

Common Glossary of Important Terms		
S. No	Term	Description
1	Accrued Interest	Interest that accumulates on the unpaid principal balance of a loan.
2	Acquirer	Acquirers are banks and financial institutions that collaborate with businesses to accept credit/debit card payments.
3	Advance Booking	Booking of vehicle with the manufacturer through advance payment.
4	Agreement stamping charges	Charges paid by the customer for stamping of financing agreement.
5	Amortization	Loan payments by equal periodic amounts calculated to pay off the debt at the end of a fixed period, including accrued interest on the outstanding balance.
6	Amortization Schedule	Information of Equal Monthly Installments (EMI) with breakup of principal & markup along with loan outstanding.
7	Annual Fee / Renewal Fee	An annual fee typically charged to customers with credit cards/revolving line facilities for maintenance of their facilities.
8	Applicable rate	Rate applied on the facility.
9	Application/Loan application form	A form to be filled in and signed as per the Bank's requirements to avail Banking facilities. Requirement of details to be filled in will vary for each facility. Applications may also require certain specified documents also to be attached.
10	Appraisal Agency	Agency used for assessing market value of an Asset .
11	ATM	An automated teller machine or any card-operated machine or device whether belonging to the Bank or other participating banks or financial institutions or concerns or to the Visa Card or MasterCard global ATM Network, or the affiliated networks thereof, as the case may be, which accepts the Card.
12	Auto Loan	The loans or financing facilities to purchase the vehicle for personal use.
13	Balance Transfer (BTF)	Balance transfer of existing finance facility of borrower from other banks/DFIs.
14	Balance Transfer Account	An account in the name of the customer will be opened for the purposes of the facility.
15	Balloon Payment	Payment by customer in addition/additional/excess to the installment amount to reduce the principal outstanding. Excess payment by the customer to reduce principal outstanding.
16	Banker's lien	Bank's charge on the asset
17	Base rate	Benchmark rate for driving the pricing of loan.
18	Billing cycle	Date of a month when bill/statement is generated.
19	BOQ	Bill of quantity - Break up of amount in construction cases.
20	Business person	Individual having his own business.
21	Card	The applicable Visa Card, MasterCard and / or any other card including but not limited to co-branded cards, e-card, debit card the second card as issued by the Bank, from time to time, to the Card member and shall include Supplementary and subsequently issued, renewal or replacement Cards.
22	Card Account	Visa/Master Card account or any account pertaining to the Card(s) issued by the Bank from time to time, as the case may be, opened by the Bank for the purpose of entering debits / charges incurred by or for the account of, and credits received by or for the Card member and Supplementary Card member.
23	Card Issuer	A bank, financial institution, credit union, or agency that issues a card to public or its members is called a card issuer.
24	Card member	A person to whom the Card is issued by the Bank and shall also include every Supplementary Card member.
25	Card Replacement Fee	Fees to be charged by the bank for replacement of lost/stolen or damage card
26	Card Transaction	Any payment made or Cash Advance obtained or any amount to be debited from the Card Account or any amount charged by the Bank or any Merchant for any goods, services and other benefits by or through the use of the Card.
27	Cash Advance	Amount of money in any currency availed or lent to the Card member by the Bank or any participating bank or ATM whether in cash or in any other form of payment.
28	Charge back	A credit card transaction, which is returned or not honored, is called a charge back. Usually done by the credit card holder in response to faulty products, credit card fraud, a dispute or noncompliance with the rules and regulations, charge back restores the funds back with the credit card.
29	Charge back period	it is a time period from a particular credit card transaction within which, the credit card holder must initiate a charge back, if the transaction is disputed.
30	Charges	The amount payable by the customer to the Bank under the Terms and Conditions, including but not limited to any transactions, Annual Membership , Services Fee, late fee and other fees / charges.
31	Clean Limit	Credit Limit which has been granted by the bank without any collateral/liquid/non-liquid securities.
32	Clear title	When the property in question is free from any doubt is not disputed and is not having any encumbrances and it is said to have a clear title.

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33	Closing Balance	The amount payable (or available) as of last working day of the certain period/month.
34	Co borrower	Secondary person applying for the loan with the primary person.
35	Collateral	An asset pledged to a lender to guarantee repayment. Collateral could include savings, bonds, insurance policies, jewelry, property or other items that are pledged to pay off a loan if payments are not made according to the contract.
