

Key Facts Document- CBC Finance Ltd

The Key Facts document consists of the main features of the products and services offered by CBC Finance Ltd.

PRODUCT/ SERVICE	TARGET GROUP & REQUIRED DOCUMENTS	ELIGIBILITY CRITERIA	KEY TERMS & CONDITIONS
SAVINGS <ul style="list-style-type: none"> • General 	❖ INDIVIDUAL /JOINT <ul style="list-style-type: none"> • Duly completed CBC Finance Savings Application (Mandate) • Identification document (NIC) and in the absence of the NIC, valid passport/ Driving License which carries the NIC number) • Documentary evidence for address verification, if the residential address differs from the NIC • KYC (Know Your Customer) requirement 	❖ Individuals who are Citizens/ Resident/ Dual Citizens of Sri Lanka and over 18 years of age.	<ul style="list-style-type: none"> • Minimum Balance Rs 1000 should be maintained to earn interest • Interest will be calculated on daily basis and will be credited to the account at the end of the month. • Cheque deposits into the saving account will be at the sole desecration of the management. • Customer can obtain entries relating to deposits/ Withdrawals and Balances. • Statements will be issued at the request of the customer. • WHT is applied as per the IRD direction.
	❖ COMPANY/PARTNERSHIP/SOLE PROPRIETORSHIP/ CLUBS & SOCIETIES/TRUST <ul style="list-style-type: none"> • Duly completed CBC Finance Savings Mandate • Business Registration Certificate /Certificate of Incorporation • Articles of Associations • Board Resolution. • Certified list of Directors (Form- 1) and any changes of Directors (Form-20) • If a company re-registered as an existing company (Form 40) • Constitution of Society/Club/Association and Minutes of the meeting • Certified documents to approve Authorized signatories • Identification document of authorized signatories • Documentary evidence for address verification (Utility bill or Bank Statement which should be under Company name) • Corporate KYC (Know Your Customer) requirement • Declaration of Beneficial Ownership 	❖ Corporates and other business firms/ Institutions duly registered in Sri Lanka according to the Business Names Ordinance	

PRODUCT/ SERVICE	TARGET GROUP & REQUIRED DOCUMENTS	ELIGIBILITY CRITERIA	KEY TERMS & CONDITIONS
<p>FIXED DEPOSITS</p> <ul style="list-style-type: none"> • General • Senior Citizen 	<p>❖ INDIVIDUAL /JOINT/SENIOR CITIZEN</p> <ul style="list-style-type: none"> • Duly completed CBC Finance Savings Application (Mandate) • Identification document (NIC) and in the absence of the NIC, valid passport/ Driving License which carries the NIC number) • Documentary evidence for address verification, if the residential address differs from the NIC • KYC (Know Your Customer) requirement • With respect to joint accounts of senior citizens, all account holders should be senior citizens to obtain senior citizens interest rates <p>❖ COMPANY/PARTNERSHIP/SOLE PROPRIETORSHIP/ CLUBS & SOCIETIES/TRUST</p> <ul style="list-style-type: none"> • Duly completed CBC Finance Savings Mandate • Business Registration Certificate /Certificate of Incorporation • Articles of Associations • Board Resolution. • Certified list of Directors (Form- 1) and any changes of Directors (Form-20) • If a company re-registered as an existing company (Form 40) • Constitution of Society/Club/Association and Minutes of the meeting • Certified documents to approve Authorized signatories • Identification document of authorized signatories • Documentary evidence for address verification (Utility bill or Bank Statement which should be under Company name) • Corporate KYC (Know Your Customer) requirement • Declaration of Beneficial Ownership 	<p>❖ Individuals who are Citizens/ Resident/ Dual Citizens of Sri Lanka and over 18 years of age and for senior citizens over 60 years of age.</p> <p>❖ Corporates and other business firms/ Institutions duly registered in Sri Lanka according to the Business Names Ordinance</p>	<ul style="list-style-type: none"> • Minimum Deposit amount Rs.100,000/- • Deposit tenure: 1 to 60 Months • The rates are quoted per annum basis and paid Monthly, Annually and Maturity. • In the case of Monthly Interest payments, interest will be calculated by applying the agreed interest rate per annum and divided by 365/ applicable number of days for the year and multiply by number of days applicable for the month. • LFP reserves the right to decline accepting any deposit if the customer does not divulge information requested by the Company in respect of requirements laid down by the Financial Intelligence Unit of Central Bank of Sri Lanka. • Balance confirmation letters, IRD confirmation, WHT certificate and Visa letters issued on customer request • Loan Against FD <ul style="list-style-type: none"> i) 90% will be allowed for interest payable at maturity FD ii) 90% will be allowed for interest payable at Monthly FD (Loan Rate 3% from the APR given) • Premature withdrawals are allowed; a penalty will be applied based on the CBSL direction and with company policies. • Compensation for FD premature withdrawal/ termination Rate Apply for premature withdrawal be subject to the period of Deposits or subject to CBSL Guideline. Excess interest amount will be recovered from the capital If the interest been paid monthly • Premature withdrawals are not allowed; if the FD Certificate is lost • Lost/ Damage of FD Certificate, an affidavit and the indemnity of CBC Finance should be submitted to obtain a duplicate. • WHT is applied as per the IRD Direction • All deposits are covered under the deposit insurance scheme implemented by monetary board and compensation up to Rs.1,100,000 per depositor • Relevant applications could be downloaded from the website • Renewal notices will be sent to the customer • Nomination Facility (If required) • Standing Order Facility

