

1. What is the marginal cost for a perfectly competitive firm with cost function $C(Q) = 3Q^2 + 35$ that produces 5 goods?
 - A. 54
 - B. 110
 - C. 30
 - D. 50

2. H&R Block hires three accountants who complete 12 tax filings per hour. After they hire a fourth accountant, the number of tax filings completed increase to 14 per hour. Because the marginal product of the fourth accountant is _____ than the average product of the three accountants the average product must _____.
 - A. Less, Fall
 - B. Greater, Rise
 - C. Greater, Fall
 - D. Less, Rise

3. For a firm with cost function $C(Q) = 2Q^3 - 8Q^2 + 10Q + 28$, below what Price will they shut down?

4. Why do firms make zero profits in the Long-Run?