

c. How many shares would an investor have if he or she originally had 130? (Do not round intermediate calculations and round your answer to the nearest whole share.)

✖ Answer is complete but not entirely correct.

Number of shares	108 ✖
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d. What is the investor's total investment worth before and after the stock dividend if the P/E ratio remains constant? (Do not round intermediate calculations and round your answers to the nearest whole dollar.)

✖ Answer is complete but not entirely correct.

	Total Investment
Before stock dividend	\$ 3,150.00 ✖
After stock dividend	\$ 3,150.00 ✖

e. Assume Mr. Heart, the president of Health Systems, wishes to benefit stockholders by keeping the cash dividend at a previous level of \$1.05 in spite of the fact that the stockholders now have 20 percent more shares. Because the cash dividend is not reduced, the stock price is assumed to remain at \$35.

What is an investor's total investment worth after the stock dividend if he/she had 130 shares before the stock dividend?

✖ Answer is complete but not entirely correct.

Total Investment	\$ 3,780 ✖
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f. Under the scenario described in part e, is the investor better off?

- ☒ Yes
☐ No

g. As a final question, what is the dividend yield on this stock under the scenario described in part e? (Input your answer as a percent rounded to 2 decimal places.)

✖ Answer is complete but not entirely correct.

Dividend yield	3.29 ✖	%
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