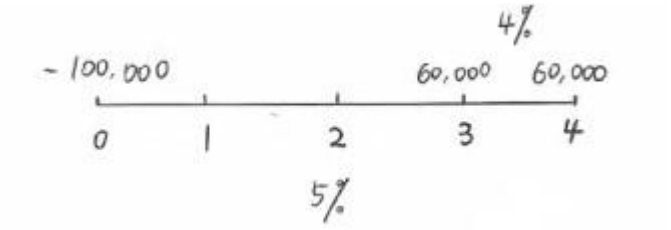

Cash inflows at the end of year 4 $= 60,000 \cdot (1+4\%) + 60,000$

$= 62,400 + 60,000$

$= 122,400$

Cash inflows at time 0 $= 122,400 \cdot (1+5\%)^{-4}$

$= 100,698.7829$

Cash outflows at time 0 $= -100,000$

$NPV = -100,000 + 100,698.7829$

$= 698.7829$

≈ 699

(C)