

NAME: _____

DATE: _____

CASE STUDY

Cost & Risk Investigation

What + Why: Examine borrowing options to identify when debt may stay manageable and when it may create increasing risk over time.

Look closely at Kai's financing options. What could make one option easier to manage than another?

Supporting Materials:

Laptop Financing Costs & Risk Comparison (Case Study)

Instructions:

1. Read the **Laptop Financing Costs & Risk Comparison** case study information.
2. As you look at the case study materials:
 - Circle deadlines.
 - Underline places where cost increases.
 - Highlight situations where one financial misstep might cause a bigger problem.
3. Then, with a partner, think about and answer the reflection questions below.



Reflection Questions

1. Which borrowing option has the highest fees or interest rate, and how does that affect the total cost compared to the other options?
2. Which borrowing options have a deadline that, if missed, significantly increases the total cost?
3. Which borrowing option becomes hardest to pay down if something goes wrong?
4. What features of the repayment structure make recovery harder once someone falls behind?