

Bank AL Habib Limited

CREDIT CARD CENTER

3rd & 4th Floor, Finlay House, I.I. Chundrigar Road, Karachi, Pakistan.

Dear Cardmember,

It is our privilege to have you as our credit card customer. As a regulatory requirement, Banks issuing credit cards are required to inform their card member the basis of computation of financial charges. Provided below is an example on how this financial charge is levied in order to clarify the application of the charge.

Example: Given that the STATEMENT GENERATION DATE is the 15th OF MONTH and the PAYMENT DUE DATE is the 4th OF FOLLOWING MONTH, we assume that a customer undertakes a transaction of Rs. 20,000/= on 11th June 2018 (there being no other transactions on the card either before or after this transaction) and that he makes a partial payment of Rs. 5,000/= on 22nd June 2018. We recover financial charges on the next statement generation date of 15th July 2018 amounting to Rs. 150.48 on the full amount of the balance and Rs. 246.24 on the balance amount of the transaction/balance as per details given below:

Date	Description	Transaction	Outstanding Amount	Period of Outstanding Amount	Rate Per Day	Number of Days Outstanding	Financial charges
11.06.18	Retail Transaction	20,000.00	20,000.00	-	-	-	-
22.06.18	Payment	5,000.00	15,000.00				
15.07.18	Service Charges		20,000.00	11.06.18-21.06.18 Please refer Point # 1	0.0684%	11	150.48
15.07.18	Service Charges	After deducting payments Rs. 5,000.00	15,000.00	22.06.18-15.07.18 Please refer Point # 1	0.0684%	24	246.24

NOTES:

1. If cardmember pays the Minimum amount or any amount less than the full payment by the payment due date, for transactions which can be covered by the payment, a service fee is charged from the transaction date to the payment date. For balance/transactions which are not covered by the payment, a service fee is charged from the transaction date to the date the next Statement of Account is generated/date of final payment.
2. **For all retail transaction, if full payment is received within the payment due date then no financial charges are recovered.**
3. **However, for all cash withdrawals, financial charges are recovered from date of withdrawal till date of payment.**
4. Financial Charges are recovered @0.0684% per day or 2.083% per month, which translates into an APR of 25%.

We hope the above clarifies the application of the financial charges. In case you require further details or explanation, please call the undersigned.

With best regards,

Yours very truly,



Syed Amir Raza
Head of ADC Business Division