

Senkadagala Finance PLC (SFPLC) - Key Fact Document

This document contains the key information pertaining to lending and deposits products/services offered by **SFPLC**. It is prepared to assist our customers to understand the features, terms and conditions and costs involved, in terms of our products and services.

This Key Fact Document is presented as per the requirement of the Financial Customer Protection Framework for Licensed Finance Companies, under Direction No.01 of 2018 of Central Bank of Sri Lanka. The Company reserves the right to amend, add or remove any of the terms, conditions, charges and fees stated in this document, at the discretion of the Company, at any given time.

1. Products and services

Product/Service	Description
Finance Leases (FL)	FL facilities are offered for potential customers under individual, SME and Corporate categories for both personal and business purposes. Under this product, primarily vehicles (registered/ used/ unregistered) are given on lease and selected types of machinery, plant & equipment (new/ used) are also financed.
Hire Purchase Finance (HP)	HP facilities are offered for potential customers under individual, SME and Corporate categories for both personal and business purposes. Under this product, only registered vehicles could form the subject asset of a hire purchase agreement.
Non-Hire Purchase Finance (NHP) : Asset Backed Lending	NHP Loan facilities are offered to the customers (mostly existing customers) for their business purposes as well as incidental cash requirements. It is an asset backed finance facility, where credit is extended on the security of an asset that is still the subject matter of either a FL/HP transaction. NHP is designed to provide a solution to meet incidental expenses such as additional working capital requirements, educational, medical, etc.
Loans against Fixed Deposits	This product has been designed to facilitate our FD customers who are in need of incidental cash requirements. Rate charged for same will be FD Rate + 2% p.a. 75 % of deposit value can be borrowed under this.
Pawning	Pawn Brokering is a secured loan scheme where cash advances are granted against Gold. (Pawned gold is kept under Company's custody until the loan and interest due is paid in full.)
Deposits	There are two types of deposit products, namely fixed deposits and savings deposits available to suit the customer requirements, with a return of interest.
Foreign Exchange	Purchase of foreign currency from the customers.

2. Interest rates

- Interest rates applicable for lending products may depend on the type of facility, tenure and the security offered. Based on the market conditions, our interest rates are revised from time to time.
- Interest rates applicable for deposit products are displayed at all our branches and available in our web site at www.senfin.com.
- Penal interest rate of 8% per month will apply upon delays in servicing of facilities. This has been incorporated in our systems to encourage payments on time. However, rebates are offered upon settlements and actual amount charge as penal interest is only the amount which meets our original IRR agreed with the customer.

3. Conditions, Other charges, Fees & Commissions

- All terms and conditions pertaining to the facility to be obtained, i.e., interest/ commission rates, facility amount, grace period (if any), repayment period, collateral requirement and other special terms and conditions, may vary, depending on the type of the facility.
- Main terms and conditions are communicated to the borrower through Letter of Offer prior to entering in to the Agreement. Any other information will be communicated at the time of finalizing the credit facility.
- Charges and fees i.e., processing fees, insurance premium, RMV registration fees, relevant government taxes (if applicable) and valuation fees (if applicable) pertaining to lending products are to be borne by the borrower and will be communicated at the time of negotiating credit facilities.
- No early settlement fees are charged on any of our facilities. Rebates on future interest receivable are granted on a case-by-case basis.

4. Obtaining products

Leases/ Hire Purchase/ NH Loans

- Meeting the Company staff to discuss customer's requirement and company requirement to be fulfilled to consider a facility.
- Completion of the application and submitting same to the company with the ***required documents***. **
- Processing and evaluation of the facility by Company. (The borrower and guarantors may be contacted at this point for further information or documents if required.)
- Approval of the facility. (However, certain terms and conditions pre agreed may get amended at the approval stage and same will be communicated to the customer.)
- Execution of legal documents and completion of other documentation.
- Disbursement of the facility.
- Approval or rejection of a facility is at the sole discretion of the Company.

