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MA 110 Quiz 4 **ANSWERS**

Complete Answer. Fill in the blanks in the following tables, and answer the question about the final settlement.

Three heirs, A, B, and C inherit two items from their uncle's estate: a car and a horse. They decide to divide the items among themselves by the method of sealed bids. Their bids are in the bid table below. Complete the tables below and describe the final results, including what cash amounts each player has ultimately paid or gained.

Bids	Players			
Item	A	B	C	High Bidder
car	\$7,000	\$8,250	\$9,000	C
horse	\$8,750	\$8,250	\$7,500	A
Total Value	\$15,750	\$16,500	\$16,500	
Fair Share	\$5,250	\$5,500	\$5,500	

Allocation				
Player	Item(s)	Value	Share	Put in (Take out)
A	Horse	\$8,750	\$5,250	\$3,500
B	none	\$0	\$5,500	(\$5,500)
C	Car	\$9,000	\$5,500	\$3,500
Surplus				\$1,500
Share of Surplus				\$500

Describe the final settlement result for each player below (including cash balance).

Player A: Gets the horse and pays \$3,000 cash.

Player B: Gets no item, but gets \$6,000 cash.

Player C: Gets the car and pays \$3,000 cash.

Note that the cash received and cash paid balances out to \$0.