1. Find the interest paid on a loan of ​$3800 for 4 months at a simple interest rate of 7​% per year. Round to the nearest cent.

A. $88.67

B. $66.50

C. $110.83

D. $89.41

2. Find the maturity value of a loan of ​$8353 after 7 months. The loan carries a simple interest rate of 12​% per year. Round to the nearest cent.

A. $8,854.18

B. $8,942.62

C. $9,021.24

D. $8,937.71

3. Convert to​ years, expressed in decimal form to the nearest hundredth when necessary.

39 months

A. 3.55 years

B. 468 years

C. 3.90 years

D. 3.25 years

4. You need to borrow $ 1 comma 400 to cover your school expenses for 6 months. After calling several​ places, you can choose between a money store charging 18​% simple interest per year or your family who will charge you 12​% per year. How much will you save by borrowing from your​ family? Round to the nearest cent.

A. $84.00

B. $504.00

C. $210.00

D. $42.00

5. Find the exact time of a loan made on April 3 and due on February 18.

A. 321 days

B. 265 days

C. 322 days

D. 320 days

6. Fill in the blank.

If you assume each month has 30 days when calculating​ interest, time is considered​ \_\_\_\_\_\_\_.

A. exact

B. variable

C. approximate

D. ordinary

7. Find the ordinary interest on a loan of ​$3630 at 12​% annually for 327 days. Round to the nearest cent.

A. $394.46

B. $4 comma 025.67

C. $395.67

D. $435.60

8. Find the ordinary interest on a loan of $ 680 at 8​% annually made on February 26 and due May 31. Round to the nearest cent.

A. $694.2

B. $14.20

C. $54.40

D. $14.05

9. Fill in the blank.

The method used to calculate interest that is sometimes known as the​ Banker's Rule is​ \_\_\_\_\_\_\_.

A. exact interest using exact time

B. ordinary interest using ordinary time

C. exact interest using ordinary time

D. ordinary interest using exact time

10. Find the adjusted balance due at maturity for a 180 day note of​ $38,400 at 12.2​% ordinary interest if a partial payment of​ $20,000 is made on the 100th day of the loan. Round to the nearest cent.

A. $1,301.33

B. $20,235.46

C. $19,701.33

D. $534.13

11. Jorge makes a simple discount note with a face value of ​$2 000​, a term of 150 ​days, and a 10​% discount rate. Find the discount. Round to the nearest cent.

A. Discount: ​$82.19

B. Discount: ​$83.33

C. Discount: ​$200.00

D. Discount: ​$0

12. Find the discount and proceeds on a ​$60 comma 540 ​face-value note for 190 days if the discount rate is 10.75​%. Round to the nearest cent.

A. Discount = $6,508.05

Proceeds = $54,031.95

B. Discount = ​$3,434.80

Proceeds = ​$57,105.20

C. Discount = $- 54,486

Proceeds = ​$60,540

D. Discount = $3,387.75

Proceeds​ = $57,152.25

13. Find the maturity value on a $ 6309 ​face-value note for 166 days if the discount rate is 10​%.

A. $ 6,337.69

B. $ 6,599.92

C. $ 6,604.01

D. $ 6,018.09

14. Sam Peters needs to calculate the effective interest rate of a simple discount note for $ 4,000​, at an ordinary bank discount rate of 14​%, for 140 days. Find the effective interest rate rounded to the nearest tenth of a percent.

A. 14.8​%

B. 14.6​%

C. 5​%

D. 14.9​%

15. Find the installment price of a laptop computer bought on the installment plan with $ 100 down and 36 payments of $ 15.12.

A. $100

B. $644.32

C. $544.32

D. $429.99

16. The installment price of a watch is ​$268.56 with 6 monthly payments and a down payment of $ 45. Find the monthly payment.

A. $36.44

B. $223.56

C. $14.56

D. $37.26

17. John purchased a GPS system for $ 580 and financed it for 15 months. The total finance charge was $ 65.83. Find the annual percentage rate.

A. 16.50%

B. 16.25%

C. 16.75%

D. 16.00%

18. The unpaid balance in an account at the beginning of December was ​$203. A payment of ​$25 was made on December 20. The interest rate was​ 1.6% per month of the average daily balance. Find the new balance at the end of December. Round to the nearest cent.

A. $179.60

B. $181.00

C. $181.09

D. $208.93

19. Fill in the blank.

Loans in which there is no fixed number of payments and the interest is calculated on the unpaid balance at the end of each payment period are referred to as​ \_\_\_\_\_\_\_.

A. closed-end loans

B. average daily balance loans

C. basic installment loans

D. open-end loans

20. James has a credit card with a monthly rate of 1.9​%. The account applies the unpaid balance method. His unpaid balance for the Feb billing cycle is $1,022.70. During the billing cycle he made purchases of $473.55​, returned items for $14.78​, and made a payment of $215.00. Find the new balance. Round to the nearest cent.

A. $1,300.68

B. $1,285.90

C. $263.20

D. $1,315.46

21. Round to the nearest cent.

$ 1,100 at 8​% compounded quarterly for 7 years

A. $1,263.55

B. $1,885.21

C. $1,915.12

D. $1,716.00

22. Round to the nearest cent.

$ 1,230 at 6​% compounded semiannually for 8 years

A. $743.79

B. $730.43

C. $328.13

D. $590.40

23. Jenny Sherrer has ​$24,000 to invest and believes that she will earn​ 8% compounded semiannually. Find the future value amounts if she invests for 3 years and for 9 years. Then find the additional amount earned due to the longer period.

A. $18,252.00

B. $7,162.80

C. $21,623.04

D. $57,819.60

24. Find the effective interest rate for a loan for three years compounded quarterly at an annual rate of 6​%.

A. 6.14​%

B. 6.23​%

C. 6.20​%

D. 6.09​%

25. Find the amount that should be set aside today to yield the desired future amount. Round to the nearest cent.

Future Amount Needed - ​$9,000

Time​ (Years) - 12

Interest Rate – 4%

Compounded - semiannually

A. $14,475.94

B. $5,595.48

C. $3,404.52

D. $5,621.37

26. Southwest Dry Cleaners believes that it will need new equipment in 5 years. The equipment will cost​ $26,000. What lump sum should be invested today at 2​% compounded​ semiannually, to yield​ $26,000?

A. $24,795.34

B. $23,537.54

C. $25,295.61

D. $24,733.40

27. Find the future value of the ordinary annuity rounded to the nearest cent.

Periodic Payment - $4500

Payment Paid - quarterly

Annual Interest Rate – 6%

Time​ (Years) - 4

A. $380,695.66

B. $89,326.20

C. $80,694.00

D. $75,069.62

28. Sandra deposits​ $3000 at the beginning of each semiannual period for 10 years at 10​% interest compounded semiannually. Find the amount she will have on deposit.

A. $88,617.01

B. $96,197.86

C. $104,157.90

D. $52,593.50

29. Green Thumb Landscaping wants to build a ​$128,000 greenhouse in 2 years. The company sets up a sinking fund with payments made quarterly. Find the payment into this fund if the money earns​ 12% compounded quarterly.

A. $10,406.76

B. $14,394.42

C. $60,377.36

D. $63,054.18

30. Charles wants to retire in 17 years. At that time he wants to be able to withdraw​ $22,000 at the end of each year for 17 years. Assume that money can be deposited at 10​% per year compounded annually. What exact amount will Charles need in 17​ years?

A. $176,484.00

B. $263,516.00

C. $172,128.00

D. $180,422.00