6. Your friend is about to pick out a 529 plan for his newborn. What do you tell him?
  - a. Choose a prepaid 529 over a savings 529.
  - b. Pick a 529 with an age-based option.**
  - c. Get your plan through a 529 broker.
  - d. Encourage grandparents to open their own 529.

## Children and Finances



1. True or False. Having and raising child is very expensive, generally around \$250,000 on average.
  - a. **True**
  - b. False
  
2. True or False. You shouldn't start looking for a daycare before the child is born.
  - a. True
  - b. **False**
  
3. What are some common mistakes early parents make?
  - a. Not having an estate plan.
  - b. Not having the "stay-at-home-parent" conversation.
  - c. Not having a good handle on pregnancy costs.
  - d. **All of the above**
  
4. Your friend is thinking of having a baby. What do you tell her?
  - a. Start eliminating your bad financial habits.
  - b. Talk with HR to learn more about the parental leave program.
  - c. Call your insurer to understand what pregnancy costs will be covered.
  - d. **All above the above**
  
5. Your friend is about to have a baby. What do you tell her?
  - a. Get life insurance for the baby.
  - b. **Start looking for a great pediatrician within your insurance network.**
  - c. Change the beneficiary of your 401K and IRA to your old boyfriend.
  - d. Don't update your estate plan.
  
6. Your friend just had a baby. What do you tell him?
  - e. Ensure the baby has a birth certificate and a social security number.
  - f. Add the baby to your health insurance plan within 30 days of delivery.
  - g. **A and B**
  - h. None of the above

## **Divorce and Finances**

1. Legally speaking, what is divorce about?
  - a. Dividing property and debt
  - b. Negotiating spousal and child support
  - c. Determining who will raise the children
  - d. **All of the above.**

2. Which of the following is true about mediation?
  - a. The results are public.
  - b. Open communication is discouraged.
  - c. **The conversation is guided by a neutral third-party, like a financial advisor.**
  
3. True or False. Mediation is a voluntary activity.
  - a. **True**
  - b. False
  
4. Your friend is choosing between mediation or going to court. Her spouse is abusive and non-communicative. What do you recommend?
  - a. Mediation. It will keep her safe.
  - b. **Going to court. It will keep her safe.**
  - c. Going to court. It will save her money.
  
5. Your friend has hired a lawyer and is about to get divorced. What do you recommend he do?
  - a. Open his own checking account and credit card.
  - b. Consider filing his taxes separately.
  - c. **A and B**
  - d. None of the above
  
6. You've told your about-to-be-divorced friend to gather as much financial information she can. However, she doesn't really see the point of this activity. What do you tell her?
  - i. This information is required by the state.
  - j. Doing so will give you an in-depth understanding of your financial situation.
  - k. Most lawyers will charge you for this service.
  - l. **All of the above**

### **Credit Cards 101 (Credit Card Basics - Part 1)**

1. Which of the following is true about credit cards?
  - a. They come with rewards (i.e. free money).
  - b. They are a great way to build a credit score.
  - c. Most require a credit score of 600, unless you're student, in which case the requirement is waived.
  - d. **All of the above**
  
2. True or False. As long as you pay off your credit card balance in full by the monthly due date, you won't be charged interest.
  - a. **True**

- b. False
3. Which of the following statements about cosigners and authorized users are correct?
    - a. When you're an authorized user, you aren't responsible for any missed payments. For a cosigned card, both you and your cosigner are responsible.
    - b. Cosigning allows you to build your own credit history, whereas being an authorized user only allows you to piggyback off someone else's.
    - c. A and B**
    - d. None of the above
  4. Your friend is a college student with no credit history thinking about getting a credit card. However, she's not sure she meets the requirements to get one. What do you tell her?
    - a. You're right. Your lack of credit history makes it impossible to get a credit card.
    - b. Why bother. Debit cards are superior in every way.
    - c. Don't worry. Student credit cards are designed for people with no credit history.**
  5. Your friend is thinking about getting a credit card, but still is on the fence about it. What do you recommend to her?
    - a. Don't get a credit card. Instead, just keep using your debit card.
    - b. Get a credit card. They are a great way to earn "free money" and build a credit score.**
    - c. Get neither a credit card or debit card. Instead, use cash for all your transactions.
  6. Your friend has two choices. Become an authorized user on his mother's card or get his own (cosigned) credit card. Your friend wants to build his *own credit history*. What do you recommend?
    - a. Get the cosigned card.**
    - b. Become an authorized user.
    - c. Honestly, it doesn't matter. There's no major difference between the two.

### **Credit Scores and Reports 101 (Credit Card/Loan Basics - Part 2):**

1. Which of the following is true about credit scores?
  - a. They range between 300 and 850 and summarizes your credit report.
  - b. They are now free and easy to get online.
  - c. The *lower* they are, the lower the rates you'll get from banks, insurers, and cell-phone carriers.
  - d. A and B**

2. True or False. A credit report is a detailed history of your credit, covering everything from your payment history to the age and status of your accounts.
  - a. **True**
  - b. False
  
3. True or False. Your credit score depends on your income.
  - a. True
  - b. **False**
  
4. **You're the Advisor Now.** Your friend wants to improve her credit score. What do you recommend she do?
  - a. Always pay on time, ideally using automatic payments.
  - b. Avoid exceeding more than 30% of her available credit.
  - c. Only open or close accounts when absolutely necessary.
  - d. **All of the above**
  
5. Your friend keeps maxing out her credit card balance. What do you recommend she do?
  - a. Ask her bank for a credit line increase.
  - b. Pay off her balance early a few times a month.
  - c. **A and B**
  - d. None of the above
  
6. Your friend's credit score just seriously dropped, but he can't think of anything he might have done to cause it. What do you recommend he do?
  - a. Nothing. Credit scores go up and down randomly.
  - b. **Check his credit report. There might be a mistake on it that is hurting his credit score.**
  - c. Close out his old credit card accounts to eliminate his "bad credit".

### **Credit Cards: Mistakes and Best Practices (Credit Card Basics - Part 3)**

1. Which of the following are good credit card practices?
  - a. Always pay off your credit card balance in full, by the monthly due date.
  - b. Only use your credit card for emergencies.
  - c. Treat your credit card like a debit card.
  - d. **A and C**
  
2. True or False. Your credit card has to come from the same company as your checking account.
  - a. True
  - b. **False**

3. True or False. Most credit cards come with \$0 Fraud Liability, meaning you won't be held responsible for any unauthorized payments in the event your card is stolen.
  - a. **True**
  - b. False
  
4. Your friend is seriously considering a card with an annual fee. What do you tell him?
  - a. Go right ahead. If the card has an annual fee, it must be worth it.
  - b. Never get a card with an annual fee.
  - c. **Unless it's an amazing travel credit card, avoid cards with annual fees.**
  
5. Your friend is about to travel abroad and intends to use her credit card extensively while doing so. What do you tell her?
  - a. Don't worry. Almost no cards come with a foreign transaction fee.
  - b. **Avoid using the card if it charges a foreign transaction fee.**
  - c. Don't worry. The foreign transaction fee is a myth.
  
6. Your friend is about to use her credit card at an ATM. What do you tell her?
  - a. **Don't! You'll have to pay a cash-advance fee, plus the money you withdraw will immediately start accruing interest.**
  - b. Nothing. There is no consequence for using a credit card at an ATM.
  - c. Nothing. You can't use a credit card at an ATM.

#### How to Rebuild Your Credit (Credit Card Basics - Part 3)

1. Which of the following is true about secured credit cards?
  - a. All your transactions are collateralized by a cash deposit at the bank.
  - b. Anyone can get one, even those with no or low credit scores (below 600).
  - c. They're a great way to build credit history.
  - d. **All of the above**
  
2. True or False. Secured credit cards are ideal for those with excellent credit.
  - a. True
  - b. **False**
  
3. True or False. Secured credit cards come with great rewards.
  - a. True
  - b. **False**

4. Your friend got out of bankruptcy a year ago and still has pretty horrible credit. She wants to improve her credit but isn't sure how. What do you advise?
  - a. **Apply for a secured credit card.**
  - b. Stick to using your debit card. A horrible credit score just isn't a hole you can't dig out of with a credit card.
  - c. Never use debt again. With your track record, it's just too risky.
  
