

SIMPLE INTEREST 3

- 1) Mike deposited \$400 at his credit union. He is paid 8% interest per annum (per year).
How much interest will he be paid after
- (a) 1 year; \$ _____
 - (b) 2 years; \$ _____
 - (c) 3 years; \$ _____
 - (d) 4 years; \$ _____
 - (e) 5 years; \$ _____
 - (f) 6 years? \$ _____
- 2) Father deposited \$900 on his bank account. The bank pays him 3% interest per annum. How much interest will he earn after
- a) 1 year; \$ _____
 - b) 2 years; \$ _____
 - c) 3 years; \$ _____
 - d) 4 years; \$ _____
 - e) 5 years? \$ _____
 - f) How much money will he have after 6 years? \$ _____
- 3) Pat borrowed \$4000 from a bank. She must pay the bank 5% interest every year. How much interest will she have paid after
- a) 1 year b) 2 years c) 3 years d) 4 years e) 5 years?
- \$ _____ \$ _____ \$ _____ \$ _____ \$ _____
- f) Pat repays the loan in full after 6 years. How much money does she repay?
- \$ _____
- 4) Carla borrowed \$800. The loan was repaid after 5 years. If the bank charged 10% simple interest per annum, how much money did Carla repay? \$ _____
- 5) \$500 is invested at an interest rate of 12% per annum by Mom. How much money will Mom have after 10 years?
- $I = PRT$
 $I = \$500 \times 12\% \times 10 = \$$ _____
- Ans. = \$ _____