

Problem 1.25

To attract new customers, EP Employees Credit Union advertised that they will begin paying 3% interest every quarter on all savings accounts. (Their competitors pay interest every 6 months.) The credit union uses March 31st, June 30th, September 30th, and December 31st as quarterly interest periods. Determine (a) the end-of period totals in the account, and (b) the interest paid each quarter on the total. Assume there are no withdrawals and that quarterly interest is not redeposited.

Month	Deposit, \$
Jan	50
Feb	70
Mar	0
Apr	120
May	20
June	0
July	150
Aug	90
Sept	0
Oct	40
Nov	110
Dec	0