English Spanish

B.1–B.4 Quiz

Check It Out
Progress Check
BigIdeasMath.com

1. You deposit $1200 in a savings account that earns 2.5% simple interest per year. Your friend deposits $1000 in a savings account that earns 5% simple interest per year. *(Section B.1)*

a. Write and graph two equations for the balance B in each account after t years.

b. Are the account balances ever equal? Explain.

2. You deposit $1200 in a savings account that earns 4% interest compounded annually. *(Section B.2)*

a. What is the balance after 2 years?

b. What is the interest earned?

3. An account earns 2% interest compounded annually. The balance after 3 years is $5306.04. What is the principal? *(Section B.2)*

4. A loan summary is shown. How much interest is paid on the loan? *(Section B.3)*

LOAN AMOUNT	$2135.00
MONTHLY PAYMENT	$368.39
ANNUAL INTEREST RATE	12%
TERM	6 months

5. You balance your checkbook at the end of the month. *(Section B.4)*

a. Complete the balance column. What is the ending balance? (Assume there is no fee for a bad check.)

Date	Check #	Transaction	Credit	Debit	Balance
		Balance Forward			98.12
11/1/12		ATM Withdrawal		40.00	
11/5/12	312	Grocery Store		64.53	
11/15/12		Deposit Paycheck	623.50		
11/16/12	313	Credit Card Payment		150.00	
11/21/12	314	Electric Company		42.79	
11/28/12	315	Rent		325.00	

b. Your monthly bank statement shows a balance of $424.30. Explain why your balance does not agree with the bank statement.

c. Which check is the bad check?

6. **MORTGAGE** The principal on a home mortgage is $150,000, the monthly payment is $997.95, and the term is 30 years. How much interest is paid on the loan? *(Section B.3)*

7. **KEYBOARD** Your friend borrows $450 from you for a new electronic keyboard. Your friend pays you back the principal plus 9% simple interest per year in 1.5 years. How much money do you earn? *(Section B.1)*