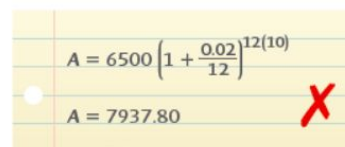


Suppose \$6,500 is invested in an account that earns interest at a rate of 2% compounded quarterly for 10 years. Describe and correct the error a student made when finding the value of the account.



$$A = 6500 \left( 1 + \frac{0.02}{12} \right)^{12(10)}$$

$$A = 7937.80$$

Find the amount in the account for the given principal, interest rate, time, and compounding period.

$P = \$500$ ,  $r = 6\%$ ,  $t = 7$  years; compounded quarterly

Find the amount in the account for the given principal, interest rate, time, and compounding period.

$P = \$3,630$ ,  $r = 3.5\%$ ,  $t = 18$  years; compounded monthly

Interest is compounded semiannually. Find the amount in the account after the given time.

Principal	Rate of Interest	Time
\$4000	5%	3 years

Find the amount in the account for the given principal, interest rate, time, and compounding period.

$P = \$1,100$ ,  $r = 5.5\%$ ,  $t = 4$  years; compounded daily