ch15

Student: ____

1. If the credit risk of a foreign borrower is good, then the sovereign country risk is irrelevant.
   True False

2. FIs that lend to foreign entities often need to make provisions to their loan loss reserves.
   True False

3. Sovereign country risk exposure is a result of the FI's inability to be fully diversified.
   True False

4. Sovereign country risk is largely independent of the credit standing of the foreign borrower.
   True False

5. A lending decision to a firm in a foreign country should involve both a credit risk analysis and a sovereign risk analysis.
   True False

6. All of the following are relevant determinants of sovereign risk exposure: the rate of domestic money supply growth; the variance of export revenue, and the size of the population.
   True False

7. Lenders often are willing to reschedule debt payments to avoid forcing the borrower into outright bankruptcy.
   True False

8. Sovereign risk involves restrictions placed on borrowers and investors regarding the movement of funds into and out of a foreign country.
   True False

9. International bond finance is more likely to be rescheduled than international loan finance because of the relatively fewer lenders involved with a loan finance issue.
   True False

10. Prior to World War II, most international debt was in the form of bank loans.
    True False

11. Rescheduling loans is easier than renegotiating bonds because the same FIs typically form loan syndicates that create cohesiveness in negotiations.
    True False

12. Sometimes banks received criticism because domestic governments take special political steps to reduce the probability that foreign borrowers will default or repudiate their debt contracts, an occurrence that could cause financial harm to the domestic banks.
    True False

13. The Economist Intelligence Unit is a rating of sovereign risk based on economic and political risk within a country.
    True False

14. The debt service ratio of a country should be negatively related to the probability of rescheduling.
    True False

15. The larger is the import ratio of a country; the higher is the probability that the country will have to schedule its debt payments.
    True False

16. In international finance, the investment ratio measures the amount of real investment relative to the gross national product of the country.
True False

17. In the statistical modeling of the country risk analysis, the investment ratio is considered to have a negative impact on the probability of rescheduling because the larger expenditures on investment infrastructure leaves less funds for debt payment.
True False

18. In international finance, the variance of export revenue is based solely on the quantity of product available for export.
True False

19. Export revenue may be highly variable due to the quantity of exports and the prices that may be realized on the exported products.
True False

20. The export revenue variance VAREX should be negatively related to the probability of debt rescheduling.
True False

21. A positive relationship is considered to exist between domestic money supply growth and the probability of rescheduling debt.
True False

22. Traditional country risk analysis based on discriminant statistical models often suffers from problems of using data that is no longer current.
True False

23. CRA statistical credit scoring models have difficulty measuring political risk events.
True False

24. One problem with using CRA statistical credit scoring models to evaluate sovereign credit risk is the classification into only two possible outcomes.
True False

25. CRA statistical credit scoring models are very adept at capturing political risk events such as strikes, elections, corruption, etc.
True False

26. From the perspective of the lending FI, the risk of a well-diversified portfolio of loans should be less than weighted average risk of the individual loans.
True False

27. The export revenue variance (VAREX) ratio tends to have high systematic risk elements in a CRA analysis.
True False

28. Money supply growth and the import ratio tend to have low systematic risk elements in a CRA analysis.
True False

29. For any given country risk variable, the greater the size of the systematic risk relative to the unsystematic risk, the less important the variable.
True False

30. The debt service ratio and the import ratio typically have high systematic risk elements in a CRA analysis.
True False

31. By rescheduling its debt, a borrower raises the present value of its future payments in hard currencies.
    True False

32. Rescheduling may cause the borrower to lose future borrowing opportunities for investment projects.
    True False

33. In exchange for the loss of some present value of the interest and principal on a loan after a rescheduling, the lender avoids the permanent loss that would result from a default.
    True False

34. A cost of rescheduling for a lender is the potential placement of the lender on a regulatory watch or problem list.
    True False

