Key Fact Document – Consumer Loans

Nations Trust Bank

Pursuant to a requirement under the Customer Charter issued by the Central Bank of Sri Lanka, we have prepared a series of Key Fact Documents [KFDs] which are intended to assist you to choose the banking products/services we offer, that are required and are appropriate for you. This KFD gives you a broad outline of the Consumer Loan products and services available at Nations Trust Bank PLC. However please note that the facts stated in the KFD below may require revision according to legal and regulatory changes and the changes in policies and procedures of the Bank from time to time.

DESCRIPTION: NATIONS CONSUMER LOANS

Types of Rates Available

Type of Rate	Rate Revision frequency
1 month variable rate	3 months
6 months variable rate	6 months
12 months variable rate	12 months
5 years fixed rate	Rate will be revised after 5 years only if there's any remaining tenure

*Rate revision will be subject to Bank's decision on interest rates.

Installment Options

Option	Description
Fixed installment amount with fixed tenure	This option is available if the loan is obtained at a fixed rate. The installment amount or the interest rate will not change for a maximum period of 5 years.
Fixed installment amount with variable tenure	This option is available for loans under variable rate. The installment amount will not change with the interest rate changes and customers can enjoy the convenience of paying the same installment maintaining their monthly cash flow. The loan tenure will be increased or decreased based on the interest rate fluctuations. If the customer does not specify his installment option, above option will be offered to the customer without any further verifications or requests.
Variable installment amount with fixed tenure	This option is available for loans under variable rate. The installment amount will change with the interest rate changes and the loan tenure will remain the same.

*For Housing and Auto loans, only fixed tenure options are available.

Mode of Repayment

Most encouraged method of repayment is to transfer the salary to the Bank, however setting up a standing instruction is also an option. If the customer signs up for "Nations Salary Saver" product or if the loan was approved subject to salary remittance to the Bank, it is mandatory to remit the salary to the Bank until the loan maturity date.

Fees / Charges/ Interest Charged from Customers

Fee Type	Description	Tariff
Loan Processing Fees	Onetime fee charged at the time of processing the loan. Charge will depend on the loan amount or if the customer opts for speedy processing option -Green Channel (2 working days except weekends and bank holidays).	New/Top Up Loans: 0.5% of the loan amount subject to minimum of LKR. 10,000 Personal/Vehicle -Green Channel (02 working days disbursement): Processing fee + additional LKR 5000 25% processing fee waiver for Private Banking customers 10% processing fee waiver for Inner Circle customers who assigned salary to NTB (Concession is not applicable for additional Green channel fee) **Housing Loans** Application fee: LKR 5,000 Bank fee: Bank processing fee and legal fee charged based on loan amount Legal fee is subject 15% VAT.
Part /Full early Settlement Fee	Personal and Auto : Part or Full early settlement allowed only after and once in 12 months. Housing : Part or Full early settlement allowed only after 36 months. A penalty fee will be charged on the settlement capital.	5% of the settlement capital Minimum fee – Personal and Housing LKR 10,000 Vehicle LKR 20,000 (5% or minimum fee whichever is higher will apply)
Penalty Interest	The penal Interest will be charged over and above the normal rate for the portion in arrears until the portion in arrears is settled. The capital outstanding that has not fallen due will be charged at the agreed loan interest rate. This is in compliance with the Central Bank directive Ref: 02/17/600/002/001 issued on 26th July 2013.	The penal interest rate is 2% p.a.
Late Payment Fee	Late Payment fee will be charged if no sufficient funds are made available in the repayment account to pay the loan installment on the agreed due date.	LKR 900
Restructure, Reschedule or Due Date Change Fees	For loan restructure, reschedule or due date change requests, a flat fee will be charged as handling fee. Requests to convert the loan interest rate from fixed to variable will be charged with the standard restructure fee.	Restructure/ reschedule or due date change – LKR 1,500 Fixed to variable rate – Restructure fee of LKR 1500 will be charged
Standard letter issuance	Standard letter issuance will be subject to a handling fee	LKR 1,000
Customized letter issuance	Customized letter issuance will be subject to a handling fee (excluding standard letters)	LKR 4,000
Non Salary /Standing Instructions remittance fee	Breach of agreed repayment mode	LKR 2500 (Monthly)