5. Your *non-student* friend wants to build up her credit history from zero. However, she keeps getting declined for normal credit cards. What do you recommend?
  - a. **Apply for a secured credit card.**
  - b. Stick to using your debit card. It's a much better tool for building credit history.
  - c. Nothing. Building your credit history from scratch post-school is almost impossible.
  
6. Your friend just got a secured credit card, but isn't sure of the best way to use it. What do you recommend?
  - a. Use this card (rather than a debit card) for all of your purchases.
  - b. **Use your card for one small purchase a month, and then always pay off that balance on time.**
  - c. Never use the card.

### **How to Get Out of Credit Card Debt (Part 1)**

1. Which of the following is true about balance transfer cards?
  - a. They don't charge interest on transferred balances for a 15-21 month period, unlike other credit cards.
  - b. They have amazing rewards.
  - c. They require good credit.
  - d. **A and C**
  
2. True or False. You can balance transfer to another card offered by your current bank.
  - a. True
  - b. **False**
  
3. True or False. You'll always be able to pay off your debt by the end of the promotional period.
  - a. True
  - b. **False**
  
4. Your friend has excellent credit and significant credit card debt. Which of the following do you recommend to her?

- a. Look into getting a balance transfer card.
  - b. Make a debt repayment plan, tackling your cards with the *lowest* rates first.
  - c. Call the credit card company to see if they'll lower your APR
  - d. A and C**
5. Your friend just got a balance transfer card. However, his credit line is too small to cover his total debt load. What are his options?
- a. Apply for a second balance transfer card
  - b. Keep the remaining debt on your current card and pay the high rate.
  - c. Or use a personal loan, which is slightly more expensive than a balance transfer card, but comes with a lower credit score requirement.
  - d. All of the above**
6. Your friend just got a balance transfer card with a huge credit limit and is worried about making some rookie mistakes. What do you recommend to her?
- a. Complete the transfer as fast as possible and don't spend on the card.
  - b. Be careful about consolidate multiple balances.
  - c. Once you complete the transfer, immediately close out your old account.
  - d. A and B**

## How to Get Out of Credit Card Debt (Part 2)

1. Which of the following is true about personal loans?
- a. They come with fairly lower credit score requirements (around 640).
  - b. They have interest rates *higher* than most credit cards.
  - c. Their lenders often allow you to check your rates for free (without hurting your credit score!).
  - d. A and C**
2. Which of the following is true about HELOCs?
- a. Failure to repay could them result in losing your home.
  - b. They have interest rates lower than almost every credit card.
  - c. A and B**
  - d. None of the above
3. Which of the following is true about 401(k) loans?
- a. They come with no credit check and low interest rates.**
  - b. They allow you to contribute to your 401(k) while the loan is active.

- c. In the event you leave your job, willingly or not, you have *more* than 60 days to repay your loan.
  - d. All of the above
4. Your friend is about to get a personal loan. What do you recommend to her?
- a. Nothing. Personal loans are straightforward and have no setup-costs.
  - b. **Just be sure the one-time setup costs are less than the interest you'll save by transferring.**
  - c. Stop! Personal loans are a terrible idea. They have interest rates higher than almost every credit card!
5. Your friend failed to qualify for a personal loan. He's thinking about asking his friends and family, but would like to avoid that option at all costs. What are some last resort options you recommend looking into?
- a. HELOC
  - b. 401(k) loan
  - c. **A and B**
  - d. None of the above
6. Your friend has exhausted all possible repayments options and appears to be facing bankruptcy. What do you recommend?
- a. Nothing. There's really nothing anyone can do for your friend at this point.
  - b. **Contact the NFCC.** They're a nonprofit whose goal is to help you avoid bankruptcy.
  - c. Visit your local payday lender.

Checking and Savings 101 (Checking & Savings Basics - Part 1):

1. Which of the following is true about checking accounts?
- a. They have no limits on withdrawals.
  - b. They can be used to pay bills online.
  - c. They come with checks and a debit card.
  - d. **All of the above**
2. Which of the following is true about savings accounts?
- a. Withdrawals are limited.
  - b. They cannot be used to pay bills online.
  - c. They come with checks and a debit card.
  - d. **A and B**



3. True or False. Unlike an investment account, there's no risk associated with a savings account.
  - a. **True**
  - b. False
  
4. Your friend is going to college and needs a bank account he can use for *everyday transactions*. Which bank account should he get?
  - a. **Checking account**
  - b. Savings account
  - c. A and B
  - d. None of the above
  
5. Your friend wants to set up an emergency fund, but isn't sure what to put it. What do you tell her?
  - a. Put it in checking account.
  - b. Put it in an investment account.
  - c. **Put it in a savings account.**
  
6. Your friend is saving up for a goal less than five years away. What do you tell her?
  - a. Put it in checking account.
  - b. **Put it in a savings account.**
  - c. Put it in an investment account.

#### How to Get and Use Checking & Savings Accounts (Checking & Savings Basics - Part 2)

1. What advantages do online-only banks have over traditional banks?
  - a. Higher interest rates and less fees
  - b. A better online and mobile experience
  - c. A huge network of ATMs
  - d. **All of the above**
  
2. True or False. Almost every bank account features online bill pay, a free service that allows you to automatically send checks each month to your less modern service providers (like your sketchy landlord).
  - a. **True**
  - b. False
  
3. True or False. Almost all bank accounts feature mobile deposit, a free service that allows you to deposit checks using your phone.

- a. **True**
  - b. False
4. Your friend is looking at getting a checking account. However, he has poor banking history. What should he do?
- a. Get an checking account offered by an online bank.
  - b. Get a checking account offered by a traditional bank.
  - c. **Get a second-chance checking account.**
5. Your friend is looking at getting a checking account. He needs to deposit cash regularly and really wants a branch presence. What do you recommend?
- a. Get an checking account offered by an online bank.
  - b. **Get a checking account offered by either a traditional bank or a credit union.**
  - c. Get a second-chance checking account.
6. Your friend just got a checking account, and wants to avoid making any mistakes. What do you recommend?
- a. Opt *into* overdraft protection.
  - b. **Never go below your account's minimum balance requirement.**
  - c. A and B
  - d. None of the above

#### Spending Plans 101 (Building Your Financial Foundation - Part 1)

1. Which of the following is true about spending plans?
- a. They're centered around one rule: 50/30/20
  - b. They rely on automating your payments.
  - c. They're identical to traditional budgeting.
  - d. **A and B**
2. True or False. 20% of your paycheck should be going towards ESI.
- a. **True**
  - b. False
3. Which of the following is an example of a fixed expenses?
- a. Rent
  - b. Entertainment
  - c. ESI
  - d. **A and C**

4. Your friend is quite sure of the difference between a spending plan and a traditional budget. What do you tell her?
  - a. Nothing. There is no difference between the two.
  - b. A budget requires you to track every expenses and follow strict guidelines, whereas a spending plan is more flexible and requires you to automate your spending.**
  - c. A spending plan requires you to track every expenses and follow strict guidelines, whereas a budget is more flexible and requires you to automate your spending.
  
5. Your friend wants to make a spending plan, but needs guidance on automating her payments. What do you tell her?
  - a. Some expenses, like student loans, investment, or utilities, allow you to set up automatic payments through the company itself.
  - b. Other expenses, like rent, can be paid automatically with a check through online bill pay.
  - c. The rest of your expenses can be paid with a credit card, which you can then pay automatically.
  - d. All of the above**
  
6. Your friend has made a complete spending plan, but isn't sure of his next step. What do you advise?
  - a. Make sure you have a great checking account.
  - b. Pay with cash, *never* with a credit card.
  - c. Use a spending plan tool that tracks your spending automatically.
  - d. A and C**

#### Funding Your Future (Building Your Financial Foundation - Part 2)

1. True or False. Your first step in the ESI process should be getting adequate insurance.
  - a. True**
  - b. False
  
2. True or False. You should not use ESI money to pay off debt with interest rates below 6%, as that money would be better served in an investment account.
  - a. True**
  - b. False
  
3. True or False. Getting the “free money” of a 401(k) match **should not come** before paying off credit card debt.
  - a. True

**b. False**

4. Your friend is adequately insured, but isn't sure what to do next. What do you recommend?
  - a. **Build up a small emergency fund, say \$1,000, in your checking account.**
  - b. Start paying off all your high interest debt immediately.
  - c. Start investing your ESI money in a retirement account.
  