35. Trading activity and investor confidence in foreign debt increased in the early 2000s.
    True False

36. Buyers of LDC debt in secondary markets typically are large FIs who are willing to accept write-downs of loans on their balance sheets.
    True False

37. Sellers of LDC debt in secondary markets include small FIs wishing to disengage themselves from the LDC market.
    True False

38. Both buyers and sellers of LDC debt seem willing to participate in the LDC debt markets for the purpose of rebalancing the country risk exposure on their balance sheets.
    True False

39. The advantage to the lender of a Brady bond versus a loan to a foreign country is the much longer maturity and thus the lower payment schedule of a Brady bond.
    True False

40. The advantage to the borrowing country of a Brady bond versus a loan from an FI is the much longer maturity and thus the lower payment schedule of a Brady bond.
    True False

41. The advantage to the lender of a Brady bond versus a loan to a foreign country is that U.S. Treasury bonds serve as collateral for Brady bonds.
    True False

42. One advantage of swapping a sovereign loan for a bond is the capability to sell the bond in the secondary market.
    True False

43. The difference between a sovereign bond and a Brady bond is that the sovereign bond lacks U.S. Treasury bonds as collateral.
    True False

44. Some LDCs have begun to sell sovereign bonds for the purpose of repurchasing their own Brady bonds because they benefit from not having to pledge U.S. Treasury bonds as collateral.
    True False

45. Repurchasing Brady bonds with the proceeds from the sale of sovereign bonds usually allows countries to save because of the lower interest spreads on the sovereign bonds.
    True False

46. Performing loans in the LDC debt market are loans on which the foreign country is making promised payments.
    True False

47. Which of the following describes debt moratoria?
 A. Delay in repaying interest and/or principal on debt because of government prohibition of such action.
 B. Special reserves created on the balance sheet against which to write off bad loans.
 C. The official terminology for a sovereign loan rescheduling.
 D. Debt issued by an LDC that is swapped for an outstanding loan to that LDC.
 E. Changing the contractual terms of a loan, such as its maturity and interest payments.

48. Which of the following describes debt repudiation?
 A. Changing the contractual terms of a loan, such as its maturity and interest payments.
 B. Direct nationalization of private sector assets.
 C. Outright cancellation of all current and future debt obligations.
 D. Automatic default of all international loans upon default of any one loan.
 E. Debt conversion schemes of debtor countries that signal creditworthiness.

49. Which of the following describes debt rescheduling?
 A. Outright cancellation of all current and future debt obligations.
 B. Changing the contractual terms of a loan, such as its maturity and interest payments.
 C. Direct nationalization of private sector assets.
 D. Automatic default of all international loans upon default of any one loan.
 E. Debt conversion schemes of debtor countries that signal creditworthiness.

50. Making a lending decision to a party residing in a foreign country is a two-step decision. What are the two steps involved in such a decision?
 A. Assessing credit quality of the borrower and sovereign risk quality of the borrower's country.
 B. Assessing political economy risk and exogenous risks.
 C. Assessing sovereign risk quality of the borrower's country and other country risks.
 D. Rescheduling of existing loans and deciding on the terms for new loans.
 E. Assessing the foreign exchange risk involved and the security that can be provided by the borrower.

51. Which of the following is an example of an exogenous risk?
 A. Blocking reform implementation.
 B. Regional economic crisis.
 C. Increase in political instability.
 D. Social tensions that undermine implementation of reforms.
 E. Reversing of reform actions by powerful interest groups.

52. Which of the following observations concerning loan default provisions is NOT true?
 A. They ensure that if a country defaults on just one of its loans, all its other outstanding loans would automatically be put into default as well.
 B. They prevent a country from selecting a group of weak lenders for special default treatment.
 C. They make the outcome of any individual loan default decision potentially very costly for the borrower.
 D. They protect strong lenders in any loan default by guaranteeing the repayment of such defaulted loans.
 E. None of the above.

