

- ① Choose an everyday item from home, and write down its real price. Then, discuss the following:
- Would you use a credit card to buy this?
 - Is it a need or a want?
 - How quickly could you realistically pay it off?

- ② Use this easy formula to see the extra cost when you borrow. Calculate both numbers.

Interest = Price × 0.20 (20%)

Total Cost = Price + Interest

- ③ Compare “Cash Price” vs. “Credit Price” to see when credit is helpful, harmful, or simply expensive.

Cash: \$_____ Credit with interest: \$_____

Extra paid because of interest: \$_____

CREDIT 101 BORROWING CHALLENGE

A hands-on activity to see how interest adds up and what's a smart use of credit.

