**Scenario 1: You have just received a credit card bill for $1500. Your credit card’s rate is 19%. The payment is due in February. You can afford to pay $200 per month. Use compound interest formula with n = 12 and t = 1/12 to find the ending balance each month, until you pay the $1500 off.**

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| **Month** | **Beginning Balance** | **Amount Paid** | **Outstanding Balance** | **Interest Calculation**  **A = P(1 + r/n)nt** | **Ending Balance** |
| February | $1500 | $200 |  |  |  |
| March |  |  |  |  |  |
| April |  |  |  |  |  |
| May |  |  |  |  |  |
| June |  |  |  |  |  |
| July |  |  |  |  |  |
| August |  |  |  |  |  |
| September |  |  |  |  |  |
| October |  |  |  |  |  |
| November |  |  |  |  |  |

1. In what month do you finish paying off the credit card bill?
2. What is the total cost?
3. What is the finance charge?

**Scenario 2: You have just received a credit card bill for $3200. Your credit card’s rate is 24%. The payment is due in June. You can afford to pay $500 per month. Use compound interest formula with n = 12 and t = 1/12 to find the ending balance each month, until you pay the $3200 off.**

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| **Month** | **Beginning Balance** | **Amount Paid** | **Outstanding Balance** | **Interest Calculation**  **A = P(1 + r/n)nt** | **Ending Balance** |
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1. In what month do you finish paying off the credit card bill?
2. What is the total cost?
3. What is the finance charge?