36	Collector	Bank employee responsible for collection/recovery.
37	Co-signer	A co-signer is a person who signs a loan or credit card with the primary applicant, pledging to be responsible for repaying the loan or debt in the event the applicant is unable.
38	Credit History	A financial profile of any person based on how he repays his bills, clears his debt and the amount a person owes to various banks and other financial intuitions.
39	Credit Limit	It is the maximum amount of money one can draw on his account based on prior sanction or approval from the bank. In other words, borrowing or drawing limit fixed by a bank for a customer depending on his credit history, repaying capacity and relationship with bank.
40	Credit rating / Score	A credit rating is an evaluation of the credit risk of a prospective debtor (an individual), predicting their ability to pay back the debt, and an implicit forecast of the likelihood of the debtor defaulting
41	Cross sell	Selling of product to already existing customer.
42	Current	Customer making all the repayments on time.
43	Current Balance / Outstanding Balance / Total Outstanding	The total amount that customer owes to the bank for availing facility at a particular point in time which may include all the charges (mark-up, late payment charges, joining charges) fees (annual, renewal) & other liabilities.
44	Customer	A person who is availing any facility or products of a bank
45	Dealership	Vehicle is being provided through dealership.
46	Debt Ratio/Debt Burden	A ration of amount of money customer owe to banks or credit issuers against total monthly income of a customer. It reflects the percentage of income that goes to paying customer debts every month.
47	Default/ Delinquency	When a customer fails to make any payment(s) due towards the bank as per the terms and conditions agreed or otherwise is termed as default. Furthermore, a breach of contract/terms and conditions may also be categorized as an event of default. Account is classified as delinquent when loan payments are not paid according to the contractually agreed upon terms or when due.
48	Delivery Acceptance Form	In the context of auto loans, this is a mandatory document which the customer signs acknowledging acceptance and possession of vehicle from the dealer.
49	Desired financing amount	Amount required by the customer.
50	Desired financing Tenure	Tenure required by the customer.
51	Direct Debit / Auto Debt Facility	A facility offers by the bank to customer against which monthly full payment or minimum payment will be debited from his/her account on the due date.
52	Disbursement	Loan payout in the name of the customer.
53	Discrepancy	Incomplete or missing documents, or alternatively incomplete, illegible or contradictory information in the customer's loan application or documentation provided by customer.
54	Dishonored/Returned Cheque	A cheque which is returned by the payer's Bank due any number of possible reasons including but not limited "insufficient funds, amounts' mismatch, illegible signature, overwriting, date-barring etc."
55	Disputed transaction	A cardholder posted transaction which is not accepted by him/her and requires clarification.
56	DPD (Days Past Due)	Number of days past the due date after the customer's payment became due as per the contractually agreed upon terms and conditions.
57	Due Date /Payment Due Date /Installment due date	Date specified in the statement of account for monthly repayments/ schedule for the payment of the Minimum Payment Amount, the Current Balance or Installment to be made to the Bank for the facility availed by the customer.
58	E-Alerts	Electronic Alerts to be sent to customer via email / SMS.
59	Early Settlement	Payment of entire loan amount before the normal maturity of loan as per repayment schedule.
60	E-Banking / Internet Banking	Banking transactions which can be conducted on internet after accessing Bank's application with unique password.
61	e-CIB /Credit Bureau	Electronic Credit Information Bureau-eCIB has been established by the State Bank of Pakistan which requires all banks and financial institutions to report all loans and advances, to the State Bank.
62	EMI	Equal Monthly Installments.
63	Equity/down payment	Customer's stake in the vehicle, customer pays a vehicle value's part before financing.
64	Expiry Date	The date of expiry specified by the Bank on the Card.

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65	External agencies	Agencies providing services to customers which are on Bank's panel.
66	Facility rate/ Pricing/ interest rate/ Interest	Mark up rate charged on the financed amount.
67	FCY	Foreign Currency Account.
68	FED	Federal Excise Duty
69	Financing agreement	Document used for agreement between the customer and the bank.
70	Fixed Rate	Facilities where the mark up rate defined at the time of loan disbursement is fixed for the tenure of the loan or until facility is closed.
71	Fixed term	This applies to products and services, which have a set lifetime. The customer may be charged if the bank agrees to alter the product or service before the end of its life.
72	Floating Rate	Mark up rate renewable after certain defined period of time. The markup rate is linked with KIBOR plus a fixed percentage of profit margin.