53. The Euromoney Index for a given country currently is based on the
 A. spread of the required interest rate on that country's debt over LIBOR.
 B. a number of economic and political factors weighted according to their relative importance in determining country risk problems.
 C. combined economic and political risk on a 100-point scale.
 D. surveys of the loan officers of major multinational banks.
 E. historical default rates of that country's loans.

54. The Institutional Investor Index is based on
A. spread of the required interest rate on a country's debt over LIBOR.
B. a number of economic and political factors weighted according to their relative importance in determining country risk problems.
C. surveys of the loan officers of major multinational banks.
D. combined economic and political risk on a 10-point (maximum) scale.
E. key economic ratios for each regional grouping.

55. Which is NOT a key economic ratio in credit scoring models to estimate sovereign country risk exposure?
A. The debt service ratio.
B. The import ratio.
C. The variance of export revenue.
D. The discount on rescheduled debt.
E. Domestic money supply growth.

56. In international finance, the debt service ratio is found by dividing interest and amortization payments by the
A. total foreign exchange reserves.
B. real investment.
C. gross national product.
D. value of exports.
E. money supply.

57. In international finance, the import ratio is determined by dividing the value of imports by the
A. total foreign exchange reserves.
B. real investment.
C. gross national product.
D. value of exports.
E. money supply.

58. In international finance, the investment ratio is determined by dividing the value of real investment by the
A. total foreign exchange reserves.
B. real investment.
C. gross national product.
D. value of exports.
E. money supply.

59. Which of the following variables can have a negative impact on the probability of rescheduling in the credit scoring model to estimate sovereign country risk exposure?
A. The debt service ratio.
B. The import ratio.
C. The variance of export revenue.
D. The investment ratio.
E. Domestic money supply growth.

60. The relationship of this variable with the probability of rescheduling is often disputed.
A. The debt service ratio.
B. The import ratio.
C. The variance of export revenue.
D. The investment ratio.
E. Domestic money supply growth.

61. Commodity price and quantity risk is measured by which of the following variables in the credit scoring model to estimate sovereign country risk exposure?
A. The debt service ratio.
B. The import ratio.
C. The variance of export revenue.
D. The investment ratio.
E. Domestic money supply growth.

62. Lenders may find it beneficial to reschedule sovereign country debt
A. to avoid political embarrassment.
B. for tax reasons.
C. to avoid marking the balance sheet to market.
D. to maintain good customer relations.
E. to keep from going bankrupt.

63. Lenders may find it costly to reschedule non-accruing sovereign country debt because
A. it is politically embarrassing.
B. of tax reasons.
C. they might be subject to greater regulatory attention.
D. it is detrimental to maintaining good customer relations.
E. bankruptcy costs are high.

64. Buyers are willing to purchase rescheduled LDC (less developed country) debt because of
A. political pressure.
B. the potential for capital gains.
C. tax considerations.
D. side payments from FIs.
E. misinformation.

65. High rates of domestic inflation impact the credit scoring model of sovereign country risk exposure through which of the following variables?
A. The debt service ratio.
B. The import ratio.
C. The variance of export revenue.
D. The investment ratio.
E. Domestic money supply growth.

66. The allocation of country resources between present and future consumption is measured by which of the following variables of the credit scoring model of sovereign country risk exposure?
A. The debt service ratio.
B. The import ratio.
C. The variance of export revenue.
D. The investment ratio.
E. Domestic money supply growth.

67. Each of the variables in the credit scoring model of sovereign country risk
A. cannot be measured independently.
B. has a systematic and unsystematic component.
C. has a predictable and an unpredictable component.
D. is determined by a weighted risk index.
E. has a high systematic risk element.

68. What is the approximate yield on a 20-year 10 percent annual coupon LDC bond selling at 75 cents on the dollar?
A. 10 percent.
B. 40 percent.
C. 14 percent.
D. 25 percent.
E. Cannot be determined.

