

## MODULE 5: Spending for Savings & Insurance

*Hello, Educator!*

*This assessment aims to verify the goals of the Modules.*

*You may ask your students all or any of the following guide questions.*

---

*Module 5 Goal: Give profound knowledge on how finances should be protected and well-secured, especially for future expenses and investments.*

### KNOWLEDGE CHECK

Please answer the questions to the best of your ability.

1. What is the main purpose of insurance?
  - a. To serve as an emergency fund.
  - b. To protect you from financial harm.
  - c. To invest your money for the future.
  - d. To ensure that you have enough money to live off during retirement.
2. Health insurance does not cover...
  - a. Cosmetic surgery
  - b. Regular check-ups and doctor visits
  - c. Hospital admission
  - d. Prescription medicine
3. Having an emergency fund is important because...
  - a. It will prepare you for the future.
  - b. It will give you peace of mind.
  - c. Both A & B are true.
  - d. Both A & B are false.
4. Teresa plans to purchase insurance policies as the first step to protecting her finances. What should Teresa do?
  - a. Teresa should list down all the risks.
  - b. Teresa should canvas and list down several insurance options.
  - c. Teresa should make an informed decision.
  - d. Teresa should do all of the above.
5. Leni lives in Bicol, a province in the Philippines in the vicinity of the active Mayon volcano. Locals were advised to evacuate the province as Mayon poses threats of a hazardous eruption. Leni and her family flew to Manila, leaving their home behind to seek temporary safety. What type of insurance is best for Leni's situation?

- a. Life insurance is best for Leni's situation.
  - b. insurance is best for Leni's situation.
  - c. Auto insurance is best for Leni's situation.
  - d. Health insurance is best for Leni's situation.
6. Insurance is a form of...
- a. Cashless method
  - b. Financial protection
  - c. Debt
  - d. Income
7. Auto insurance covers...
- a. Repairs, medical expenses, and legal fees
  - b. Body painting
  - c. Regular car washing
  - d. Damages caused by hitting immobile objects
8. Insurance only refers to financial protection against a loved one's unexpected death.
- a. True, because life insurance is the most common type of insurance.
  - b. True, because insurance covers funeral fees, outstanding debt, and living expenses of the bereaved.
  - c. False, because there are also other types of insurance, such as health insurance and auto insurance.
  - d. False, because insurance is a retirement fund.
9. Chan is considering purchasing health insurance as the first step in protecting his finances. What should Chan keep in mind before securing an insurance policy?
- a. Chan should canvass policies to ensure that he is getting the best deal possible.
  - b. Chan should review the policies to guarantee that he has the right coverage for his unique needs.
  - c. Chan should be vigilant against scams by doing his research and making informed decisions.
  - d. Chan should do all of the above.
10. Tariq recently bought his first car and is very attentive on the road. One day on his way to work, a careless driver changed lanes without indicating and swerved in front of him. He was then rear-ended by a tailgater after he had to execute an emergency stop, his car incurring damages which were too costly to pay out of pocket. Which insurance policy should Tariq utilize for his situation?
- a. Life insurance
  - b. Home insurance
  - c. Auto insurance
  - d. Health insurance

## MODULE 6: Responsible Borrowing & Understanding Credit Scores

*Module 6 Goal: Aid young individuals in borrowing responsibly and develop their understanding of credit scores, educating them about its benefits in reaching their financial goals and attaining financial security.*

### KNOWLEDGE CHECK

Please answer the questions to the best of your ability.

1. What is a credit score?
  - a. It's an indication of how likely you are to repay your debts.
  - b. It's an indication of how unlikely you are to repay your debts.
  - c. It's an indication of how likely you are to deposit money into your account.
  - d. It's an indication of how unlikely you are to deposit money into your account.
  
2. This contains information about one's credit history, amount of outstanding debt, payment record, and recent credit applications.
  - a. Credit score
  - b. Credit report
  - c. Credit account
  - d. Credit documentation
  
3. What is a good credit score?
  - a. 300 and below
  - b. 301-500
  - c. 501-699
  - d. 700 and above
  
4. Why is it important to limit the number of new credit accounts you open?
  - a. Doing so can lower your credit score.
  - b. Doing so can increase your debt.
  - c. Doing so can make it harder to get approved for loans.
  - d. All of the above.
  