73	FX Conversion Charges	Foreign Currency Transactions charges to be borne by customer to convert into Pakistani Rupees
74	GCAS	Global Customer Assistance Service
75	Guarantee	A promise given by a person called 'the guarantor' to pay another person's debts if that person does not pay them.
76	Hypothecation	Process of placing a charge / lien on vehicle financed by the Bank
77	Income estimation agency	Agency used for assessing customer's income.
78	Installment loan	A loan in which the amount of payment and the number of payments are predetermined
79	Insurance premium	The amount payable to an insurance coverage provider in return for their coverage of an asset at a pre-determined insurance premium rate.
80	Insurance Products	The products designed to cover the customers liability / assets to any unforeseen circumstances which may face by the customer in future.
81	Interest Free Period	The interest free period applies on retail transactions only. The days begin at the start of your statement period and ends when your payment for that purchase/ transaction is made.
82	IVR	Interactive voice response (IVR) is a technology that allows a computer to interact with humans through the use of voice and DTMF (Dual Tone Multi Frequency) tones input via keypad.
83	KIBOR	Karachi Interbank Offered Rate as directed by SBP on monthly basis. The Karachi Interbank Offer Rate, or KIBOR, is a benchmark average interest rate at which term deposits are offered between prime banks in the Pakistani wholesale money market or interbank market. The State Bank of Pakistan issues daily KIBOR rates for tenor of 1 and 2 week, 1-3-6 and 9 months and for 1-2& 3 years.
84	Late payment charges	Penalty levied on late installment / payments.
85	Lawyer appraisal agency	Agency used to verify and appraise the property document.
86	Lease facility	A lease is a contractual arrangement calling for the lessee (user) to pay the lessor (owner) for use of an asset.
87	Lease facility pricing	Mark up rate charged on the loan amount.
88	Liabilities	Any or all amounts payable whatsoever by the Card member to the Bank.
89	Linked Account/Repayment Account	Account opened for making monthly payments/installments.
90	Litigation charges	Charges which will be incurred at the time of filing a suit by the bank against a defaulted customer.
91	LOU	Letter of understanding between the bank and the customer mentioning some of the important terms & conditions of the loan.
92	LTV	Loan to value - Ratio of amount of loan sanctioned against value of the property.
93	Manufacturer	Vehicle manufacturer.
94	Margin	Bank's Profit percentage
95	Maturity	Loans payment completion.
96	Merchant	Any person / entity supplying goods and / or services and / or other benefits who accepts the Card as a means of payment.
97	Minimum Payment Amount	A certain percentage of current outstanding balance which a customer has to pay to avoid the delinquency /default.
98	Month	Calendar month.
99	Mortgages	Mortgage is the transfer of an interest in specific immovable property for the purpose of securing the payment of money advanced or to be advanced by way of loan or finance.

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100	Multiple Limit	Total credit limit approved for a Card member on all of his / her Credit Cards collectively.
101	NCCA/ Non Checking Account	A type of account where a customer can only make deposits but cannot withdraw funds from the account. As such, no instruments (debit card, cheque book, internet banking etc.) are provided to the customer when opening this type of account
102	NOC	No Objection Certificate issued in favor of the customer after loan clearance.
103	Off Us ATM	Transaction conducted on other bank ATM
104	On Us ATM	Transaction conducted on issuer's bank ATM
105	Outstanding loans	Loans payable.
106	Overdue Payments/ Late payments	Amount of loan and credit card payment(s) which has not been made as of its due date (or maturity) date. All financial arrangements become overdue one business day after their due date. A borrower who is past due may be subject to late fees and other charges.
107	Partial prepayment	Customer making a deposit, apart from his regular payment/instalment, against his loan to reduce his/her liabilities/monthly instalment.
108	Payment Facility	To pay any amount(s) to any person / party for any purpose settlement of any bills or for any other purpose approved by the Bank from time to time.
109	Personal Loans	Personal Loans mean the loans to individuals for the payment of goods, services and expenses and include Running Finance/Revolving Credit to individuals.
110	PIN/ ATM PIN	The Personal Identification Number issued to a Card member to enable the Card member or a Supplementary Card member or selected by a Card member or a Supplementary Card member and generated through IVR (Interactive Voice Recording) to use the Card at an ATM for a Cash Advance.
