

**KEY FACTS DOCUMENT – LOANS - 2023/2024**
**BANK OF AFRICA– UGANDA Ltd.**
**Reference No.:**

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

Sec	Description ( <i>Tick where applicable</i> )	UGX	USD	EUR	KES
A	1. Type of Loan: Overdraft Facility-Business				
	2. Aims and Benefits: This is a credit product that enables customers overdraw their accounts to a certain limit for a certain period to meet emergency financing needs to run their day to day business operations.				
B	<b>3. Commitment</b>				
	a) Loan Amount				
	b) Duration From: _____ To: _____				
	c) By taking this loan, you commit to make timely repayments (including interest), and paying interest on your loan as well as any additional fees.				
	d) Security: You have to provide.....				
	e) Grace period				
	f) Loan instalments (Repayments) of -----are to be made----- time(s) per month to be paid at----- (For more details, please consult your repayment schedule)				
	<b>4. Fees, Charges &amp; Penalties</b>	<b>UGX</b>	<b>USD</b>	<b>EUR</b>	<b>KES</b>
	i) <b>Interest:</b> The payable interest rate is calculated monthly on a declining balance basis at a fixed rate				
	ii) Administrative fees <u>per month</u>	Free	Free	Free	Free
iii) Insurance premium (Actual)					
iv) Security-related charges	N/A	N/A	N/A	N/A	
v) Legal-fees (Actual)					
vi) Arrangement (2% of loan amount minimum 65,000/20/17-UGX/USD/EUR)					
vii) Commitment fee (1% of unutilized amount per quarter)	N/A	N/A	N/A	N/A	
viii) Application fee	125,000	36	32		
ix) Stamp duty(as levied by URA) Actual					
x) Bank charge on Stamp Duty	N/A	N/A	N/A	N/A	
<b>TOTAL COST OF CREDIT</b>					
<b>NB 1:</b> 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.

- 5. Risks**
- C
- a) **Late repayment:** If you delay repaying by more than 30 days, you will be charged Penalty Interest at a rate of 5% of the outstanding loan amount.
  - b) If you fail to pay the loan, legal action may be taken against you.
  - c) If you fail to pay the loan, you risk losing your reputation in your community and in front of your family.
  - d) Failure to pay the loan can harm your chances of accessing loans in the future.
  - e) In case you default, you will have to meet the costs of loan recovery

**6. Further Points to Consider**

- D
- a) **The right to cool off:** You have up to 10 working days from when you sign this contract to “cool off” i.e. to cancel this 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 or above with a duration of at least one year.
  - b) **Early redemption:** This loan allows you to pay back the money you borrowed before the agreed date at a fee of 2% of the loan amount.
  - c) **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 0414 302 001 or toll free on 0800100140. We will acknowledge receipt of your complaint, investigate and give you an answer within two weeks
  - d) **Credit Reference Bureau:** Every borrower must be registered 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.

**Future 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 No..... Postal Address.....

Email Address.....

Signature:					
Name:					
Title/Position	Relationship officer	Branch Supervisor	Account Signatory	Account Signatory	Account Signatory

**Where to find out more about this product;** If you want more information on the terms used in this Key Facts Document or product, please contact us on **0414302001** or visit our website at [www.boauganda.com](http://www.boauganda.com)