

## Personal Loan - Private Sector Key Facts Statement

### Features:

- Loan granted to finance personal needs.
- Loan granted in USD.
- Loan to value: based on Credit Committee Decision & the applicant reimbursement capacity.
- Loan amount varies between USD 1,000 & USD 25,000 (with or without salary domiciliation) covering the principal of the Personal Loan.
- Loan Tenor: up to 5 years.
- Debt servicing to Income: Total monthly installments for the total obligations of the Applicant including loans in all Banks should not exceed 33% of the family income.

### Requirements:

- Lebanese Resident.
- Applicant's age should be over 21 years old & not exceeding 64 by the end of the loan period.
- The Applicant should have completed the probationary period with the employer and has completed at least 2 years of employment with the same employer.
- Self-Employed Applicants, in business for at least 2 years, are eligible if they provide adequate audited financial statements and information, as requested by the Bank, including Banks' Statement of Account for the last 6 months.

### Guarantees / Collaterals:

- For non Domiciliated salaries, one or two eligible guarantors with salaries of each being equal or higher than that of the applicant; or Personal Guarantee.
- Salary Domiciliation (in case required by the Credit Committee and mandatory for all Private Sector Special Offers) for the Borrower (s) along with an automatic reservation of the Loan monthly installments from the Borrower(s) settlement account.
- Life insurance (Death + Total and Permanent Disability (Sickness and Accident) for the Borrower(s) and the Guarantor(s) (if applicable), covering 100% of the total loan amount for the full Loan Period, assigned in favor of the Bank. Insurance amount automatically deducted from the Net Loan Amount and paid to Insurance Company.
- If applicable, Fire insurance (Neighbor's Recourse), covering 100% of the mortgaged property appraisal value for the full Loan Period, assigned in favor of the Bank.
- Based on the Credit Committee decision, additional collaterals or guarantees(s) could be required, such as:
  - Cash collateral.
  - Negative Pledge or First degree mortgage
  - Co-Signature
  - Personal Guarantee which should fulfill the same eligibility criteria of the Borrower, as detailed above.

### Target Market:

- Salaried with or without Salary Domiciliation.
- Self-Employed with proof of income.

### Interest:

- Fixed Interest Rate:
  - Not domiciliated :**
    - In USD: 16%
  - Domiciliated :**
    - In USD : 15%

### Annual Percentage Rate (APR):

- APR represents the real cost of a loan or any credit product. APR for the Personal Loan ( Private Sector ) includes in addition to the capital & interests : Commission, File Fees, Life insurance fees and stamps fees. It excludes the late payment fees, the early settlement fees and the fire insurance fees.

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**Fees, Charges & Commissions:**

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**• File Fees:**

- USD 65 for Loans up to USD 5,000.
- USD 100 for Loans above USD 5,000.

- Monthly Commission of 1 ‰ on Capital + Interests, equivalent to 1.2% annually.

**• Fiscal Stamps Fees:**

- 1- LBP 10,000 on the loan agreement for each contractual year
- 2- 1.5 ‰ on the Promissory Note

**• Life / Total or Permanent Disability Insurance fees:**

- 1- Varying according to loan duration between 1.5% and 2.5 % of the Total Loan amount if Borrower's age is less than 45 years.
- 2- Varying according to loan duration between 2% and 4% of the Total Loan amount if Borrower's age is equal or above 45 years (till 64 years).

**• Interest refund in case of prepayment:**

In case of Prepayment of the Personal Loan, the Bank may consider the refund of a certain percentage of the accrued interests (max 40%), at its sole discretion.

- Delay interest rate: 12% p.a. on unpaid USD Personal Loan installments

- Additional commission of 3\$ payable on each unpaid Personal Loan installment .

**In case of additional Guarantees requested :**

- Expert fees : LBP 225,000 (or c/v in USD) if the guarantee requested is a Negative Pledge & LBP 300,000 (or c/v in USD) if the guarantee requested is a Mortgage .
- Mortgage Constitution and Release Mortgage fees : 1.5 % of the mortgage value.
- Notary fees : LBP 40,000 (for Negative Pledge or Cash Collateral)
- Stamps on Personal Guarantee or Cash Collateral : LBP 10,000

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**Obligations:**

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- The Borrower should open a Loan settlement Account with the Bank and keep available funds for the automatic settlement of the loan monthly installments (domiciled salary account for loans against salary domiciliation with reservation of monthly bill).
- In case of delinquency, an official and registered Warning letter will be sent to the Borrower (s) and Guarantor(s) (if applicable) and their names shall be classified under BDL Blacklist and advised to the Central Bank , as non performing Borrower (s) / Guarantor (s)

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**Risks:**

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At least the following risks can arise from contracting a Personal Loan :

- Risk of Default on settlement of installments and interests:
  - In case of discontinuation or change in the employment conditions or reduction of the monthly income of the Borrower (s) and Guarantor(s).
  - Foreclosure on the mortgaged house and any other owned properties or assets of the Borrower (s) & Guarantor(s) (if any), in case of default.
  - Reputational risk due to the classification of the Borrower (s) or Guarantor(s) (if any) under non performing borrowers in case of default and advising the Central Bank.

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**Terms & Conditions:**

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- The Bank reserves the right at its sole discretion, to amend all the above terms and conditions at any time, without any advise to the Borrower (s) / Guarantor(s).
- The product or service is granted at the full discretion of the bank and subject to the banking suitability criteria as well as the financial and personal eligibility of the Borrower (s) and / or the Guarantor (s).
- Any deviation of the above mentioned conditions is subject to Credit Committee Decision.

**Example:** Borrower's age 35 Years with good health conditions ( With Salary Domiciliation)

Loan Amount in USD	Period (in years)	Interest Rate %	Loan Monthly Installment in USD	APR
8,000.00	4	15%	229.00	20.57%