

Lesson 27: APR, Truth In Lending Act, Fixed Vs. Variable Interest Rates

Name: _____

1.) What does APR stand for?

2.) According to the video, what does transparency mean?

3.) How does APR make borrowing money a more transparent process?

4.) What year was the Truth In Lending Act passed (created) by the United States government?

5.) What is the purpose in the Truth In Lending Act?

6.) What information must lenders disclose to a loan applicant? (Video 4:45)

7.) What types of loans does the Truth In Lending Act cover (Video 5:17)

8.) In the video at 5:57, it is stated that banks can only sell loans that are "in the consumers best interest". What does this mean?

9.) Do you think that the Truth In Lending Act is sufficient to prevent predatory creditors and lenders from taking advantage of consumers? Why or why not?

10.) What are the differences between fixed and variable interest rates? Write the differences in the boxes below. The segment of the video which covers fixed and variable rates starts at 6:32.

Fixed Interest Rates	Variable Interest Rates