

Simple Interest

Formula: $I = PRT$ ← Time (years)

Interest Earned Principal Rate as a decimal #

Ex. 1 $P = \$1,000$, $R = 3.2\%$, $T = 5$ years

$$I = PRT$$

$$I = (\$1,000)(.032)(5)$$

$$I = \$160$$

Ex. 2 $P = \$1,500$, $R = 2.75\%$, $T = 37$ months

$$I = PRT$$

$$I = (\$1,500)(.0275)\left(\frac{37}{12}\right)$$

$$I = \$127.19$$