

**THIS KEY FACTS DOCUMENT IS IMPORTANT TO YOU. IT SUMMARISES THE TRANSACTION YOU ARE CONSIDERING. PLEASE ONLY SIGN AFTER YOU HAVE READ, UNDERSTOOD AND AGREED TO THE CONTENT OF THIS DOCUMENT**

1. **TYPE OF LOAN:** CERTIFICATE DISCOUNTING FACILITY
2. **AIMS AND BENEFITS:** This credit facility is intended for all contractors with a need to refinance approved work certificates drawn on reputable employers for construction jobs already done
  - a) **Loan Amount** \_\_\_\_\_
  - b) Duration from \_\_\_\_\_ to \_\_\_\_\_  
*By taking this loan you commit to providing security against the money the financial institution lends you, making timely repayments(including interest), and paying interest on your loan as well as any additional fees.*
  - c) **Security** – you have to provide \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_ as security
  - d) **Loan installments** (repayments) of \_\_\_\_\_ are to be made \_\_\_\_\_ time(s) per month to be paid at \_\_\_\_\_. For more details, please consult your repayment schedule
  - e) **Grace Period** \_\_\_\_\_
  - f) **FEES & CHARGES AND PENALTIES**

Description of standard fees		Amount
i.	<b>Interest</b> The payable interest is ____% calculated <u>yearly</u> on a <b>declining balance</b> basis, and at a <b>floating</b> rate	Total interest Paid  UGX
ii.	<b>Administrative fees per month</b>	UGX 0
iii.	<b>Insurance (Actual)</b>	UGX
iv.	<b>Security-related charges (Release of securities)</b>	UGX 20,000
v.	<b>Legal-fees (Actual)</b>	UGX
vi.	<b>Arrangement (2% of loan amount minimum UGX 65,000)</b>	UGX
vii.	<b>Commitment fee (1% of unutilized amount per quarter)</b>	UGX
viii.	<b>Application fee</b>	UGX 125,000
ix.	<b>Stamp duty(as levied by URA) (ACTUAL)</b>	UGX
x.	<b>Bank Charge on Stamp duty</b>	N/A
xi.	<b>Credit monitoring fee</b>	UGX 5,000
xii.	<b>Draw down fee (0.25% of facility amount, minimum UGX 100,000)</b>	UGX
xiii.	<b>Credit protection fee 2% of facility amount</b>	UGX
<b>TOTAL COST OF CREDIT</b>		UGX

NB 1: The Total Cost of Credit is the total amount you pay for your loan. It is calculated by adding together all costs you will need to pay over the period of the loan. Note that this is based on the terms above and may be subject to change. Also remember that you will also have to pay back the sum you borrowed.

NB 2: Ask the credit officer for copies of all documents e.g. Loan Agreement / Letter of Offer, Repayment Schedule, Valuation Report of Security, and Insurance Policy among others.

**4. RISKS**

- a) ) Late repayments: if you delay repaying by more than 1 day you will be charged **5% above effective lending rate**
- b) If you fail to repay the loan, you can lose your security
- c) If you fail to repay the loan, you risk losing your reputation in your community and in front of your family.
- d) Failure to repay can harm your chances of accessing loans in future
- e) In case of default you will have to meet the costs of loan recovery

**5 FURTHER POINTS TO CONSIDER**

**The right to cool off:** You have up to 10 working days from when you sign the contract to “cool off”, i.e. to cancel the loan by terminating the contract. To “cool off”, you have to provide written notice to the lender and return all the borrowed money. The lender may charge you a fee not exceeding 5% of the value of the loan. The right to “cool off” applies only to loans of UGX 3,000,000 equivalent or above with a duration of at least one year.

**Early redemption:** This loan allows you to pay back money you borrowed before the agreed date at a fee of **2% of the prepaid loan amount**

**How to complain:** If you are dissatisfied with our services, we welcome you to communicate this to us at [feedback@boauganda.com](mailto:feedback@boauganda.com) or [www.boauganda.com](http://www.boauganda.com) or call our customer care hotline on 0414302211 or toll free on 0800100140. We will acknowledge receipt of your complaint, investigate and give you an answer within two weeks

**Credit reference Bureau:** Every borrower must be registered on the credit reference system and requires a financial card.

**Also remember to ask about:**

- a) Insurance (risks insured, premiums, and benefits that accrue to the borrower).
- b) Security concepts (Professional valuation, forced sale value, security margin and cash margin).
- c) Measures taken in case of failure to repay
- d) Guarantor policy (if applicable) and the risks to the guarantor
- e) Security liquidation policy/process
- f) Security release process and associated costs

**Further communications**

It is important for us to be able to communicate with you. Below, please tick **at least two** preferred means of communication and provide details (and update us in case of any changes):

Mobile phone  Email  Post  Over the counter  Other.

Phone number.....Postal address.....

Email Address .....

Signature:				
Name:				
Title/Position	Relationship officer	Supervisor Credit Admin	Account Signatory	Account Signatory

**Where you can find out more about this deposit account?** If you want more information on the terms used in this document or about this account, please contact us on 0414302001 or visit our website at [www.boauganda.com](http://www.boauganda.com)