FINANCE AGAINST SECURITIES (FAS):  MOST IMPORTANT FEATURES

DOCUMENT

Dear Customer,
Thank you for your application for the FAS account with Standard Chartered Bank. To ensure clarity regarding the offer, we request you to go through the declaration with key terms and conditions given below/overleaf and sign your acceptance on the same. Kindly retain the copy for your future reference.

Declaration
I herewith enclose my application for Standard Chartered Bank’s FAS account for sanction limit of Rs.__________

Loan/overdraft* facility against shares and hereby confirm that I have been clearly explained on the types of charges, tariffs, terms and conditions.

- Application processing will take 5 to 7 working days from the date of receipt of application, provided the application is complete, with all relevant documents.
- Rate of Interest applicable for the facility is_____% p.a. charged monthly on a fixed basis. The tenor for both facilities is one year, and overdraft facility is renewable at the sole discretion of the bank. The rate applicable would be determined at the time of renewal.
- Facility processing fee of Rs. 2,500.00 will be debited to my/our FAS account.
- Renewal fee of Rs. 2,000.00 is applicable to my/our FAS account every year if the facility is renewed.
- I/we understand that renewal of the facility (if requested by me/us) would be based on account behaviour including timely servicing of interest etc.
- A Legal Fee of Rs._______ applicable to the Agreement to Mortgage will be debited to my/our FAS account.
- Other out of pocket expenses will be debited to my/our FAS Account at actual incurred by the Bank from time to time.
- Interest rate, processing charges and renewal fee are subject to change at the sole discretion of the Bank and/or as directed by CBSL.
- I/we understand that no refund of documentation charges/renewal fee/any other out of pocket expenses will be made.
- Debit tax would be charged at 0.1% for total debits calculated monthly.

Key Terms and Conditions Governing Finance Against Securities (FAS) Facility:

- I/we understand that the FAS facility is being provided to me/us against the value of pledged securities from the approved list of securities accepted by the Bank. This list is subject to change at the sole discretion of the Bank.
- I am/we are aware that the Bank from time to time formulates policies as to the scrip composition criteria, maximum/minimum number of scrips, methodology for valuation of securities etc. Which are subject to change at the sole discretion of the Bank.
- The value of the Securities pledged for the facility is determined by the Bank, as per its valuation methodology. The bank may peg rates lower than the current market price. All computations for determining the operating limit assigned to the FAS account are based on this assigned value.
- I/we understand that facility limit may change based on market volatility.
- I/we understand that I am/We are required at all times to maintain such security and/or security margin with the Bank as per the Bank’s policy and that such policies are subject to change at the sole discretion of the Bank.
- I/we confirm that I/We have not been promised any discount/a free gift or any other commitment whatsoever which is not documented in the agreement by Standard Chartered Bank or any of its authorized representative(s).
- I am/we are aware that the approval of credit facilities is at the sole discretion of the bank. I am/we are aware that the bank may recall the credit facilities granted to me/us at any time during the tenor at its sole discretion.
- I/we understand that the application processing may be delayed due to additional information, documentation required by the Bank as it deems fit while considering my/our application for the facility.
- I/we understand that if the exposure reaches ‘Top-out’ value (as per banking arrangements letter) I/we are required to pledge additional shares or pay the difference in cash. Or otherwise, the bank reserves the right to carryout a partial sell-down to regularize the facility.
- I/we understand that if the exposure reaches ‘Sell-out’ value (as per the Banking arrangements letter) the bank reserves the right to sell any or all of the shares and recover the total outstanding value.
- I/We understand that at the point of 'Sell-out', if the total market value of stock is below exposure level, I/We need to pay the difference between recoverable market value and total exposure.

Signature of Sole / First account holder  Signature of second account holder  Signature of Third account holder

Date: __________________ Place: __________________ Contact Tel no: __________________

For Bank Use Only

Approved by: Name of Sales Manager: ___________________________ Signature: ___________________________