Procedure to be followed to obtain the product / service

Eligibility	Personal / Auto Loans ▪ Sri Lankan citizen residing in Sri Lanka ▪ Age should be between 18 - 55 years Housing Loans ▪ Sri Lankan citizen residing in Sri Lanka. ▪ Non- Resident Sri Lankan. ▪ Age should be between 21 - 55 years
Documents required	If salaried; ▪ Duly completed loan application ▪ A copy of National Identity Card/ Passport/ Driving License ▪ Recent salary slip ▪ Letter from the employer confirming the salary and the employment ▪ Billing proof (i.e. telephone bill, water bill or electricity bill) ▪ Salary remitting bank statements for the last 6 months (if required) If self-employed; ▪ Duly completed loan application ▪ A copy of National Identity Card/ Passport/ Driving License ▪ Certificate of Business Registration/ Certificate of Incorporation ▪ Personal current account statements for the last 6 months For housing loans, property documents will be required. The Bank will request for additional documents if necessary to support the credit evaluation. The customer should also enter into a written agreement with the Bank, which sets out the terms and conditions of the loan contract.
How to Apply	1. Collect an application from any of our branches. 2. Please submit the completed form with required documents to your nearest Nations Trust Bank branch. 3. Call our 24-hour customer service hotline on 0114711411 and request the assistance of a Business Development Officer.

Important Terms

Loan Tenure	The repayment period allowed for the loan contract is the loan tenure. Loan tenure can be decided by the customer subject to eligibility and product terms and conditions.
Loan Account	Loan account number under which the loan contract is placed.
Loan Repayment Account	Should be a savings account and funds should be available in the account for repayment on or before the agreed due date.
Bank's Discretion	Loan approval is subject to the credit policy of the Bank and the Bank has the sole authority in such decisions.
Debt Service Ratio	This is the total monthly debt obligations versus the net income of a customer, expressed as a percentage. It is a globally used indicator to ascertain a customer's immediate ability to service debt. Customer should keep the Bank informed prior to making any new borrowings outside the Bank and any breach to this contract gives the right to the Bank to withdraw or recall the loan facility at its discretion.
Loan to Value	This depicts the ratio of an approved loan value to the value of the asset purchased
Debt Consolidation	This is the process of combining various facilities into one single facility. If the customer wishes to settle any other facility with another institute, the relevant documents for settlement should be supplied to the Bank without fail. Failure to do so may result in additional interest charges to the customer due to delays in settlement.
Odd Days Interest	If the first repayment is due within less than 1 month from the loan granted date, only the interest will be charged. 1st full installment will be charged from the next installment due date.
Due Date	The repayment date should be a date between 1st to 26th of each month and should be the salary date or salary day + 1 day for salaried customers. If the salary date is 26th or after the due date should be selected as 1st.
Reviewing the facility	The Bank will review any loan facility from time to time and to withdraw/cancel or recall the same or to vary the terms and conditions relating to the contract in its sole and absolute discretion without prior notice to the customer.
Accepting the Loan Facility	If the customer does not agree with the interest rate or any other condition once the loan is granted, customer shall promptly (in any event not later than 7 days) inform the Bank on the inability to accept the loan and should not make use of the loan proceeds.
Recoveries	If no sufficient funds are available in the loan repayment account by the due date, the loan will be in arrears and will be reported as a delinquent account. During the first 3 months of delinquency, payment reminders will be sent via letters, calls and text messages and customer visits if required. The referees will be contacted if the Bank fails to establish contact with the customer. If the delinquency continues to the fourth month, the Bank may appoint third party collection agents for the recovery of outstanding amounts and costs of such collection will be recovered from the customer. The Bank is authorised to debit any current, savings accounts or fixed deposit accounts maintained with the Bank with all amounts payable under or in respect of the loan, even to the extent of creating an overdraft or increasing an existing overdraft limit, on the due dates as agreed, together with the amount of interest payable without any notice to the customer.

This document does not replace the Terms and Conditions in the Universal mandate or the Consumer loan application form and the fees and charges mentioned above are subject to change.
If you wish to know further information please contact us in the following manner.

Phone : Please call our 24-hour customer service hotline on 011 4 711 411

Email : customerservice@nationstrust.com

Website : www.nationstrust.com

Letters : The Complaints Resolution Officer, Nations Trust Bank PLC, 242, Union Place, Colombo 2

In case you have any complaint relating to any of your consumer loan accounts, please forward to us a brief written statement containing the notice of the complaint to the above address or contact us by telephone on the above contact numbers and we will respond to you within 3 working days.