Directions: Please answer the following questions and make sure your answer are legible. If you don’t show work and/or I can’t follow it, I won’t give partial credit. You may use a calculator (not the calculator function on other technology) and the Formula Sheet that I provide you, nothing else. Thank you for reading directions, you will get a bonus point if you write an interesting fact about yourself on this quiz. Good Luck.

1. (5 points) Identify the following in the situation below.

   Note: you should answer with a name or number from the scenario, not a general definition.

   Aaron loans Jennifer $3,000 for 15 weeks, Jennifer paid back $3,150 at the end of the 15 weeks.

   (a) the interest: \[ 3150 \] \[ \text{3150 - 3000} \]
   (b) the principal: \[ 3000 \]
   (c) the term: \[ 15 \text{ week or } \frac{15}{52} \text{ of a year} \]
   (d) the creditor: Aaron
   (e) the debtor: Jennifer

2. (5 points) Derek deposited $800 into an account that earned $3\frac{1}{4}\%$ interest, and plans to leave the money in the account for 2 years. How much money will be in the account at the end of the 2 years?

   \[ I = \text{PRT} \]
   \[ I = ? \]
   \[ P = 800 \]
   \[ R = 0.0325 \]
   \[ T = 2 \]
   \[ \text{already in year} \]

   \[ I = 800 \times 0.0325 \times 2 \]
   \[ I = \$52 \]

   \[ \text{So total in account } \$852 \]

   \[ \text{(total in act = Prnc. + Int.)} \]

3. (5 points) Penelope borrowed $7,205 for some state of the art computer equipment. If the loan had a simple interest rate of 5.7% and Penelope plans to repay it after 125 days, how much in interest will she pay?

   \[ I = \text{PRT} \]
   \[ I = ? \]
   \[ P = 7205 \]
   \[ R = 0.057 \]
   \[ T = 125/365 \]

   \[ \text{convert 125 days to year} \]

   \[ I = 7205 \times 0.057 \times \frac{125}{365} \]

   \[ I = 140.645542... \]

   She will pay \[ \$140.65 \text{ in interest} \]