



The WiseBuys QUIZ

NAME: _____

- 1.** A smart consumer always buys the item that costs the least. True or False?
- 2.** Brand-name products are always better quality than store brands. True or False?
- 3.** A business can refuse to refund your money if you want to return something, even if you have the receipt. True or False?
- 4.** If you buy a mountain bike for \$1,000 with a credit card charging 18% interest, and only make the required "minimum payment of about 2% each month, how long do you think it will take you to pay off the bike?
 - a. 3 years
 - b. 5 and a half years
 - c. 12 years and 9 months
- 5.** Jessica saw an ad: "Teen Models Needed! Auditions Saturday." She went to the audition and was very excited when they told her that she was "just the type they were looking for." However, they said she needed to take some modeling lessons first—which they could provide. They urged Jessica and her mom to sign a contract for \$1,200 worth of lessons. What useful advice should Jessica follow in this situation?
 - a. Be skeptical. Don't sign the contract.
 - b. Strike while the iron is hot. Don't miss a once-in-a-lifetime opportunity.
 - c. Follow the crowd. If the other teens at the audition are signing up, she should too.
- 6.** If a label says a product is "all-natural" or "herbal," you know that it is safe to use. True or False?
- 7.** Which of these is the best deal?
 - a. T-shirts: Buy one at \$16, get another at 50% OFF!
 - b. T-shirts: \$12 each
 - c. T-shirts: Buy two for \$18 each, get ONE FREE!
- 8.** Take a guess: If you smoked a pack of cigarettes a day, and a pack cost \$3.30, how much would smoking for five years cost you?
 - a. \$2,000
 - b. \$6,000
 - c. \$8,000
- 9.** Getting a tattoo isn't such a big commitment anymore since laser removal is now available. True or False?
- 10.** Buy a new car and you won't have to spend money on repairs or maintenance for the first few years. True or False?
- 11.** "Identity theft" is what happens when:
 - a. A boy agrees to take a geometry test for his identical twin brother.
 - b. A hospital mixes up two newborn babies and sends them home with the wrong parents.
 - c. Someone uses your name, Social Security number and other information about you to open credit accounts or buy cars.
- 12.** Buying an item from another person through an Internet auction site, such as eBay, is just as safe as buying something from a store. True or False?

How did you do?



7-12 answers correct

Good for you! You're already a pretty educated consumer.



Under 7 answers correct

You need to learn a little more about how to get the most for your money.

Answers

1. A smart consumer always buys the item that costs the least.

True or False?

False. Sometimes, a more expensive item is a better buy if it is a better quality and will last longer.

2. Brand-name products are always better quality than store brands. True or False?

False. Many store brands give you exactly the same product, for less money.

3. In Maryland, a business can refuse to refund your money if you want to return something, even if you have the receipt. True or False?

True. While many stores do accept returns and will refund your money, they are not required to. A store may choose not to accept returns or to set conditions for returns, as long as it makes its policy known to consumers.

4. If you buy a mountain bike for \$1,000 with a credit card charging 18% interest, and only make the required "minimum payment of about 2% each month, how long do you think it will take you to pay off the bike?

- a. 3 years
- b. 5 and a half years
- c. 12 years and 9 months

C. 12 years and 9 months. And you will have paid \$2,115 total for the bike! Don't fall into the "minimum payment trap." Paying only the minimum benefits the credit card company, not you.

5. Brittany saw an ad: "Teen Models Needed! Auditions Saturday." She went to the audition and was very excited when they told her that she was "just the type they were looking for." However, they said she needed to take some modeling lessons first--which they could provide. They urged Brittany and her mom to sign a contract for \$1,200 worth of lessons. What useful advice should Brittany follow in this situation?

- a. Be skeptical. Don't sign the contract.
- b. Strike while the iron is hot. Don't miss a once-in-a-lifetime opportunity.
- c. Follow the crowd. If the other teens at the audition are signing up, she should too.

A. Be skeptical. If you're interested, take the contract home and do some homework on the company. Many teens have paid for modeling lessons or "portfolio photos" only to find out the company was not a modeling agency at all.

6. If a label says a product is "all-natural" or "herbal," you know that it is safe to use. True or False?

False. "Natural" substances can be toxic or cause allergic reactions. For example, several people have died using weight loss products containing ephedra, a natural substance.

7. Which of these is the best deal?

- a. T-shirts: Buy one at \$16, get another at 50% OFF!
- b. T-shirts: \$12 each
- c. T-shirts: Buy two for \$18 each, get ONE FREE!

B. They all average out to \$12 per shirt—but with Offer B you can buy just one. Always do the math on "get one free" offers so you don't have to buy more than you need trying to get a "bargain."

8. Take a guess: If you smoked a pack of cigarettes a day, and a pack cost \$3.30, how much would smoking for five years cost you?

- a. \$2,000
- b. \$6,000
- c. \$8,000

B. It would cost you \$6,022.

9. Getting a tattoo isn't such a big commitment anymore since laser removal is now available. True or False?

False. Lasers are a big improvement over previous methods of removing tattoos, but it can cost \$1,000 or more and require several painful visits over a year or longer.

10. Buy a new car and you won't have to spend money on repairs or maintenance for the first few years. True or False?

False. A new car probably won't need parts replaced as an older car might, and most repairs will be covered under a warranty. However, you'll still have to pay for things like oil changes, tire punctures, air filters and accident deductibles.

11. "Identity theft" is what happens when:

- a. A boy agrees to take a geometry test for his identical twin brother.
- b A hospital mixes up two newborn babies and sends them home with the wrong parents.
- c. Someone uses your name, Social Security number and other information about you to open credit accounts or buy cars.

C. It's important to guard personal information like your Social Security number or bank account number, so crooks can't use them to pretend to be you!

12. Buying an item from another person through an Internet auction site, such as eBay, is just as safe as buying something from a store. True or False?

False. Person-to-person transactions have very few protections under the law. When you do business with someone through an online auction, realize that you are taking a risk.