basis means the number of days falling within the period including the ending date of the period but excluding the starting date of the period and calculated as if every calendar month of the period had exactly 30 days;

Provided that if the ending date is the 31st day of the month and—

(a) The starting date of the period is not the 30th or 31st of a month, the ending date shall be included in the number of days in the period;

(b) The starting date of the period is the 30th or 31st day of a month, the ending date shall be deemed to be the 30th day of the month.

(4) In this determination, unless the context otherwise requires, expressions used that are not defined in this clause have the same meaning as in sections 2 and 64B to 64M of the Act.

(5) Any reference in this determination to another determination made by the Commissioner shall be construed as referring to any fresh determination made by the Commissioner to vary, rescind, restrict, or extend that determination.

6. *Method*—(1) A person shall elect to use a method allowed under a determination made by the Commissioner under section 64E(1) (a) of the Act for the purpose of calculating a present value in relation to a financial arrangement, and shall apply that method consistently in respect of that financial arrangement, until it matures or is remitted, sold or otherwise transferred by the person unless the prior consent of the Commissioner (which may be given conditionally) to adopt another method is obtained.

(2) *Method A*—(a) For the purpose of applying clause 6 (2) (b) of this determination, in relation to any person N shall be calculated as follows:

(i) Where the greatest common divisor of all periods between payments is—

(A) A year or 12 months, N shall be taken as 1;

(B) A "halfyear" or 6 months, N shall be taken as 2;

(C) A quarter or 3 months, N shall be taken as 4;

(D) A month, N shall be taken as 12;

(E) A fortnight, N shall be taken as 26;

(F) A week, N shall be taken as 52;

Provided that where 1 or 2 of the periods are shorter or longer than all the other periods this fact shall be disregarded in determining the greatest common divisor, and for the shorter or longer period or periods N shall be, at the option of the person, taken as—

(g) 365 divided by the number of days in the period calculated on a 365 day basis; or

(h) 360 divided by the number of days in the period calculated on a 360 day basis.

(ii) Where N cannot be determined according to the foregoing subparagraph it shall be, at the option of the person, taken as—

(a) 365 divided by the number of days in the period calculated on a 365 day basis—

(b) 360 divided by the number of days in the period calculated on a 360 day basis—

for all of the periods.

(b) The amount of the present value of a financial arrangement calculated according to Method A as at a date shall be calculated according to the following formula:

$$\frac{A + B - C}{1 + F}$$

where—

A is the present value (if any) as at the end of the period immediately following the date; and

B is the sum of the amounts receivable by the holder or payable by the issuer at the end of the period immediately following the date; and

C is the sum of the amounts payable by the holder or receivable by the issuer at the end of the period immediately following the given date; and

F is the amount calculated in relation to the financial arrangement and the person and the period immediately following the date according to the following formula:

$$\frac{R}{100 \times N} \text{ ; and}$$

R is the specified rate.

(3) *Method B*—(a) A person shall apply Method B only to financial arrangements which are debt instruments under which all payments after the issue or acquisition date are at regular "halfyear" or quarterly intervals.

(b) For purposes of applying clause 6 (3) (c) of this determination in relation to any person—

(i) If amounts are payable at regular half-yearly intervals, N shall be taken as 2 and the preceding due date shall be taken as the date 6 calendar months prior to the date on which the first amount is payable on or after the date of issue or acquisition;

(ii) If amounts are payable at regular quarterly intervals, N shall be taken as 4 and the preceding due date shall be taken as the date 3 calendar months prior to the date on which the first amount is payable on or after the date of issue or acquisition.

(c) The amount of the present value of a financial arrangement calculated according to Method B as at a date shall be calculated according to the following formula:

$$\frac{A + B - C}{D}$$

where—

A is the present value (if any) as at the end of the period immediately following the date; and

B is the sum of the amounts receivable by the holder or payable by the issuer at the end of the period immediately following the date; and

C is the sum of the amounts payable by the holder or receivable by the issuer at the end of the period immediately following the date; and

D is (a) Where an amount is payable at the end of the period immediately following the date is the last amount payable under the financial arrangement, an amount calculated according to the following formula:

$$1 + F \times \frac{T1}{T2}$$

(b) In any other case, an amount calculated according to the following formula:

$$(1 + F)^{\frac{(T1)}{(T2)}} \text{ ; and}$$

F means an amount calculated according to the following formula:

$$\frac{R}{100 \times N} \text{ ; and}$$

R is the specified rate; and

T1 is the number of days in the period immediately following the date calculated on a 365 day basis; and