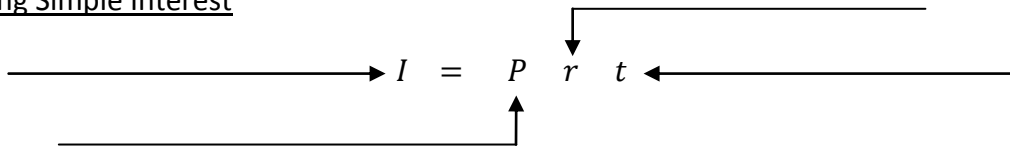


Part 1: Finding Simple Interest



Complete the following problems. *Helpful Hint: Change the percents to decimals first!*

- a) Arnold puts \$580 into a savings account. The account pays 3% simple interest. How much interest will he earn in 5 years?

How much interest will Arnold earn in 6 months?

Part 2: Interest on Loans and Credit Cards

- a) Rondell borrowed \$6,300 from the bank for a new car. The interest rate is 6% per year. How much simple interest will they pay if he takes 2 years to repay the loan?

How much will Rondell end up paying the bank for his loan?

- b) An office manager charged \$425 worth of office supplies on a credit card. The credit card has an interest rate of 9.9%. How much money will he owe at the end of one month if he makes no other changes on the card and does not make a payment?

Part 3: Finding the rate

Helpful Hint: Use you have to convert the rate to a percent at the end.

- a) Luis is taking out a car loan for \$5,000. He plans on paying off the car in 2 years. At the end of 2 years, Luis will have paid \$300 in interest. What is the simple interest rate on the car loan?
- b) Maggie is taking out a student loan for \$2,600. She plans on paying off the loan in 3 years. At the end of 3 years, Maggie will have paid \$390 in interest. What is the simple interest rate on the student loan?
- c) Samantha received a loan from the bank for \$4,500. She plans on paying off the loan in 4 years. At the end of 4 years, Samantha will have paid \$900 in interest. What is the simple interest rate on the bank loan?