

Section 4.2 Additional Problems

1. A 20 year bond with face amount 1,000 is bought to yield 6% compounded semiannually. The redemption amount is equal to the face amount. Find the coupon rate and price of the bond if:
 - a. The first entry in the amortization schedule for the amortization of premium is 20.
 - b. The final entry in the amortization schedule for the accumulation of discount is 10.
 - c. The final entry in the schedule for interest due is 32.