

4:00 Quiz: 2/1/12

Name _____

Quiz: You have just deposited \$100,000 into an account with an APR of 6% per year with quarterly compounding. Beginning four months from today, you plan to make the first of a series of semiannual withdrawals that will continue through three years and ten months from today. You plan for your first withdrawal to equal \$13,500. At what rate can you increase the size of your semiannual withdrawals?

Note: You don't have to solve anything, just set up the appropriate equations and fill in the correct numbers you would need to answer the question.

Note: Bonus WSJ Questions on back of page