

Personal Loan - Public Sector Key Facts Statement

Features:

- Loan is granted to finance Personal Needs.
- Loan is 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 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 Public Institution.

Guarantees / Collaterals:

- Mandatory Salary Domiciliation for the Borrower (s)
- 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.
- Automatic reservation of the Loan Monthly Installments from the Borrower(s) settlement account.
- Based on the Credit Committee decision, additional collateral or guarantee(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:

- Public Sector Employees with salary domiciliation

Interest:

- Fixed Interest Rate: 15%

Annual Percentage Rate (APR) :

- APR represents the real cost of a loan or any credit product. APR for Personal Loan (Public 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.

Fees, Charges & Commissions:

• 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 and Permanent Disability Insurance fees:

- 1- Varying according to the 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 USD 3 payable on each unpaid Personal Loan installment.

In case of additional Guarantees requested :

- Expert fees : LBP 225,000 if the guarantee requested is a Negative Pledge & LBP 300,000 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

Obligations:

- The Borrower should open a Loan settlement Account (domiciled salary account) with the Bank subject to automatic monthly bills' reservation for the automatic monthly settlement of the installments.
- 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).

Risks:

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 Borrower(s) in case of default and advising the Central Bank .

Terms & Conditions:

- 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 33 Years with good health conditions .

Loan Amount in USD	Period (in years)	Interest Rate %	Loan Monthly Installment in LBP	APR
10,000.00	4	15%	287.00	20.34%