69. What is the approximate yield on a 20-year 10 percent annual coupon LDC bond selling at 25 cents on the dollar?
   A. 10 percent.
   B. 40 percent.
   C. 14 percent.
   D. 25 percent.
   E. Cannot be determined.

70. Which of the following makes international loan rescheduling more likely than bond rescheduling?
   A. International loan contracts are not allowed to contain cross-default provisions.
   B. Typically there are more FIs in an international lending syndicate compared to a the number of potential bondholders.
   C. Since World War II more international debt has been in the form of bonds.
   D. An international loan syndicate typically comprises the same FIs which allows greater cohesiveness for negotiations.
   E. All of the above.

71. The statistical results of the country risk analysis models
   A. may have limited usefulness if parameters are unstable.
   B. are not subject to estimation error.
   C. cannot be extrapolated to influence financial decision making.
   D. are theoretical depictions of underlying relationships.
   E. should be taken at face value.

72. A possible reason for the high systematic risk of DSR is
   A. the tendency of world commodity prices to reflect nonsimilar economic conditions.
   B. the sensitivity of this ratio to rising nominal and real interest rates in the developed countries.
   C. the tendency of prices and world demands for commodities to reflect simultaneously economic conditions.
   D. the discretionary nature of money supply growth for LDC governments.
   E. different demands for imports, and wide differences in the scale of vital imports across LDCs.

73. A possible reason for the high systematic risk of VAREX is
   A. the tendency of world commodity prices to reflect nonsimilar economic conditions.
   B. the sensitivity of this ratio to rising nominal and real interest rates in the developed countries.
   C. the tendency of prices and world demands for commodities to reflect simultaneously economic conditions.
   D. the discretionary nature of money supply growth for LDC governments.
   E. different demands for imports, and wide differences in the scale of vital imports across LDCs.

74. Which of the following is an attempt to measure the absence of governmental constraint on the production, consumption, and distribution of goods?
   A. Euromoney Index.
   B. Index of Economic Freedom.
   C. Corruption Perceptions Index.
   D. Economist Intelligence Unit.
   E. Institutional Investor Index.

75. Which of the following is not a reason why international loans are more likely to be rescheduled than international bonds?
   A. Governments appear to view the social costs of default on bonds as less critical than on loans.
   B. Many international loan contracts contain cross-default provisions that automatically put into default all loans by that country in the case of one default.
   C. Banks receive no subsidization from major governments to make international loans.
   D. Many international loan syndicates contain the same group of banks which increases the cohesiveness of loan renegotiations.
   E. Renegotiation of loans is easier because there are fewer banks in loan syndication than there are bondholders in a debt offering.

76. Which of the following is a benefit to the borrower in a loan rescheduling?
   A. The FI may receive tax benefits.
   B. Rescheduling may close the market for future loans.
   C. Rescheduling may create interruptions in the flow of international trade since
   D. letters of credit may be more difficult to acquire.
   E. Rescheduling may lower the present value of future payments in hard currencies.
   F. The FI may receive additional fees, collateral, and option features on the loan.

77. Which of the following is a benefit to the lender in a loan rescheduling?
   A. The FI may become locked into a particular loan portfolio structure.
   B. Rescheduling may close the market for future loans.
   C. Rescheduling may create interruptions in the flow of international trade since letters of credit may be more difficult to acquire.
   D. Rescheduling may lower the present value of future payments in hard currencies.
   E. The FI may receive additional fees, collateral, and option features on the loan.

78. Which of the following is the largest segment in the secondary market for sovereign debt?
   A. Restructured loans.
   B. Brady bonds.
   C. Sovereign bonds.
   D. Performing loans.
   E. Nonperforming loans.

