

# Frequently Asked Questions (FAQs)

## **Q1: How do I apply for financing?**

- Visit [www.meezanbank.com/solar-panel-financing/](http://www.meezanbank.com/solar-panel-financing/), Download application form, list of approved solar companies and required documents.
- Get your home surveyed through an approved company and obtain a quotation/survey report.
- Fill in the application form.
- Please provide two references: one relative (not residing with you) and other office/business colleague.
- Attach required documents.
- Visit nearest Meezan Bank branch and submit quotation, application form and required documents.
- If you do not already have an account, open one with Meezan Bank to avail financing in minimal time.

## **Q2: What income segments are covered?**

Customer must be earning through one of the following income sources:

- Salaried individuals
- Self-employed businessmen
- Pensioners

## **Q3: What are the general eligibility criteria?**

- The customer must be a Pakistani, Adult, Permanent resident having a valid CNIC.
- Property where solar panel has to be installed must be owned by applicant or his/her immediate family member(s). In case of two or more owners of a property, each and every owner will become co-applicant by signing Form-C (included in application form).
- The customer must be living at the same place where the solar panels are to be installed.
- The customer must be active tax filer.
- The customer must have an account in Meezan Bank (monthly installments will be auto-debited from this account).
- An electricity meter must be installed at the premises.

## **Q4: Who are considered as immediate family members?**

- This includes parents, spouse, siblings and children.

## **Q5: What are the charges for processing a case?**

- Processing charges are PKR 5,000 + FED, non-refundable.

## **Q6: What is the maximum and minimum financing tenure?**

- The minimum tenure is 12 months and the maximum tenure is up to 60 months (1 year, 2 years, 3 years, 4 years, and 5 years).

## **Q7: How much financing can be availed?**

- The financing limit ranges from PKR 100,000/- up to PKR 2,500,000/-.
- For Meezan Bank Premium Banking customers, maximum financing limit is PKR 3,000,000/-.

- Financing limits are subject to clean/unsecured financing already availed by the customer from all banks and the maximum allowed clean exposure defined in prudential regulations.

**Q8: What type of solar system can be financed through Meezan Solar?**

- Customer can avail financing for on-grid, off-grid and hybrid systems. However, the Bank will not finance batteries.

**Q9: What is the minimum and maximum down payment if a customer is going for an on-grid system?**

- Minimum 15% and maximum up to 50% if customer has a credit history of greater than or equal to 12 months.
- Minimum 30% and maximum up to 50% if customer does not have a credit history of greater than or equal to 12 months.

**Q10: What is the minimum and maximum down payment if a customer is going for an off-grid system?**

- Minimum 30% and maximum up to 50%.

**Q11: What value is considered for calculating down payment?**

- Price of solar system mentioned in a valid quotation issued by an approved solar energy partner.

**Q12: What is the expected approval time?**

- 07 working days, subject to receiving complete application.

**Q13: Are there any extra charges, other than processing fee?**

- Documentation charges shall be obtained at actual (stamp paper cost).
- Secured transaction register (STR) = PKR 1,000/-.
- Survey charges, to be directly paid to approval solar company (if any).
- No other charges.

**Q14: What is the mode of payment?**

- Monthly installments will be deducted directly from your Meezan Bank account for which a debit authority shall be obtained.

**Q15: Are there any early termination charges?**

- There are no early termination charges. You can settle the financing by paying remaining outstanding at any point.

**Q16: Is any security collateral required for financing?**

- No security collateral is required for financing.

**Q17: What is covered / not covered in the financing?**

- **Covered:** Cost of Solar panels, inverter, structure, wires, earthing/boring and other ancillary items (as per quotation).
- **Not Covered:** Cost of batteries, net metering, name change of electricity meter, increase in load sanction and anything which is not mentioned as 'covered' above.

**Q18: What is the mode of financing?**

- The mode of financing is 'Musawamah' which is a general kind of sale.

**Q19: Is verification required for case approval?**

- Yes, for case approval satisfactory telephonic and physical verifications of your office/business place and residence are mandatory.
- Verifications will be conducted either by Bank's staff or by staff of an approved agency of the Bank.
- Your submitted income documents shall also be verified.

**Q20: What would be the brief sequence of events?**

a) Survey through an approved company	f) Pay of required Down payment*
b) Submit application with required documents & a valid quotation	g) Installation of Solar system at site
c) Pay of processing fee	h) Satisfactory note & final agreement signing by the customer
d) Verifications and credit approval	i) Disbursement
e) Issuance / acceptance of offer letter and financing agreements signing	j) Payment to selected energy partner
	k) Monthly payments by customer

\*Until system is installed your down payment shall remain in your account under lien (it will remain in your account but you'll not be able to withdraw).

