

End of Course Exam Study Guide, Business IV

List and Explain all 5 Foundations to Personal Finance

Explain how compound interest works

What are the drawbacks to student loans?

Describe what the Debt Snowball is and how it works

What are ways you can protect yourself from identity theft?

Consequences of Debt

Describe why financing a car is not a good idea

What is the purpose of an emergency fund? Why should someone your age have one? Why will the amount in your emergency fund change over time? Give specific reasons

Tax Terms to know:

W-2

W-4

I-9

1040ez

401(k)

503(c)

Gross Pay v Net Pay

Whole Life Insurance v Term Life Insurance

Mutual Funds and the categories of Mutual Funds

Define and understand the following terms:

Liquidity

Diversification

FICO Credit Score

Discretionary Expense

Variable Expense

Fixed Expense

Intermittent Expense

Overdrawn Checking Account