5. Your friend has paid off his 6% and higher debt. What's his next step with his ESI money?
  - a. **Building a much larger emergency fund, enough to cover six months of living expenses.**
  - b. Paying off early all his remaining debt.
  - c. Maxing out his investment accounts.
  
6. Your friend has established her financial foundation and is now choosing between saving for a house-down payment, starting a business, or investing in a retirement account, like a 401(k). What do you tell her?
  - a. Nothing. All three are equivalent options.
  - b. **All three are great options, just be sure 10-15% off your total paycheck is going towards retirement.**
  - c. You should be putting all of your ESI money into investing.

Loans 101 (Loan Basics - Part 1):

1. Which of the following makes up a monthly loan payment?
  - a. Principal payments
  - b. Interest payments
  - c. **A and B**
  - d. None of the above
  
2. Which of the following statements about interest rates are true?
  - a. All interest rates are fixed.
  - b. The interest rate does not depend on your credit score.
  - c. Variable interest rates are less risky than fixed interest rates, especially on long-term loans.
  - d. **The APR include both the interest rate and the loan's fees.**
  
3. What do you need to calculate your monthly loan payment?
  - a. The amount of money borrowed
  - b. The interest rate

- c. The term
  - d. **All of the above**
4. Your friend is choosing between an unsecured loan and a secured loan. What do you tell him?
- a. **Secured loans come with lower interest and approval rates, but the bank can take the financed asset (like a car) if you fail to repay.**
  - b. Unsecured loans are always more expensive than secured loans.
  - c. There is no major difference between the two.
5. Your friend is trying to choose between two unsecured loans, one with a short term, and one with a long term. What do you recommend to her.
- a. Get the long-term loan (if you can afford it). It comes with a lower interest rate and less interest paid over the life.
  - b. Nothing. There isn't really a big difference between the two.
  - c. **Get the short-term loan (if you can afford it). It comes with a lower interest rate and less interest paid over the life.**
6. Your friend is having trouble choosing between two loans with equal terms. What do you tell her?
- a. Compare them by their interest rate.
  - b. **Compare them by their APR.**
  - c. Compare them by their fees.

### **Loans: Mistakes and Best Practices (Loan Basics - Part 2)**

1. To get a decent loan, you'll need?
  - a. A credit score above 640
  - b. A monthly debt payment to income ratio of below 36%
  - c. **A and B**
  - d. None of the above
2. True or False. Big banks always have much lower interest rates than online-only lenders and credit unions.
  - a. True
  - b. **False**
3. True or False. If you have multiple loans and credit cards, you should start paying off early the debt with the highest interest first.
  - a. **True**

- b. False
4. Your friend is thinking of getting a loan. What advice do you give her?
    - a. Be sure to shop around for a loan with the lowest fixed APR at big banks, local credit unions, and online-only lenders.
    - b. Read the fine print of any loan to understand all its associated fees.
    - c. Get a shorter term loan if you can afford it and always pay on time.
    - d. All of the above**
  5. If you can't raise your credit score in time and you still want to reap the benefits of excellent credit, what can you do?
    - a. Find someone with great credit willing to cosign your loan.**
    - b. Nothing. Just apply for a subprime loan.
    - c. Nothing. The only option available to you is a payday loan.
  6. Your friend wants to minimize her interest payments on her current loan. What do you recommend?
    - a. Just pay the required monthly payment and nothing more.
    - b. Pay down your loan as quickly as possible.
    - c. Look at refinancing her loan.
    - d. B and C**

### **Applying for Merit and Need Based Aid (Financing Your Education - Part 1):**

1. Which of the following is true about your FAFSA?
  - a. It's a free form the government uses to calculate your EFC, the amount of money you are expected to contribute to your own tuition.
  - b. It should be submitted as soon as possible after January 1st.
  - c. It is summarized in your Student Aid Report (SAR).
  - d. All of the above.**
2. True or False. Not filling out the FAFSA could leave you ineligible for some merit scholarships.
  - a. True**
  - b. False
3. True or False. There's no point checking out each college's financial aid website, as the FAFSA is the only form you'll need to fill out.
  - a. True
  - b. False**

4. Your friend is trying to find some merit scholarships, but isn't sure where to start. What do you recommend to him?
  - a. Consult your school's career/college admissions office.
  - b. Use a scholarship directory (or just Google!).
  - c. A and B**
  - d. None of the above
  
5. Your friend is choosing between equally amazing financial aid award letters. What do you advise?
  - a. Choose scholarships and grants first, then work-study money, and then student loans.**
  - b. Choose work-study money, then scholarships and grants, then student loans.
  - c. Choose scholarships and grants, then student loans, then work-study money.
  
6. Your friend is thinking about applying for merit scholarships, but isn't quite sure. After all, she says, they just reduce any financial aid awarded. What do you tell her?
  - a. That is the correct response! Merit scholarships are a waste of time.
  - b. While that is technically true, merit scholarships can replaced the debt portion of your financial aid package with "free money".**
  - c. While that is technically true, that's only for people who didn't submit form IRS form 78A.

Federal and Private Student Loans 101 (Financing Your Education - Part 2):

1. Which of the following is true about Subsidized vs. Unsubsidized Stafford Loans?
  - a. Both have payments deferred until six months after you graduate.
  - b. Both loans accrue interest while in college.
  - c. Subsidized loans are only available to students who demonstrate financial need.
  - d. A and C**
  
2. Which of the following is true about Perkins loans?
  - a. They have a fixed 5% APR with no principal or interest charged until nine months after graduation.**
  - b. They're available to everyone, not just those with severe financial need.
  - c. A and B
  - d. None of the above
  
3. Which of the following is true about Direct Plus Loans
  - a. They are given either to graduate students or to the parents of undergraduates.
  - b. They are designed to cover the difference between the cost of attendance and financial aid received.

- c. **A and B**
    - d. None of the above
- 4. Your friend just got her financial award letter and is confused by what the Master Promissory Note and Entrance Counseling are. What do you tell her?
  - a. The Master Promissory Note is the loan contract.
  - b. Entrance Counseling is a brief, free online course in student loan management.
  - c. **A and B**
  - d. None of the above
- 5. One friend has an Unsubsidized Stafford loan, while the other has a Direct Plus loan. Both are unsure what to do about their interest payments while still at school. What do you tell them?
  - a. Doing nothing. Neither loan charges you interest while you're still in school.
  - b. Do nothing. Even though interest will accrue, it can't be added to your balance post graduation.
  - c. **Consider paying the interest while at school. Otherwise, the accrued interest will eventually be added to your balance.**
- 6. Your friend is considering a private student loan. What warnings do you give to her?
  - a. Their interest rates are frequently higher.
  - b. They require a credit check.
  - c. They lack income based repayment payment plans.
  - d. **All of the above**

#### How to Repay Your Student Loans (Financing Your Education - Part 3):

- 1. Which of the following is true about the Graduated Repayment Plan?
  - a. The term is greater than the Standard Repayment Plan.
  - b. **The monthly payments are *initially* lower than the Standard Repayment Plan.**
  - c. A and B
  - d. None of the above
- 2. Which of the following is true about the Extended Payment Plan?
  - a. **The term is greater than the Standard Repayment Plan.**
  - b. The monthly payments are higher than the Standard Repayment Plan.
  - c. A and B
  - d. None of the above



3. Which of the following is true about the Income-Based Payment Plan?
  - a. To qualify, your monthly payments under an IBR plan must be lower than they would be under a standard plan.
  - b. Under an IBR plan, interest *will not* continue to accrue on the money you borrowed
  - c. Payments can be made for up to 20 years post-graduation, and any debt still remaining at that point will be forgiven
  - d. A and C**
  
4. Your friend wants to start repaying her student loans, only problem is, she doesn't remember who her loan servicer, or even how much she owes! What should she do?
  - a. Consult the Federal Student Loan Directory.
  - b. Consult the National Student Loan Data System.**
  - c. Nothing. If you've lost the information it's gone for good.
  