**Q21: What major documentation am I supposed to sign to avail financing?**

- To apply you'll sign application form and declaration of financing.
- After credit approval you'll sign offer letter, Master Musawamah financing agreement, debit authority, limit PKFS, letter of understanding, agency agreement.
- After installation of system you'll sign Musawamah contract, Letter of hypothecation, Draw-down PKFS, satisfactory note.

**Q22: How is this transaction Shariah compliant?**

- All pre-requisites of a valid sale are complied by the Bank.
- In first leg bank purchases an item from its approved energy partner, customer takes the delivery of asset at his/her premises as Bank's agent and then the same item is sold to financing customer on deferred payment after installation.
- Requirements related to offer/acceptance, timing and sequence of transaction is strictly adhered to which makes it a 100% Shariah compliant.

**Q23: I am living in an apartment; can I avail financing?**

- No, financing is offered only on constructed houses.

**Q24: What if I want to settle the financing?**

- You can raise a request through Meezan Bank Call Center or to your Meezan Bank Branch Relationship Manager.
- Make funds available in your account equal to your outstanding balance on financing.
- An NOC shall be issued by the Bank on closure of the facility.

**Q25: What if I need installation from a vendor who is not on Bank's panel?**

- Bank offers financing only through approved solar companies.

**Q26: My income comes in (partially/fully) in cash, can I avail financing?**

- No Cash income is not considered.

**Q27: Is the financing/solar panel system covered under Takaful during financing?**

- No such arrangement is made by the Bank. After a financing is provided risk and reward related to the asset is transferred to customer, so customer may make such arrangement on his/her own.

**Q28: Can I directly apply for the financing without going to any Meezan Bank branch?**

- Yes, you may initiate your request by calling Direct Sale representatives of Meezan Solar, contact details are given on web page. However, you'll have to visit branch for account opening if you don't already have an account in Meezan Bank.

**Q29: Can I hold payment to Bank if my net metering is not activated after installation (green meter not installed)?**

- No net metering is not part of financing. Your first installment shall be due after one month of installation completion.

**Q30: Can I hold payment to Bank if my system stops working due to any technical or other reason?**

- All your warranty related matters will be between you and the company, once risk and reward of the asset is transferred you cannot stop Bank's payment due to any such reason.

**Q31: If my income is less than Bank's requirement, can I club income of someone else with me?**

- Yes, you can club income of an immediate family member. Definition of immediate family member shall be same as defined above in FAQs.
- Only 1 person's income can be clubbed.
- There shall be no minimum income requirement but DBR, income source and required documents shall be same as of main applicant.
- Age requirement for such co-applicant shall be same as of main applicant.

**Q32: In which cities financing shall be provided?**

- Initially, Meezan Bank is providing Meezan Solar facility in Karachi, Lahore, Islamabad, Multan, Faisalabad, Peshawar, Rawalpindi, Gujrat, Gujranwala, Sialkot and Hyderabad cities.

**Q33: Where can I see calculation/tentative schedule?**

- Calculator is given on website page [www.meezanbank.com/solar-panel-financing/](http://www.meezanbank.com/solar-panel-financing/).

# FAQs for Self Employed Businessman:

## **Q1: What is age requirement for a financing?**

- Minimum age is 30 years, maximum age is 65 years at maturity of financing.

## **Q2: What is age requirement for a co-applicant who is owner/co-owner in the property where solar to be installed?**

- Maximum 75 Years

## **Q3: What is minimum monthly income requirement?**

- Minimum monthly gross income of PKR 500,000/- calculated through Bank statement proxy using high-low method and after applying 50% discounting factor.

## **Q4: What is minimum duration in business to qualify?**

- At least 5 years

## **Q5: When Bank starts financing application processing?**

- Starts once all relevant documents are provided (list of documents provided on Meezan Bank website).

## **Q6: What are eligible business statuses?**

- Proprietors, partners, or directors. Percentage of sharing/holding applies for partners or directors while calculating income.

## **Q7: Maximum debt burden ratio?**

- Maximum debt burden ratio of 30% for new to industry customer having no or less than 12 months of credit history.
- Maximum debt burden ratio of 35% for history-based customer having greater than or equal to 12 months of credit history.

## **Q8: Through what documents income is assessed?**

Bank statement, Audited accounts, Tax returns; etc.