

Example:

Some one investing 4000 \$ for
2 years with the interest rate 5.5%.
How much interest will earn after
2 years

Answer

$$I = 4000 \times 0.055 \times 2$$
$$= 440 \$$$

Ex

(Hom)
Consider a deposit of 150 \$
held for 20 days. How
much interest will earn
after 20 days with 8%
as rate of interest.