5. Your friend is having trouble understanding which repayment plan she should choose. What do you recommend?
  - a. Use studentloans.gov's payment estimator, which makes it easy to compare different plans.**
  - b. Pick one at random. It's just too hard to tell which plan is best.
  - c. Always choose an income-based repayment plan.
  
6. Your friend is struggling to make her student loans payments. What do you advise?
  - a. Switch to an income-based repayment plan.
  - b. Use your credit card to pay off your student loans.
  - c. Look at applying for deferment (ideally) or forbearance.
  - d. Both A and C**

Student Loan Refinancing 101 (Financing Your Education - Part 4):

1. What is student loan refinancing?
  - a. Combining multiple federal and private student loans into one *private* loan.**
  - b. Combining multiple federal and private student loans into one *federal* loan.
  - c. The practice of negotiating with the government to get a lower interest rate.
  
2. What do lenders look for in potential student loan refinancers?
  - a. Those with good-paying jobs
  - b. Those with solid credit (above 700)
  - c. A and B**
  - d. None of the above

3. What are the disadvantages of student loans refinancing?
  - a. You get a *worse* interest rate.
  - b. You lose the option of income-based repayment plans.**
  - c. Your student loan interest is no longer tax deductible.
  - d. All of the above
  
4. You have two friends, each with low-paying jobs. Both are struggling to pay their loans *without the help of an IBR plan* and are considering refinancing. What do you tell them?
  - a. That's a great idea! Student loan refinancing is great way to save money.
  - b. That's a bad idea. Neither of you really have the income to qualify for student loan refinancing, and it will cause you to lose your IBR plan.**
  - c. That's a bad idea. Student loan refinancing will always lose you money.
  
5. Your friend has a good private sector job and is thinking of refinancing her student loans to save some money in the long-run. What do you tell her?
  - a. That's a great idea! You're a great candidate for student loan refinancing.**
  - b. Unfortunately, you're a poor candidate for student loan refinancing.
  - c. That's a bad idea. Switching to an IBR plan is a better way to save money in the long run.
  
6. Your friend wants to combine her federal student loans, but doesn't want to refinance them. What do you tell her?
  - a. Why avoid refinancing? It's a proven money-making solution.
  - b. Nothing. The federal government doesn't let you consolidate your loans.
  - c. Great idea! You can combine all your federal student loans into a direct consolidation loan for free through StudentLoans.gov.**

## Personal Loans 101

1. True or False. Personal loans can be used for almost any expense.
  - a. **True**
  - b. False
  
2. True or False. Personal loans have *higher* interest rates than most credit cards.
  - a. True
  - b. False**
  
3. Certain person lenders are known for using a "soft pull". What is that?
  - a. A credit inquiry that does not hurt your credit score.**
  - b. A credit inquiry that takes other factors besides credit history into account.

- c. An unusually fast credit check.
4. Your friend has a lot of credit card debt, and a decent credit score. What do you recommend she do?
    - a. **Pay off your debt with a personal loan. You'll get a much lower interest rate, saving you money!**
    - b. Get a payday loan or consult your local loan-shark.
    - c. Nothing. There isn't really a good way to get out off a ton of credit card debt.
  5. Your friend is deciding between an online-only bank and a big bank for her personal loan. What do you recommend to her?
    - a. Go with a big bank. Their interest rates are lower, plus they'll let your check your rates with a soft pull, which won't hurt your credit score.
    - b. **Go with an online only lender. Their interest rates are lower, plus they'll let your check your rates with a soft pull, which won't hurt your credit score.**
    - c. Nothing. There isn't really a big difference between them.
  6. Your friend just qualified for a personal loan with a 1% origination fee. He wants to borrow exactly \$10,000 to pay off his credit card. What do you tell him?
    - a. Borrow \$10,101. That way you will account for the 1% origination fee.
    - b. Make sure the origination fee is less than the interest you'll save by using a personal loan.
    - c. **A and B**
    - d. None of the above

#### Cars: Buy or Lease? (Car Shopping Basics - Part 1)

1. True or False. Leasing is essentially renting a new car for three years.
  - a. **True**
  - b. False
2. Which of the following is true about the *advantages* of leasing?
  - a. Monthly payments are always lower than buying.
  - b. Leased cars are generally covered from beginning to end by the manufacturer's warranty.
  - c. **A and B**
  - d. None of the above
3. Which of the following is true about the *disadvantages* of leasing?
  - a. It requires excellent credit.

- b. It's complicated, and can result in hefty fees if you ding-up the car or exceed a maximum number of miles driven.
  - c. It's difficult to get out of without paying major fees and penalties.
  - d. All of the above**
4. Your friend is choosing between leasing and buying a car. What do you tell him?
- a. Leasing is the smarter financial decisions in the long-run.
  - b. Buying is the smarter financial decision in the long-run.**
  - c. Nothing. There isn't a major financial difference between the two.
5. Your friend is deciding between buying either a new or used car. What do you tell her?
- a. Used cars are generally the better financial deal.**
  - b. New cars are generally the better financial deal.
  - c. Nothing. There isn't a major financial difference between the two.
6. Your friend is on the fence about certified pre-owned cars (CPO cars). What do you tell him?
- a. Avoid CPO cars. New cars are just a better deal in the long-run.
  - b. CPO cars are a great deal! They come with major tax breaks, unlike new cars.
  - c. CPO cars are a great deal! They're much less risky than most used cars, but they're still cheaper than new cars.**

#### Buying and Financing Your Dream Car (Car Shopping Basics - Part 2)

1. True or False. You *can* legally drive a car without car insurance.
  - a. True
  - b. False**
2. True or False. Auto lenders will require you to get car insurance before giving you a loan.
  - a. True**
  - b. False
3. True or False. Buying a cheap used car with cash will always be less expensive than buying one with an auto-loan.
  - a. True**
  - b. False
4. Your friend has chosen her desired model of car, but is at a loss at what to do next. What do you advise?
  - a. Get financing for the car (if you need it).

- b. Get car insurance, if you don't already have it.**
  - c. Go buy the actual car.
- 5. Your friend is thinking about getting an auto loan and wants to avoid making any mistakes. What do you advise?
  - a. Keep the price of your car below 50% of your take-home income, the term of your loan below 5 years, and have a 5% down-down-payment.
  - b. Keep the price of your car below 40% of your take-home income, the term of your loan below 4 years, and have a 10% down-down-payment.
  - c. Keep the price of your car below 25% of your take-home income, the term of your loan below 3 years, and have a 20% down-down-payment.**
- 6. Your friend plans to get her auto loan at the dealership. What do you tell her?
  - a. Great idea! Dealerships will always give you the best deal on financing.
  - b. Great idea! Dealer have access to way more auto lenders than you do.
  - c. Bad idea! Dealers are in no way obligated to give you the best financing deal. Instead, shop around for loans online and at your local credit union instead.**

#### How to Buy a Car (Car Shopping Basics - Part 3)

- 1. True or False. It is easy to find the true value of a used or new car on the internet.
  - a. True**
  - b. False
- 2. True or False. All cars have to be purchased in-person at your standard high-pressure local dealership.
  - a. True
  - b. False**
- 3. True or False. The online purchase price of car always includes sales tax and title fees.
  - a. True
  - b. False**
- 4. Your friend is going to buy a used car at a local dealership. What do you recommend to him?
  - a. Look up the value of the car online before entering negotiations.
  - b. Inspect the car's title and vehicle history report.
  - c. Take it to a local mechanic for a through inspection.
  - d. All of the above.**
- 5. Your friend is determined to buy a new car at a local dealership. What do you recommend to her?

- a. Look up the fair purchase price of your before negotiating with the dealer.
  - b. Avoid any add ons the dealer offers you.
  - c. **A and B**
  - d. None of the above
6. Your friend's parents just offered her their old car that *they own outright*. She's ecstatic, but she isn't really sure how the whole car gifting process works. What do you recommend to her?
- a. Not much. Just get the keys from your parents.
  - b. **Have your parents transfer the car's title to you. Also get car insurance.**
  - c. Nothing. There is no legal way for your parents to transfer ownership of the car.

