

Lesson 8 Problem Solving Practice

Financial Literacy 3

<p>1. SAVINGS ACCOUNT How much interest will Hannah earn in 4 years if she deposits \$630 in a savings account at 6.5% simple interest?</p>	<p>2. INVESTMENTS Terry invested \$2,200 in the stock market for 2 years. If the investment earned 12%, how much money did Terry earn in 2 years?</p>
<p>3. RETIREMENT Mr. Pham has \$410,000 in a retirement account that earns 3.85% simple interest each year. Find the amount earned each year by this investment.</p>	<p>4. COLLEGE FUND When Melissa was born, her parents put \$8,000 into a college fund account that earned 9% simple interest. Find the total amount in the account after 18 years.</p>
<p>5. LOTTERY Raj won \$900,000 in a regional lottery. After paying \$350,000 in taxes, he invested the remaining money in a savings account at 4.25% simple interest. How much money is in the account if Raj makes no deposits or withdrawals for two years?</p>	<p>6. SAVINGS Mona opened a savings account with a \$500 deposit and a simple interest rate of 5.6%. If there were no deposits or withdrawals, how much money is in the account after $8\frac{1}{2}$ years?</p>
<p>7. SAVINGS ACCOUNT Malik deposited \$1,050 in a savings account, and it earned \$241.50 in simple interest after four years. Find the interest rate on Malik's savings account.</p>	<p>8. INHERITANCE Kelli Rae's inheritance from her great-grandmother was \$220,000 after taxes. If Kelli Rae invests this money in a savings account that earns \$18,260 in simple interest every year, what is the interest rate on her account?</p>