

Illustration on Rule of 78

Loan Amount (P) \$10,000.00
 Period (yr) 2
 Period (mths) 24
 Interest Rate 4.00%
 Interest Amount (I) \$800.00
 Loan Outstanding (P+I) \$10,800.00
 Mthly Instalment \$450.00

 Sum of Digits (24 mths) 300

*Previous mth's balance

Repayment Schedule

(1)	(2)	(3)	(3a)	(4)	(5)=(3a)x(4)	(6)=(2)-(5)	(7)=(7)*-(5)	(8)=(8)*-(2)	(9)=(8)-(7)
Mth	Monthly Instalment	Rule of 78 Factor		Total Interest	Apportioned Interest For The Month	"Principal" Repayment	Remaining Interest (Unearned) "Statutory Rebate"	Loan Outstanding (original loan amount plus unearned interest)	Redemption Amount
							\$800.00	\$10,800.00	\$10,000.00
1	\$450.00	24/300	0.0800	\$800.00	64.00	386.00	\$736.00	\$10,350.00	\$9,614.00
2	\$450.00	23/300	0.0767	\$800.00	61.33	388.67	\$674.67	\$9,900.00	\$9,225.33
3	\$450.00	22/300	0.0733	\$800.00	58.67	391.33	\$616.00	\$9,450.00	\$8,834.00
4	\$450.00	21/300	0.0700	\$800.00	56.00	394.00	\$560.00	\$9,000.00	\$8,440.00
5	\$450.00	20/300	0.0667	\$800.00	53.33	396.67	\$506.67	\$8,550.00	\$8,043.33
6	\$450.00	19/300	0.0633	\$800.00	50.67	399.33	\$456.00	\$8,100.00	\$7,644.00
7	\$450.00	18/300	0.0600	\$800.00	48.00	402.00	\$408.00	\$7,650.00	\$7,242.00
8	\$450.00	17/300	0.0567	\$800.00	45.33	404.67	\$362.67	\$7,200.00	\$6,837.33
9	\$450.00	16/300	0.0533	\$800.00	42.67	407.33	\$320.00	\$6,750.00	\$6,430.00
10	\$450.00	15/300	0.0500	\$800.00	40.00	410.00	\$280.00	\$6,300.00	\$6,020.00
11	\$450.00	14/300	0.0467	\$800.00	37.33	412.67	\$242.67	\$5,850.00	\$5,607.33
12	\$450.00	13/300	0.0433	\$800.00	34.67	415.33	\$208.00	\$5,400.00	\$5,192.00
13	\$450.00	12/300	0.0400	\$800.00	32.00	418.00	\$176.00	\$4,950.00	\$4,774.00
14	\$450.00	11/300	0.0367	\$800.00	29.33	420.67	\$146.67	\$4,500.00	\$4,353.33
15	\$450.00	10/300	0.0333	\$800.00	26.67	423.33	\$120.00	\$4,050.00	\$3,930.00
16	\$450.00	9/300	0.0300	\$800.00	24.00	426.00	\$96.00	\$3,600.00	\$3,504.00
17	\$450.00	8/300	0.0267	\$800.00	21.33	428.67	\$74.67	\$3,150.00	\$3,075.33
18	\$450.00	7/300	0.0233	\$800.00	18.67	431.33	\$56.00	\$2,700.00	\$2,644.00
19	\$450.00	6/300	0.0200	\$800.00	16.00	434.00	\$40.00	\$2,250.00	\$2,210.00
20	\$450.00	5/300	0.0167	\$800.00	13.33	436.67	\$26.67	\$1,800.00	\$1,773.33
21	\$450.00	4/300	0.0133	\$800.00	10.67	439.33	\$16.00	\$1,350.00	\$1,334.00
22	\$450.00	3/300	0.0100	\$800.00	8.00	442.00	\$8.00	\$900.00	\$892.00
23	\$450.00	2/300	0.0067	\$800.00	5.33	444.67	\$2.67	\$450.00	\$447.33
24	\$450.00	1/300	0.0033	\$800.00	2.67	447.33	\$0.00	\$0.00	\$0.00
	\$10,800.00				800.00				