6.1 Exercises
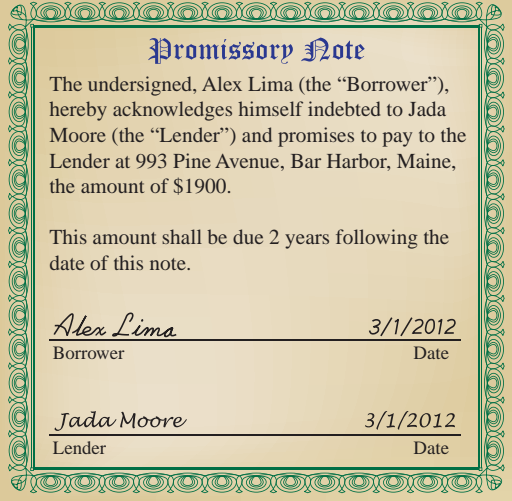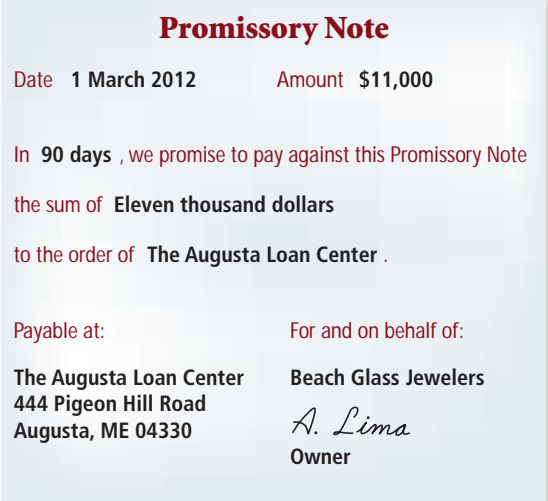
Promissory Notes In Exercises 1 and 2, find (a) the term of the loan and (b) the total amount due. *(See Example 1.)*

1.

Promissory Note

The undersigned, Alex Lima (the "Borrower"), hereby acknowledges himself indebted to Jada Moore (the "Lender") and promises to pay to the Lender at 993 Pine Avenue, Bar Harbor, Maine, the amount of $1900.

This amount shall be due 2 years following the date of this note.

Alex Lima   3/1/2012
Borrower   Date

Jada Moore   3/1/2012
Lender   Date

2.

Promissory Note

Date **1 March 2012**   Amount **$11,000**

In **90 days** , we promise to pay against this Promissory Note

the sum of **Eleven thousand dollars**

to the order of **The Augusta Loan Center** .

Payable at: For and on behalf of:

The Augusta Loan Center   **Beach Glass Jewelers**
444 Pigeon Hill Road
Augusta, ME 04330   *A. Lima*
                            Owner

Due Dates In Exercises 3–5, use the 2012 calendar. *(See Example 2.)*

January

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29			

March

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

April

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

May

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

3. When is the note in Exercise 2 due?

4. On April 19, you obtain a 60-day note for $5000. The costs include $81.37 for interest and a $50.99 service charge. When is the note due? How much is due at the end of 60 days?

5. You obtain a 120-day note for $20,000 to use as a down payment on a home. The loan takes place on January 19. The costs include $789.04 for interest and $134 in other charges. When is the note due? How much is due at the end of 120 days?

6. Leap Year On January 19, 2013, you obtain a 120-day note. Is the due date on the same day of the year as in Exercise 5? Explain. *(See Example 2.)*