

### Worked Examples for Reference

Assuming A = \$250,000 and B = \$50,000,

For a 122-day EOT, the applicable cap is:

$$\begin{aligned}\text{Cap}_{(122\text{-day EOT})} &= (\$250,000 + \$50,000) \times 122/365 \times 42/1000 \\ &= \$4,211.51^*\end{aligned}$$

For a 150-day EOT, the applicable cap is:

$$\begin{aligned}\text{Cap}_{(150\text{-day EOT})} &= [(\$250,000 + \$50,000) \times 150/365 \times 42/1000] - \mathbf{D} \\ &= \$5,178.08^* - \mathbf{D}\end{aligned}$$

If the purchaser had incurred qualifying costs **up to** the applicable cap for EOT within 122 days (i.e. D = \$4,211.51), then:

$$\begin{aligned}\text{Cap}_{(150\text{-day EOT})} &= \$5,178.08 - \$4,211.51 \\ &= \$966.57^*\end{aligned}$$

However, if the purchaser had incurred qualifying costs **below** the applicable cap for EOT within 122 days (e.g. D = \$2000), then:

$$\begin{aligned}\text{Cap}_{(150\text{-day EOT})} &= \$5,178.08 - \$2000 \\ &= \$3,178.08^*\end{aligned}$$

*\*rounded to the nearest cent*