79. Which of the following is true of Brady bonds?
   A. They are uncollateralized.
   B. They have a shorter maturity and a higher than promised coupon (yield) than the original sovereign loans.
   C. The benefit from Brady bond is the "saving" from lower interest spreads required on such bonds.
   D. Their value partly reflects the value of collateral underlying the principal and/or interest on the issue.
   E. Their value fully reflects the credit risk rating of the country issuing the bonds.

80. Which of the following is true of sovereign bonds?
   A. They are bonds backed by collateral.
   B. Brady bonds are replacing them because of their higher interest rates.
   C. Their benefit is the "saving" from not having to pledge U.S. Treasury bonds as collateral.
   D. Their value partly reflects the value of collateral underlying the principal and/or interest on the issue.
   E. They are the largest segment in the secondary market for sovereign debt.

81. Which of the following are normally traded at very deep discounts from 100 percent?
   A. Restructured loans.
   B. Brady bonds.
   C. Sovereign bonds.
   D. Performing loans.
   E. Nonperforming loans.

The following is an example of a credit scoring model to estimate the probability of debt rescheduling for country I:

P_1 = 0.25DSRi +0.17IR -0.03 INVR + 0.84VAREX + 0.93 MG

Where Piis the probability of rescheduling country I's debt; DSR is the country's debt service ratio; IR is the country's import ratio; INVR is the country's investment ratio; VAREX is the country's variance of export revenue; and MG is the country's rate of growth of the domestic money supply.

82. What is an important determinant of rescheduling probability if inflation is a prime concern?
   A. The debt service ratio.
   B. The import ratio.
   C. The investment ratio.
   D. The variance of export revenue.
   E. The rate of growth of the domestic money supply.

83. What is an important determinant of rescheduling probability if the country is providing several incentives to increase domestic savings?
   A. The debt service ratio.
   B. The import ratio.
   C. The investment ratio.
   D. The variance of export revenue.
   E. The rate of growth of the domestic money supply.

84. An FI would be most likely to lend to a country with
   A. a low debt service ratio.
   B. a high import ratio.
   C. a low investment ratio.
   D. a large variance of export revenue.
   E. a large rate of growth of the domestic money supply.

85. An FI would be least likely to lend to a country with
   A. a low debt service ratio.
   B. a high import ratio.
   C. a high investment ratio.
   D. a low variance of export revenue.
   E. a small rate of growth of the domestic money supply.

86. If two countries are identical in all respects except that country A's debt service ratio is 1.5, country B's debt service ratio is 1.25, country A's import ratio is 0.75, and country B's import ratio is 0.90, which country poses the least sovereign country risk?
   A. Country A, because the higher debt service ratio's negative impact on the country's risk exposure outweighs the impact of the lower import ratio effect.
   B. Country B, because the higher debt service ratio's negative impact on the country's risk exposure outweighs the impact of the lower import ratio effect.
   C. Country A, because the higher debt service ratio's positive impact on the country's risk exposure outweighs the impact of the lower import ratio effect.
   D. Country B, because the impact of the lower import ratio effect outweighs the higher debt service ratio's impact on the country risk exposure.
   E. They both have the same sovereign country risk exposure.

87. Two countries are identical in all respects except that country A's debt service ratio is 1.5, while country B's debt service ratio is 1.25, and country A's import ratio is 0.75, while country B's import ratio is 0.90. Based only on the effect of these two variables, compare the likely price of debt issued by country A to the likely price of debt issued by country B if both debt issues have the same maturity and coupon payments. Both debt issues are trading in the secondary market.
   A. Country B's debt is priced higher because the probability of rescheduling is lower for country B than for country A.
   B. Country A's debt is priced higher because the probability of rescheduling is lower for country A than for country B.
   C. Country B's debt is priced lower because country B has a lower probability of rescheduling than does country A.
   D. Country A's debt is priced lower because country A has a lower probability of rescheduling than does country B.
   E. Both debt issues have the same price.