#### Rent or Buy a Home? (Home Shopping Basics - Part 1)

1. Which of the following are expenses you have as a homeowner but not as a renter?
  - a. Maintenance
  - b. Property taxes
  - c. Homeowners insurance
  - d. **All of the above**
2. True or False. Residential real estate is the best possible investment you can make.
  - a. True
  - b. **False**
3. True or False. On average, the stock market has increased 7% after inflation, whereas residential real estate prices have only increased by 0.3%.
  - a. **True**
  - b. False
4. You're friend is trying to decide between buying and renting a home. What do you tell her?
  - a. Home-buying is great if you want a stable place to raise a family or flexibility, plus it's *always* the best financial move.
  - b. This shouldn't be a dilemma! Renting is always the best choice for everyone.
  - c. **This isn't a simple decision. Check out a rent vs. buy calculator to crunch the numbers for your situation.**
5. Your friend wants to buy a home for non-financial reasons. What do you tell him?
  - a. **Great idea! Homes are great places to raise a family and can provide you with way more flexibility than renting.**

- b. Non-financial reasons are all well and good, but did you know that home-buying is actually the smart financial move as well?
  - c. Bad idea! Renting provides the exact same sentimental value and flexibility as a home you own outright.
6. Your friend wants to buy a home, primarily because she thinks it's a great investment. What do you tell her?
- a. You're totally right. Buying a home is generally the smart financial decision.
  - b. Actually, a home is a pretty poor investment relative to investing the excess cash you'd get by renting.**
  - c. Nothing. There isn't really a financial difference between the two options.

### Mortgages 101 (Home Shopping Basics - Part 2)

1. Which of the following is true about mortgages?
  - a. They are always collateralized by a large asset, in this case a house.
  - b. To get one, you don't need homeowners insurance.
  - c. They come in three forms: Fixed, ARM, and Hybrid ARM.
  - d. A and C**
2. Which of the following are expenses common to mortgages?
  - a. Closing costs
  - b. Property taxes
  - c. Homeowners insurance
  - d. All of the above**
3. True or False. When you buy discount points for your mortgage, you lower your interest rate.
  - a. True**
  - b. False
4. Your friend has excellent credit and wants to buy a home, yet doesn't have enough cash lying around to buy a house. What do you advise?
  - a. Nothing. He is just going have to save up and buy the house with cash.
  - b. Don't worry. You easily buy a house with a payday loan.
  - c. Don't worry! With your credit, you can go to a bank and get a loan called a mortgage, and then use that to buy the house.**
5. Your friend wants to get a mortgage, but isn't quite sure how how big his down payment should be. What do you advise?
  - a. Go with 5%. You'll avoid the monthly PMI fee, plus get a lower interest rate.

- b. Go with 20%. You'll avoid the monthly PMI fee, plus get a lower interest rate.**
  - c. Go with 50%. This is the minimum requirement to avoid the PMI fee and get approved for a mortgage.
- 6. Your friend can't avoid even a 5% down payment, yet is hell-bent on buying a home. What do you tell her?
  - a. While I'd recommend saving for a larger down payment, you can technically get an FHA loan, which only has a down-payment requirement of 3.5%.**
  - b. Nothing. Every lender requires a down-payment of at least 5% or higher.
  - c. Don't worry! No lender actually requires a down-payment. You can definitely get approved for a loan without one.

### How to Get a House and a Mortgage - Part 1 (Home Shopping Basics - Part 3)

1. Which of the following is true about pre-approval letters?
  - a. They reveal your potential loan amount and interest rate.**
  - b. They're a guarantee for a future mortgage, good for 1 year.
  - c. A and B
  - d. None of the above
2. Why might getting a real estate agent be a good idea?
  - a. Good agents are well versed in local home listings, real estate laws, and regulations.
  - b. Good agents will have connections to inspectors, appraisers, and other people you'll need throughout the home-buying process.
  - c. A and B**
  - d. None of the above
3. True or False. The buyer's agent is paid by the buyer.
  - a. True
  - b. False**
4. Your friend wants to start searching for a home. What do you recommend?
  - a. What are you waiting for. Get started searching!
  - b. Consult a real-estate lawyer before doing anything.
  - c. Find a real estate agent and shop around for a pre-approval letter.**
5. Your friend wants to get a pre-approval letter, but is a little unsure of where to start. What do you advise?



- a. **Shop around for pre-approvals at reputable lenders within 14 days to get the best deal and avoid hurting your credit score.**
  - b. Just get a pre-approval letter at the first lender you find.
  - c. Nothing. Pre-approvals aren't really useful, either to get an agent or buy a home.
6. Your friend has found a promising home. What do you recommend to him?
- a. Tour the neighborhood
  - b. Stop by an open house
  - c. Schedule a formal tour of the house with your agent
  - d. **All of the above**

#### How to Close on a House and a Mortgage (Home Shopping Basics - Part 4)

1. What does a purchase and sales agreement specify?
  - a. The earnest money and contingencies
  - b. The price and closing date of the sale
  - c. **A and B**
  - d. None of the above
2. What are contingencies?
  - a. The conditions that need to be met in order to make an offer
  - b. **The conditions that need to be met to close on your home**
  - c. A and B
  - d. None of the above
3. True or False. If the sale isn't successful, but for a reason covered by a contingency, the buyer will get the earnest money back.
  - a. **True**
  - b. False
4. Your friend just signed the purchase and sales agreement. She's very excited, but is a little confused about what comes next. What do you tell her?
  - a. You need to schedule an inspection of the home and its title, as well as an appraisal of your home by your lender.
  - b. You need to get homeowners insurance.
  - c. **A and B**
  - d. None of the above
5. Your friend wants to avoid financial distress during the mortgage application process. What do you recommend?

- a. Keep the total price of your home below 2.5x your annual income.
  - b. Keep your mortgage payments, plus insurance and property taxes, below 28% of your pre-tax income.
  - c. Keep all of your debt payments, including the mortgage, below 36% of your pre-tax income.
  - d. All of the above.**
6. Your friend is about to go into the closing process, and is afraid make some mistakes. What do you recommend?
- a. Have a lawyer review all the closing documents, including the HUD-1, which breaks down the cost of the loan.
  - b. Be prepared to cover closing costs (generally worth 2-5% of the home).
  - c. A and B**
  - d. None of the above

### **Identity Theft and Fraud 101**

1. True or False. A credit card or loan opened in your name, even when done secretly, will always show up on your credit report
  - a. True**
  - b. False
2. True or False. You shouldn't be suspicious when someone asks you to wire money.
  - a. True
  - b. False**
3. Which of the following are ways to stay safe online?
  - a. Only shopping at secure websites (with little green locks in the URL).
  - b. Using strong passwords.
  - c. Installing robust antivirus and anti-malware software.
  - d. All of the above.**
4. Your friend just found out her identity has been stolen. What should be her very first step?
  - a. Call the police.
  - b. Change all her online passwords.
  - c. Contact her credit card company.
  - d. Go to [Identitytheft.gov](http://Identitytheft.gov).**
5. You just receive a slightly "off" phone-call/email from your bank. What do you do?
  - a. Respond to the message as you would normally.

