



BANKA KOMBETARE TREGTARE

## USED CAR LOAN PRE-CONTRACTUAL INFORMATION FORM

Items	Description
<b>Introduction</b>	This document is not a mandatory legal offer. Presented confidential figures are a reliable presentation of the bank products that will offer due to current market terms and conditions, based on given information. However, these figures can fluctuate according to the market conditions. Giving the information does not intend that the bank is obliged to provide loan.
<b>1. Bank</b>	BANKA KOMBETARE TREGTARE (BKT) SH.A
<b>2.Product</b>	USED CAR LOAN
<b>3. Purpose of product</b>	The loan is designed to cover the expenses for the purchase of a used car, produced up to 5 years before the application date. The eligible customers are only individuals that will use the car for their personal use. Vehicle used for the activity are not subject of this product.
<b>3. Product description</b>	<p>This product will be used for the purpose foresight in the point 3 and as a guaranty the bank will ask the pledge of the vehicle that will be bought and Casco insurance of the car in its favor.</p> <p>The loan repayment will be performed by equal monthly installments (principal + interest) due to the repayment schedule and not as a lump sum payment at the end of the maturity. The bank will finance up to 60% of the purchase value of the vehicle, but not more than 80% of the insured value of the vehicle, as insured by the Insurance company. Bank will take as a guarantee the vehicle to be purchased and also two acceptable sureties.</p>
<b>4. Interest rate</b>	<b>1 Year T-bill +8% (changing each 12 months of the loan)</b>
<b>5. Effective interest rate</b>	<p>The effective interest rate (EIR) defines the total cost of the loan including interests, commissions and any other expenses that the customer will afford for the loan according to the conditions mentioned in loan agreement. In order to calculate EIR, in the total expenses amount are not included expenses that are unknown at the moment of EIR calculation, dues to be paid from the customer for not fulfilling the Loan Agreement conditions, expenses to be paid from the customer to third parties (for ex. Notary fees, Real Estate Registration Office fees, Pledge Register fees, based on specific documents) and any other general expenses raised for the registration and guarantees, expenses for the insurances and / or guarantees that are not obligatory, expenses from the commissions applied on the unused loan amount and expenses from the commission applied for change of the contractual conditions.</p> <p>The EIR will be calculated assuming that:</p> <ul style="list-style-type: none"><li>- The Loan Agreement is valid for the set maturity</li><li>- Parties fulfill their duties according to the conditions and dates agreed in the Loan Agreement and</li><li>- The interest percentage and the other expenses included in the EIR calculation</li></ul>

	<p>remain unchanged until the end of the Loan Agreement.</p> <p>The customer will be informed on the approximate value of EIR at the application moment and also on the exact value of EIR at the loan disbursement (with the Payment Plan Annex).</p> <p>After the loan disbursement the applicant will be furnished with the Payment Plan Annex where will be specified in percentage the Effective Interest Rate (EIR), referring to the base rate (1 year Treasury Bill) according to the market conditions at the loan disbursement moment.</p>
<b>6. Loan amount and its currency</b>	<p><b>Maximal Loan Amount</b> 1,000,000 ALL</p>
<b>7. Loan contract maturity for used car loan</b>	<p><b>Max. Maturity</b> – Up to 4 year (or 48 months)</p>
<b>8. Disbursement of the loan</b>	<ul style="list-style-type: none"> <li>- As condition for loan disbursement, the borrower should open one or more current accounts at Banka Kombetare Tregtare, named "Loan account", where the bank will disburse the funds and through which will be repaid the loan.</li> <li>- Withdrawal of the loan will be through one of the manners: Cash withdrawal, withdrawal through electronic channels, through a cheque issued by the customer himself, through payment-order given in written in favor of third parties.</li> <li>- If during the loan disbursement the bank notice that the Borrower has not respected the terms and conditions foreseen in the loan contract signed by parties, the Bank has the right to cancel the loan contract that will be followed with the return of the used funds (principal) up to that moment and the respective interest rate.</li> </ul>
<b>9. Number and frequency of loan installments</b>	<p>The loan repayment will be performed on equal monthly installments. The number of installments varies due to loan to maturity.</p>
<b>10. Number and frequency of loan installments</b>	<p>Installment = Principal amount + interest amount</p>

