

Review for Test (Sheet

$$\begin{aligned} 1. \quad I &= Prt \\ &= (7200)(0.0623)(5) \\ &= \$2242.80 \end{aligned}$$

$$\begin{aligned} 2. \quad A &= P \left(1 + \frac{r}{n} \right)^{nt} \\ &= 5600 \left(1 + \frac{0.0275}{12} \right)^{(12)(9)} \\ &= 5600 \left(1.00229 \right)^{108} \\ &= 5600 (1.280) \\ &= \$7170.56 \end{aligned}$$

$$= \$7170.56$$

$$\begin{aligned}
 3. \quad I &= Prt \\
 &= (6500)(0.07)\left(\frac{3}{12}\right) \\
 &= \$113.75
 \end{aligned}$$

$$\begin{aligned}
 4. \quad A &= P\left(1 + \frac{r}{n}\right)^{nt} \\
 &= 2375\left(1 + \frac{0.033}{2}\right)^{(2)(10)} \\
 &= 2375(1.0165)^{20} \\
 &= 2375(1.38782) \\
 &= \cancel{2797.29} \\
 &= \$3294.67
 \end{aligned}$$

$$\begin{aligned} 5. \quad A &= P \left(1 + \frac{r}{n} \right)^{nt} \\ &= 950 \left(1 + \frac{0.039}{26} \right)^{(26)(6)} \\ &= 950 (1.0015)^{156} \\ &= 950 (1.2634) \\ &= \$1200.25 \end{aligned}$$

Part 2.

$$\begin{aligned} 1. \quad I &= Prt \\ 102 &= P(0.032)(5) \\ 102 &= P(0.16) \\ \$637.50 &= P \end{aligned}$$

$$102 = P(0.032)(5)$$
$$102 = P(0.16)$$
$$*637.50 = P$$

2. $I = Prt$

$$63 = P(0.058)(7)$$
$$63 = P(0.406)$$
$$*155.17 = P$$

3. $I = Prt$

$$256 = 12000(r)(6)$$
$$256 = 72000r$$
$$0.00356 = r$$
$$r = 0.356\%$$

4.

$$I = Prt$$
$$112 = 8250 (r) (3)$$
$$112 = 24750 r$$
$$0.004525 = r$$
$$r = 0.45 \%$$

5.

$$I = Prt$$
$$160 = 9300 (0.0395) t$$
$$160 = 367.35 t$$
$$0.4355 = t$$

Part 3

Part 3

<p>a) $I = Prt$ $= 511 (0.17) \left(\frac{21}{365}\right)$ $= 4.998$ $= \\$5.00$</p>	}	<p>Minimum Paym $\\$511 \times 0.05$ 25.55</p>
<p>b) $I = Prt$ $= 762 (0.1995) \left(\frac{29}{365}\right)$ $= \\$12.08$</p>	}	<p>$\\$762 \times 0.05$ $\\$38.10$</p>
<p>c) $I = Prt$ $= (93) (0.1775) \left(\frac{14}{365}\right)$ $= \\$0.63$</p>	}	<p>$\\$93 \times 0.05$ $\\$4.65$ \$10</p>

Bank of ATLANTIC CANADA	Customer Name: Card Number: Statement Dates:	Sponge Bob 458 654 566 Nov. 1, 2011 - Nov. 31, 2011
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Transaction Date	Posting Date	Activity description	Amount (\$)
PREVIOUS STATEMENT BALANCE			
Nov. 02	Nov. 03	PAYMENT - THANK YOU	\$56.87
Nov. 06	Nov. 07	Square Pants factory	(\$50.00)
Nov. 20	Nov. 21	Krusty Crab	\$47.00
			\$16.25

Payment Information		Calculating your balance	
Minimum payment		Previous balance	\$
Payment due date	Dec. 10	Payments & credits	\$
Credit Limit	\$2,000.00	Purchases	\$
Available credit		Cash advances	\$
Annual interest rate	18.25%	Interest	\$
		Other fees	\$
		New Balance	\$

- The interest rate is: 18.25%
- What is the previous balance? 56.87
- How much was his payment? 50.00
- How much does he still owe after his payment? 6.87
- What did he purchase in November? \$47, \$16.25
- Calculate the new balance. \$70.12
- ~~If the interest is 3.78~~, what will his minimum payment be? \$3.51 - \$10.00
- What is her available credit? \$1929.88
- Will Sponge Bob have to pay interest? Why? yes, because he didn't pay the full amount.

