## Grade 11 Essential Math Credit Quiz

 Use the simple interest formula (I = Prt) to calculate the interest charged on a \$9,500 loan at 4.75% for 7 years. (2 marks)

- Sally is buying a new piano. The cash price is \$2389.83 plus taxes (5% GST and 7% PST). The store offers an installment plan. The installment terms are \$149 down and \$249 a month for twelve months (all taxes are already included in the price).
  - a) Calculate the cash selling price of the piano. (2 marks)

b) Calculate the installment price of the piano. (2 marks)

c) Calculate the finance charge (extra) that Sally pays if she decides on the installment plan. (1 mark)

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- Mike takes out a \$9,500 loan to buy a snowmobile. His bank offers him a 7year loan at an interest rate of 4.75%. His monthly loan payment is \$133.19.
  - a) How many times will Mike make his monthly loan payment? (1 mark)

b) How much does Mike pay in total at the end of 7 years? (2 marks)

c) How much interest does Mike end up paying with this loan? (1 mark)

 Approximately what interest rate would a credit card company charge? (1 mark)