

Frequently Asked Questions (FAQ): MDB SAALAM AUTO FINANCE (INDIVIDUAL)

1. What are the customer segments eligible for financing?

- **Salaried Employees:** Employees of government organizations, banks, multinational companies, large & medium local corporates, and semi-government bodies with a salary account.
- **Business Persons:** Customers who have been in the same business for at least 2 years and maintain an account with Midland Bank PLC. or other banks for a minimum of 12 months.
- **Self-Employed Professionals:** Professionals like doctors, engineers, architects, and chartered accountants with at least 2 years of experience.
- **Landlords:** Individuals with a stable source of income from rented premises.

2. Who are excluded from eligibility?

Journalists from non-reputed publications, lawyers (non-government), employees from un-reputed firms, police officials below ASP level, and certain others (e.g., politicians, low-level transport business owners, land brokers).

3. What is the purpose of this financing?

Financing is provided for the purchase of brand-new and reconditioned vehicles (cars, jeeps, station wagons, and microbuses) for private use only. Business purposes are excluded.

4. What is the maximum and minimum investment amount?

The minimum amount is BDT 2,00,000/- (Two Lakh) and the maximum is BDT 4,000,000/- (Forty Lakh).

5. What is the eligibility for salaried employees to apply?

Salaried employees must be at least 21 years old, with a minimum of 2 years of continuous service (6 months with the current employer). The minimum income varies by employment type (e.g., BDT 20,000 for government employees, BDT 25,000 for others).

6. What is the profit rate on this loan?

The profit rate is determined by the Asset Liability Committee (ALCO) and is subject to revision over time.

7. What are the fees and charges associated with the loan?

A processing & monitoring fee of the facility amount is charged at disbursement, along with applicable VAT.

8. How is the loan disbursed?

The loan is disbursed after the customer registers the vehicle in joint ownership with the bank and submits required documents such as insurance and registration details.

9. How is the income multiplier calculated?

The loan amount is based on net monthly income (NMI). For example, salaried employees with full salary payments can get up to 12 times their net monthly income, while partial salary payments or different categories have different multipliers.

10. What is the repayment tenure?

The repayment tenure ranges from 12 to 72 months, with flexible instalments.

11. Can I settle the loan early?

Certainly, you can settle the loan early without any fees or charges, as per Shariah principles.

12. What documents are required for applying for the loan?

The required documents include salary certificates, bank statements, vehicle quotations, and proof of identity. Additional documents may be required based on your segment (e.g., business, self-employed).

13. Is there a grace period for repayments?

No, there is no grace period allowed under this loan product.

14. What happens if I miss an installment?

There are no charges for missed instalments as per Shariah norms, but this may affect your loan status.



15. Can I have co-borrowers or guarantors for the loan?

Yes, co-borrowers (spouse, parents, siblings, etc.) are allowed, and personal guarantors are required.

16. What are the requirements for vehicle insurance?

Comprehensive first-party insurance is mandatory for the full value of the vehicle. The customer is responsible for covering the cost of vehicle registration and insurance.

17. What are the approved vehicle brands?

Approved brands include Toyota, Honda, Nissan, BMW, Mercedes, Audi, and others listed by the bank. The list is subjected to be updated by the authority of the bank.

18. How is my income assessed for the loan?

Income is assessed through salary certificates, bank statements, or business turnover documents, depending on the applicant's segment (salaried, businessperson, professional, landlord).