1. Do Problem 3.6 in the textbook.

2. Do Problem 3.8 in the textbook.

3. A local paving contractor wishes to purchase a $340,000 Bomag MPH454R asphalt pavement recycler. A local bank is offering an interest rate of 4.5% per year compounded daily to purchase the machine. If the contractor pays back the principal plus interest in one lump sum at the end of 5 years, what is the total amount that will have to be repaid? Assume 360 days in a year.

4. If another bank offers the paving contractor in the previous problem a rate of 4.6% per year compounded quarterly, should the contractor go with the new offer, instead?

5. Do Problem 3.23 in the textbook.


7. Do Problem 3.46 in the textbook.

8. Do Problem 3.53 in the textbook.