rate of interest on bonds is always the same. The dividend of stocks depends on the net profits of the corporation after the interest on the bonds has been paid.

Computations in both cases are the same.

11. Find the cost of 48 bonds quoted at 92, brokerage $\frac{1}{8}$ %.

12. I sold 25 bonds at 95, brokerage $\frac{1}{8}$ %, tax 2c. Find the net proceeds.

13. I own 150 bonds bearing 5% interest. Find my annual income.

14. I invested \$5 000 in 5% bonds, quoted at 96, brokcrage $\frac{16}{100}$. Find the unexpended balance, and my yearly income.

15. I invested \$15 000 in $6\frac{3}{4}\%$ bonds quoted at 92, brokerage $\frac{1}{4}\%$. Find the unexpended balance, and my yearly income.

Questions on Theory.

(Taxes, insurance, stocks and bonds).

1. What are municipal taxes? (371).

2. How are taxes computed? (372).

3. What is an insurance policy? (374).

4. What is the premium? (373).

5. How is the premium computed? (375, 376).

6. Give an example to show how corporations are formed. (377).

7. Name the place where stock operations are carried on. (380)

8. What is a dividend? (378).

9. When is stock at a premium? at a discount? (379).

10. What difference is there between a stockholder and a bondholder? (382).

RATIO AND PROPORTION

The quotient of $14 \div 7$ is 2; comparing 14 with 7, we say that 14 is 2 times 7; 2 times is the expression of a ratio.

383. The ratio or relation of two numbers is the quotient of the first by the second.

The ratio of 12 to 3 is $12 \div 3$, or $\frac{12}{3}$, or $\frac{4}{3}$. The ratio of 3 to 12 is $3 \div 12$, or $\frac{4}{12}$, or $\frac{1}{12}$. Notice that reversing the order of the numbers *inverts* the ratio.

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