

Exemplar #6 – Score: 2

- ✓ The work demonstrates a basic understanding of the situation.
 - determines the total investment over 5 years for each partner; however, calculations contain an error
 - a portion of the sale price is allocated to each partner; however, the rationale for the allocation is unclear
- ✓ The strategy is unclear and/or incomplete.
 - although a portion of the sale price is allocated to each partner, it is unclear how that amount was determined
- ✓ The logic correctly references some aspects of the problem.
 - total investment of each partner is determined and each partner is allocated a portion of the sale price
 - each partner's investment has some bearing on the sale price allocation; however, a significant proportion of the sale price is not allocated
- ✓ The reasoning is unclear; supporting calculations are not well represented; the solution has some structure.
 - the calculations for investments are shown, but contain an error
 - the calculations to determine sale price allocation are shown; however, rationale is not provided and amounts are unreasonable

Joe: $8500 + 50,000 = 58,500 \times 1.5 = \$87,750$
Ted: $22,000 + 1250 / \text{month} = 23,250 \times 1.5 = \$34,875 + 1250 \times 12 \times 5$
 $34,875 + 75,000$
 $109,875$

Joe and Ted should get the same amount which is ~~276,187.5~~ because that is what they contributed through the whole five years they have been running this company.

$$\begin{array}{r} 750,000 \\ - 87,750 \\ \hline 662,250 \\ - 109,875 \\ \hline 552,375 \\ \hline 2 \\ \hline \$276,187.5 \text{ each} \end{array}$$