

Calculation Method of over limit fee / late payment fee / cash advance fee / stamp duty / Interest on HNB Credit Cards

Calculation method of over limit fee

If the cardholder exceeds the credit limit assigned by the bank at any given time within the billing period, an amount of Rs. 500/- will be charge as an over limit fee at the end of the billing period.

Calculation method of late payment fee

If the cardholder fails to pay the minimum amount mentioned in the relevant cardholder statement for the period on or before the due date, 0.75% from the opening balance with a minimum of Rs. 750/- will be charged as a late payment fee at the end of the said billing period.

Calculation method of cash advance fee

Cash withdrawal limit is currently 75% of the credit limit for HNB Infinite & Signature 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 stamp duty

Stamp duty is payable on overseas transactions done by credit card. A cardholder is required to pay Rs. 25/- for every Rs. 1,000/- or part thereof to the government as stamp duty.

Eg: Overseas transaction amount for the statement period
– Rs. 35,875/- Stamp duty – Rs. 900/-

Calculation method of interest

- The minimum grace period applicable for HNB Credit Cards is 25 days from the Statement Date.
- 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 is commencing from Posting Date of the transaction to the cardholder's card account as per the statement to next statement date on all revolving balances.
- 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 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 posted date
Interest Rate – The present interest rate is 1.5% per month (18% 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 2020 to 30th November 2020	
	LKR
Opening Balance 01st November 2020	0.00
Purchases/cash advance on 18 th November	100,200.00
Closing Balance 30th November 2020	100,200.00

Minimum due amount	2,505.00
Due Date	25th December 2020

Credit Card Statement
01st December 2020 to 31st December 2020

	LKR
Opening Balance 01st December 2020	100,200.00
Purchases/cash advances on 10 th December	32,000.00 CR
Payment received 20th December 2020	10,000.00
Interest charged	2,144.40
Closing Balance 31st December 2020	124,344.40

Minimum due amount	3,108.61
Due Date	25th January 2021

Interest will be charged as follows:

Rs.100,200 x 18%/360 x (No. of days(20/12/20-18/11/20))	1,603.20
(Rs.100,200 - Rs.10,000-) x 18%/360 x (No. of days (31/12/20-20/12/20+1))	<u>541.20</u>
	<u>2,144.40</u>

Credit Card Statement

01st January 2021 to 31st January 2021

	LKR
Opening Balance 01st January 2021	124,344.40
Purchases and cash advances on 14 th January	20,000.00
Payment received 21st January 2021	10,000.00 CR
Interest charged	2,224.34
Closing Balance 31st January 2021	136,568.74

Interest will be charged as follows:

$\text{Rs.}124,344.40 \times 18\%/360 \times (\text{No. of days}(21/01/21-01/01/21))$	1,243.44
$(\text{Rs. } 124,344.40 - \text{Rs.}10,000) \times 18\%/360 \times (\text{No. of days } (31/01/21-21/01/21+1))$	628.89
$\text{Rs.}32,000(\text{Purchase on } 10^{\text{th}} \text{ December}) \times 18\%/360 \times (31/12/20-10/12/20+1)$	352.00
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	2,224.34
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☑ Cardholder pays only the minimum amount on or before the due date

Credit Card Statement	
01st November 2020 to 30th November 2020	
	LKR
Opening Balance 01st November 2020	0.00
Purchases and cash advances	100,200.00
Closing Balance 30th November 2020	100,200.00
Minimum due amount	2,505.00
Due Date	25th December 2020

Credit Card Statement	
01st December 2020 to 31st December 2020	
	LKR
Opening Balance 01st December 2020	100,200.00
Purchases/cash advances on 10 th December	32,000.00
Payment received 20th December 2020	2,505.00 CR
Interest charged	2,189.37
Closing Balance 31st December 2020	131,884.37
Minimum due amount	3,297.1
Due Date	25th January 2021

Interest will be charged as follows:

Rs.100,200 x 18%/360 x (No. of days(20/12/20-18/11/20))	1,603.20
(Rs.100,200 - Rs.2,505-) x 18%/360 x (No. of days (31/12/20-20/12/20+1))	<u>586.17</u>
	<u>2,189.37</u>
Credit Card Statement	
01st January 2021 to 31st January 2021	
	LKR
Opening Balance 01st January 2021	131,884.37
Purchases and cash advances on 14th January	20,000.00
Payment received 21st January 2021	3,297.11 CR
Interest charged	2,378.07
Closing Balance 31st January 2021	150,965.33

Interest will be charged as follows:

Rs.131,884.37 x 18%/360 x (No. of days(21/01/21-01/01/21))	1,318.84
(Rs.131,884.37 - Rs. 3,297.11) x 18%/360 x (No. of days (31/01/21-21/01/21+1))	707.23
Rs.32,000(Purchase on 10 th December) x 18%/360x (31/12/20-10/12/20+1)	352.00
	<u>2,378.07</u>

☒ Cardholder pays a less amount than the minimum amount

Credit Card Statement	
01st November 2020 to 30th November 2020	
	LKR
Opening Balance 01st November 2020	0.00
Purchases and cash advances	100,200.00
Closing Balance 30th November 2020	100,200.00
Minimum due amount	2,505.00
Due Date	25th December 2020

Credit Card Statement	
01st December 2020 to 31st December 2020	
	LKR
Opening Balance 01st December 2020	100,200.00
Purchases/cash advances on 10 th December	32,000.00
Payment received 20th December 2020 CR	2,000.00
Interest charged	2,192.40
Late Payment Fee Charged	751.50
Closing Balance 31st December 2020	133,143.90

Minimum due amount	3,328.60
Due Date	25th January 2021

Interest will be charged as follows:

$\text{Rs.}100,200 \times 18\% / 360 \times (\text{No. of days}(20/12/20-18/11/20))$	1,603.20
$(\text{Rs.}100,200 - \text{Rs.}3,000) \times 18\% / 360 \times (\text{No. of days}(31/12/20-20/12/20+1))$	<u>589.20</u>
	<u>2,192.40</u>