

The True Cost of Borrowing

Name: _____ Date: _____

1 Read the fictional story

A fictional item costs €90 if paid now. One offer says “3 easy payments of €34.” Another says “Pay €90 later, with no stated fee” under this exercise’s assumptions. Read every term before judging a real offer.

2 Look at the three cards

1

PAY NOW €90

2

3 × €34

3

PAY LATER €90*

3 Work with the cards

1. Add the three €34 payments. How much above the €90 price is that?

2. Under the stated exercise assumptions, which offer has the lowest total?

Use words, arrows or numbers to show your thinking.

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4 Think further

3. Why is “only €34 each time” an incomplete way to compare?

5 Explain your answer

What figure should you compare first across borrowing offers?

Check your reasoning

CLAIM

EVIDENCE

ASSUMPTION

NEXT CHECK
