I. Simple Interest (p.562):  \[ I = P \times r \times t \]

- I = amount of interest earned/owed
- P = principal  
  \[(i.e., \text{amount of money invested/borrowed})\]
- r = annual percentage rate
- t = time \(\text{(in years)}\)

II. Examples (p.568): Exercises #2, 8, 10, 12

III. Compound Interest (p.564):

\[ B = P \times \left(1 + \frac{r}{n}\right)^{nt} \]

- B = balance \(\text{(i.e., principal + interest)}\)
- n = \# of compoundings \(\text{(per year)}\)
III. Compound Interest (continued):
if the interest is “compounded”

annually ⇒ n = 1
semi-annually ⇒ n = 2
quarterly ⇒ n = 4
monthly ⇒ n = 12

IV. Example (p.569): Exercises #18,24,32

HW: pp.568-569 / Exercises #1-11(odd),
13-29(every other odd),31,33