



**NCC Bank**

नेपाल क्रेडिट एण्ड कमर्स बैंक लि.  
Nepal Credit & Commerce Bank Ltd.

## Product Paper - NCC Foreign Employment Loan

### Introduction

This Product Paper has been structured for financing to individuals seeking foreign employment to abroad.

### Coding

BASEL: E0-Regulatory Retail Portfolio  
RWA: 75%  
Sector: Deprived sector

### Type of Loan

- Term Loan

### Purpose of the loan

This product is for financing to individuals who are seeking to be employed in foreign countries and need financial assistance during the time of preparing different documents.

### Eligibility

- Should be a Nepali Citizen.
- Age should be between 18-40 years.

### Target Group

Individuals seeking foreign employment through registered and authorized manpower agencies.

### Basic Criteria:

- Individual should be a Nepali Citizen and should hold Nepali Passport with employment agreement / letter.
- Concerned Manpower Agency should be registered at concerned department of Nepal Government.

### Loan Amount

- Minimum loan amount NPR 50,000/-
- Maximum loan amount NPR 200,000/-

### Pricing:

Interest Rate As decided by the Bank from time to time  
Processing Fee NPR 500 flat for below NPR 100,000.00 and 1% for NPR 100,000.00 and above.

Pricing may be reviewed periodically by the management within its discretion.

### Service Delivery

3 to 5 days

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### Disbursement

- After completion of security documentation and obtaining lien over landed property.
- Loan shall be disbursed upto 100% of total costs to be incurred.
- Other disbursement modality shall be as decided by the management which shall be mentioned in the offer letter.

### Tenure

- Maximum of 3 years or depending upon service period as per submitted agreement paper.

### Repayment:

- The loan to be repaid in Equated Monthly Installment (EMI) / Quarterly Installment basis (EQI) as per payment period of the salary.

### Moratorium Period

- Maximum upto 6 months from the date of employment.

### Security:

Following security documents must be executed,

- Accepted copy of Offer Letter.
- Lien over first party or their one house family member's landed property.
- Personal guarantee of the family members.
- Demand Promissory Note
- Loan Deed.
- Term Loan Agreement ( as applicable)
- Term Insurance policy of person seeking foreign employment (Any cause death) to be obtained and premium shall be deducted from the initial disbursement for the entire period of the loan.

### Basic Documentation

- Completed application form.
- Completed Know Your Customer Form.
- Map of the applicants' and the guarantors residence.
- Copy of Citizenship Certificate, passport and photographs of the applicant.
- Copy of Citizenship Certificate and photographs of the guarantors.
- A report on site visit of the offered collateral conducted by NCC staffs.
- Copy of Title Deed (Lal Purja), Location Map, Four Boundary certificate.
- Copy of Certificate evidencing that the manpower agency is authorized by the concerned Foreign Employer.
- Request from the Foreign Employer to the Manpower Agency for the recruitment of Nepali individuals in their company.
- Consent of undivided family members in presence of the Bank's staff members.
- Agreement with the borrower to route entire remittance proceed through our Bank.

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सिद्धि

सिद्धि



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### Security Valuation

The Branch level credit committee will conduct valuation of the securities as per the prevailing market rate. This should be supported by Panchikrit valuation report (valuation done by five local persons of surrounding areas)

### Risk Factor:

The product is prone to default risk resulting mainly from:

- Adaptation of the individual at the employer's country.
- Lack of business professionalism of the Manpower Agency.

### Risk Mitigation:

The above risk will be mitigated by adopting following measures,

- Our finance will be fully secured by the landed property.
- All the required documents evidencing the legal status of the concerned Manpower Agency shall be obtained.

### Credit Approval Discretion (CAD)

The CAD rests with Chief Executive Officer or with the officer's assigned by the CEO.

### System:

- A separate Account Type to be defined in the Pumori system for this product.
- A separate GL code to be used for the purpose.

### Credit Waivers:

- Waivers, if any, must be specifically approved by the Chief Executive Officer/approving authority.
- The waiver in the terms and conditions of the proposal should specifically approve by Chief Executive Officer under their CAD.

### Structure of Branch level credit committee

The branch level credit committee should be formed of at least three staff members of the branch including Branch Manager and Credit Incharge.