5. Having good credit can help you save money on interest rates and fees, which can improve your financial management.
  - a. True, because good credit can help you get approved for loans with lower interest rates, which can save you money on monthly payments.
  - b. True, because it can help you get approved for credit cards with rewards programs, which can save you money on everyday purchases.
  - c. Both A & B are true.
  - d. Both A & B are false.
  
6. Which of the following is not included in a credit report?
  - a. Payment and credit history



- b. Types of credit used
  - c. Recent credit applications
  - d. Income
7. What is a credit mix?
- a. Different types of credit accounts
  - b. Different types of credit cards
  - c. Different types of loans
  - d. Different types of credit inquiries
8. What will happen if you suddenly close a credit card account that has been open for many years?
- a. Your credit score will go up.
  - b. Your credit score will go down.
  - c. Your credit score will stay the same.
  - d. Your credit score will go back to zero
9. What determines credit worthiness?
- a. Age
  - b. Nationality
  - c. Occupation
  - d. None of the above
10. Why is having a good credit score important?
- a. Having a good credit score is important because it'll help you qualify for loan programs with good terms.
  - b. Having a good credit score is important because it'll help you secure credit accounts with low interest.
  - c. Both A & B are true.
  - d. Both A & B are false.



## MODULE 7: Building Wealth

*Module 7: Develop the skills of young adults in building and managing their wealth, taking into consideration the past lessons they have accomplished.*

### KNOWLEDGE CHECK

Please answer the questions to the best of your ability.

1. Building your wealth is an essential part of financial security and stability.
  - a. Partially true
  - b. True
  - c. Partially false
  - d. False
  
2. What is the most important factor in building wealth?
  - a. A budget
  - b. A bank account
  - c. A credit card
  - d. An insurance policy
  
3. Real estate, mutual funds, stocks, and bonds are all examples of...
  - a. Investments
  - b. Savings
  - c. Passive income
  - d. Active income
  
4. Chelsea started building her wealth by investing in Apple's publicly traded stocks. What should Chelsea do next if she wants to continue increasing her income?
  - a. Cash-out her share in the stocks.
  - b. Pull out her investment in Apple and move it towards Bitcoin instead.
  - c. Put the rest of her savings into buying Apple stocks.
  - d. Research the stock market and invest in a different type of asset, such as real estate.
  
5. Being marketable is not an essential factor in building your wealth.
  - a. True, marketability only applies to goods and services.
  - b. False, being marketable allows you to develop your skills, making you more attractive in the job market.
  - c. True, being marketable does not translate to being a good employee.
  - d. False, marketability depends on one's years of experience.
  
6. What benefits does building wealth entail?
  - a. Having wealth will cover unexpected expenses such as medical emergencies.
  - b. Having wealth allows you to provide for yourself and your family.
  - c. Having wealth gives you an opportunity to fund a stable retirement.



- d. All of the above.
- 7. Building wealth takes a lot of effort, determination, and commitment.
  - a. True, building wealth warrants long-term planning.
  - b. Partially true, you can build wealth over a period of time if you're determined enough.
  - c. False, building wealth doesn't take any effort.
  - d. Partially false, wealth can be achieved overtime even without effort and determination.
- 8. Cash, bank accounts, properties, and vehicles are examples of...
  - a. Investments
  - b. Savings
  - c. Assets
  - d. Liabilities
- 9. Mary started the pursuit of financial literacy early, creating multiple streams of income by freelancing and investing in multiple stocks at a young age. What could be the next step in Mary's wealth-building journey?
  - a. Setting up another stream of income by starting a small online business.
  - b. Organizing an emergency fund using the remainder of her income.
  - c. Creating a comprehensive financial plan that covers her budget for necessities.
  - d. Any of the above.
- 10. Why is it important to diversify your assets?
  - a. Diversifying assets means investing in many stocks, resulting in many returns.
  - b. Diversifying assets reduces the risk of large losses, protecting your wealth.
  - c. Diversifying assets scales reward.
  - d. Diversifying assets builds credibility.

