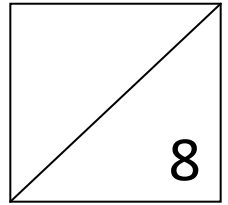


South Tuen Mun Government Secondary School
Business, Accounting and Financial Studies
Paper 1 Revision- Basics of Personal Financial Management Ch.2
DSE Past Paper 2012-2019



Name: _____ Class: _____ () Date: _____

Ch 2

16-9	<p>A credit card user</p> <p>(1) can buy goods and services overseas with a credit card issued in Hong Kong. (2) can settle the whole outstanding balance of the statement by the due date in order to avoid interest charges. (3) can enjoy a lower interest rate to settle the overdue credit card balance than for a personal loan.</p> <p>A. (1) and (2) only B. (1) and (3) only C. (2) and (3) only D. (1), (2) and (3)</p>
14-8	<p>Which of the following statements about credit cards are correct?</p> <p>(1) A credit limit is set. (2) A minimum payment is set for the outstanding balance. (3) Interest will not be charged on the remaining balance if the minimum payment is made before the due date.</p> <p>A. (1) and (2) only B. (1) and (3) only C. (2) and (3) only D. (1), (2) and (3)</p>
19-26	<p>Which of the following statements about credit cards are correct?</p> <p>(1) They have a pre-approved credit limit. (2) They have a payment due date. (3) There is a monthly minimum payment for the outstanding balance.</p> <p>A. (1) and (2) only B. (1) and (3) only C. (2) and (3) only D. (1), (2) and (3)</p>
18-13	<p>Which of the following statements about a bank overdraft is/are correct?</p> <p>(1) There is no fixed repayment schedule. (2) Its interest is usually charged on a monthly basis. (3) Collateral is usually not required.</p> <p>A. (1) only B. (1) and (3) only C. (2) and (3) only D. (1), (2) and (3)</p>

15-8	<p>Mr Cheung plans to buy a residential property. Which of the following types of credit arrangement is most appropriate for him?</p> <p>A. credit card B. personal loan C. mortgage loan D. bank overdraft</p>
12-21	<p>Which of the following client information is the least relevant factor for a bank to reject a client's application for a credit card?</p> <p>A. record of repayment B. degree of loyalty to the bank C. level of outstanding debts D. record of bankruptcy</p>
17-23	<p>Which of the following are the benefits for a borrower of maintaining a good personal credit record?</p> <p>(1) lower interest rate on personal loan (2) higher credit limit (3) better terms when opening a term deposit account</p> <p>A. (1) and (2) only B. (1) and (3) only C. (2) and (3) only D. (1), (2) and (3)</p>
14-28	<p>Maintaining a good personal credit record is important because it will _____.</p> <p>(1) lower the cost of loans (2) increase the chance of getting loans (3) increase the upper limit of 70% on mortgage loans from banks</p> <p>A. (1) and (2) only B. (1) and (3) only C. (2) and (3) only D. (1), (2) and (3)</p>