

Loan Deferment Document – January 2021

In line with the Central Bank of Bahrain directives to contain the financial repercussions of COVID-19 and Standard Chartered Bank's commitment to provide the best solutions to our customers during these challenging times, we are pleased to provide you the option to further defer your monthly loan instalments for up to 6 months from January 2021, without any processing fees. Interest, however, will continue to be accrued for each deferred month.

In addition, instalments already paid in January will be reversed if you chose to defer your loan instalment(s). The above will be applicable for all Bahraini residents who have active loans booked until 31 December 2020. To show our further commitment, we will be happy to support our Expatriate clients who are impacted by COVID19 in line with the bank's criteria, policies and procedures.

What does this mean?

1. If you chose to defer your monthly instalment(s), your January instalment paid will be reversed back into your account
2. You will not be required to pay any instalment until the deferment period is over.
3. There will be no processing fees charged for this request. Interest will continue to accrue for the deferred months
4. As you will not be paying your instalment for to the deferral period, your tenor will be extended by the same number of months, to account for the missed payments.
5. If you have unpaid dues, we will have your bad history cleared, and you will have the tenor extended by additional months (subject to a cap of 3 months). This will allow you to repay the unpaid dues and ensure the total number of instalments paid remain the same as before. For example, if you have not paid the last two months instalments, your loan will be extended by 6 months (payment deferral) + 2 months (unpaid instalments).
6. Accrued interest pertaining to the deferred instalments will be charged at the end of the loan, further extending the tenor in order to avoid impact on your monthly instalment commitments.

Below is a sample calculation of 25,000 loan booked at a rate of 4.8% APR at maximum tenor (84 months), for reference, without a loan deferment.

No.	Instalment (BD)	Amount	Principal (BD)	Interest (BD)	Outstanding Balance (BD)
1	351.003		254.161	96.842	24,895.839
2	351.003		255.139	95.864	24,640.700
3	351.003		256.122	94.881	24,384.578
4	351.003		257.108	93.895	24,127.470
5	351.003		258.098	92.905	23,869.371
6	351.003		259.092	91.911	23,610.279
..
..
79	351.003		343.002	8.001	1,734.892
80	351.003		344.323	6.680	1,390.569
81	351.003		345.648	5.355	1,044.921
82	351.003		346.979	4.024	697.941
83	351.003		348.316	2.687	349.626
84	351.003		349.657	1.346	0.000
Total	29,484.252		25,150.031	4,334.221	

Below is the same loan where the customer opts for a four-month payment deferral.

1. Tenor is extended by 6 months to account for four deferred payments.
2. Interest will be accrued per month as per the highlighted cells (No. 7-12).
3. Tenor is further extended by 2 months to account for accrued interest, while ensuring monthly instalment does not breach the agreed instalment in the credit arrangement.

No.	Instalment (BD)	Amount	Principal (BD)	Interest (BD)	Outstanding (BD)	Balance
1	351.003		254.161	96.842	24,895.839	
2	351.003		255.139	95.864	24,640.700	
3	351.003		256.122	94.881	24,384.578	
4	351.003		257.108	93.895	24,127.470	
5	351.003		258.098	92.905	23,869.371	
6	351.003		259.092	91.911	23,610.279	
7	Nil		Nil	90.913	23,610.279	
8	Nil		Nil	90.913	23,610.279	
9	Nil		Nil	90.913	23,610.279	
10	Nil		Nil	90.913	23,610.279	
11	Nil		Nil	90.913	23,610.279	
12	Nil		Nil	90.913	23,610.279	
13	351.003		260.090	90.913	23,350.190	
14	351.003		261.091	89.912	23,089.099	
15	351.003		262.097	88.906	22,827.002	
16	351.003		263.106	87.897	22,563.896	
17	351.003		264.119	86.884	22,299.778	
..	
..	
80	351.003		336.474	14.529	3,436.795	
81	351.003		337.769	13.234	3,099.025	
82	351.003		339.070	11.933	2,759.955	
83	351.003		340.376	10.627	2,419.580	
84	351.003		341.686	9.317	2,077.894	
85	351.003		343.002	8.001	1,734.892	
86	351.003		344.323	6.680	1,390.569	
87	351.003		345.648	5.355	1,044.921	
88	351.003		346.979	4.024	697.941	
89	351.003		348.316	2.687	349.626	
90	351.003		349.657	1.346	0.000	
91	351.003		0	351.003	0.000	
92	12.649		0	194.475	0.000	
Total	30,029.730		25,150.031	4,879.699		

