## Personal Line of Credit (PLOC) - Interest calculation

## Example:

Debit Interest Cycle $=24^{\text {th }}$ of every month
Statement Cycle $=13^{\text {th }}$ of every month
Prevailing Interest rate $=20.9 \%$ p.a.

- Interest accrues on a daily basis on the debit balance outstanding in the PLOC account each day based on the interest rate applied to the account, subject to a minimum interest charge of $\mathrm{S} \$ 10$ per month.
- Interest will be debited from the PLOC account at the end of the debit interest cycle which is on the 24th day of the month.
- Debit interest cycle may differ from statement cycle.

Min. debit interest of $\mathrm{S} \$ 10$ is charged for outstanding of $\mathbf{S} \$ 1,000$ between $15 / 10$ and 24/10.

15/10-23/10 = 9 days
9 days $\times 20.9 \% / 365 \times \$ 1,000=\$ 5.15(\mathrm{~min} . \$ 10)$

Min. debit interest of $\mathbf{S} \$ 17.73$ is charged for outstanding of $\mathbf{S} \$ 1,010$ between 24/10 and 17/11, and $\mathrm{S} \$ 960$ between $17 / 11$ to 24/11.
$24 / 10-16 / 11=24$ days
24 days $\times 20.9 \% / 365 \times \$ 1,010=\$ 13.880$
17/11-23/11 = 7 days
7 days $\times 20.9 \% / 365 \times \$ 960=3.8478$
Total interest: $\$ 13.880+\$ 3.8478=\$ 17.73$

Debit interest of $\mathbf{S} \$ 24.93$ is charged for outstanding of S $\$ 977.73$ between $24 / 11$ and 27/11, outstanding of S $\$ 177.73$ between $28 / 11$ and $16 / 12$, and outstanding of S $\$ 5,177.73$ between 16/12 to 24/12.

24/11-27/11 = 4 days
4 days $\times 20.9 \% / 365 \times \$ 977.73=\$ 2.239$
$28 / 11-16 / 12=19$ days
19 days $\times 20.9 \% / 365 \times \$ 177.73=\$ 1.934$
17/12-23/12 $=7$ days
7 days $\times 20.9 \% / 365 \times \$ 5,177.73=\$ 20.753$
Total interest: $\$ 2.239+\$ 1.934+\$ 20.753=\$ 24.93$

Statement outstanding amount: \$1,010 Min. payment due: $3 \% \times \$ 1,010=\$ 30.30$

Statement outstanding amount: \$177.73
Min. payment due: $3 \% \times \$ 177.73=\$ 5.33(\min \$ 15)$