** ***required documents*** -

Individual borrower

- ❖ Proof of identification - National Identity Card/ Passport/ Driving License.
- ❖ A recent copy of a utility bill on borrower's name (water/fixed phone line/ electricity) if the present address is different from identification proof. (within 3 months)
- ❖ Salary slips and bank statements. (within 3 months)

- ❖ Any other proof of income to ascertain repayment capacity of the borrower.
- ❖ Quotation/ Invoice from the supplier.
- ❖ Valuation report from a valuer acceptable to the Company. (Recently obtained)

**** required documents -**

Business entity **

- ❖ Business Registration Certificate. (Sole Proprietorship/ Partnership)
- ❖ Certificate of Incorporation. (Limited Liability Company)
- ❖ Income Expenditure Statements/ Financial Accounts/ Income tax particulars. (Past 3 years)
- ❖ Any other proof of income to ascertain repayment capacity of the borrower.
- ❖ Articles of Association, Board resolutions and other relevant documents as requested by us.
- ❖ Quotation/ Invoice from the supplier.
- ❖ Valuation report from a valuer acceptable to the Company. (Recently obtained)

Pawning

- Requesting of a gold loan from the Branch by a borrower.
- Assessment of the gold/ gold jewelry and valuation of same by our staff.
- Informing the borrower, the amount of loan that can be granted.
- Granting of the loan.

Deposits

- Obtaining of deposit details by the customer from our staff.
- Application and KYC to be completed by the borrower with the required documents including proof of identification.
- Upon verification of information, savings account/ fixed deposit can be opened.
- Financial and other benefits of our deposit products are as follows:
 - *Interest on savings accounts is accrued on a daily basis. (Please refer rates on our website)*
 - *Deposits and withdrawals are allowed at over 100 branch locations throughout the country.*
 - *Savings accounts can be accessed via ATM network of other banks.*
 - *Can be operated with online banking facility.*
 - *Availability of Deposit Insurance (Individual customer is entitled to a maximum of Rs.1,100,000/- in case of an event the company ceases its operations due to bankruptcy.*
 - *Competitive rates are offered.*
- Other features of deposits
 - *Minimum balance requirements: Savings Rs.100/- (Rs.500/- for interest eligibility)
Fixed deposits Rs.1000/-*
 - *Minimum opening deposit: Savings Rs.500/-, Fixed deposit Rs.1000/- .*
 - *Penal rate may apply for premature withdrawal of Fixed Deposits.*
 - *No account opening/ maintenance/ closure fees.*
- The accounts will be declared dormant upon non operation of same for a period of 5 years.

5. Recovery procedure for lending products

- SFPLC make every endeavor to facilitate repayment of the credit facilities by customers.
- Rescheduling and restructuring of facilities are carried out when the customer is unable to service the facilities, as agreed at the time of granting facilities, due to various reasons. Rescheduling/restructuring is done to be in line with the customer's expected cash flows. However, this would be as per the company's lending policy on a case-by-case basis.
- In the event the customer is still unable to service the facility, SFPLC would be compelled to revert to initiating recovery action according to prevailing law and contractual rights.
- SFPLC may use its officers for recovery actions and the cost relating to same, all legal and other expenses with regard to recovery action shall be borne by the customer.

6. Applicable legal provisions

All lending and deposit products of SFPLC are subject to the Directions and Guidelines issued by the Central Bank of Sri Lanka.

7. Disclosure

The Company shall observe strict secrecy in respect of all transactions of the Customer with the Company.

SFPLC is also obliged to report suspicious transactions to the Financial Intelligence Unit of Central Bank of Sri Lanka as per the Financial Transactions Reporting (FTRA) Act No 6 of 2006.

It is also mandatory for SFPLC to report details of the borrowers and lending to them to the Credit Information Bureau of Sri Lanka. On request SFPLC will provide information of clients to government entities who are entitled to obtain such information by law.

8. Handling of complaints

It is the customer's right to report his complaint, if he is not satisfied with the company's services. The customer may lodge the complaint:

- * In person and or by submitting a written complaint/ through phone/ through post/ through email with full details to the respective Branch and resolve same through Branch Manager.
- * Through post or email to Complaint Handling Officer if the issue cannot be resolved at the Branch end.

Complaint Handling Officer

Senkadagala Finance PLC

267, Galle Road,

Colombo 3

Phone + 9411 2 301 301

Fax: +94 11 2 301 937

Email: info@senfin.com

In the event that an issue is not resolved or satisfactory solution is not provided from company's end, the customer may approach:

The Financial Ombudsman

No.143A, Vajira Road,

Colombo 4

Phone: +94 11 259 5624

Fax: +94 11 259 5625

Email: fostil@sltnet.lk