88. Two countries are identical in all respects except that country A's rate of growth of the domestic money supply (MG) is 33 percent, while country B's MG is 25 percent, and country A's variance of export revenue (VAREX) is 3.75 percent, while country B's VAREX is 10 percent. Based only on these two variables, which country possesses the most sovereign country risk?
   A. Country A because the higher rate of money supply growth is insufficient to overcome the impact of a lower export revenue variance on country risk exposure.
   B. Country B because the higher rate of money supply growth has less impact on country risk exposure than the impact of a lower export revenue variance.
   C. Country A because the higher rate of money supply growth is sufficient to overcome the impact of a lower export revenue variance on country risk exposure.
   D. Country B because the higher rate of money supply growth has a positive impact on country risk that outweighs the impact of a lower export revenue variance.
   E. They both have the same sovereign country risk exposure.

89. Two countries are identical in all respects except that country A's rate of growth of the domestic money supply (MG) is 33 percent, while country B's MG is 25 percent, and country A's variance of export revenue (VAREX) is 3.75 percent, while country B's VAREX is 10 percent. Based only on these two variables, compare the prices of debt issued by country A to the price of debt issued by country B if both issues have the same maturity and coupon payments. Both debt issues are trading in the secondary market.
   A. Country B's debt is priced higher because the probability of rescheduling is lower for country A than for B.
   B. Country A's debt is priced higher because the probability of rescheduling is lower for country A than does country B.
   C. Country B's debt is priced lower because country B has a lower probability of rescheduling than does country A.
   D. Country A's debt is priced lower because country A has a higher probability of rescheduling than does country B.
   E. Both debt issues have the same price.

These questions accompany Appendix 15A.

90. The buyers of LDC loans often look to benefit from debt-equity swaps with the LDC for the purpose of investment in the LDC.
   True False

91. Debt-equity swap investors are assured that their assets will not face the risk of future expropriation.
   True False

92. A disadvantage of debt-equity swaps to investors often is the prohibition of repatriating dividends for long periods of time.
   True False

93. Commercial banks in the U.S. are not allowed to buy real equity or engage in commerce in foreign countries by Federal Reserve Regulation K.
   True False

94. In a MYRA the lender bank generally receives a restructuring fee and a higher interest rate in exchange for a longer maturity loan that has a grace period of no debt service payments.
   True False

95. Concessionality refers to the amount of book value the bank looses on a loan that has gone through a multiyear restructuring agreement.
   True False

96. One advantage of MYRAs is that usually they are designed with an option that allows the lending FI to choose the currency of repayment.
   True False

97. The more volatile are the currency exchange rates, the greater is the value of a currency option in a MYRA to the borrower and the more costly it is to the lender.
True False

98. The primary benefit of a debt for debt swap is the creation of a more marketable and liquid capital market instrument.
True False

99. If a two-year grace period is granted on a 10-year maturity, 15 percent annual coupon loan, previously selling at par, what is the impact on the loan's price?
A. The price falls to $75.61 per $100 face value.
B. The price increases to $130 per $100 face value.
C. The price falls to $82.64 per $100 face value.
D. The price falls to $79.72 per $100 face value.
E. The price stays at par.

These questions accompany Appendix 15A.
A bank is in the process of renegotiating a non-amortizing (principal and interest due at maturity) $50 million loan that is due in two years. The agreement required reducing the interest rates (compounded annually) from the existing 6 percent to 5 percent and to extend the maturity from two to five years. An up-front fee of 1/2 percent will be collected as part of the renegotiating fee.

100. If the cost of funds to the bank is 5 percent, what is the present value of the loan prior to the rescheduling?
A. $48.00 million.
B. $50.00 million.
C. $50.25 million.
D. $50.93 million.
E. $53.00 million.

101. What is the present value of the rescheduled loan to the bank if the cost of funds to the bank is 5 percent?

A. $48.00 million.
B. $50.00 million.
C. $50.25 million.
D. $50.96 million.
E. $53.00 million.

102. What is the concessionality of the above rescheduled loan if the cost of funds remains at 5 percent?
A. $0.25 million.
B. $0.50 million.
C. $0.68 million.
D. $0.90 million.
E. $1.00 million.

