

MasterMath

Credit Cards

Name _____

Date _____

1. If a merchant has \$685.15 in credit card sales, and pays a transaction fee of 2.75% to the credit card company, his net receipts for the credit card sales will be what?

\$661.31

2. How frequently you apply for credit will not impact your credit score: true or false?

FALSE

3. The most important factor used to determine your credit score is:

Your history of on-time payments

Statement of Personal Credit Card Account		
Retain this portion for your files.		
Cardmember Name JOE EMPLOYEE	Account Number 1234-456-890	Statement Closing Date 01-31-01
Statement Date:	Payment Due Date:	
Closing Date:	Annual Percentage Rate: 18%	
Average Daily Balance: \$398.45	Credit Available:	
New Balance:	Minimum Payment Due:	
Account Summary		
Previous Balance:	\$465.15	Transaction Fees:
Purchases:	\$378.12	Annual Fees:
Cash Advances:		Current Amount Due:
Payments:	\$425.00	Amount Past Due:
Finance Charge:		Amount Over Credit Line:
Late Charge:		NEW BALANCE:

4. Based upon the Monthly Credit Card Statement above, answer these questions:

What was your interest expense for the month?

\$5.98

What was your Account Balance at the end of the month?

\$424.25

5. You have a great credit rating, and the Annual Percentage Rate (APR) that you pay on your credit card is 9.9%. Your friend Joe has a bad credit history, and the APR on his credit card is 24.9%. If both of you have Average Daily Balances of exactly \$2,500 for the month, how much less will you pay in interest expense than Joe will pay?

\$31.25

6. The range of credit scores, from lowest to highest, is:

300 - 850