

NAME: _____

DATE: _____

CASE STUDY

Follow the Evidence

What + Why: Score one of Kai's borrowing options to evaluate how manageable it remains over time.

Debt doesn't always become unmanageable overnight. Repayment pressure can build gradually, and the financial signals that appear early often indicate whether a situation is likely to stabilize or escalate.

Supporting Materials:

Laptop Financing Costs & Risk Comparison
(Case Study)



Part 1: Find Evidence

Instructions:

1. With your small group, explore the **Laptop Financing Costs & Risk Comparison** case study materials, focusing on one of Kai's borrowing options.
2. Use evidence from the case study materials to answer each question, filling out the middle column of the Debt Survivability Scorecard.
3. Do not score your loan option of focus yet. Find all of the evidence needed first.

Part 2: Score Your Borrowing Option

Instructions:

1. With your small group, complete the Score (1-3) column in the Debt Survivability Scorecard.
2. Agree on a score for each factor of the borrowing option you focused on.
 - 3 = Strong (Low Risk / Highly Survivable)
 - 2 = Moderate (Manageable but Some Risk)
 - 1 = Weak (High Risk / Hard to Escape)
3. Add up your scores for each factor to get a Total Survivability Score. *The higher the total score, the more survivable the borrowing option.*
4. Be prepared to share the following information with the whole group during Part 3:
 - Your borrowing option
 - Your Total Survivability Score
 - The one factor that most influenced your score

Debt Survivability Scorecard

Our Borrowing Option: _____

Questions/Factors to Consider	Evidence from Case Study Materials	Score (1-3)		
What is the monthly payment, and does it stay under the \$250 budget? (A payment that fits the budget is more survivable.)		1 ○	2 ○	3 ○
What fees, penalties, or consequences are triggered by a missed payment? (Options with smaller penalties or more flexibility are more survivable.)		1 ○	2 ○	3 ○
Are there any terms or conditions that could cause the cost to increase suddenly? (Options without sudden cost triggers are more survivable.)		1 ○	2 ○	3 ○
Does the balance decrease consistently with each payment? (A balance that consistently shrinks is more survivable.)		1 ○	2 ○	3 ○
Are there any conditions under which the debt could grow rather than shrink? (Options where debt can grow quickly are less survivable.)		1 ○	2 ○	3 ○
Our Total Survivability Score:				

Part 3: Class Share-Out

Instructions:

1. As each group shares their findings, individually record their Total Survivability Score in the following chart.
2. Use the Total Survivability Scores to individually rank all four options from most to least survivable and explain what most influenced your ranking.

Note: A high Total Survivability Class Score means your classmates evaluated that borrowing option and found it highly survivable based on the evidence. You may weigh the factors differently. When ranking, give your most survivable option a 1.

Borrowing Option	Total Survivability Score (Class)	My Survivability Ranking (1 = Most Survivable → 4 = Least Survivable)
Store credit card		
Buy Now, Pay Later (BNPL)		
Student credit card		
Payday loan		

3. **Individually answer the following question:** What is the one factor that most influenced your survivability ranking in the preceding chart?