111	Pre Payment/ Early Settlement	A one off payment along with FED charges which customer may be asked to make if customer decide to repay loan early before maturity.
112	Prepayment charges	Financial charges applied on pre payment of loan.
113	Principal	The amount of debt, exclusive of interest, remaining on a loan.
114	Processing Fee	One time Fee charged on approved amount only for processing.
115	Progressive Letter	The detailed information/events/picture provided by the cardholder for continuing his/her dispute with the bank against disputed transaction evidences
116	Purchase Order	Order issued by the bank to the dealer for confirmation of purchasing the vehicle.
117	Rate revision letter	Letter for customer when the applicable rate is revised annually
118	Ready Delivery	Vehicle available at the dealer for delivery after payment.
119	Ready Delivery used	Used vehicle available at dealer's end for delivery after payment.
120	Registration charges	Amount required for registering the vehicle with Excise and Taxation Office.
121	Repayment	The process of returning of the borrowed loan amount. The repayment has to be made for the entire tenure of the loan amount. Based on fixed or floating interest rates on the loan amount, the banks or financial institution decides on an EMI which has to be paid on or before a date mentioned in the loan agreement every month.
122	Repayment period	Tenure of the facility.
123	Repossession	"Duplication of term" It is suggested to retain any one of the definition.
124	Revolving Loan	This is a type of loan which is "evergreen" in nature such that there is no specified facility maturity date (it may, however, include facility renewals at a pre-determined frequency). The borrower is typically assigned a credit limit and he / she can withdraw any amount he / she requires up to this credit limit.
125	Reward Points	Points earned by the customer upon conducting any transaction from his/her credit card. This facility vary banks to bank.
126	Right of Set Off	In an event of default or otherwise, bank has the right of set off i.e. bank at its discretion or otherwise and without giving notice to the customer, reserves the right to recover outstanding amount(s) from any of Customer's Account(s) maintained with the bank.
127	Rupee/PKR	Pakistani Rupee Currency.
128	Salaried individual	Person employed on a salaried basis.
129	Sale Order	Confirmation document sent to the customers before delivering Vehicle.
130	Schedule of Charges	The document prescribing Service Fee(s), charges and other fee(s) applicable to the Card/ BTF, Card Transactions and / or Card Account, issued by the Bank bi-annually to the Card members.
131	Secured Limit	Credit Limit which has been granted by bank and is secured against collateral/liquid/non-liquid securities. In an event of default, or otherwise, bank has the right to recover the amount(s) outstanding against the said security.

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132	Security	Bank's security against the loan An asset pledged to guarantee the repayment of a loan, satisfaction of an obligation, or in compliance of an agreement. Security gives a lender a legal right of access to the pledged asset and to take their possession and title in case of default for a foreclosure sale.
133	Self employed professional	Individual having his own professional business.
134	Semi commercial	Vehicles that can be used for individual consumption and for commercial purpose as well.
135	Service Establishment	Merchant acquiring bank who authorize it's merchant to accept card transaction as per agreement and able to respond disputes queries.
136	Service Fee	Fee as determined by the Bank and prescribed in the Schedule of Charges and payable by the customer on the outstanding Liabilities and other amounts.
137	SMS Fee	SMS - Short Message Service Charges
138	Standing Instructions/ Auto Debit	Specific written (and signed) instructions provided by a customer to debit his / her account by a specified amount on a pre-determined frequency. In the context of consumer financing, standing instructions are often requested from borrowers which have another Non checking account which can be used to service their repayments
139	Statement of Account	The Bank's monthly or other periodic statement of account send to it's customers showing particulars of the transactions carried out.
140	Suit	Legal case filing.
141	Supplementary Card	Supplementary card member means the person who is issued a supplementary card with the authorization and consent of the original / basic card member.
142	Supplementary Card member	The person who is issued a Supplementary Card.
143	T PIN	The Personal Identification Number issued to the Card member to enable the Card member a Supplementary Card member or selected by a Card member or the Supplementary Card member and generated through IVR to use the telephone banking facilities made available by the Bank.
144	TAT - Turn Around Time	Time required for application processing.
145	Temporary credit	A limited period of credit posted by bank into cardholder's card account for disputed transaction.
146	Tenure	The length of time for which a term loan has been approved and is typically structured in 12-month multiples.
147	Term Loan	This is a type of loan which is disbursed for a specified time duration after which the loan matures. This type of loan involve reduction of the principal outstanding as and when the customer pay his / her installments.
