

Name: _____ 12 months no interest

Period: _____

You will add the total interest to itself each time. You will only add it in if you have a balance after three payments. The total interest will then be added in. You will then add in interest calculated for each line item.

1. Melton bought a laptop from PC Laptops and financed it through GE Capital Retail Bank. There is a 29.99% annual interest. You plan to pay \$200.00 each month. The computer cost \$2,130.00.

Payment number	Balance	Payment amount	New total	Delayed calculated interest	Total accrued interest	Current balance
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						

question - can you pay off the balance before the interest is added on?

2. Melton bought a laptop from PC Laptops and financed it through GE Capital Retail Bank. There is a 29.99% annual interest. You plan to pay \$200.00 each month. The computer cost \$2,130.00. On the sixth month, the payment was late. Interest is now added to the total.

Payment number	Balance	Payment amount	New total	Delayed calculated interest	Total accrued interest	Current balance
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						

question - what is the total interest that you pay on the purchase?

3. Melton bought a laptop from PC Laptops and financed it through GE Capital Retail Bank. There is a 29.99% annual interest. She made an initial payment of \$600.00. The payments will vary after and are filled in the chart. The computer cost \$2,130.00.

Payment number	Balance	Payment amount	New total	Delayed calculated interest	Total accrued interest	Current balance
1		600				
2		100				
3		75				
4		100				
5		75				
6		150				
7		100				
8		100				
9		50				
10		150				
11		200				
12		150				
13		150				
14		200				
15		150				
16		Remaining balance				

Questions - what is the total interest paid

What could have been done differently to pay it off by the end of 12 months?