

Chapter 5 Homework

2. Refer back to the exhibits in the chapter to answer this question. A business-credit applicant has the following profile:

Credit History	Minor delinquencies
Unused Credit	30% available
Credit History of Business	Satisfactory
Industry Type	C
Available Liquid Assets of Business	\$11,500
Net Worth of Principal	\$55,000

If the cutoff score for extending credit is a score of at least 100 points, should this applicant receive credit?