

Illustrative Annual Percentage Rate Methodology



The below illustration is applicable to salaried applicants where the financing is limited to personal finance, auto finance and real estate for personal use only. Financing applicants requesting financing for commercial use are excluded from the below illustration.

	Personal Tasheel Finance 7 Years	Personal Auto Finance 7 Years	Residential Mortgage 25 Years
Agreement(s)	Murabaha	Murabaha	Ijara / Musharaka
Commodity Purchase Amount - BD	10,000	10,000	100,000
Required Participation %	0%	0%	10%
Required Participation Amount - BD	N/A	N/A	10,000
Net Finance Amount - BD	10,000	10,000	90,000
Nominal Profit Rate	2.67%	2.67%	2.71%
Annual Profit Rate (Reducing Balance Rate)	5.00%	5.00%	5.00%
Profit Rate	Fixed	Fixed	Changeable
Financing Tenor (Years)	7	7	25
Total Profit On Finance Amount - BD	1,872.484	1,872.484	67,839.311
Administration Fee %	N/A	N/A	0.75%
Administration Fee	120 (Max)	100 (Max)	675
Administration Fee Payable (Upfront / Amortized)	Amortized	Amortized	Amortized
Gross Administration & Evaluation Fee - BD	126.000	105.000	708.750

Real Estate Evaluation Fee - BD	N/A	N/A	60
Takaful Fee % (Per Thousand BD Outstanding Per Month)	0.013%	0.013%	0.013%
Gross Takaful Deferred Participation Amount	109.200	109.200	3,510.000
Gross Takaful Pool Participation Amount - BD	109.200	109.200	3,510.000
Gross Finance Amount - BD	10,235.200	10,214.200	104,218.750
Total Profit Amount - BD	1,872.484	1,872.484	67,839.311
Net Finance Amount (Cash in Hand - BD)	10,000.000	10,000.000	89,940.000

Monthly Installment Amount - BD	144.139	143.889	540.194
Annual Percentage Rate	5.59%	5.54%	5.27%
Profit Recognition Method	Reducing Balance	Reducing Balance	Reducing Balance

Early Settlement Amount	1% of outstanding principal or BD 100 which ever is lower + remaining administration fee + profit of the month of settlement	1% of outstanding principal or BD 100 which ever is lower + remaining administration fee + profit of the month of settlement	0.75% of outstanding principal or BD 200 which ever is lower + remaining administration fee + profit of the month of settlement
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