

## **Calculation Method of Cash Advance Fee and Interest on HNB Credit Cards**

### **Calculation Method of Cash Advance Fee**

- Cash withdrawal limit is currently 75% of the credit limit for HNB Visa Infinite, Mastercard World, Visa Signature, Visa Platinum, Mastercard Platinum, Mastercard Corporate and Mastercard Businesscard Credit Cards and 50% of the credit limit for all other HNB Credit Cards, and is determined at the sole discretion of the Bank. All cash advances are charged a fee of 3% on the withdrawal amount and will be debited to the cardholder's account separately.

### **Calculation Method of Interest on Purchases and Cash Advances**

- The minimum grace period applicable for HNB Credit Cards is 25 days from the Statement Date, which will apply only for purchase transactions.
- A cardholder can enjoy up to a maximum of 55 days Interest free grace for a given transaction, based on the purchase (transaction) date and statement date.
- Interest calculation commences from the Transaction Date stated in the cardholder's card account in the statement, to the next statement date, on all revolving balances, w.e.f. 21<sup>st</sup> September 2021. Previously, the interest was calculated commencing from the Posting Date of the transaction/cash advance to the statement.
- In the event the Cardholder pays the full outstanding balance on or before the due date, there will not be any Interest charged on the purchase transactions to the card account for that billing cycle.
- Interest is calculated daily, transaction wise and the total amount will be printed in the monthly statement.
- The Interest calculation formula for HNB Credit Cards is as follows,

$$\text{Capital Outstanding} \times \text{Interest Rate} \times \frac{\text{No. of days}}{360}$$

\* No of days – No of days to the end of the billing period from the transaction date

Interest Rate – The present Interest rate is 2.16% per month (26% p.a.)

**Cardholder pays a partial amount (less than full outstanding amount and greater than the minimum amount) on or before the due date**

Credit Card Statement

01st November 2023 to 30th November 2023

	LKR
Opening Balance 01st November 2023	0.00
Purchases on 18 <sup>th</sup> November	100,200.00
Closing Balance 30th November 2023	100,200.00
Minimum due amount	3,006.00
Due Date	25th December 2023

Credit Card Statement

01st December 2023 to 31st December 2023

	LKR
Opening Balance 01st December 2023	100,200.00
Purchases on 10 <sup>th</sup> December	32,000.00
Payment received 20th December 2023	10,000.00 CR
Interest charged	3,097.47
Closing Balance 31st December 2023	125,297.47
Minimum due amount	3,758.92
Due Date	25th January 2024

Interest will be charged as follows:

Rs. 100,200 x 26%/360 x (No. of days (20/12/23-18/11/23))	2,315.73
(Rs.100,200 - Rs.10,000-) x 26%/360 x (No. of days (31/12/23-20/12/23+1))	781.73
	<u>3,097.47</u>

Credit Card Statement	
01st January 2024 to 31st January 2024	
	LKR
Opening Balance 01st January 2024	125,297.47
Purchases on 14 <sup>th</sup> January	20,000.00
Payment received 21 <sup>st</sup> January 2024	10,000.00 CR
Interest charged	3,234.26
Closing Balance 31st January 2024	138,531.73

Interest will be charged as follows:

Rs. 125,297.47X 26%/360 x (No. of days (21/01/24-01/01/24))	1,809.85
(Rs. 125,297.47- Rs. 10,000) x 26%/360 x (No. of days (31/01/24-21/01/24+1))	915.97
Rs. 32,000(Purchase on 10 <sup>th</sup> December) x 26%/360x (31/12/23-10/12/23+1)	508.44
	<hr/>
	3,234.26
	<hr/>

 **Cardholder pays only the minimum amount on or before the due date**

**Credit Card Statement**

**01st November 2023 to 30th November 2023**

	LKR
Opening Balance 01st November 2023	0.00
Purchases on 18 <sup>th</sup> November 2023	100,200.00
Closing Balance 30 <sup>th</sup> November 2023	100,200.00
Minimum due amount	3,006.00
Due Date	25th December 2023

**Credit Card Statement**

**01st December 2023 to 31st December 2023**

	LKR
Opening Balance 01 <sup>st</sup> December 2023	100,200.00
Purchases on 10 <sup>th</sup> December	32,000.00
Payment received 20 <sup>th</sup> December 2023	3,006.00 CR
Interest charged	3,158.08
Closing Balance 31 <sup>st</sup> December 2023	132,352.08
Minimum due amount	3,970.56
Due Date	25th January 2024

Interest will be charged as follows:

Rs. 100,200 x 26%/360 x (No. of days (20/12/23-18/11/23))	2,315.73
(Rs.100,200 - Rs.3,006) x 26%/360 x (No. of days (31/12/23-20/12/23+1))	842.35
	<u>3,158.08</u>

Credit Card Statement

01st January 2024 to 31st January 2024

	LKR
Opening Balance 01st January 2024	132,352.08
Purchases on 14 <sup>th</sup> January 2024	20,000.00
Payment received 21 <sup>st</sup> January 2024	3,970.56CR
Interest charged	3,440.11
Closing Balance 31st January 2024	151,821.63

Interest will be charged as follows:

Rs. 132,352.08x 26%/360 x (No. of days (21/01/24-01/01/24))	1,911.75
(Rs. 132,352.08- Rs. 3,970.56) x 26%/360 x (No. of days (31/01/24-21/01/24+1))	1,019.92
Rs. 32,000(Purchase on 10 <sup>th</sup> December) x 26%/360 x (31/12/23-10/12/23+1)	508.44
	<u>3,440.11</u>

 **Cardholder pays a less amount than the minimum amount**

**Credit Card Statement**

**01st November 2023 to 30th November 2023**

	LKR
Opening Balance 01st November 2023	0.00
Purchases 18 <sup>th</sup> November 2023	100,200.00
Closing Balance 30th November 2023	100,200.00

Minimum due amount	3,006.00
Due Date	25th December 2023

Credit Card Statement

01st December 2023 to 31st December 2023

	LKR
Opening Balance 01 <sup>st</sup> December 2023	100,200.00
Purchases on 10 <sup>th</sup> December 2023	32,000.00
Payment received 20 <sup>th</sup> December 2023	2,000.00 CR
Interest charged	3,166.80
Late Payment Fee Charged	751.50
Closing Balance 31st December 2023	134,118.30
Minimum due amount	4,023.55
Due Date	25th January 2024

Interest will be charged as follows:

Rs. 100,200 x 26%/360 x (No.of days(20/12/23-18/11/23))	2,315.73
(Rs.100,200 - Rs.2,000-) x 26%/360 x (No. of days (31/12/23-20/12/23+1))	<u>851.07</u>
	<u>3,166.80</u>

Late Payment fee will be charged as follows.

Opening Balance 01st December 2023	100,200.00
Late Payment Fee (percentage)	<u>0.75%</u>
Late Payment Fee (100,200x0.75%)	<u>751.50</u>