- b. Ignore the message, and instead call your bank directly.**
  - c. Ignore the message, and instead call the police.
- 6. Your friend, a previous identity theft victim, asks you how to avoid a similar occurrence in the future. What do you recommend?
  - a. Regularly check your credit report and bank statements for suspicious activity.
  - b. Shred personal and financial documents.
  - c. Go paperless whenever possible.
  - d. All of the above.**

#### Health Insurance 101 (Health Insurance Basics - Part 1)

1. What is a copay?
  - a. A flat fee associated with a specific, routine event, like \$25 for a doctor's visit.**
  - b. The percentage of your healthcare costs you cover.
  - c. The maximum amount of medical expenses you can pay each year.
2. A deductible is?
  - a. The percentage of your healthcare costs you cover.
  - b. The amount of money you must pay each year before your insurer starts paying their share.**
  - c. The maximum amount of medical expenses you can pay year.
3. What is coinsurance?
  - a. The percentage of costs, your employer (a.k.a. your co-insurer) must provide.
  - b. The percentage of costs you contribute *before* your deductible has been met.
  - c. The percentage of costs you must contribute *after* your deductible has been met.**
4. Your friend has several pre-existing conditions, mostly prominently asthma, and is worried she'll be denied for health insurance. What do you tell her?
  - a. You're right to be worried. Insurers can deny you coverage for pre-existing coverage.
  - b. Actually, insurers cannot deny you coverage for preexisting conditions. However, they can raise your rates.
  - c. Actually insurers cannot deny you coverage or raise your rates for pre-existing conditions.**

5. Your friend has a \$2,000 medical bill, with a \$1,000 deductible, 20% coinsurance, and a \$5,000 out of pocket maximum. How much of the bill does she have to pay?
  - a. \$0
  - b. \$1,200**
  - c. \$2,000
  
6. Your friend has a \$50,000 medical bill, with a \$1,000 deductible, 20% coinsurance, and a \$5,000 out of pocket maximum. How much of the bill does his have to pay?
  - a. \$0
  - b. \$1,000
  - c. \$5,000**

#### Health Insurance 102 (Health Insurance Basics - Part 2)

1. Which of the following is true about HMOs?
  - a. Non-emergency healthcare outside of the provider network isn't covered.
  - b. They require you to go through a primary care physician.
  - c. A and B**
  - d. None of the above
  
2. Which of the following is true about EPOs?
  - a. Non-emergency healthcare outside of the provider network isn't covered.**
  - b. They require you to go through a primary care physician.
  - c. A and B
  - d. None of the above
  
3. Which of the following is true about PPOs?
  - a. Non-emergency healthcare outside of the provider network isn't covered.
  - b. They require you to go through a primary care physician.
  - c. A and B
  - d. None of the above**
  
4. Which of the following is true about POSs?
  - a. Non-emergency healthcare outside of the provider network isn't covered.
  - b. They require you to go through a primary care physician.**
  - c. A and B
  - d. None of the above
  
5. Your friend is choosing between plans with different metals. What do you tell her?
  - a. Better metals cover a greater percentage of your healthcare costs than worse metals, but provide the same medical benefits.**

- b. Better metals cover a greater percentage of your healthcare costs than worse metals, and provide better medical benefits.
  - c. Better metals cover the same percentage of your healthcare costs as worse metals, and provide better medical benefits.
6. Your friend wants the lowest possible monthly healthcare premiums. However, she's over 30, so she does not qualify for a catastrophic plan. What do you tell her?
- 1. Pick a PPO bronze plan.
  - 2. **Pick an HMO bronze plan.**
  - 3. Pick a PPO platinum plan.
  - 4. Pick an HMO platinum plan.

### How to Get Health Insurance (Health Insurance Basics - Part 3)

- 1. You can remain on your parent's healthcare plan until you are 26 even if you are:
  - a. Married or no longer living in your parent's home.
  - b. No longer claimed as a dependent on your parents' tax returns.
  - c. **A and B**
  - d. None of the above
- 2. Which of the following did the Affordable Care Act establish?
  - a. An annual penalty for not having health insurance.
  - b. A federal subsidy to lower the cost of health insurance.
  - c. A period of time (from November 1st to January 31st) to get health insurance, called open enrollment.
  - d. **All of the above**
- 3. Which of the following is a qualifying life event?
  - a. Voluntarily canceling your current health insurance policy
  - b. Getting married or having a baby
  - c. Moving to a new state
  - d. **B and C**
- 4. Your friend is about to apply for health insurance during open enrollment. What do you recommend to her?
  - a. Make sure you know which doctors and hospitals your plan accepts.
  - b. No matter what, always pick the plan with the lowest premium.
  - c. Read the fine print of any potential plan.
  - d. **A and C**
- 5. Your friend just applied for health insurance. What do you recommend to her?
  - a. Check any medical bill you get with your Explanation of Benefits (EOB).

- b. If you have a high deductible plan, considering opening an HSA.
  - c. Book an annual physical with a great physician.
  - d. All of the above.**
6. Your friend just lost his job, and with it, his health insurance. Open enrollment is closed. What do you recommend to him?
- a. Take COBRA. It's the cheapest way to extend your health insurance coverage.
  - b. Take COBRA. Considering you're outside of open enrollment, it's the only way to get health insurance.
  - c. This counts as a qualifying life event, so you can look on healthcare.gov for great health insurance plans.**

### Life Insurance 101 (Life Insurance Basics - Part 1)

1. True or False. The greater your chance of dying, the more expensive your life insurance premiums will be.
  - a. True**
  - b. False
2. Which of the following are traits of term life insurance?
  - a. Small monthly premiums over a set period of time
  - b. A large death payout
  - c. An investment component
  - d. A and B**
3. Which of the following are traits of permanent life insurance?
  - a. Large monthly premiums over an indefinite period of time.
  - b. Small death payout and high fees.
  - c. An investment component (with low return).
  - d. All of the above**
4. Your friend is young and single, with no dependents. He's considering life insurance. What do you tell him?
  - a. Get life insurance. Everyone needs it.
  - b. Don't get life insurance. It's almost always a waste of money.
  - c. Don't get life insurance. You have no dependents.**
5. Your friend is married with children. She's considering life insurance. What do you tell her?
  - a. Get life insurance. Everyone needs it.

- b. Get life insurance. You have dependents.**
  - c. Don't get life insurance. It's almost always a waste of money.
- 6. Your friend needs life insurance and is deciding between the two types: term and permanent. What do you tell her?
  - a. Get permanent life insurance. The investment component is totally worth it.
  - b. Get term life insurance. It's much less complex and way cheaper, allowing you to invest that extra money into a great investment account.**
  - c. Nothing. There isn't a real difference between them.

#### How to Get Life Insurance (Life Insurance Basics - Part 2)

1. True or False. No matter what your situation, everyone needs life insurance.
  - a. True
  - b. False**
2. True or False. When getting life insurance, you'll have to sign a release for the insurer to look through your health records.
  - a. True**
  - b. False
3. True or False. When getting life insurance, you'll have to go through a paramedical exam and a phone interview.
  - a. True**
  - b. False
4. Your friend is looking to get life insurance. However, before he begins searching, he wants a little guidance. What do you recommend?
  - a. Only get life insurance if you have dependents.
  - b. Target policies worth at least 5-10x your income.
  - c. A and B**
  - d. None of the above
5. Your friend has started the process of searching for life insurance. However, he's overwhelmed by the options. What do you recommend?
  - a. Only get life insurance from reputable insurers with excellent credit ratings.
  - b. Don't get permanent life insurance. Instead, get "level premium" term life insurance.
  - c. Read the fine print of any plan you're considering.
  - d. All of the above**

6. Your friend just got life insurance. What's the next (and last) thing he needs to do?
  - a. File IRS form 78A.
  - b. Teach his beneficiaries how to file a claim.**
  - c. Start shopping around for next year's plan.

#### Long-Term Disability Insurance 101 (Life Insurance Basics - Part 1)

1. True or False. The greater your estimated odds of getting a long-term disability, the more expensive your long-term disability insurance premiums will be.
  - a. True**
  - b. False
2. Which of the following is false about long-term disability insurance?
  - a. It costs around 1-4% of your annual income.
  - b. Should you suffer a long-term disability, you'll get 40-65% of your current salary in cash, tax-free.
  - c. A and B
  - d. None of the above**
3. True or False. Long-term disability insurance covers pre-existing conditions.
  - a. True
  - b. False**
4. Your friend is quite healthy, and thus on the fence about long-term disability insurance. What do you tell her?
  - a. Avoid it. The chance of you getting a disability is just too low.
  - b. Avoid it. Long-term disability insurance is a bad product.
  - c. Get it. Long-term disability insurance is a great product, and the odds of getting a long-term disability are surprisingly high!**
5. Your friend has ample savings, and thus doesn't really see the value of long-term disability insurance. What do you tell him?
  - a. You're totally right. You should be able to weather a long-term disability no problem with your savings.
  - b. You're totally right, but for the wrong reasons. You're too healthy to need long-term disability insurance.
  - c. You might want to reconsider. The average long-term disability lasts 2.5 years, and can be incredibly expensive to manage, even with significant savings.**



6. Your friend has a great job, and believes her worker's compensation will cover her in the event she suffers a long-term disability. What do you tell her?
  - a. Unfortunately, I think you've made a mistake. Worker's compensation doesn't cover long-term disabilities.
  - b. Unfortunately, worker's compensation only covers 5% of all long-term disabilities.**
  - c. You're totally right. Your worker's compensation policy should cover almost any long-term disabilities you incur.

