

3-Information on Interest Rates and Other Charges

- 3.1 Banks/DFIs shall quote interest rate and service charges on annual basis. If different, the separate interest rate or service charges for retail purchases and for cash advance shall be quoted. Banks/DFIs are free to set the aforesaid rates, but, they are required to set well defined service level for each of the product/service; whether charged or free.
- 3.2 Banks/DFIs should inform the Credit Card holder on the interest rate or services charges through advertisement and/or sending information to cardholders on their addresses.
- 3.3 Banks/DFIs should not levy any charge (s) that was not explicitly mentioned either in the User Guide or Application Form or Schedule of Charges provided to the customer at the time of selling Credit Card, without the prior consent of the cardholder. However, this would not be applicable to excise duty or other charges which may be levied by the Provincial or Federal Government or any other statutory authority from time to time. Banks/DFIs should however, timely update the customers on the imposition of such levies.
- 3.4 Banks/DFIs should get prior approval from the existing Credit Card holders before offering any new but charged service to them.
- 3.5 Any change in Schedule of Charges, revision in the agreed terms and conditions or removal/withdrawal of an incentive should be communicated to all active Credit Card holders, at least, 30 days before the actual effective date, unless it was communicated at the time of agreement/ offer.
- 3.6 Banks/DFIs should clearly mention the charges, fees, commissions, selling exchange rate of transaction and settlement date, for executing foreign currency transactions.
- 3.7 Interest amount should be charged on net credit i.e. after deducting the amount paid by the cardholder. The outstanding amount due to rounding-off of paisas, should not be considered as partial payment and interest amount should not be charged on it.