**11. Repayment schedule (repayment plan)**

**Loan terms and EIR calculation table**

Loan amount	1,000,000	Leke
Loan Maturity	48	Muaj
Applicant age	38	Vjec
Gender	Male	
Type of customer	Standard	

Interest Rate (=)	(Treasury Bill 12 months)	Plus (+) (spread)
<b>11.90%</b>	<b>3.90%</b>	<b>8.00%</b>
Disbursement Com.	1.5%	15,000 Leke
Life Ins. Premium	n/a	- Leke
Property Ins. Premium	depends o car value	60,480 Leke
Others (If any)		Leke
Monthly Installment		26,284.76 Leke
<b>Effective Interest Rate (EIR)</b>		<b>16.18%</b>

**Amortisation table (loan repayment)**

Currency	Loan amount	Interest rate (in %)	Loan maturity in Years	Loan maturity in months	Monthly installment
Leke	1,000,000	11.90%	4	48	26,284.76
Month	Beginning balance	Interest amount	Principal amount	Monthly Installment	End Balance
1	1,000,000	9,916.67	16,368.10	26,285	983,632
2	983,632	9,754.35	16,530.41	26,285	967,101
3	967,101	9,590.42	16,694.34	26,285	950,407
4	950,407	9,424.87	16,859.89	26,285	933,547
5	933,547	9,257.68	17,027.09	26,285	916,520
6	916,520	9,088.83	17,195.94	26,285	899,324
7	899,324	8,918.30	17,366.46	26,285	881,958
8	881,958	8,746.08	17,538.68	26,285	864,419
9	864,419	8,572.16	17,712.61	26,285	846,706
10	846,706	8,396.51	17,888.26	26,285	828,818
11	828,818	8,219.11	18,065.65	26,285	810,753
12	810,753	8,039.96	18,244.80	26,285	792,508

The revision of the base rate, in this case of the Treasury Bill is done every 12 months of the loan, thus the revision of the interest rate will be done each installment date that will be a multiple of 12 until the last year of loan maturity. This is an illustrative table and the installments calculation after the 12 installments is based on the Base Rate in force in the actual month.

**12. Additional costs irreversible in cases when they are applicable**

Not applied.

**13. Other additional costs**

Type of expenses	Value
Notary Expenses	~ 3,800 ALL / for contract
Pledge Expenses	~ 1,400 ALL
Casco insurance premium for cars	Depends on the loan value
Disbursement commission	1.5%

	The above mentioned loan origination related costs are considered as post approval loan application costs. These costs are inevitable and mandatory for the applicant before the disbursement date. The expenses of mortgage, notarization of the loan contract and the commitment commission will be paid only at start; meanwhile the prime of life insurance, property and life will be repeated on yearly basis.
<b>14. Prepayment (if applicable)</b>	Not applied.
<b>15. Claiming forms</b>	<ul style="list-style-type: none"> <li>- Written letter near any branch or Agency</li> <li>- Visits near every branch or Agency</li> <li>- Via telephone (+355 42 266 288) call center</li> <li>- Through electronic mail: <a href="mailto:info@bkt.com.al">info@bkt.com.al</a></li> </ul>
<b>16. Other Penalties</b>	<ul style="list-style-type: none"> <li>- If the bank finds that the customer has not used the loan for the stated purpose it may ask for the total liquidation of the outstanding loan amount and accumulated interests or otherwise if it finds appropriate it can apply a commission of 1% over the disbursed loan amount.</li> <li>- If the borrower fails to pay commission and interest, the bank has the right to charge a commission of 4(four)% in Lek on monthly basis over the unpaid commissions and interest amounts.</li> <li>- If the borrower can not pay in time the matured installment (interest or principal) , the Bank apart of the normal interest rate, has the right to apply a penalty of 4(four)% in Lek on monthly basis, calculated on the unpaid due installment (inters + principal) for the period in which he is in delay, based on terms and conditions of this contract.</li> </ul> <p><b>Penalty Calculation:</b>  <math>\text{Due Amount} \times \text{Penalty Rate}\% \times 12 \text{ months} / 360 \text{ days} \times \text{days in arrears}</math></p>
<b>17. Validity Period of Pre-Contractual Information</b>	The Period of Validity of the Pre-Contractual Information is 7 (seven) calendar days starting from the date that the customer has signed this form.