DISCLOSURE OF EFFECTIVE RATES OF INTEREST

TO OUR VALUED CLIENTS:

In compliance with Sec. X243 of the Manual of Regulations for Banks which mandates the Disclosure of Effective Rates of Interest, here is our method for computing the interest on your deposits:

Type of Deposit:	Savings
Nominal Rate of Interest:	0.15%
Manner of Interest Payment:	Computed daily and credited Quarterly
Basis of Interest Payment:	Accruals of End of Day Balances for period covered
Effective Annual Rate of Interest:	Interest = Sum of Daily Accruals for period covered

$$= \text{Sum of [EOD Balance x Interest Rate x Base Year*]}$$

*Base Year = 1/365 for regular year and 1/366 for leap year

Illustration:

For this illustration, let us use the following account with deposits and withdrawals seen below:

DATE	WITHDRAWAL	DEPOSIT	BALANCE
1/1/2016		3,000.00	3,000.00
1/2/2016		9,000.00	12,000.00
1/10/2016	5,000.00		7,000.00
1/15/2016		20,000.00	27,000.00
1/18/2016	7,000.00		20,000.00
1/30/2016	500.00		19,500.00
2/2/2016		30,000.00	49,500.00
2/15/2016	1,400.00		48,100.00
2/27/2016		1,000.00	49,100.00
3/4/2016		10,000.00	59,100.00
3/16/2016	400.00		58,700.00
3/29/2016	900.00		57,800.00

Here is the interest earned by the account:

DATE	NO. OF DAYS	BALANCE	INTEREST EARNED	WITHOLDING TAX	NET INTEREST
1/1/2016	1	3,000.00	0.01	0.00	0.01
1/2/2016 to 1/9/2016	8	12,000.00	0.39	0.08	0.31
1/10/2016 to 1/14/2016	5	7,000.00	0.14	0.03	0.11
1/15/2016 to 1/17/2016	3	27,000.00	0.33	0.07	0.27
1/18/2016 to 1/29/2016	12	20,000.00	0.98	0.20	0.79
1/30/2016 to 2/1/2016	3	19,500.00	0.24	0.05	0.19
2/2/2016 to 2/14/2016	13	49,500.00	2.64	0.53	2.11
2/15/2016 to 2/26/2016	12	48,100.00	2.37	0.47	1.89
2/27/2016 to 3/3/2016	6	49,100.00	1.21	0.24	0.97
3/4/2016 to 3/15/2016	12	59,100.00	2.91	0.58	2.33
3/16/2016 to 3/28/2016	13	58,700.00	3.13	0.63	2.50
3/29/2016 to 3/31/2016	3	57,800.00	0.71	0.14	0.57
	91				12.05

DISCLOSURE OF EFFECTIVE RATES OF INTEREST

TO OUR VALUED CLIENTS:

In compliance with Sec. X243 of the Manual of Regulations for Banks which mandates the Disclosure of Effective Rates of Interest, here is our method for computing the interest on your deposits:

Type of Deposit:	Checking
Nominal Rate of Interest:	0.15%
Manner of Interest Payment:	Computed daily and credited Monthly
Basis of Interest Payment:	Accruals of End of Day Balances for period covered
Effective Annual Rate of Interest:	Interest = Sum of Daily Accruals for period covered

$$\text{= Sum of [EOD Balance x Interest Rate x Base Year*]}$$

*Base Year = 1/365 for regular year and 1/366 for leap year

Illustration:

For this illustration, let us use the following account with deposits and withdrawals seen below:

DATE	WITHDRAWAL	DEPOSIT	BALANCE
1-Apr-16		35,000.00	35,000.00
2-Apr-16		50,000.00	85,000.00
7-Apr-16	7,000.00		78,000.00
16-Apr-16		15,000.00	93,000.00
25-Apr-16	2,300.00		90,700.00
30-Apr-16	500.00		90,200.00

Here is the interest earned by the account:

DATE	NO. OF DAYS	BALANCE	INTEREST EARNED	WITHOLDING TAX	NET INTEREST
4/1/2016	1	35,000.00	0.14	0.03	0.11
4/2/2016 to 4/6/2016	5	85,000.00	1.74	0.35	1.39
4/7/2016 to 4/15/2016	9	78,000.00	2.88	0.58	2.30
4/16/2016 to 4/24/2016	9	93,000.00	3.43	0.69	2.74
4/25/2016 to 4/29/2016	5	90,700.00	1.86	0.37	1.49
4/30/2016	1	90,200.00	0.37	0.07	0.30
	30				**8.34**

DISCLOSURE OF EFFECTIVE RATES OF INTEREST

TO OUR VALUED CLIENTS:

In compliance with Sec. X243 of the Manual of Regulations for Banks which mandates the Disclosure of Effective Rates of Interest, here is our method for computing the interest on your deposits:

Type of Deposit: Time Deposit
Nominal Rate of Interest: 1.375%
Manner of Interest Payment: Upon Maturity

Basis of Interest Payment: Principal Amount

Effective Annual Rate of Interest: Interest = Principal x Interest Rate x Base Year*

                                          * Base Year = 1/365 for regular year and 1/366 for leap year

Illustration:

Principal Amount: P1,000,000

Term: 1 year

Computation of Interest: P1,000,000 x 1.375% x 365 / 365 = P13,750 (Gross Interest)

Subject to 20% withholding tax = Net Interest will be P11,000