

MULTIPLE CHOICE

Directions: CIRCLE the best possible answer to each question.

1. What is a holding period?
 - a. The last week of every month
 - b. The time between when a bank statement is mailed to you and when you receive it
 - c. The amount of time that it takes a financial institution to clear a cheque

2. When does an overdraft occur?
 - a. When you don't pay the full balance on your credit card bill
 - b. When you spend more money than you have available in your chequing account, resulting in a negative balance
 - c. When your chequing account balance falls below \$500

3. What are the numbers at the bottom of a cheque?
 - a. They identify the financial institution, the account number and the cheque number
 - b. The financial institution's business address
 - c. They are unique serial numbers for every cheque ever written