

- 1) Interest is the fee or money you pay _____.
- 2) The interest rate is a _____ of the borrowed money you pay the lender in addition to the money you borrowed.
- 3) When you keep your money in a bank, you are actually _____ the bank your money.
- 4) The bank uses your money for _____ or to _____ to other people.
- 5) So the bank pays the people saving there _____.
- 6) The longer you keep your money in a bank, the _____ interest you earn.
- 7) When the interest money you have already earned makes more interest money, this is called _____.
- 8) The principal is the money you started with. In the example, Ben's principal was \$10,000. The first year he had it in the bank, it earned \$_____ interest.
- 9) In its second year in the bank, Ben started out with \$_____. This was his principal for that year.
- 10) The interest on this second amount (the new principal) was \$_____.