Parameters are defined in the function definition. For example, parameters $P$, $i$, and $n$ are defined on line 5 in function payment in Figure 1 below. Parameters are declarations.

```cpp
1. #include <iostream>
2. #include <iomanip>
3. #include <cmath>
4. using namespace std;
5. double Payment(double P, double i, int n)
6. {
7.     return P*i/(1-pow(1+i,-n));
8. }
9. int main()
10. {
11.     double R = Payment(1000.00, 8.00/1200, 12);
12.     cout << "Your monthly payment is $" << fixed << setprecision(2) << R << ".";
13.     cout << endl;
14.     return 0;
15. }
```

Figure 1. Function Payment.

Parameters are declared between the opening and closing parenthesis in a function definition.

Arguments appear where the function is called. For example, arguments 1000.00, 8.00/1200, and 12 appear on line 9 where function Payment is called. Arguments are expressions.