

LUMS Student Personal Loan Product Information / Term Sheet

Educational Programs	For students enrolled in MBA/MPHIL ELM and Executive MBA/Executive ELM programs at LUMS
Purpose	Financial assistance to students.
Age	Minimum 21 years and maximum 45 years at the time of loan approval.
General Criteria	<ol style="list-style-type: none"> a) Pakistani nationals only. b) At least 50% marks (or equivalent) in the last public examination (i.e. other than admission tests, e.g. GMAT, SAT, LMAT, etc.).
Debt-Equity Ratio	<ul style="list-style-type: none"> • Maximum 80:20 of admissible educational program cost (such as Admission, Registration, Tuition, On-Campus Residence, and any other part / head / item of the fees that is payable in advance by the student to LUMS). • Any amount that is refundable by LUMS to the student later on is not covered under the Student Loan program
Loan Amount	<p>Subject to regulatory and internal Bank requirements:</p> <ol style="list-style-type: none"> 1. Maximum PKR one million. 2. In accordance with the schedule of fee payment, the above amount shall be disbursed over a maximum of 4 tranches/modules 3. The drawdowns for the loans will be based on 2 drawdowns/ academic year. 4. Each tranche disbursement would be subject to Bank's review as per its requirement. 5. Disbursement shall be made directly to LUMS on account of the student.
Loan Tenor and grace period.	<p>Installment repayments will commence six months after the completion of study period (up to 30 months).</p> <p>Total tenor of repayment of the loan (post education period) to not exceed 7 years, including the grace period.</p>
Mark-up Rate	<ol style="list-style-type: none"> 1. Markup rate of this facility is: Six-month KIBOR + 0%. 2. This rate shall then undergo subsequent resetting on a six-monthly basis on the first working day of every January and July. 3. Mark-up accrual shall begin from the day of first disbursement as per the above rates and shall continue on the outstanding principal till the entire repayment of the loan.
Partial / Full Early Payments	No pre-payment charges apply on partial or full prepayments.
Processing Fee	<ol style="list-style-type: none"> 1. One time non-refundable processing fee of PKR 5,000/- or as set by the Bank only at the time of processing of the initial application. 2. Any applicable taxes / levies shall be recoverable from the customer / student / borrower.
Minimum guarantees and securities/ collateral	<ol style="list-style-type: none"> 1. Personal Guarantee of Parents / Guardian and/or any third party for each loan. At least one Guarantor should be Parent and at least one guarantor should have source and means of income. 2. For each loan, assignment of all future incomes of the student to the Bank to the extent of the former's liability to the latter. <p>In accordance with SBP regulations, loans shall be collateralized through any security /collateral as determined by the Bank for each loan and borrower.</p>
Documentation	<ol style="list-style-type: none"> 1. Application Form (pertinent to the relevant tranche) duly signed by the student and parents / guardian and/or third party guarantor(s) (as the case may be) including signed-stamped by concerned LUMS officials.

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	<ol style="list-style-type: none"> 2. CNIC or SNIC Copies of the Student and parent(s) / guardian(s) and/or any third party guarantor(s) as the case may be. <ul style="list-style-type: none"> • CF-1 Form / SBP Undertaking. • One-time activity of opening non-checking collection / repayment account. 3. Required legal documentation to be signed by the student & parent / guardian and/or any third party guarantor(s) as the case may be and with regards to various collaterals / securities. 4. Any other document as per MCB's requirement.
Other Terms & Conditions	<ul style="list-style-type: none"> • Student is not allowed to apply for any sort of loan from any financial institution / bank, without seeking prior permission from MCB until the first installment of the MCB Student Loan has been paid. • If a student gets overseas employment, then his entire remaining personal loan and associated amounts shall become payable immediately to MCB. • Apart from the above, in cases where the student fails to complete the program due to any reason, or drops out due to unsatisfactory academic performance or otherwise, or commits an act of moral turpitude or crime, the entire loan and associated amounts will become repayable immediately. • The entire loan and associated amounts will also become repayable immediately if, at any stage, any mis-representation or concealment of facts comes to the Bank's knowledge. • Bank reserves the right to demand immediate payment of all outstanding amounts associated with the student loan at any time it deems appropriate. • In accordance with applicable laws and regulations, Bank reserves the right to take all measures and explore all options (which may include but may not be limited to litigation) for collection / recovery of all outstanding amounts associated with the loan from the student / borrower / guarantor(s) and any available collaterals / securities in case of non-payment / default and/or any non-fulfillment of contractual obligations by student / borrower / guarantor(s).

I have read and understood the aforementioned information in relation to my student loan application submitted to MCB.

[Applicant Current Signatures]

Student / Applicant Name: -----

[Applicant Signatures as per CNIC]

Student / Applicant CNIC/SNIC: -----

Date: -----