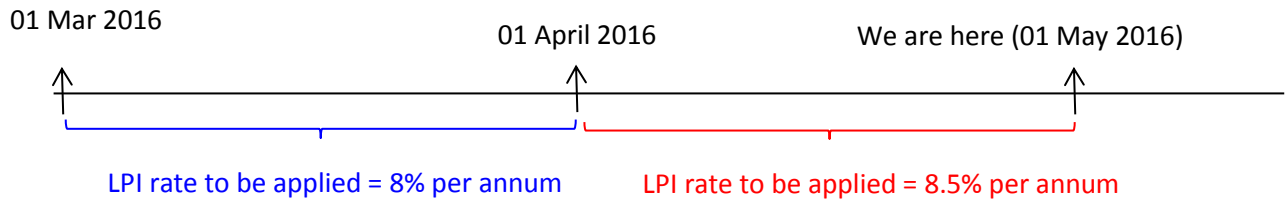


## **ILLUSTRATION**

With effect from 01 Apr 2016, the Late Payment Interest (LPI) Rate will be changed to 8.5% per annum.

For cases where there is back collection of rental\*, the Late Payment Interest Rate to be applied for rental due in period before 01 April 2016 will be 8% per annum. For rental due in period after 01 April 2016, the Late Payment Interest Rate to be applied will be 8.5% per annum.

Pls kindly refer to below for a simple illustration on the computation of the Late Payment Interest:



<b>Rental Period</b>	<b>Start Date</b>	<b>End Date</b>	<b>Rental Amount Due</b>	<b>Computation of Late Payment Interest</b>
Mar 16	01 Mar 2016	31 Mar 2016	\$4,000	LPI = 8.0% x \$4,000*(31/365) = \$27.18
Apr 16	01 Apr 2016	30 Apr 2016	\$4,000	LPI = 8.5% x \$4,000*(30/365) = \$27.95

*\*Back collection of rental is where rental due for past period is collected in current period.*