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 read directions, you will get a bonus point if you write an interesting fact about yourself on this quiz. Good Luck.

1. (5 points) Identify each of the following: You should answer with a person or number from the scenario below.

   David loans Aaron $2,000 for 2 months, Aaron paid back $2,100 at the end of the 2 months.

   (a) the interest $100
   (b) the principal $2000
   (c) the term 2 months
   (d) the creditor David
   (e) the debtor Aaron

2. (5 points) Penelope borrowed $600 for 300 days at a simple interest rate of 4.29%.

   (a) How much will she pay in interest?
   (b) How much will Penelope repay at the end of the 300 days?

   \[
   I = PRT \\
   I = 600 \times 0.0429 \times \frac{300}{365} \\
   I = 21.15616... \\
   \]

   \[
   P = 600 \\
   I = 21.16 \\
   \]

   \[
   \text{a)} 21.16 \\
   \text{b)} 600 + 21.16 = \text{total repay} \\
   \]

   \[
   \text{\$621.16} \\
   \]

3. (5 points) Jennifer borrowed $2,940. Five months later she relayed a total of $3,004.31. What simple interest rate did Jennifer pay?

   \[
   I = PRT \\
   I = 64.31 \\
   P = 2940 \\
   R = ?? \\
   T = \frac{5}{12} \text{ convert 5 months to year} \\
   \]

   \[
   \frac{64.31}{2940 + \frac{5}{12}} = R \\
   R = \frac{64.31}{(2940 + \frac{5}{12})} \\
   R = 0.05297... \\
   \]

   \[
   \sqrt{0.05297...} = \frac{5}{12} \text{ convert } 5 \text{ months to year} \\
   \]

   \[
   R = 0.25, 25\% \\
   \]

   \[
   \text{\$64.31} = 2940 \times R + \frac{5}{12} \\
   \]

   \[
   \text{\$64.31} \quad \text{= R} \\
   \text{\$64.31} \quad \text{=} \frac{5}{12} \\
   \]

   \[
   \text{\$64.31} \quad \text{=} \frac{5}{12} \\
   \text{\$64.31} \quad \text{=} \frac{5}{12} \\
   \]

   \[
   \text{\$64.31} \quad \text{=} \frac{5}{12} \\
   \text{\$64.31} \quad \text{=} \frac{5}{12} \\
   \]

   \[
   \text{\$64.31} \quad \text{=} \frac{5}{12} \\
   \text{\$64.31} \quad \text{=} \frac{5}{12} \\
   \]