

## Expected Credit limit Frequently Asked Questions

### 1. What is Expected Credit Limit?

The expected credit limit is the maximum amount of unsecured credit that an individual salaried customer can borrow without any security. This limit is displayed to customers who has received their salary consecutively for 12 months through the *BML Payroll Service*, and it is determined by factors such as income level, existing unsecured limit, creditworthiness of the customer.

*It's important to note that the displayed limit does not guarantee or confirm the approval of a credit facility. After the customer applies, the approval process will consider their credit history, the available credit exposure with other banks and financial institutions, and other relevant factors as per the bank policy and procedures.*

### 2. How is Expected Credit Limit shown?

The expected credit limit is shown through Internet Banking and the Mobile Banking app. By clicking on expected credit limit, customers can explore the range of unsecured products that are tailored specifically for them.

### 3. What are the factors considered for the Expected Credit Limit?

The process is fully automated process where multiple factors are considered:

- Customer Personal Information Form (KYC) should be updated, and age should be between 18 – 60 Years (applicable only for Maldivians)
- Repayment history of BML Credit Facility(s) is screened including all Personal Facilities, Joint Facilities, Guaranteed Facilities, and Credit Cards.
- Salary should be credited continuously for the past 12 months through BML payroll service.
- Existing unsecured Credit Exposure with BML will be screened, the total exposure on customers' existing secured facilities should be below 200K.
- In addition to above, credit assessment will be conducted based on Bank's internal policies and procedures.

### 4. What are the criteria for checking repayment history of credit facilities?

- Repayment of facilities with the Bank must not be delayed beyond 90 days during the past 24 months.
- Existing facilities overdue should not be beyond 30 days during the past 12 months.
- No overdue bills beyond 7 days more than 2 times during past 6 months
- No due payment at present time
- No existing court case or case settled within past 5 years.

*(The credit history of the customer includes history of all personal facilities, joint facilities, and facilities for which they have served as a guarantor or provided a personal guarantee.)*

## 5. How is the expected credit limit calculated?

The expected credit limit is determined by considering the average income and outstanding balance on all unsecured facilities obtained from BML. (Expected Credit Limit = Eligible Unsecured limit - Outstanding Balance on all Unsecured Facilities availed in BML).

- Calculation of the unsecured limit:
  - If the average income is below 30K: Average income X 8
  - If the average income is above 30K: Average income X 12  
(Maximum Unsecured limit: 1.2 million)
- Calculation of outstanding balance on all unsecured facilities availed by BML.
  - Unsecured facilities include the approved credit card limit, Easy Pay limit, outstanding amounts of all unsecured facilities, and Lui Micro/financing with a personal guarantee.

## 6. What is the maximum amount that can be availed for loan/financing and Credit card?

Maximum amount that can be availed are as below:

- Income below 30K: Loan/Financing – (Income x 6), Credit Card: (Income x 2)
- Income Above 30K Loan/Financing – (Income x10), Credit Card: (Income x2)

### For Example: Average salary of customer is 15K

Available unsecured exposure of the customer is 120K, this will be shown as the expected credit limit to the customer. When the customer clicks on the expected credit limit:

- 90K will be the available amount for loan / financing
- 30K will be available amount for Credit Cards  
(For existing credit cardholders this limit will not be shown)

However, if a customer would like to avail the maximum eligible limit through a loan or financing, they will have the option to submit an online application, and the eligibility criteria will be reviewed with the normal application review process.

## 7. In which scenarios, expected credit limit is not shown to the customer?

- If the customer's age is below 18 years or above 60 years
- If the income of customer is not routed in Salary code or if the salary is not routed for 12 consecutive months to BML account.
- If customer's credit history is not satisfactory
- If the customer's income is below 10K, and have existing facilities with BML
- High exposure customers – if a customer has a secured loan and the outstanding balance of the loan is above 200K.

Note: The Bank has the right to make changes without further notice when required for this document containing general questions and answer.

