



Sample Computation of Finance Charge

SAMPLE COMPUTATION OF FINANCE CHARGE

Finance Charge = Interest on the previous balance as reflected on the current Statement of Account (SOA) computed from day after the last statement date to the day before the payment post date, using the stated Finance Charge Rate

PLUS

Interest on the difference between the previous balance and the payment computed from the payment post date to the statement date of the current statement, using the stated Finance Charge Rate

Sample:

Current Statement Date: March 10, 2016
 Previous Statement Date: February 10, 2016
 Due Date: March 3, 2016
 Total Amount Due of the February 10, 2016 Statement (Previous Balance): Php 10,000
 Minimum Amount Due on the February 10, 2016 Statement: Php 500
 Payment Made: Php 500 (March 3, 2016)
 Finance Charge Rate: 3.25% per month or 39% per annum
 No. of days from February 11 - March 2: 21 days (No. of days from day after previous statement date to the day before payment posting)
 No. of days from March 3 - March 10: 8 days (No. of days from payment post date to the current statement date)

Finance Charge = (1) Interest computed on the previous balance of Php 10,000 from February 11 (date after the previous statement date) to March 2 (date before the post date of payment of Php 500):

$$\text{Php } 10,000 \times (.0325/\text{month} \times 12\text{months}) \times (1\text{day}/360\text{days}) = \text{Php } 10.833/\text{day} \times 21\text{days (February 11 to March 2)} = \text{Php } 227.50$$

PLUS

(2) Interest computed on the difference between the previous balance and your payment (Php 10,000 – Php 500 = Php 9,500) from March 3 (payment post date) to March 10 (March statement date):

$$\text{Php } 9,500 \times (.0325/\text{month} \times 12\text{ months}) \times (1\text{day}/360\text{days}) = \text{Php } 10.292/\text{day} \times 8\text{days (March 3 to March 10)} = \text{Php } 82.34$$

= **Php 227.50 + Php 82.34**

= **Php 309.84 (reflected on the March 10, 2016 statement)**

Day	Date	Outstanding Balance	Payment Made	Finance Charge Rate	Finance Charge
1	Feb 11	10,000.00	0.00	3.25%	10.833420
2	Feb 12	10,000.00	0.00	3.25%	10.833420
3	Feb 13	10,000.00	0.00	3.25%	10.833420
4	Feb 14	10,000.00	0.00	3.25%	10.833420
5	Feb 15	10,000.00	0.00	3.25%	10.833420
6	Feb 16	10,000.00	0.00	3.25%	10.833420
7	Feb 17	10,000.00	0.00	3.25%	10.833420
8	Feb 18	10,000.00	0.00	3.25%	10.833420
9	Feb 19	10,000.00	0.00	3.25%	10.833420
10	Feb 20	10,000.00	0.00	3.25%	10.833420
11	Feb 21	10,000.00	0.00	3.25%	10.833420
12	Feb 22	10,000.00	0.00	3.25%	10.833420
13	Feb 23	10,000.00	0.00	3.25%	10.833420
14	Feb 24	10,000.00	0.00	3.25%	10.833420
15	Feb 25	10,000.00	0.00	3.25%	10.833420
16	Feb 26	10,000.00	0.00	3.25%	10.833420
17	Feb 27	10,000.00	0.00	3.25%	10.833420
18	Feb 28	10,000.00	0.00	3.25%	10.833420
19	Feb 29	10,000.00	0.00	3.25%	10.833420
20	Mar 01	10,000.00	0.00	3.25%	10.833420
21	Mar 02	10,000.00	0.00	3.25%	10.833420
22	Mar 03	10,000.00	500.00	3.25%	10.291749
23	Mar 04	9,500.00	0.00	3.25%	10.291749
24	Mar 05	9,500.00	0.00	3.25%	10.291749
25	Mar 06	9,500.00	0.00	3.25%	10.291749
26	Mar 07	9,500.00	0.00	3.25%	10.291749
27	Mar 08	9,500.00	0.00	3.25%	10.291749
28	Mar 09	9,500.00	0.00	3.25%	10.291749
29	Mar 10	9,500.00	0.00	3.25%	10.291749
					Php 309.84

NOTE: The bank reserves the right to change the Finance Charge Rate with prior notice to the Cardholder.