103. What should be the approximate up-front fee in order for the bank to have a concessionality of $0? The present value of the loan before and after rescheduling is the same.
A. 0.50 percent.
B. 1.00 percent.
C. 1.36 percent.
D. 1.86 percent.
E. 2.00 percent.

Lee Enterprises plans to invest $50 million in Mexico to set up a subsidiary. It could convert the $50 million at the current exchange rate of 7 Mexican peso (MP) per dollar or it could purchase a debt-for-equity swap of $50 million. The swap is being quoted in the market at 95-96.

104. The price quote of 95-96 means that

A. Lee can purchase a loan with a face value of $50 million for $48 million.
B. Lee can purchase a loan with a face value of $48 million for $50 million.
C. Lee can purchase a loan with a face value of $50 million for $47.5 million.
D. Lee can purchase a loan with a face value of $47.5 million for $50 million.
E. Lee can sell a loan with a face value of $50 million for $48 million.

105. If it purchases the swap, it has to convert the loan into Mexican pesos at the official exchange rate of MP6.75/$. How many pesos will it have for investment in Mexico?

A. 320.625 million pesos.
B. 342 million pesos.
C. 337.5 million pesos.
D. 350 million pesos.
E. 362.5 million pesos.

106. What is the effective exchange rate it gets on the debt-for-equity swap?

A. MP6.75/$.
B. MP6.90/$.
C. MP7.03/$.
D. MP7.50/$.
E. MP7.75/$.

107. Which option should it select?

A. It should not select the debt-for-equity swap because it will have fewer pesos to invest in Mexico.
B. It should not convert the pesos directly because it gets more pesos per dollar.
C. It should select the debt-for-equity swap because it will have more pesos to invest in Mexico.
D. It should convert the pesos directly because it gets fewer pesos per dollar.
E. It should be indifferent between the two options.

108. At what official exchange rate of conversion of the debt-for-equity swap will Lee Enterprises be indifferent between the two options?

A. MP6.72/$.
B. MP6.89/$.
C. MP7.00/$.
D. MP7.03/$.
E. MP7.50/$.

ch15 Key

1. FALSE

2. TRUE

3. FALSE

4. TRUE

5. TRUE

6. FALSE

7. TRUE

8. TRUE

9. FALSE

10. FALSE

11. TRUE

12. TRUE

13. TRUE

14. FALSE

15. TRUE

16. TRUE

17. FALSE

18. FALSE

19. TRUE

20. FALSE

21. TRUE

22. TRUE

23. TRUE

24. TRUE

25. FALSE

26. TRUE

27. TRUE

28. TRUE

29. FALSE

30. FALSE

31. FALSE

32. TRUE

33. TRUE

34. TRUE

35. TRUE

36. FALSE

37. TRUE

38. TRUE

39. FALSE

40. TRUE

41. TRUE

42. TRUE

43. TRUE

44. TRUE

45. FALSE

46. TRUE

47. A

48. C

49. B

50. A

51. B

52. D

53. B

54. C

55. D

56. D

57. A

58. C

59. D

60. D

61. C

62. B

63. C

64. B

65. E

66. D

67. B

68. C

69. B

70. D

71. A

72. B

73. C

74. B

75. C

76. E

77. E

78. B

79. D

80. C

81. E

82. E

83. C

84. A

85. B

86. D

87. A

88. A

89. D

90. TRUE

91. FALSE

92. TRUE

93. TRUE

94. FALSE

95. FALSE

96. TRUE

97. FALSE

98. TRUE

99. A

100. D

101. C

102. C

103. D

104. A

105. C

106. C

107. C

108. A

ch15 Summary

Category	*# of Questions*
Saunders - Chapter 15	112