

questions where the so-called *true discount* has to be considered. To make a special exercise for such questions was not deemed prudent, as the student would find when he entered upon business life that the *true discount* of the books was the *false discount* of the world. (a) \$760. (b) \$560. (c) \$1200. 18. (a) \$1400. (b) \$3500. (c) \$2475. 19. (a) \$300. (b) \$700. 20. (a) \$1800. (b) \$2000. 21. A, \$200, B, \$1600. 22.  $16\frac{2}{3}$  yr., 10 yr., 20 yr., 24 yr. and 6 yr. 23. 5 yr. \$400. 24. 4 yr. \$600. 25.  $16\frac{2}{3}\%$ , 10%, 6%, 5%, 12% and 8%. 26. (a) \$64. (b) \$105.39. (c) \$570.31. 27. (a) \$41.19. (b) \$54.60. (c) \$417.12. 28. June 4th, 1904. 29. 25%. 30. \$1312.50. 31. \$1400. 32. 8 yr. 33. \$23100. 34. 4%. 35. \$1500 @ 8%. 36. \$1500. 37. \$150 $\frac{1}{2}$ , \$160.71. 38. To the nearest cent, \$271.52. 39. \$1363 $\frac{1}{2}$ . 40. (a) Interest, \$302.40. Amount, \$1742.40. (b) Principal, \$2000. Amount, \$3200. (c) Time, 3 yr. 2 mos. Amount, \$1974. (d) Rate,  $5\frac{1}{2}\%$ . Amount, \$1908. (e) Principal, \$2400. Interest, \$720.

## BANK DISCOUNT

**Exercise 26.**—1. (a) \$98. (b) 73 days. June 6th. (c) \$1.17+. (d) \$1.20. (e) Questions *c* and *d* are merely for the purpose of leading up to question *e*. In this question the actual rate of discount, viz., 10%, must be taken. Answer, 4 cts. (f) 4 cts. (g) The amounts are the same. (h) The difference between the interest on the proceeds and the amount allowed by the bank is equal to the interest on the discount. The teacher should add several questions testing this feature. 2. (a) \$2.25. (b) \$10. 3. (a) \$750. (b) \$1200. 4. (a)  $7\frac{1}{2}\%$ . (b) 8%. (c) 6%. (d) Do not omit this, as it emphasizes question 4 and prevents any lapsing to the mere mechanical. 5. (a) Time 4 mo. (b) 8 mo. (c) 73 da. 6. (a) \$1800. (b) \$2100. (c) \$2400. 7. (a)  $\frac{1}{3}$ . (b)  $\frac{9}{100}$ . (c)  $\frac{3}{50}$ . (d)  $\frac{3}{100}$ . 8. (a)  $\frac{1}{10}$ . (b)  $\frac{9}{100}$ . (c)  $\frac{1}{10}$ . (d)  $\frac{1}{10}$ . 9. (a) \$800. (b) \$1200. (c) \$1560. 10. (a) \$1.50. (b) The amount of the bank discount is equal to the other discount, together with the interest