

## 2.2 Exploring Credit Card Use

Usually:

- interest **compounded daily**
- rates vary from 12% - 29%
- allow three weeks after the statement date to be paid without interest
- have a minimum payment requirement (or a % of outstanding balance)
- may have an **annual fee** especially if they have incentives (**travel rewards, cash back option, shopping discounts..**)
- offer travel insurance, protection against theft or damage....
- Explore the Math together
- Homework: pg. 100 #1-4

\* cash advances

pay the max  
interest immediately

between 50\$ and \$120  
but may be as high as  
\$400 or \$500 per year!

specialty cards

↳ american express

↳ diners card