### **How to Get Long Term Disability Insurance**

1. True or False. No matter what your situation, almost everyone needs needs long-term disability insurance.
  - a. True**
  - b. False
2. True or False. When getting long-term disability insurance, you'll need to sign a release for the insurer to look through your health records, plus go through a paramedical exam and a phone interview.
  - a. True**
  - b. False
3. Which of the following accurately describe this term: "Non-cancellable, own occupation policy with residual benefits".
  - a. Non-cancelable means your terms and premiums are fixed permanently at purchase.
  - b. "Own occupation" ensures you'll still get a payout, even if your disability still allows you to work, just not in your current occupation.
  - c. Residual benefits ensures you still get benefits for any part-time work.
  - d. All of the above**
4. You friend is looking to get long-term disability insurance. However, before he begins searching, he wants a little guidance. What do you recommend?
  - a. Make sure your employer doesn't already provide you long-term disability insurance.
  - b. Always target a policy worth about 60% of your current pre-tax income.
  - c. A and B**
  - d. None of the above

5. Your friend has started the process of searching for long-term insurance. However, he's overwhelmed by the options. What do you recommend he look for in a policy?
  - a. Non-cancellable, own occupation policy with residual benefits
  - b. Benefit period lasting until age 67
  - c. Elimination period of at least 90 days
  - d. All of the above**
  
6. Your friend thinks he might have just found his dream plan. However, he's a little worried about making some last minute mistakes. What do you advise?
  - a. Read the fine print.
  - b. Make sure the insurer is reputable and has an excellent credit rating.
  - c. A and B**
  - d. None of the above

#### Car Insurance 101 (Car Insurance Basics - Part 1)

1. Liability coverage covers?
  - a. The expenses required to repair your vehicle.
  - b. The expenses you cause the other driver.**
  - c. The expenses caused by an uninsured driver.
  
2. Collision & comprehensive coverage covers?
  - a. Theft
  - b. Natural disasters
  - c. A and B**
  - d. None of the above
  
3. Personal injury protection covers?
  - a. The medical bills of you and your passengers**
  - b. The medical bills of the other driver
  - c. A and B
  - d. None of the above
  
4. Your friend is looking at considering car insurance, but is confused about how her premiums will be determined. What do you tell her?
  - a. Car insurance premiums depend on your gender and age.
  - b. Car insurance premiums depend on the vehicle you are looking to insure.
  - c. Car insurance premiums depend on your credit score and driving history.
  - d. All of the above**
  
5. Your friend is on the fence about car insurance. What do you advise?

- a. **Sorry, but not having car insurance isn't really an option. You cannot legally drive your new car home from the dealership without it.**
  - b. Well, you can opt out, as it's not legally required. However, almost every auto lender will require it.
  - c. No worries. No one is going to make you get car insurance. However, you might want to seriously consider getting it. It's a great product after all!
6. Your friend just got into a car accident that caused \$10,000 in damages to her car. She has collision & comprehensive insurance with a \$500 deductible. How much of the bill does she have to pay?
- a. \$0
  - b. **\$500**
  - c. \$10,000

#### How to Get Car Insurance (Car Insurance Basics - Part 2)

1. True or False. The higher your deductible, the lower your monthly car insurance premiums.
  - a. **True**
  - b. False
2. True or False. Adding a newly licensed teen driver to your plan is generally less expensive than getting them their own plan.
  - a. **True**
  - b. False
3. Your friend just had a car accident. What do you tell her to do?
  - a. Collect the names and contact information of each party involved
  - b. Call your insurer
  - c. **A and B**
  - d. None of the above
4. Your friend is about to get car insurance in preparation for buying a new car. What do you tell him?
  - a. Once you purchase the car, be sure give your agent a quick call before you drive the car. That way, you'll know the insurance is active.
  - b. Get the policy with the *lowest* deductible you can find.
  - c. Carefully read the fine print of the plan.
  - d. **A and C**

5. Your friend wants to lower her auto insurance premiums. What do you recommend to her?
  - a. Purchase the safest vehicle you can and take a defensive driving course.
  - b. Shop around for a new car insurance policy every couple of years.
  - c. Drive more this year.
  - d. A and B**
  
6. Your friend has an older car and is thinking of forgoing collision and comprehensive coverage? What do you tell her?
  - a. Great idea! Repairing that hunk of junk will cost a fortune.
  - b. This idea has promise. However, you should only forgo the coverage if your car is worth less than 10x your premiums.**
  - c. Bad idea! Collision and comprehensive coverage will always save you money.

#### Homeowners Insurance 101 (Homeowners Insurance - Part 1)

1. Which of the following is true about homeowners insurance?
  - a. Its premium is based on everything from your home's age to its location.
  - b. It covers the risk of your home being damaged or someone being injured on your property.
  - c. It is required by law.
  - d. A and B**
  
2. True or False. Homeowners insurance is required to get a mortgage.
  - a. True**
  - b. False
  
3. True or False. Standard homeowners insurance, also called HO3, is made up of six coverages bundled together.
  - a. True**
  - b. False
  
4. Your friend had a stranger wounded in their house during a party. She has homeowners insurance. Do she have any protection?
  - a. Yes! Personal liability coverage and medical payments coverage will give her some protection, up to limit.**
  - b. Yes! Personal liability coverage and medical payments coverage give her *unlimited* protection.
  - c. Nope. Unfortunately homeowners insurance only covers damage to her home.

5. Your friend's house just suffered a fire. All her belongings were destroyed and she now needs to pay for a hotel. What do you advise?
  - a. That's horrible. However, homeowners insurance only covers the damage to the structure of your home. You're out of luck I'm afraid.
  - b. That's horrible. The personal property coverage of your homeowner insurance will cover your personal possessions. However, as for paying for a hotel, you're out of luck.
  - c. **That's horrible. However, don't worry! The personal property coverage of your homeowners insurance will cover your possessions, and the loss of use coverage will covers hotel expenses.**
  
6. Your friend's house just suffered a *non-earthquake or flood event* that caused \$50,000 in damages. Her homeowner's insurance dwelling coverage has a \$1,000 deductible and a \$50,000 limit. How much of the bill does she have to pay?
  - a. \$0
  - b. **\$1,000**
  - c. \$49,000

#### How to Get Homeowners Insurance (Homeowners Insurance Basics - Part 2)

1. True or False. If your personal possessions were stolen outside of your home, it's still worth filing a claim.
  - a. **True**
  - b. False
  
2. True or False. The cost of rebuilding your home is equal to its market value.
  - a. True
  - b. **False**
  
3. True or False. Expensive items like furs and artwork are well covered by homeowners insurance.
  - a. True
  - b. **False**
  
4. Your friend is about to get homeowner's insurance. What do you recommend?
  - a. **Get enough dwelling coverage to cover the total cost of rebuilding your home.**
  - b. Opt for plans that reimburse cash value, not the full replacement cost of an item.
  - c. Pick a plan with lowest deductible you can find.
  - d. Ignore the fine print.

