

**DATED: MARCH 24, 2020**

**REPUBLIC BANK: LOAN REPAYMENT DEFERMENT / MORATORIUM ON ALL LOANS**

**FREQUENTLY ASKED QUESTIONS (FAQS):**

	<b>QUESTIONS</b>	<b>ANSWERS</b>
1	What does our offer of a moratorium entail?	The moratorium being offered is a postponement of monthly instalments / principal and interest for a period 1-6 months from the date of acceptance ( <i>customer to determine period after discussion with the bank official</i> )
2	Don't most customers qualify for the moratorium and why do we need to have a discussion with them after receiving their request?	Yes. However, as responsible financial advisers we have a duty to provide our customers with the details and options available and not allow them to make decisions without all the information.
3	What is the maximum maturity date on a facility where the maximum moratorium period of 6 months is requested?	Six (6) months from the date of acceptance E.g. March to August –repayment starts September June to November-repayment starts December
4	Will the interest over the moratorium period be capitalized each month?	No. Interest will accrue during the maximum six (6) month period, so the customer will not have to pay interest on interest during this period.
5	Is the customer required to repay the deferred installments <b>and</b> interest accrued?	Yes. At the end of the moratorium period, the customer has the option to have the loan: <ul style="list-style-type: none"><li>• extended by an additional 1-6 months</li><li>• re-amortized based on the outstanding principal and accrued interest over the remaining period of the loan</li><li>• regularized by paying the deferred payments as a lumpsum and maintain the instalment and existing maturity date</li><li>• rescheduled / refinanced in line with normal lending guidelines</li></ul>
6	Can customers opt to have a moratorium on the interest only and pay more towards the principal?	No. Acceptance of the moratorium is for principal and interest (instalments).
7	Will someone retiring within the next six months qualify for the moratorium offer?	Yes. Where requested, the new maturity dates of such facilities will be allowed to be extended beyond the retirement date. (but no more than six months)

8	Does the moratorium apply to all loan facilities?	<p>No.</p> <p>The following exceptions are in addition to what was stated in the Credit Circular Letter:</p> <ol style="list-style-type: none"> <li>1. Contract employment / contract proceeds: The following must be referred on a case by case basis: <ul style="list-style-type: none"> <li>• personal loans which were granted with the intent to be repaid within the contract period</li> <li>• commercial facilities where the contract proceeds are the source of repayment</li> </ul> </li> <li>2. Loans in arrears in excess of three months</li> <li>3. Expired facilities</li> </ol> <p>Personal Loans whose repayments are done with deductions at source or through TPRS from Accountant-General's Department</p>
9	Are details of the Guarantor required?	<p>Yes.</p> <p>The details of the person who guaranteed for the existing loan should be completed on the form by the applicant.</p>
10	Is authorization required from the surety/guarantor for facilities where a moratorium was requested?	<p>Yes.</p> <p>Bank official will contact the guarantor of the existing loan via telephone (refer to copy on file). Get a response via email, text and attach for approval.</p>
11	How does the customer request a moratorium?	<ul style="list-style-type: none"> <li>• The customer must complete the Moratorium Request Forms (attached) and ensure all parties to the loan sign along with guarantors / surety.</li> <li>• Submit the signed copy by email, drop off or at a branch of Republic Bank</li> </ul>
12	How do we treat with request for reversals for previous months if the offer is not taken immediately?	<p>The moratorium takes effect from March, 2020, therefore, no requests will be entertained for reversals prior to March.</p> <p>However, for partial / full payments made in March and going forward, the branch will determine on a case by case basis.</p>
13	How is this moratorium request going to affect a customer's credit history?	<p>Where the request is made at least 48 hours before the instalment due date, the customer's credit history will not be negatively affected.</p>
14	Is there any fee or cost associated with accepting this moratorium on any loan?	<p>No – There is no charge to the customer.</p>
15	Are there any special concessions for overdraft increases?	<p>No.</p> <p>Overdraft increases, and Debt restructuring will be treated in the usual manner.</p>
16	How can one apply?	<p>Call your Branch/Corporate Manager/Relationship Officer and a simple form will be emailed to you or you can visit our website at <a href="http://www.republicghana.com">www.republicghana.com</a>, download the form complete it and scan to your contact at your branch</p>