

Frequently Asked Questions

1. Why is China Bank increasing the Finance Charge?

This change is in consideration of Bangko Sentral ng Pilipinas Circular No. 1165, dated January 19, 2023, which amends the maximum finance charge on all credit card transactions from 2% per month or 24% per annum to 3% per month or 36% per annum.

2. When will the new Finance Charge take effect?

The new finance charge shall take effect on February 10, 2023 and will be applied to all unpaid credit card balances.

3. I have a transaction made prior to February 10, 2023, what Finance Charge will apply in case I will not pay my balance in full?

All unpaid credit card balances prior to February 10, 2023 will incur 2% finance charge. The new 3% finance charge will apply starting February 10, 2023 if there is any unpaid balance on the due date.

4. I have an existing installment. Are installment transactions included in the BSP Circular?

No, installment interest rates shall remain the same.

5. Do you have a sample computation of the Finance Charge applied before and after the effectivity of the BSP Circular?

If you are unable to pay the Total Amount Due indicated in your statement of account, you will incur finance charge, computed as:

- 2% finance charge rate will apply for transactions made prior to the BSP Circular
- 3% finance charge rate will apply for transactions made after the BSP Circular

Billing Cycle: January 26	
Statement Date	January 26, 2023
Previous Balance	PHP10,000
Payment Due Date	February 15, 2023

Period Covered	Balance	Number of Days	Monthly Finance Charge*	Finance Charge
Jan 27 - Feb 9	10,000	14	2%	93.33
Feb 10 - Feb 26	10,000	17	3%	170.00
Finance Charge on Feb 26 SOA				263.33

**Finance Charge is quoted based on a 30-day period*