

$$1. \quad I = Prt$$

$$I = 7200(0.0623)(5)$$

$$I = \underline{\underline{\$2,242.80}}$$

$$2. \quad A = P \left(1 + \frac{r}{n}\right)^{nt}$$

$$A = 5600 \left(1 + \frac{0.0275}{12}\right)^{(12)(9)^{108}}$$

$$A = 5600(1.0022917)^{108}$$

$$A = 5600(1.2804567)$$

$$A = \underline{\underline{\$7170.56}}$$

$$3. \quad I = Prt$$

$$I = 6500(0.07)\left(\frac{3}{12}\right)$$

$$I = 6500(0.07)(0.25)$$

$$I = \underline{\underline{\$113.75}}$$

$$4. \quad A = P \left(1 + \frac{r}{n} \right)^{nt} \quad 20$$

$$A = 2375 \left(1 + \frac{0.033}{2} \right)^{(2)(10)}$$

$$A = 2375 (1.0165)^{20}$$

$$A = 2375 (1.3872)$$

$$A = \$3294.67$$

Time: 29 days

$$5. \quad A = P \left(1 + \frac{r}{n} \right)^{nt}$$

$$A = 950 \left(1 + \frac{0.039}{26} \right)^{(26)(6)}^{156}$$

$$A = 950 (1.0015)^{156}$$

$$A = 950 (1.263423)$$

$$A = \underline{\underline{\$1200.25}}$$

$$1. \quad \begin{array}{l} I = 102 \\ P = ? \end{array}$$

$$\begin{array}{l} I = Prt \\ 102 = P(0.032) \end{array}$$

1. $I = 102$
 $P = ?$
 $r = 0.032$
 $t = 5$

$$I = Prt$$
$$102 = P(0.032)(5)$$
$$\frac{102}{0.16} = \frac{P(0.16)}{0.16}$$

$$P = \underline{\underline{\$637.50}}$$

2. $I = 63$
 $P = ?$
 $r = 0.058$
 $t = 7$

$$I = Prt$$
$$63 = P(0.058)(7)$$
$$\frac{63}{0.406} = \frac{P(0.406)}{0.406}$$

$$P = \underline{\underline{\$155.17}}$$

3.

$$I = 256$$

$$P = 12000.00$$

$$r = ?$$

$$t = 6$$

$$I = Prt$$

$$256 = (12000)r(6)$$

$$\frac{256}{72000} = \frac{r(72000)}{72000}$$

$$r = 0.0035 \times 100$$

$$\text{rate} = \underline{\underline{0.36\%}}$$

; 29 days

paid balance: \$93.00

interest rate per annum: 17.75% per annum

term: 14 days

Interest: _____

Minimum Payment: _____

4.

$$\begin{array}{l} I = 112 \\ P = 8250.00 \\ r = ? \\ t = 3 \end{array}$$

$$\begin{array}{l} I = Prt \\ 112 = (8250)r(3) \\ \frac{112}{24750} = r \frac{(24,750)}{24750} \end{array}$$

$$r = 0.00453 \times 100$$

$$r = 0.453\%$$

5.

$$\begin{array}{l} I = 160 \\ P = 9300 \\ r = 0.0395 \\ t = ? \end{array}$$

$$\begin{array}{l} I = Prt \\ 160 = 9300(0.0395)(t) \\ \frac{160}{367.35} = \frac{367.35}{367.35} t \end{array}$$

$$t = 0.436 \text{ years}$$

or

$$5.23 \text{ months}$$

or

$$159 \text{ days.}$$

Minimum Payments & Interest

a) Interest: $I = Prt$
 $I = 511(0.17)\left(\frac{21}{365}\right)$
 $I = 511(0.17)(0.0575342)$
 $I = 4.9$
 $I = \$5.00$

Min. Pay $511.00 \times 0.05 = \$25.55$ or 10.00

Hilroy

Time: 29 days

b) Interest:

$$I = Prt$$

$$I = 762(0.1995)\left(\frac{29}{365}\right)$$

$$I = 762(0.1995)(0.079452)$$

$$I = \$12.08$$

$$\text{Min Pay: } 762 \times 0.05 = \textcircled{38.10} \text{ or } \$10.00$$

c) Interest:

$$I = Prt$$

$$I = 93(0.1775)\left(\frac{14}{365}\right)$$

$$I = 93(0.1775)(0.0383561)$$

$$I = \$0.63$$

$$\text{Min Pay: } 93 \times 0.05 = \$4.65 \text{ or } \textcircled{\$10.00}$$

FINANCE CHARGE SUMMARY	PURCHASES	ADVANCES	For Customer Service Call: 1-800-xxx-xxxx For Lost or Stolen Card, Call: 1-800-xxx-xxxx 24-Hour Telephone Numbers
Periodic Rate	1.65%	0.54%	
Annual Percentage Rate	19.80%	6.48%	

1. The date of the statement is: 2/13/09 (Answer Format: 00/00/00)
2. What is the Annual Percentage Rate (APR) for purchases? 19.8 %
3. What is the new balance? \$ 125.24
4. What is the previous balance? \$ 168.80
5. How many charges were made during the billing cycle? 5 charges.
6. How many payments were made during this billing cycle? 1
7. What is the total amount of the credit line? \$ 1200.00
8. What is the total amount of available credit? \$ 1074.76
9. What is the total amount of charges made during the current billing period? \$ 125.24
10. How much was John's payment? \$ 168.80
11. How much interest will John owe on next statement? 0
12. When is the minimum payment due? 3/09/09