| Math 113 | | |
|--------------|--------|----------|
| Quiz # 6 – S | Simple | Interest |

| Name | |
|------|--|
| Date | |

Equations to use:

$$I = Prt$$

$$I = Prt$$
 $A = P(1 + rt)$

$$I = A - P$$

Where:

$$A =$$
future value

$$r = annual interest rate$$

$$t = length of loan in years$$

- 1. Find the interest due when \$800 is borrowed for 8 months at 7% simple interest.
- 2. What is the simple interest rate when \$800 is borrowed and the amount owed after 9 months is \$8,750?
- 3. Find the simple interest on a \$500 investment made for 2 years at an interest rate of 8%/year. What is the accumulated amount (i.e. future value)?

4. A loan of \$7,260 was repaid at the end of 8 months. What size repayment check (future value) was repaid, if a 6.5% annual rate of interest was charged?