

## Interest Calculation Method Adopted by NTB PLC on Credit Cards

### Important Points:

1. In the event the Card member pays the full outstanding on or before the due date there will not be any interest charged on the card account for that cycle.
2. Interest is calculated daily on the reducing balance method.
3. Interest charged will be mentioned in the subsequent statement cycle.
4. Date indicated under the 'Post Date' on the statement will be considered as the starting date for interest calculation of each transaction
5. Transactions posted on the same statement cycle will not be taken into consideration for interest calculation
6. When the outstanding includes balances remaining from cash advances, cash rate is applicable on that balance component in addition to the one-time charge of cash advance fee charged on the date of transaction.
7. In addition to Debit interest, late payment fee will be levied if the minimum due is settled after the due date or if the payment made is less than the minimum due or if no payment is received on or before the due date.
8. The following formula is used for interest calculation;

$$\text{Interest Calculation Formula} = \text{Capital Amount} \times \{(\text{Annual Interest \%}) / 365\} \times \text{No of days}$$

### Current Rates Applicable

<u>Card Type</u>	<u>Rate on Purchases</u>	<u>Rate on Cash</u>
Amex Blue	28%p.a	28%p.a
Amex Gold	28%p.a	28%p.a
Amex SLA Co-Brand Platinum	28%p.a	28%p.a
Amex Centurion Platinum	28%p.a	28%p.a
Master Card World	28%p.a	28%p.a
Master Card Platinum	28%p.a	28%p.a

### Examples on Interest Calculations

Examples are given below with regard to the following scenarios,

**Scenario1:** Customer makes the full Payment on or Before the Due Date

**Scenario2:** Amount paid is less than the closing balance but greater than the minimum due

**Scenario3:** Only the Minimum Amount is paid

**Scenario4:** Amount paid is less than the Minimum Amount

**Scenario5:** No Payment made

**Scenario6:** Debit interest for cash advances

**Scenario7:** Debit Interest with Late payment fee

**Scenario 1:**

Customer makes the full Payment on or before the Due Date

Statement Period:		01.12.2019-31.12.2019	
Description	Post Date	Trxn Date	Amount
Opening Balance	1-Dec	1-Dec	0
Transaction1	15-Dec	12-Dec	50,000.00
Transaction2	17-Dec	17-Dec	15,000.00
Transaction3	20-Dec	16-Dec	3,500.00
Fees	31-Dec	31-Dec	5,000.00
Closing Balance	31-Dec	31-Dec	73,500.00

Statement Period:		31.12.2019-31.01.2020	
Due Date		20.01.2020	
Minimumdue4%		2,940.00	
Description	Post Date	Trxn Date	Amount
Opening Balance	1-Jan	1-Jan	73,500.00
Payment	19-Jan	19-Jan	73,500.00
Transaction4	11-Jan	10-Jan	6,000.00
Transaction5	13-Jan	12-Jan	4,000.00
Debit Interest	31-Jan	31-Jan	<b>0.00</b>
Closing Balance	31-Jan	31-Jan	10,000.00

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\*As the full payment was made prior to the due date, No interest charged on the statement.

**Scenario 2:**

Amount paid is less than the closing balance but greater than the minimum due

Statement Period:		01.12.2019 - 31.12.2019	
<b>Description</b>	<b>Post Date</b>	<b>Trxn Date</b>	<b>Amount</b>
Opening Bal	1-Dec	1-Dec	0
trnx 1	15-Dec	12-Dec	50,000.00
trnx 2	17-Dec	17-Dec	15,000.00
trnx 3	20-Dec	16-Dec	3,500.00
Fees	31-Dec	31-Dec	5,000.00
Closing Bal	31-Dec	31-Dec	73,500.00

Statement Period:		31.12.2019 - 31.01.2020	
Due Date		20.01.2020	
Minimum due 4%		2940	
<b>Description</b>	<b>Post Date</b>	<b>Trxn Date</b>	<b>Amount</b>
Opening Bal	1-Jan	1-Jan	73,500.00
Payment	20-Jan	20-Jan	10,000.00
trnx 1	11-Jan	10-Jan	6,000.00
trnx 2	13-Jan	12-Jan	4,000.00
Debit Interest	31-Jan	31-Jan	<b>2,467.84</b>
Closing Bal	31-Jan	31-Jan	75,967.84

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DI Breakdown for 31.01.2020						
Description	Amount	Posted Date	Payment Date	Days	Rate (p.a)	Int. Amount
trnx 1	50,000.00	15-Dec	31-Dec	16	28%	613.70
trnx 2	15,000.00	17-Dec	31-Dec	14	28%	161.10
trnx 3	3,500.00	20-Dec	31-Dec	11	28%	29.53
Outstanding as at 31 Dec - charges	5,000.00	31-Dec	20-Jan	20	28%	76.71
Outstanding as at 31 Dec - Balance	68,500.00	31-Dec	20-Jan	20	28%	1050.96
balance after the papyment made on 20th	63,500.00	20-Jan	31-Jan	11	28%	535.84
<b>Total Debit Int. as at 31 Jan 2020</b>						<b>2467.84</b>

