

# MITC - Personal Loans

## 1. Fees and Charges

- ▶ The fees and charges for Personal loan are set out in the tariff sheet or can be enquired through phone banking / contacting any of our branches.

Tariff Sheet	
Loan Processing charges	2% of the sanctioned loan amount
Prepayment charges	4% of the outstanding amount
Cheque return charges	Rs 350/-
Cheque swap charges	Rs 250/-
Late Payment charges	2% over the applicable interest rate on the outstanding amount + Rs.250/- of each late payment.

- ▶ Fees and charges, as may be applicable from time to time, are payable by the customer for specific services provided to the customer or for defaults committed by the customer with reference to his / her loan account.
- ▶ Tariff structure is subject to change from time to time at the sole discretion of HSBC. Such changes, other than changes in rate of finance charge (interest rates) and those which are as a result of regulatory requirements will be made with prospective effect giving notice of at least one month.
- ▶ Please be advised that vide Notification No. 8/2009 - ST dated February 24, 2009, a service tax of 10% + 2% education cess + 1% secondary and higher secondary education cess thereon will be applicable on our fees, and other charges.
- ▶ Late payment charge will be applicable if EMI due is not paid by the payment due date.

## 2. Interest

- ▶ Customer would be charged interest on the loan amount in equated monthly installment at the rate as set out in the agreement.
- ▶ Interest accrues on a daily basis and needs to be paid on dates set out in the Agreement / facility acceptance letter.

## MITC - Personal Loans

- ▶ Interest rates are subject to change at any point of time at the sole discretion of the bank.

### 3. Draw Down of the loan

- ▶ The loan amount should be availed of within 30 days from the date of opening the account. The loan sanction may be kept open at the sole discretion of the bank. The bank may at its sole discretion cancel the draw down of the loan at any point of time.

### 4. Repayment

- ▶ Personal Loan needs to be repaid in Equated Monthly Installments (EMI). HSBC would notify the customer about the amount of the installment and each installment payment due date.
- ▶ Installment amount would comprise of principal and interest which are payable in Equated Monthly Installments (EMIs) as set out in the agreement.
- ▶ Customer would be required to pay any balance owing for the loan account (after payment of all installments) on the final payment date as notified by the bank.
- ▶ Customer would be required to pay the installments, irrespective of whether he/she withdraws or not, any of the loan funds as deposited by HSBC in the nominated account.
- ▶ HSBC will advise the customer of the modes/ manner in which to repay the installments.

#### For e.g.

- Customer may issue a standing instruction to debit his HSBC account for repayment or may give documents ( ECS/ PDC's) for collecting repayment from designated account.
- In case of the customer providing an ECS as the repayment option, customer will need to provide to HSBC, one or more signed undated cheques, drawn in favour of the bank, with the amount as specified by the bank.

## MITC - Personal Loans

- ▶ Customer needs to ensure that the repayment instructions are honored. Accordingly, customer must ensure:
  - Sufficient funds in the Designated account to be debited.
  - Not stop any cheques;
  - Not cancel or vary any payment arrangement (unless required by the bank)
  - Not close or change the account on which repayment instrument are drawn (unless he/ she pays the applicable fee set out in the tariff sheet or elsewhere the agreement).
- ▶ If the customer issues post dated cheques, he/ she irrevocably authorise the bank to fill in the dates and acknowledge that the bank can use these cheques to pay any amount which the customer owes to the bank in connection with the loan.

### 5. Default

- ▶ If the customer does not pay the installment on or before the relevant due date; outstanding loan amount and all accrued interest would become immediately due and payable. Customer would also be liable to pay the fee as set out in the tariff sheet. In the event of default (i.e. if the minimum amount due is not paid by the payment due date or breach of any clause of the agreement), the customer will be sent reminders from time to time for payment of any outstanding on his personal account, by post, fax, telephone, e-mail, SMS messaging and /or through third parties appointed for collection purposes to remind, follow-up and collect dues.

### 6. Prepayment

- ▶ Customer can prepay the loan post 6 months of disbursement provided customer gives notice in writing and pays in accordance with the pre payment amount confirmation given by the bank. The pre-closure of the part amount of the loan is not allowed. If prepayment is made by cheque, the prepayment takes effect only when the cheque is cleared.

### 7. Disclosures

- ▶ The customer acknowledges the right of HSBC to provide details of his / her account to third party agencies for the purpose of availing of support services of any nature by the Bank, without any specific consent or authorisation from him / her.

## MITC - Personal Loans

- ▶ The customer further acknowledges that HSBC is authorised to share information relating to customer, including information relating to any default committed by the customer in discharge of his / her obligation, as HSBC may deem appropriate and necessary, with any existing or future credit bureaus / credit reference agencies as determined by HSBC from time to time. Accordingly the customer herein expressly gives consent to disclose information to such credit bureaus / credit reference agencies. Such entities may further make available processed information or data or products thereof to banks / financial institutions and other credit grantors.
- ▶ The customer further authorises HSBC to use information or data relating to him /her , whether provided by him / her or otherwise, in connection with the offer, sale or distribution of HSBC's products and services to the customer.
- ▶ HSBC also provides information relating to credit history / repayment record of the customer to a credit information company (specifically authorized by RBI), in terms of the Credit Information Companies (Regulation) Act, 2005.