

Period	CARRYING VALUE		X	SEMIANNUAL MARKET RATE	=	INTEREST Expense: CARRYING VALUE X MARKET RATE	AMORTIZATION OF DISCOUNT		
	PAR Value	Less UNAMORTIZED DISCOUNT					=	CARRYING VALUE	X
ENDED 12/31/2021	100,000	<3600>	=			N/A	N/A	N/A	N/A

Period 12/31/2021 to 6/30/2022	100,000	<3600>	=	96,400*	X	6 MONTHS @ .050155 =	4,835*	-	4,000	=	835*
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ADJUSTMENT AT 6/30/2022

Period 6/30/2022 to 12/31/2022	100,000	<2765>	=	97,235*	X	6 MONTHS @ .050155 =	4,877*	-	4,000	=	877*
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ADJUSTMENT AT 12/31/2022

Period 12/31/2022 to 6/30/2023	100,000	<1888>	=	98,112*	X	6 MONTHS @ .050155 =	4,921*	-	4,000	=	921*
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ADJUSTMENT AT 6/30/2023

Period 6/30/2023 to 12/31/2023	100,000	<967>	=	99,033*	X	6 MONTHS @ .050155 =	4,967*	-	4,000	=	967*
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ADJUSTMENT AT 12/31/2023

Now AT 12/31/2023	100,000	<0>	=	100,000*							
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TOTALS	→ 19,600	-	16,000	=	3,600*
TOTALS	→ BOND Interest Expense		CASH INTEREST PAID		DISCOUNT AMORTIZATION

PAR NOW = CARRYING VALUE
 * At the Beginning of Period, Carrying Value For Each 6 Month Period.

EFFECTIVE INTEREST AMORTIZATION - DISCOUNT
 100,000 FACE (PAR) SEMIANNUAL INTEREST Pmts - 2 year life
 4% SEMIANNUAL CONTRACT RATE, 5.0155% SEMIANNUAL MARKET RATE
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