

- 1) *A bank has two different savings accounts. One account pays 9% simple interest while the other pays 9% interest compounded annually. If \$4300 is deposited in each account, how much more money would you earn in the compound savings account after 12 years?*
- 2) *Your coin collection contains 520 1952 silver dollars. If your grandparents purchased them for their face value in 1952, how much will the coins be worth in 2024 assuming they appreciate at a 7% annual rate?*
- 3) *Congratulations, you just won a \$26 million dollar lottery. However the prize will be awarded to you on your 90th birthday. You turn 23 today. You would rather use money today. What is the biggest loan you can take today, if you will repay it only with your lottery winnings? The interest on the loan is 6.8% compounded annually.*
- 4) *You are trying to buy a \$225,000 Aston Martin. You have \$31,000 today that you can invest in your bank. The bank pays 7.2% interest on the account. How long will it be before you can buy the car?*
- 5) *You are retiring in 32 years. You have just made a \$1600 contribution to your retirement account which pays 8.4% interest. How much more will your account be worth when you retire in 32 years, versus if you waited 11 years to make this initial \$1600 contribution?*
- 6) *Two of your friends, Jack and Alice, are offering you opportunities. Jack is offering to borrow from him or lend to him at 8%. Alice is offering the same at 9%. What should you do?*
- 7) *If you deposit \$70 in Bank A, you will receive \$75 in one year. Bank B is offering an 8% investment account. Which should you invest in?*
- 8) *You have an investment account that pays 4.2% per year. If you invest \$600 today, \$400 in a year and \$700 in 2 years, how much will you have in the account in 4 years?*

9) *Your family invested money into a savings account for you when you were born. The account pays 5.6%. You're now 20 and have \$11,214 in the account. If you leave money in the account, how much will you have when you're 45? How much was initially invested?*