

Specification of Competency Standards for the Retail Banking

Unit of Competency

Retail Banking Operations and Support > 2.2 Secured and Unsecured Loan Processing

Title	Verify information on loan applications
Code	107342L4
Range	Handling of different kinds of information for loan or mortgage applications for customers of retail banking
Level	4
Credit	3
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> Examine loan or mortgage applications <ul style="list-style-type: none"> Be able to: <ul style="list-style-type: none"> Examine all necessary documents and analyse applicants' financial conditions (e.g. credit histories, property evaluations, etc.) Liaise with credit bureau or other business counterparts to exchange credit information related to applicants Calculate feasibility of granting loans and degree of risk involved in extending the loans Examine data regarding the application captured from customers and identify irregularities or missing information Calculate interest rates and formulate repayment schedules based on information (e.g. earnings, savings, payment history, etc.) Prepare relevant documents before disbursement of loans <ul style="list-style-type: none"> Be able to: <ul style="list-style-type: none"> Consolidate information regarding the loan or mortgage applicants according to the requirements of the bank Compile a checklist of the required documents to disburse the loan in line with the bank's policies and practices Verify and examine information or documents for loan or mortgage applications and agreements before disbursement of loans or mortgages Present the required documents to customers for their acceptance in line with the bank's policies and practices Explain the details of the standard loan or mortgage disbursement procedures to the customers and check understanding of his / her responsibilities to repay the loan Refine requirements on collateral and punishment during delay of payment or failure to pay against the terms and conditions
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> Information of the loan applicant and the associated property in the case of a mortgage loan is collected and presented in detail according to the bank's policy and procedure Processing of feasibility study for every loan or mortgage application Correct completion of application form is demonstrated according to the requirements of the form and the banks policies Accurate calculations on interest rates and repayment schedules for the loan or mortgage application in accordance with the bank's policies Presentation of feasible terms and conditions on loan or mortgage for individual applicant Start loan disbursement process in line with the bank's policies and practices in case of loan approval; and explain to customers professionally about the reasons of rejection in case of decline application
Remark	