148	Time barred Transactions	A posted transaction which is disputed after 120 days time-limit or MasterCard/Visa allowable time-limits by cardholder.
149	Title of the property	Documents identifying the owner of the property.
150	Title of vehicle	Documents identifying the owner of vehicle such as excise file and registration book in Autos.
151	Top - Up	Top Up means line replenishment/enhancement
152	Total Cash Outlay (TCO)	An amount including down payment, insurance, processing fee etc. which is paid after Auto loan approval.
153	Total Monthly Payment (TMP)	Equal monthly amount payable including loan installment (Principal + Markup) and insurance premium amount
154	Trenches	Loan disbursed in parts are called trenches.
155	Undertaking	Indemnity provided by the customer.
156	Unsatisfactory Credit History	Customer is not making payments against availed cross sell facility/product resulting bank has right to close either temporary or permanently said product/facility.
157	US Dollar	Currency of the United States of America.
158	Validity Date	The validity date specified by the Bank on the Card.
159	Withdrawal Facility	To withdraw cash either through the Automated Teller Machines ("ATMs") or through use of a Debit Card held by the Customer ("Debit Card").
160	Facility Offer Letter	A document issued by the Bank containing the key Terms & Conditions of the Financing Facility offered to the customer.
161	Key Fact Statement (KFS)	A document that provides key information about the Financing Facility including applicable pricing, fees, charges and repayment details.
162	Net Disposable Income	The income remaining after applicable deductions and regular financial obligations.
163	Residual Value	Residual Value (RV) is a certain portion of the asset value which is payable in lump sum as a balloon payment at the end of the financing tenure. The income remaining after applicable deductions and regular financial obligations.
164	Forced Sale Value (FSV)	Forced sale value (FSV) is the estimated amount of money a seller would receive for an asset when it must be liquidated quickly under urgent, unmanageable, or legally enforced conditions.

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165	Market Value (MV)	Market value is the estimated amount for which an asset, product, or service would sell in a competitive, open market between a willing buyer and a willing seller. It represents what the market currently believes an asset is worth, driven entirely by supply and demand at a specific point in time.
166	Original Equipment Manufacturer (OEM)	An original equipment manufacturer (OEM) is a company that manufactures components, parts, or entire products that are then purchased and sold under another company's brand name.
167	Roshan Apni Car	Roshan Apni Car is a special car financing scheme launched by the State Bank of Pakistan (SBP) for Non-Resident Pakistanis (NRPs) who hold a Roshan Digital Account (RDA). It allows overseas Pakistanis to completely digitally finance and buy a car for their families back home in Pakistan at highly subsidized rates.
168	Foreign Remittance	Foreign remittance is the transfer of money by a foreign worker or an individual living abroad back to their home country.
169	NADRA	The National Database and Registration Authority (NADRA) is an independent and autonomous government agency under Pakistan's Ministry of Interior. It is responsible for regulating national databases and statistically managing the registration information of all Pakistani citizens.
170	Biometric Verification	Biometric verification is an automated security process used in Pakistan to confirm your true identity using your unique physical traits—specifically your fingerprints or a facial scan. The National Database and Registration Authority (NADRA) manages the central biometric database for the country. It cross-checks your live biometric scans against the fingerprint records saved when you first created your Computerised National Identity Card (CNIC).
171	Auto Loan Tentative Financing Sheet	An auto loan tentative financing sheet is a breakdown provided by a bank showing your estimated monthly payments, down payment, and total borrowing costs before formal loan approval.
172	Zero Interest Loan	A loan requiring no payment of principal on periodic basis or in installments; instead, a single payment is made on the due date including the interest accrued during the loan period and the original amount borrowed.
173	Write-Off	Write-off is to reduce the book value of an asset fully or partially so as to reflect the amount of loss to be carried on the accounts; if the entire value is written-off it is also known as charged off against reserves or profit; if the book value is partially written off, it is the difference between the book value and the releasable value or market value of the asset. In banking, it means the amount of loan which is not recoverable, and is to be written off against the provision for loan losses maintained for classified non-performing loans.
174	Withholding Tax	Withholding is an act of deduction or collection of tax at source, at the specified rate which has generally been in the nature of an advance tax payment.
175	Willful Default	Deliberate default of a borrower on loan from the agreed terms of repayment; despite having a ability or the means to repay or perform according to the commitment made.
