

Credit Risk Profile Assessment

With money or credit come decision-making responsibilities. Answer the questions below to determine whether you are at risk for credit card overspending.

True False

- | | | |
|---|---|--|
| " | " | Having a credit card gives me a sense of security. |
| " | " | I purchase more from retailers who extend credit to me. |
| " | " | I often pay for eating out or purchase gifts to impress others. |
| " | " | Credit cards help me improve my lifestyle. |
| " | " | Having credit allows me to buy major items I want now. |
| " | " | I often argue with myself or others about overspending. |
| " | " | My savings balance is negatively affected by credit-based spending. |
| " | " | I often have trouble recounting money I have spent during the day. |
| " | " | Others I know over spend and it doesn't seem to hurt them financially. |
| " | " | My closet is full of things I have only worn once or twice. |
| " | " | Many things I have purchased I wish I hadn't when I get home. |
| " | " | I'm often a bit late with some payments, but it doesn't matter much. |
| " | " | I have borrowed money from friends and relatives that I haven't paid back. |
| " | " | I make impulse purchases at the last minute to make me feel better. |
| " | " | I charge things (meals, gas, etc.) that are gone when the bill arrives. |

0 True

A true credit-worthy person, you are spending wisely.

1-2 True

Observe the caution signs now. If any of the statements were marked true, developing and strengthening financial self-discipline is necessary and urgent. Do not obtain additional credit cards or even an expanded line of credit.

3-5 True

Danger ahead! Look for ways to improve spending practices such as comparison shopping techniques and increase savings through better spending. If you presently are holding more than one credit card with an outstanding balance, cut them up and return them to the issuer. Don't apply for more credit or make any credit based purchases until all outstanding balances are paid in full.

5-10 True

You are close to becoming overwhelmed by debt. Avoid credit all together.

11-15 True

Confirmed plastic spending addict. Possible financial meltdown ahead.