

17. Solution: C

The payments can be separated into two "layers" of 98 and the equation of value at  $3n$  is

$$98 S_{\overline{3n}|} + 98 S_{\overline{2n}|} = 8000$$

$$\frac{(1+i)^{3n} - 1}{i} + \frac{(1+i)^{2n} - 1}{i} = 81.63$$

$$(1+i)^n = 2$$

$$\frac{8-1}{i} + \frac{4-1}{i} = 81.63$$

$$\frac{10}{i} = 81.63$$

$$i = 12.25\%$$