

Ways of Obtaining Capital

Activity 1 Multiple Choice

1. Capital is defined as: _____
 - a. Taxes imposed by the Government
 - b. A capital of a country
 - c. Wealth in the form of money
 - d. Source to obtain Money

2. Which is not a source of capital: _____
 - a. Relatives
 - b. Friends
 - c. Personal Saving
 - d. Wealth

3. Which source of Capital is the most popular when borrowing money: _____
 - a. Bank
 - b. Outside the Box
 - c. Friend
 - d. Sister

4. An Example of a personal Asset is: _____
 - a. Possessions
 - b. Consultants
 - c. Home
 - d. Control

5. An Investor is someone who: _____
 - a. Teaches
 - b. Professional
 - c. Cashier
 - d. Lender

6. A person should not accept any loans from a family or friend without a: _____
 - a. Statement
 - b. Promissory Note
 - c. Bank Statement
 - d. Borrower

7. An advantage of a promissory note is that: _____

- It prevents any future disagreement over a loan
- It causes disagreement over a loan
- It does not tell the interest charge to charge
- It does identify the amount of the loan

8. One Requirement for obtaining money from a Loan Officer in a Commercial Bank is:

- Tell them you have worked for over twenty years
- Tell them how much you need to borrow and how will you pay back
- Tell them you have a good investor
- Inform that you have a promissory note with your family

9. An Entrepreneur main reason to start a business is _____

- Provides goods
- Make money
- Make a profit
- Provide service

10. Which of the following is not example(s) of Personal Assets

- Jewelry
- Promissory Note
- Home
- Car

11. Bamboo Shack is an example of an Entrepreneurship Business

- True
- False

12. These are the most popular places of obtaining capital for Business except

- Royal Bank of Canada
- First Caribbean
- Island Luck
- Commonwealth Bank

13. When you want to borrow a large sum of money from a Financial Institution, who do you have to convince that your business has a good chance of succeeding?

- a. Friends
- b. Loan Officer
- c. Relatives
- d. Investors

14. Which of the following should not be included in the Promissory note:

- a. Should identify the amount of the Loan
- b. The interest one should pay
- c. The individual payment terms
- d. The Borrower's possession which cannot be claimed by the lender

15. Which of the following is not considered to be an investor?

- a. Donor
- b. Contributor
- c. Borrower
- d. Lender

16. Which one of the following is not considered an Entrepreneurship Business

- a. Kelly's
- b. School's Tuck Shop
- c. Ministry of Youth Sports and Culture
- d. The "Peanut" man