\*Interest is charged for the Total outstanding on the previous statement since the full balance is not settled

**Scenario 3:**

Only the Minimum Amount is paid

Statement Period:		01.12.2019-31.12.2019	
Description	Post Date	Trxn Date	Amount
Opening Balance	1-Dec	1-Dec	0
Transaction1	15-Dec	12-Dec	50,000.00
Transaction2	17-Dec	17-Dec	15,000.00
Transaction3	20-Dec	16-Dec	3,500.00
Fees	31-Dec	31-Dec	5,000.00
Closing Balance	31-Dec	31-Dec	73,500.00

Statement Period:		31.12.2019 - 31.01.2020	
Due Date		20.01.2020	
Minimum due 4%		2940	
Description	Post Date	Trxn Date	Amount
Opening Bal	1-Jan	1-Jan	73,500.00
Payment	20-Jan	20-Jan	2,940.00
trnx 1	11-Jan	10-Jan	6,000.00
trnx 2	13-Jan	12-Jan	4,000.00
Debit Interest	31-Jan	31-Jan	<b>2,527.41</b>
Closing Bal	31-Jan	31-Jan	83,087.41

DI Breakdown for 31.01.2020						
Description	Amount	Posted Date	Payment Date	Days	Rate (p.a)	Int. Amount
trnx 1	50,000.00	15-Dec	31-Dec	16	28%	613.70
trnx 2	15,000.00	17-Dec	31-Dec	14	28%	161.10
trnx 3	3,500.00	20-Dec	31-Dec	11	28%	29.53
Outstanding as at 31 Dec - charges	5,000.00	31-Dec	20-Jan	20	28%	76.71
Outstanding as at 31 Dec - Balance	68,500.00	31-Dec	20-Jan	20	28%	1050.96
balance after the payment made on 20th	70,560.00	20-Jan	31-Jan	11	28%	595.41
<b>Total Debit Int. as at 31 Jan 2020</b>						<b>2527.41</b>

\*Interest is charged for the Total outstanding on the previous statement since the full balance is not settled.

**Scenario 4:**

Amount paid is less than the minimum amount

Statement Period:		01.12.2019-31.12.2019	
Description	Post Date	Trxn Date	Amount
Opening Balance	1-Dec	1-Dec	0
Transaction1	15-Dec	12-Dec	50,000.00
Transaction2	17-Dec	17-Dec	15,000.00
Transaction3	20-Dec	16-Dec	3,500.00
Fees	31-Dec	31-Dec	5,000.00
Closing Balance	31-Dec	31-Dec	73,500.00

Statement Period:		31.12.2019 - 31.01.2020	
Due Date		20.01.2020	
Minimum due 4%		2,940.00	
Description	Post Date	Trxn Date	Amount
Opening Bal	1-Jan	1-Jan	73,500.00
Payment	20-Jan	20-Jan	1,500.00
trnx 1	11-Jan	10-Jan	6,000.00
trnx 2	13-Jan	12-Jan	4,000.00
Debit Interest	31-Jan	31-Jan	<b>2,539.56</b>
Late Payment Fee	31-Jan	31-Jan	1,750.00
Closing Bal	31-Jan	31-Jan	86,289.56

DI Breakdown for 31.01.2020						
Description	Amount	Posted Date	Payment Date	Days	Rate (p.a)	Int. Amount
trnx 1	50,000.00	15-Dec	31-Dec	16	28%	613.70
trnx 2	15,000.00	17-Dec	31-Dec	14	28%	161.10
trnx 3	3,500.00	20-Dec	31-Dec	11	28%	29.53
Outstanding as at 31 Dec - charges	5,000.00	31-Dec	20-Jan	20	28%	76.71
Outstanding as at 31 Dec - Balance	68,500.00	31-Dec	20-Jan	20	28%	1050.96
balance after the payment made on 20th	72,000.00	20-Jan	31-Jan	11	28%	607.56
<b>Total Debit Int. as at 31 Jan 2020</b>						<b>2539.56</b>

\*Interest is charged for the Total outstanding on the previous statement since the full balance is not settled

**Scenario 5:**

No payment made

Statement Period:		01.12.2019-31.12.2019	
Description	Post Date	Trxn Date	Amount
Opening Balance	1-Dec	1-Dec	0
Transaction1	15-Dec	12-Dec	50,000.00
Transaction2	17-Dec	17-Dec	15,000.00
Transaction3	20-Dec	16-Dec	3,500.00
Fees	31-Dec	31-Dec	5,000.00
Closing Balance	31-Dec	31-Dec	73,500.00

