

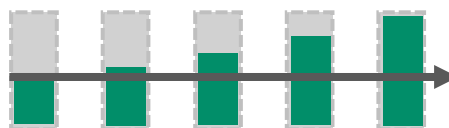
HOME LOAN FOR RENOVATION AND DECORATION: INTEREST RATE CALCULATION

Equated Monthly Installment (EMI)

This method is recommended for customers who like to **know exactly what their monthly repayments will be**, make it easier to plan their finances.

- Easy to remember
- Easier to plan and manage personal finances
- Interest on remaining loan balance
- Less interest as principal drops

Loan Repayment Over Time



Installment
Interest
Principal

How to Calculate Interest

Normal Interest Payable Calculation

$$\text{Interest Payable} = \frac{\text{Loan Outstanding Balance} \times \text{Interest Rate Per Annum} \times \text{Number of Day(s)}}{\text{Number of Days in a Year (365 days)}}$$

Late Charge on Overdue Principal Calculation

$$\text{Late Charge on Overdue Principal (OP)} = \frac{\text{Overdue Principal} \times (\text{Late Interest Rate Charge on OP} - \text{Normal Interest Rate}) \times \text{Number of Day(s) Overdue}}{\text{Number of Days in a Year (365 days)}}$$

Late Charge on Overdue Interest Calculation

$$\text{Late Charge on Overdue Interest} = \frac{\text{Overdue Interest} \times \text{Late Interest Rate Charge on Overdue Interest} \times \text{Number of Day(s) Overdue}}{\text{Number of Days in a Year (365 days)}}$$

Scan to Check Calculation



EXAMPLE OF INTEREST RATE CALCULATION

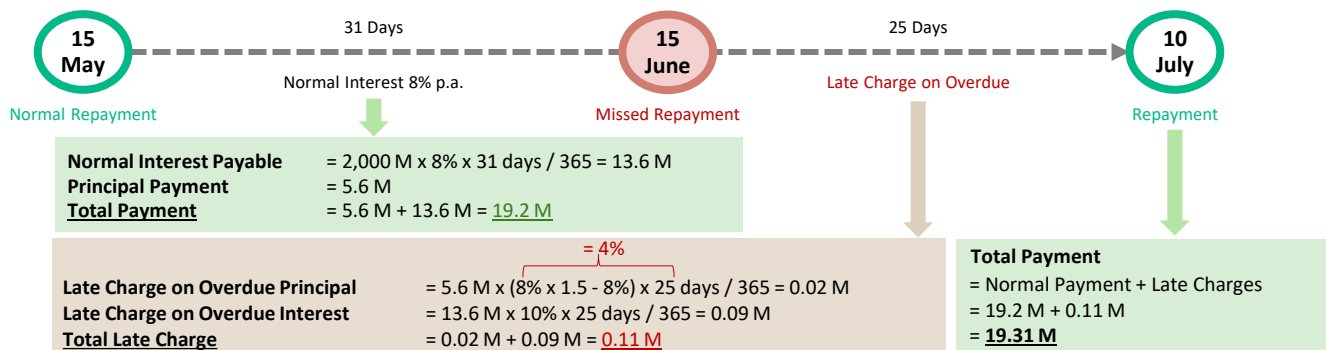
Normal Interest Payable

Calculated from the outstanding loan amount and the number of days in each period

Late Charges

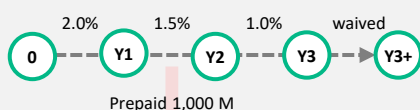
- Late Charge on Overdue Principal (OP) = 150% of normal interest rate p.a.
- Late Charge on Overdue Interest = 10% p.a.

Example: The customer has a home loan with a 2 billion VND outstanding principal and a loan term of 360 months. Repayments are due on the 15th of each month at an annual interest rate of 8%, with late charges as per the table above. The customer paid on time in May but missed the June 15th payment of 19.2 million VND (5.6 million principal + 13.6 million interest). Payment was made on July 10th, incurring a late interest charge of 0.11 million VND, including 0.02 million on overdue principal and 0.09 million on overdue interest.



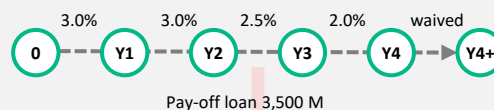
Early Repayment Charge

Partial Early Repayment Fee



$$\text{Partial early repayment charge} = \text{Prepaid Amount} \times \text{Penalty Rate (\%)} = 1,000 \text{ M} \times 1.5\% = \text{15 M}$$

Full Early Repayment Fee (Early Pay-Off Fee)



$$\text{Full early repayment charge} = \text{Pay-off Amount} \times \text{Penalty Rate (\%)} = 3,500 \text{ M} \times 2.5\% = \text{87.5 M}$$