

### Financial Law Key Terms

1. **Bank Fraud:** The act of obtaining credit, assets, money, funds, or securities under the custody of a financial institution through false pretenses
2. **Electronic Fund Transfer Act:** Provides consumers against unauthorized electronic fund transactions including debit and credit card purchases, ATM withdrawals, and automatic bank account withdrawals
3. **Federal Deposit Insurance Act:** Created to maintain the public's confidence in banks and encourage stable banking practices
4. **Home Equity Loan Consumer Protection Act:** Requires creditors to disclose the conditions, rates, and terms of home equity loan plans
5. **Home Equity:** The current market value of a home minus the remaining mortgage balance
6. **Rights to Financial Privacy Act:** Grants consumers' personal financial records a reasonable amount of privacy from federal government searches
7. **Thrift and Bank Fraud Act:** increased the government's ability to combat bank fraud

### Credit Law Key Terms

1. **Credit Card Act of 2009:** Amendments to the Truth-in-Lending law that include requirements for cosigners who applicants under 21 years of age
2. **Credit Report:** Document that summarizes a consumer's financial history including number of credit cards, payments to credit cards, and number of late payments (if any)
3. **Credit:** A contractual agreement in which one party receives something of value now and agrees to pay the lender in the future
4. **Creditor:** Person or business providing credit
5. **Debtor:** Person or business that receives the credit
6. **Equal Credit Opportunity Act:** Law that states that a consumer's credit application can only be judged on the basis on financial responsibility not the applicant's gender, race, marital status, age, national origin, or receipt of public assistance
7. **Fair Credit Billing Act:** Provides consumers with a means to dispute a billing error on open-ended credit accounts (credit and charge cards)
8. **Fair Credit Reporting Act:** Law that grants consumers to the right to know who requests to view their credit report over the past year

9. **Fair Debt Collection Practices Act:** Prohibits unfair, abusive, and deception methods of collecting debt
10. **Federal Trade Commission:** Protects consumers' right to attain, use, and maintain credit by monitoring and enforcing credit laws
11. **Truth-in-Lending Act:** Requires creditors to provide consumers with the terms and cost of credit
12. **Usury Law:** Sets the maximum amount of interest that can be charged for a loan

### **Bankruptcy Key Terms**

1. **Bankruptcy:** Legal proceeding for a person or business unable to pay an outstanding debt
2. **Chapter 7:** Requires the debtor to liquidate (sale) nonexempt property to repay creditors
3. **Chapter 11:** Form of bankruptcy that allows businesses to create a plan to "reorganize" and pay off their debts over time
4. **Chapter 12:** Form of bankruptcy that allows family farmers and fishing business owners to recover from debt
5. **Chapter 13:** Form of bankruptcy that allows an individual to submit a plan to repay debts in 3 to 5 years.