Samantha Goes Travelling

1. Samantha is traveling to New York City! She has $500 Canadian Dollars (CAD) to convert to United States Dollars (USD). The exchange rate is $1.00 CAD to $0.80 USD. How much USD will Samantha get, according to this exchange rate?

2. a) Samantha decides to pay with her credit card while in New York City. She spends $250 on her credit card over 10 transactions. Each transaction is exactly $25 each. For every purchase she makes on her credit card, she is charged a 4% service fee. How much is the service fee on each purchase?

   b) How much did Samantha pay in service fees in total?

   c) If a foreign currency exchange counter was to charge her a flat rate of $5.00 to exchange her cash from CAD into USD, is it a better option for Samantha to use cash or credit card while traveling? Explain.

3. Samantha worked in New York City and earned $1,500 USD. She wants to use this money for her travels to the United Kingdom, where she will use British Pounds. The exchange rate is 1 USD = 0.75 British Pounds. How much money in Pounds does she have for her trip?

Name:_____

3. Samantha is traveling to New York City! She has $500 Canadian Dollars (CAD) to convert to United States Dollars (USD). The exchange rate is $1.00 CAD to $0.80 USD. How much USD will Samantha get, according to this exchange rate?

$$\$500 \, CAD \left(\frac{0.8 \, USD}{1 \, CAD}\right) = \$400$$

According to this exchange rate, Samantha will get $400 USD.

4. a) Samantha decides to pay with her credit card while in New York City. She spends $250 on her credit card over 10 transactions. Each transaction is exactly $25 each. For every purchase she makes on her credit card, she is charged a 4% service fee. How much is the service fee on each purchase?

$$0.04 \times \$25 = \$1$$

Each purchase she makes, Samantha pays $1 in service fee.

b) How much did Samantha pay in service fees in total?

Because Samantha made 10 purchases, she paid $10 in service fee.

c) If a foreign currency exchange counter was to charge her a flat rate of $5.00 to exchange her cash from CAD into USD, is it a better option for Samantha to use cash or credit card while traveling? Explain.

It is better for Samantha to use cash rather than her credit card. Converting cash to use abroad would cost her $5, whereas using her credit card would cost her $10.

3. Samantha worked in New York City and earned $1,500 USD. She wants to use this money for her travels to the United Kingdom, where she will use British Pounds. The exchange rate is 1 USD = 0.75 British Pounds. How much money in Pounds does she have for her trip?

$$\$1,500 \, USD \left(\frac{0.75 \, British \, Pounds}{1 \, USD}\right) = £1,125 \, British \, Pounds$$