176	Waiver	Waiver of a claim, a right, a covenant in an agreement, or an exemption clause, effectively alters the terms and condition as stipulated originally, depending on the type of the contractual agreement.
177	Valuation	Determination of value of assets through various methods and accepted procedures of valuation, assessment and appraisal; valuation of securities, companies and businesses, corporations and enterprises for sale, mergers, acquisition and liquidation; assessment of net worth.
178	Loan-To-Value (LTV) Ratio	A lending risk assessment ratio that financial institutions and others lenders examine before approving a mortgage. Typically, assessments with high LTV ratios are generally seen as higher risk and, therefore, if the mortgage is accepted, the loan will generally cost the borrower more to borrow or he or she will need to purchase mortgage insurance.
179	Lender	A bank, a financial institution, a company or an individual engaged in the business of lending money.
180	Lessor	One who grants a lease; a party to a lease agreement granting lease of a property to another.
181	Lessee	The tenant or user under lease agreement having a lease hold right; one to whom a lease of moveable or immoveable property is granted.
182	Installment	A fixed periodic repayment of the principal, less than the whole amount due, paid by a debtor at successive periods, in partial liquidation of debt, as stipulated in the loan agreement.
183	Grace Period	Specified time period allowed to the borrower by the lender as a moratorium on repayments due; a period when no repayment of principal or interest is due on the loan to enable the borrower to generate cash flow or income through the use of loan proceeds and consolidate his financial position; a breathing space offered by the creditor before repayment demand on a loan.
184	Guarantor	One who issues a guarantee and undertake that debt, obligation and commitments of the guaranteed party will be paid or fulfilled by the guarantor in case there is a default.
185	Fraud	A major risk in business, finance and banking, requiring sophisticated anti fraud protection procedures, safeguards, cross cheques, layered approval processes and installation of expensive monitoring devices; a major cost item for financial institution; several types of frauds depending on line of activity and target institution concerned.
186	Effective Date	The date a contractual agreement is in effect; the commencement date; the date a loan is available for disbursement; the date a payment or a financial transaction can be conducted.
187	Early Repayment Penalty	Banks and financial institutions impose a financial penalty on customers who pay off their loans and advances. This may be a percentage of the total advance, the sum repaid or the balance outstanding.
188	Debt Rescheduling	A practice that involves restructuring the terms of an existing loan in order to extend the repayment period. Debt rescheduling may mean a delay in the due date(s) of required payments or reducing payment amounts by extending the payment period and increasing the number of payments.

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189	Debt Restructuring	Adjustment or realignment of debt structure reflecting concessions granted by creditors, to give the debtor a more practical arrangement for meeting financial obligations. Restructuring is needed when the debtor has severe financial problems. The agreement to restructure may result from legal action or simply be an agreement to which parties consent.
190	Compound Interest	Interest which is calculated not only on the initial principal but also the accumulated interest of prior periods. Compound interest differs from simple interest in that simple interest is calculated solely as a percentage of the principal sum.
191	Consumer Credit Information Report	All individuals and sole proprietors are categorized under the category of consumer borrowers in Electronic Credit Information Bureau (eCIB) database. Consumer Credit Information Report (CCIR) represents the summary of accumulated credit obligation of a particular individual from all banks and financial institutions in Pakistan. CCIR contains credit details with limits, outstanding financial obligations, status of overdue loan and credit history of last twelve months.
192	Corporate Credit Information Report	All partnerships and corporate entities (Private Limited/Public Limited) are categorized under corporate borrower's category in eCIB database. The CCIR contains aggregate information related to outstanding financial obligations (Fund/non-fund based), amount in number of days overdue (past due 90 and 365 days) and other material information related to write-off and restructuring of loan and amount under litigation.
193	Bad Debt	A debt for which repayments of principal or interest are long overdue and is unrecoverable because of worthless collateral, or insolvency or effective bankruptcy of the borrower; the loan may have to be removed from the bank portfolio and charged to loan loss reserves if any, or written off by the lender and charged to profits, retained earnings or bank's capital.
194	Annual Percentage Rate (APR)	The term Annual Percentage Rate describe the interest rate for a whole year (annualized), rather than just a monthly fee/rate, as applied on a loan, mortgage loan, credit card, etc. The annual rate that is charged for borrowing (or made by investing), expressed as a single percentage number that represents the actual yearly cost of funds over the term of a loan.