1. The interest rate is: 18.25%
2. What is the previous balance? 56.87
3. How much was his payment? 50.00
4. How much does he still owe after his payment? 6.87
5. What did he purchase in November? \$47, \$16.25
6. Calculate the new balance. \$70.12
7. ~~If the interest is \$78~~, what will his minimum payment be? \$3.51 - \$10.00
8. What is her available credit? \$1929.88
9. Will Sponge Bob have to pay interest? Why? yes, because he didn't pay the full amount.

Sally invested 2500 at 4.25% interest compounded quarterly for 8 years

- a) What will be the value of her investment after the 8 years?
 b) How much interest will she earn?

(a)

$$A = P \left(1 + \frac{r}{n} \right)^{nt}$$

$$= 2500 \left(1 + \frac{0.0425}{4} \right)^{(4)(8)}$$

$$= 2500 (1.010625)^{32}$$

$$= 2500 (1.4024)$$

$$= \$3506.07$$

(b) Interest?

$$\begin{array}{r} \$3506.07 \\ - 2500 \\ \hline \$1006.07 \end{array}$$

11

amount (\$)
\$56.87
(\$50.00)
\$47.00
\$16.25

②

PERSONAL LOAN PAYMENT CALCULATOR: MONTHLY PAYMENT PER \$1000.00 BORROWED (INTEREST COMPOUNDED MONTHLY)					
Interest rate (%)	Term in years				
	1	2	3	4	5
3.00	84.69	42.98	29.09	22.13	17.97
3.25	84.81	43.09	29.19	22.24	18.08
5.00	85.61	43.87	29.97	23.03	18.87
5.25	85.72	43.98	30.08	23.14	18.99
5.50	85.84	44.10	30.20	23.26	19.10
5.75	85.95	44.21	30.31	23.37	19.22
6.00	86.07	44.32	30.42	23.49	19.33
6.25	86.18	44.43	30.54	23.60	19.45
6.50	86.30	44.55	30.65	23.71	19.57
6.75	86.41	44.66	30.76	23.83	19.68
7.00	86.53	44.77	30.88	23.95	19.80

Isabelle borrowed \$5000 at 5.25% interest for 3 years.

Isabelle!

a) $\$30.08 \times 5 = \150.40

b) $\$150.40 \times 12 \times 3 = \5414.40

c) $\$5414.40 - 5000 = \414.40

Marsha

a) $43.09 \times 3.56 = \$153.40$

b) $\$153.40 \times 12 \times 2 = \3681.60

$\$3681.60 - 3560 = \121.60

Justin borrowed \$10000 at 6% interest for 4 years.

a) What is his monthly payment?

\$10.00

cause
+ pay

Isabelle borrowed \$5000 at 3.25% interest for 3 years.

a) What is her monthly payment?
 b) How much does she pay back to the bank in total?
 c) What is the finance charge?

Marsha borrowed \$3560 at 3.25% interest for 2 years.

a) What is her monthly payment?
 b) What is the finance charge?

Justin borrowed \$10000 at 6% interest for 4 years.

a) What is his monthly payment?
 b) What is the finance charge?

④ *** Are there any limitations when using internet banking?
 (Is there anything you can't do?)

Withdraw money.

Justin.
 a) 23.49×10
 $= \$234.90$
 b) $234.90 \times 12 \times 4$
 $= \$11275.20$
 $- 10000$
 $= \$1275.20$

Handwritten notes on the left margin:
 \$10.00
 cause
 pay
 amount.
 st?
 07
 .07