5. Your friend has just gotten homeowners insurance and moved into his home. What do you recommend next?
  - a. Do a home inventory. This list will prove invaluable in the event you need to file a claim.
  - b. Make your house as risk free as possible. Install things like smoke detectors, burglar alarms, and sprinklers.
  - c. A and B**
  - d. None of the above
  
6. Your friend wants to lower his homeowners insurance premiums. What do you recommend?
  - a. Lower your deductible.
  - b. Looking at moving your car insurance to the same insurance company.
  - c. Shop around for a new homeowners insurance policy.
  - d. B and C**

### **How to Get an Apartment**

1. Which of the following is true about leases?
  - a. They are formal legal contracts between the tenant and the landlord.
  - b. Once signed, tenants will generally have to pay first month's rent and/or a security deposit.
  - c. A and B**
  - d. None of the above
  
2. Which of the following is true about rental applications?
  - a. They require proof of income.
  - b. They run credit and background checks.
  - c. They run between \$20-50 a person.
  - d. All of the above.**
  
3. True or False. All rental applications require references from previous landlords.
  - a. True
  - b. False**
  
4. Your friend is about to start looking for apartments. What do you advise?
  - a. Target apartments with rent below 50% of your take-home income.
  - b. Always bring an apartment checklist during tours.**
  - c. A and B
  - d. None of the above

5. Your friend is concerned she doesn't have the income needed to rent an apartment. What do you tell her?
  - a. You're right. No landlord would ever take on someone with low income.
  - b. You're not out of luck. You can either find a roommate or find someone to provide a notarized letter saying they'll pay your rent.**
  - c. Don't worry about it. Landlords generally care far more about credit than income.
  
6. Your friend just signed a lease on a new apartment, and has payed all the relevant expenses. What do you advise?
  - a. Get renters insurance.
  - b. Talk with the landlord about fixing anything you noticed on the tour.
  - c. A and B**
  - d. None of the above

#### Renters Insurance 101 (Renter Insurance Basics - Part 1)

1. Which of the following is true about renters insurance?
  - a. It cover the medical expenses of someone injured in your apartments.
  - b. It covers theft and property damage.
  - c. It only costs \$20 a month on average.
  - d. All of the above**
  
2. True or False. Renters insurance is a legal requirement.
  - a. True
  - b. False**
  
3. True or False. Landlords are required to cover their tenants' property damage.
  - a. True
  - b. False**
  
4. Your friend is considering getting renters insurance, but doesn't really think it's necessary. What do you tell her?
  - a. You're totally right. Renters insurance isn't really necessary.
  - b. You're actually incorrect. Renters insurance is a legal requirement.
  - c. While you're technically correct, renters insurance is actually quite important. After all, it covers damage and theft of your possessions, which your landlord will not.**
  
5. Your friend is considering getting renters insurance, but doesn't think he can afford it. What do you tell him?

- a. You're right. Renters insurance is pretty unaffordable for most people.
  - b. Actually, renters insurance is a very cheap way to protect your property. It will only cost you around \$20 a month.**
  - c. Actually, you don't need to afford it. All landlords buy renters insurance for their tenants automatically.
6. Your friend's apartment just suffered a fire that caused \$5,000 worth of damage to her possessions. Her plan has a \$300 deductible, and a \$10,000 limit. How much of the bill do she have to pay?
- a. \$0
  - b. \$300**
  - c. \$5,000

#### How to Get Renters Insurance (Renter Insurance Basics - Part 2)

1. True or False. If your personal possessions were stolen outside of your apartment, it's still worth filing a claim.
  - a. True**
  - b. False
2. True or False. Reimbursements checks are split equally amongst all roommates on the insurance policy, even when the destroyed property only belonged to one roommate.
  - a. True**
  - b. False
3. True or False. Expensive items like furs and artwork are well covered by renters insurance.
  - a. True
  - b. False**
4. Your friend is about to get renters insurance. What do you recommend?
  - a. Opt for plans that reimburse cash value, not the full replacement cost of an item.
  - b. Pick a plan with lowest deductible you can find.
  - c. Read the fine print.**
5. Your friend has just gotten renters insurance and moved into his home. What do you recommend next?
  - a. Do a home inventory. This list will prove invaluable in the event you need to file a claim.



- b. Consider paying a little extra to cover your more expensive items, like furs and jewelry.
  - c. A and B**
  - d. None of the above
6. Your friend wants to lower his renters insurance premiums. What do you recommend?
- a. Lower your deductible.
  - b. Shop around for a new renters insurance policy.**
  - c. A and B
  - d. None of the above

### Taxes 101 (Tax Basics - Part 1)

1. True or False. Outside of the FICA tax, you pay a flat tax on all your income.
  - a. True
  - b. False**
  
2. Which of the following is true about adjustments/above-the-line deductions?
  - a. They lower AGI.
  - b. They depend on the expenses of each taxpayer.
  - c. A and B**
  - d. None of the above
  
3. Which of the following is true about exemptions?
  - a. They lower AGI by a flat amount.
  - b. They are available to each taxpayer for himself, his spouse, and each of his dependents.
  - c. A and B**
  - d. None of the above
  
4. Your single friend with no dependents is deciding between itemizing his deductions or taking the flat, \$6,300 standard deduction (as of 2015). What do you advise?
  - a. Itemize your deductions.
  - b. Take the standard deduction.
  - c. Do both
  - d. Pick whichever one gives you bigger tax savings.**
  
5. Your friend wants to *directly* lower his tax bill. What do you advise?
  - a. Find a tax credit.**

- b. Take the standard deduction.
  - c. Take an above-the-line deduction.
  - d. Take an exemption.
6. Your friend just finished paying his federal taxes. Does he have anything left to do?
- a. Nope, he's all done.
  - b. Yes. File his FICA taxes.
  - c. **Yes. File his state taxes.**

#### Do I Need to Pay Taxes (Tax Basics - Part 2)

1. True or False. If your gross income does not exceed a certain threshold, you do not need to file a tax return.
  - a. **True**
  - b. False
2. Gross income includes?
  - a. Earned income
  - b. Unearned income
  - c. **A and B**
  - d. None of the above
3. Unearned income includes?
  - a. Wages
  - b. Investments
  - c. Interest
  - d. **B and C**
4. **You're the Advisor:** Your friend is a *dependent* who made \$20,000 in gross income last year. He's unclear whether or not he needs to file taxes by April 18th. What do you recommend?
  - a. **Yes, you clear the income threshold.**
  - b. No, dependents never need to file taxes.
  - c. No, you do not meet the income threshold.
5. **You're the Advisor:** Your friend is a *dependent* who made \$3,000 in gross income last year. He's unclear whether or not he needs to file taxes by April 18th. What do you recommend?
  - a. Yes, you clear the income threshold.
  - b. No, dependents never need to file taxes.

- c. No, you do not meet the income threshold. However, we still recommend filling your taxes, as your employer likely withheld money from your paycheck you won't get back otherwise.**
  
- 6. **You're the Advisor:** Your friend is a *independent* who made \$20,000 in gross income last year. He's unclear whether or not he needs to file taxes by April 18th. What do you recommend?
  - a. Yes, you clear the income threshold.**
  - b. No, you do not meet the income threshold.
  - c. It depends. If that income was earned, then yes. If that income was unearned, then no.

### How to Pay Your Taxes (Tax Basics - Part 3)

1. True or False. Filing a tax return can actually make you money.
  - a. True**
  - b. False
  
2. True or False. People with significant self earned income, like freelancers, or those with significant unearned income, like investors, have to file their own taxes each quarter.
  - a. True**
  - b. False
  
3. The more allowances you take on the W4, the..
  - a. Greater your take-home pay.**
  - b. The less your take-home pay.
  - c. Trick question. It has no effect on your take home pay.
  
4. Your friend knows she needs to pay her taxes, but is terrified at the prospect. What do you recommend?
  - a. Nothing. She has a right to be scared. Taxes are complicated, and there isn't really an affordable way for laymen to deal with them.
  - b. Tax-paying software. They were invented for people just like you. No math or in-depth knowledge of the tax-code is required to use them!**
  - c. Actually, you're worrying over nothing. If you're under 24 then you don't need to file taxes.
  
5. Your friend is getting ready to pay his taxes. She wants to use tax-paying software. What do you recommend to her?

- a. Collect all the necessary tax-forms, like the W-2 form from your employer, as early as possible.
  - b. Don't use tax-paying software! You should only ever use real people, like a CPA.
  - c. Tax-paying software is a great idea. However, you might want to consider using a CPA if your taxes are especially complicated.
  - d. **A and C**
6. Your friend just went through a divorce and needs some advice on how to file his taxes this year. Which of the following you recommend?
- a. CPAs
  - b. Enrolled IRS Agents
  - c. **A and B**
  - d. None of the above