

Name _____

Discovering Dividends: A Share of the Profits

Multiple Choice Questions

1. What are dividends?
 - a) A way to borrow money from a company
 - b) A share of a company's profits paid to stockholders
 - c) A type of stock
 - d) A form of company debt

2. How are dividends typically paid to shareholders?
 - a) Through a monthly direct deposit
 - b) In the form of additional shares
 - c) By sending a gift card
 - d) As a one-time lump sum payment

3. Which of the following is NOT one of the key dates in the dividend payment process?
 - a) Declaration Date
 - b) Ex-Dividend Date
 - c) Christmas Day
 - d) Payment Date

4. Why do some investors find dividend stocks appealing?
 - a) Because they guarantee high returns
 - b) Because they offer quick profits
 - c) Because they provide a regular source of income
 - d) Because they require no investment knowledge

5. What is the Ex-Dividend Date?
 - a) The date when dividends are paid
 - b) The date when dividends are declared
 - c) The date when you must own the stock to receive the current dividend
 - d) The date when dividends are reinvested

