

Finance Math

Name: _____

Chapter 4 Quiz #2

Period: _____

Credit Cards

Please answer the following questions. Show Work for problems that require calculations!

- 1) If the APR on a credit card is 21.6%, what is the **monthly periodic rate**?

- 2) If the **monthly periodic rate** on a credit card is 1.7%, what is the **APR**?

- 3) If the average daily balance on your credit card for a cycle is \$1,254.00 and your APR is 16.8%. What is your **finance charge** for this cycle?

- 4) What is the **average daily balance** on your credit card if the following is true?
 - 7 days at \$895.50
 - 5 days at \$956.70
 - 3 days at \$756.70
 - 11 days at \$1,230.40
 - 4 days at \$1475.24

- 5) Circle any quantities below that, when added, give you the **new ending statement balance** for your account.

Monthly Periodic Rate	Finance Charge	Minimum Payment Due
Balance on Last Day of Cycle	Late Payment Fee	Individual Purchase

- 6) What is true about **finance charges** when you pay your balance **in full** every month?

- 7) Describe how your **available credit** is determined at the end of each billing cycle?

- 8) When looking at your account activity, what transaction would LOWER your **account balance**?