1. Define these terms (see page 264):
   a) simple interest: _______________________________________________________
   ____________________________
   b) principal: ________________________________
   ____________________________
   c) term: ________________________________
   ____________________________
   d) compound interest: ________________________________
   ____________________________
   e) compounding period: ________________________________
   ____________________________

2. There are 4 common compounding periods listed at the bottom of pg 264. Copy them down completely.
   ________________________________
   ________________________________
   ________________________________
   ________________________________

3. Write the formulas for:
   a) simple interest (see bottom pg 265)   What does each letter stand for?
   b) compound interest (see bottom half pg 267)   What does each letter stand for?
4. Define the rule of 72 (pg 270).

5. Write the formula for the rule of 72 in the space to the right.

6. Determine how long it will take the principal to double with each interest rate.
   a) 2%  
   b) 3%  
   c) 6%  
   d) 8%  
   e) 12%

7. Determine the interest rate (to 1 decimal) it requires for a principal to double in:
   a) 25 years  
   b) 16 years  
   c) 9 years  
   d) 4 years

8. Do questions on page 272. Show work:
   1) Principal: ________  
      Interest rate: ___ %  
      Time: ___ years
       a)

   b)

   3) Principal: ________  
      Interest rate: ___ %  
      Time: ___ years
       a)

   b)

   c)

   d)