

## Practice 5-7

### Simple Interest

Find the interest earned on each account. Round answers to nearest cent.

- |                                                                                                                                                                           |                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| 1. \$100 at 6% simple interest for 3 years<br>_____                                                                                                                       | 2. \$200 at 7% simple interest for 1 year<br>_____               |
| 3. \$142 at $5\frac{1}{4}$ % simple interest for 5 years<br>_____                                                                                                         | 4. \$6,250 at 4% simple interest for 2 years<br>_____            |
| 5. \$884 at 5% simple interest for 10 years<br>_____                                                                                                                      | 6. \$75 at $3\frac{1}{2}$ % simple interest for 5 years<br>_____ |
| 7. Bonnie deposited \$500 in an account with a simple interest rate of $6\frac{1}{4}$ %. How much interest will she earn in 4 years?<br>_____                             |                                                                  |
| 8. John invested \$100 in an account with 2% simple interest. Julie invested \$75 in an account with 3% simple interest. Who will earn more interest in 5 years?<br>_____ |                                                                  |

Find the final balance in each account.

- |                                                                                                                                                                                                                                              |       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 9. \$200 invested at 2% simple interest for 5 years                                                                                                                                                                                          | _____ |
| 10. \$200 invested at $4\frac{1}{2}$ % simple interest for 5 years                                                                                                                                                                           | _____ |
| 11. \$4,500 invested at 6% simple interest for 7 years                                                                                                                                                                                       | _____ |
| 12. \$1,256 invested at 7% simple interest for 6 years                                                                                                                                                                                       | _____ |
| 13. You deposit \$100 in an account with $7\frac{1}{2}$ % simple interest. What is the account balance after 2 years?<br>_____                                                                                                               |       |
| 14. Simon invested \$3,200 in an account with $3\frac{1}{2}$ % simple interest. After 3 years, he transferred his balance to an account with 6% simple interest. What is Simon's final balance after 6 years in the second account?<br>_____ |       |

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# Puzzle 5-7

## Simple Interest

Where does each person do their banking? Maria, Anna, Jose, and Michael each made a deposit in a bank account with simple interest. Use the information below to match each person to the bank where their money is deposited. Then check your answers by filling in the name of the bank that corresponds to each person.

**1. Maria**  
Principal deposit – \$185  
1 year balance – \$197.03

**Bank A**  
Deposit \$100–\$200 : 5% interest per year  
Deposit \$201–\$500 : 7.5% interest per year

**2. Anna**  
Principal deposit – \$215  
1 year balance – \$228.44

**Bank B**  
Deposit \$100–\$300 : 6.5% interest per year  
Deposit \$301–\$400 : 7.25% interest per year

**3. Jose**  
Principal deposit – \$195  
1 year balance – \$207.68

**Bank K**  
Deposit \$75–\$125 : 4.5% interest per year  
Deposit \$126–\$250 : 6.25% interest per year

**4. Michael**  
Principal deposit – \$220  
1 year balance – \$236.50

3.					
					1.
4.					
2.					

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