Statement Period:		31.12.2019 - 31.01.2020	
Due Date		20.01.2020	
Minimum due 4%		2,940.00	
Description	Post Date	Trxn Date	Amount
Opening Bal	1-Jan	1-Jan	73,500.00
trnx 1	11-Jan	10-Jan	6,000.00
trnx 2	13-Jan	12-Jan	4,000.00
LPF	31-Jan	31-Jan	1,750.00
Debit Interest	31-Jan	31-Jan	<b>1,932.00</b>
Closing Bal	31-Jan	31-Jan	87,182.00

DI Breakdown for 31.01.2020						
Description	Amount	Posted Date	Payment Date	Days	Rate (p.a)	Int. Amount
trnx 1	50,000.00	15-Dec	31-Dec	16	28%	613.70
trnx 2	15,000.00	17-Dec	31-Dec	14	28%	161.10
trnx 3	3,500.00	20-Dec	31-Dec	11	28%	29.53
Outstanding as at 31 Dec - charges	5,000.00	31-Dec	20-Jan	20	28%	76.71
Outstanding as at 31 Dec - Balance	68,500.00	31-Dec	20-Jan	20	28%	1050.96
<b>Total Debit Int. as at 31 Jan 2020</b>						<b>1932.00</b>

\*Interest is charged for the Total outstanding on the previous statement since the full balance is not settled

## Debit Interest for cash advances

Statement Period:	31.12.2019 - 31.01.2020
Due Date	20.01.2020
Minimum due 4%	3,090.00

  

Description	Post Date	Trxn Date	Amount	
Opening Bal	1-Jan	1-Jan	77,250.00	
Payment	20-Jan	20-Jan	10,000.00	CR
trnx 1	11-Jan	10-Jan	6,000.00	
trnx 2	13-Jan	12-Jan	4,000.00	
Debit Interest	31-Jan	31-Jan	<b>2,603.04</b>	
Over Limit Fee	31-Jan	31-Jan	1,750.00	
Closing Bal	31-Jan	31-Jan	81,603.04	

DI Breakdown for 31.01.2020						
Description	Amount	Posted Date	Payment Date	Days	Rate (p.a)	Int. Amount
Cash advance	50,000.00	15-Dec	31-Dec	16	28%	613.70
Local Cash advance fee	3,750.00	15-Dec	31-Dec	16	28%	46.03
trnx 1	15,000.00	17-Dec	31-Dec	14	28%	161.10
trnx 2	3,500.00	20-Dec	31-Dec	11	28%	29.53
Outstanding as at 31 Dec - charges	5,000.00	31-Dec	20-Jan	20	28%	76.71
Outstanding as at 31 Dec - Balance	72,250.00	31-Dec	20-Jan	20	28%	1108.49
balance after the payment made on 20th	67,250.00	20-Jan	31-Jan	11	28%	567.48
<b>Total Debit Int. as at 31 Jan 2020</b>						<b>2603.04</b>

## Debit Interest with Late payment fee

Statement Period:	31.12.2019 - 31.01.2020		
Due Date	20.01.2020		
Minimum due 4%	3,160.00		
<b>Description</b>	<b>Post Date</b>	<b>Trxn Date</b>	<b>Amount</b>
Opening Bal	1-Jan	1-Jan	79,000.00
Payment	21-Jan	21-Jan	10,000.00
trnx 1	11-Jan	10-Jan	6,000.00
trnx 2	13-Jan	12-Jan	4,000.00
Debit Interest	31-Jan	31-Jan	<b>2,644.66</b>
Closing Bal	31-Jan	31-Jan	81,644.66

DI Breakdown for 31.01.2020						
Description	Amount	Posted Date	Payment Date	Days	Rate (p.a)	Int. Amount
Cash advance	50,000.00	15-Dec	31-Dec	16	28%	613.70
Local Cash advance fee	3,750.00	15-Dec	31-Dec	16	28%	46.03
trnx 1	15,000.00	17-Dec	31-Dec	14	28%	161.10
trnx 2	3,500.00	20-Dec	31-Dec	11	28%	29.53
Outstanding as at 31 Dec - charges	6,750.00	31-Dec	20-Jan	20	28%	103.56
Outstanding as at 31 Dec - Balance	72,250.00	31-Dec	20-Jan	20	28%	1108.49
balance after the payment made on 20th	69,000.00	20-Jan	31-Jan	11	28%	582.25
<b>Total Debit Int. as at 31 Jan 2020</b>						<b>2644.66</b>