This document serves to comply with the requirements of the Finance Customer Protection Framework issued by the Central Bank of Sri Lanka Direction No 1 of 2018.

PRODUCT/ SERVICE	TARGET MARKET & MAIN REQUIREMENTS	ELIGIBILITY CRITERIA	KEY TERMS & CONDITIONS
BUSINESS LOANS	<ul style="list-style-type: none"> ❖ TYPES OF BORROWERS <ul style="list-style-type: none"> • Personal Borrowers • Sole Proprietorship • Partnership Business • Limited Liability Companies ❖ Client profile should be in line and meet the requirements as per the CBC Finance lending guidelines ❖ Lending officers make the client visits (Residential/Business) as part of the client evaluation. ❖ Client should submit the Facility Application along with all supporting documents mentioned therein. 	<ul style="list-style-type: none"> ❖ The applicant should be Sri Lankan within the legally accepted age limit to obtain a finance facility. <hr/> <ul style="list-style-type: none"> ❖ Corporates and other business firms duly registered in Sri Lanka according to the Business Names Ordinance 	<ul style="list-style-type: none"> • Tenor is maximum 24 months • Interest rate at the time will be available on inquiry • Documentation charges are as per the published in the website and relevant charges shall be borne by the borrower. • All facility requests are subjected to a credit evaluation and all facility approvals will be at the sole discretion of CBC Finance. • On an event of Non-repayment as per the agreement, customer is liable to pay all the late payment fees/ charges/ interest charged on behalf of the same to CBC Finance.

PRODUCT/ SERVICE	TARGET MARKET & MAIN REQUIREMENTS	ELIGIBILITY CRITERIA	KEY TERMS & CONDITIONS
PLEDGE LOANS	<ul style="list-style-type: none"> ❖ TYPES OF BORROWERS <ul style="list-style-type: none"> • Personal Borrowers • Sole Proprietorship • Partnership Business • Limited Liability Companies ❖ Client profile should be in line and meet the requirements as per the CBC Finance lending guidelines ❖ Lending Officer make a Vehicle inspection & confirm the engine number/ chassis number of the vehicle as per the import documents. ❖ Client should submit the Facility Application along with all supporting documents mentioned therein. 	<ul style="list-style-type: none"> ❖ The applicant should be Sri Lankan within the legally accepted age limit to obtain a finance facility. ❖ Corporates and other business firms duly registered in Sri Lanka according to the Business Names Ordinance 	<ul style="list-style-type: none"> • Tenor: Maximum - 12 months Minimum - 1 month • Interest rate at the time will be available on inquiry • Documentation charges as per the published in the website and relevant charges shall be borne by the borrower. • All facility requests are subjected to a credit evaluation and all facility approvals will be at the sole discretion of CBC Finance. • Types of vehicles restricted to Cars, Vans & Jeeps • Country of Origin restricted to:- Japanese, Indian, Malaysian and Korean and continental vehicles • On an event of Non-repayment as per the agreement, customer is liable to pay all the late payment fees/ charges/ interest charged on behalf of the same to CBC Finance.

PRODUCT/ SERVICE	TARGET MARKET & MAIN REQUIREMENTS	ELIGIBILITY CRITERIA	KEY TERMS & CONDITIONS
MORTGAGE LOANS	<ul style="list-style-type: none"> ❖ TYPES OF BORROWERS <ul style="list-style-type: none"> • Personal Borrowers • Sole Proprietorship • Partnership Business • Limited Liability Companies ❖ Client profile should be in line and meet the requirements as per the CBC Finance lending guidelines ❖ Lending Officer make the client visit (Residential/ Business/ Property in respect of property offered as collateral) as part of the client evaluation ❖ Client should submit the Facility Application along with all supporting documents mentioned therein. 	<ul style="list-style-type: none"> ❖ The applicant should be Sri Lankan within the legally accepted age limit to obtain a finance facility. <hr/> <ul style="list-style-type: none"> ❖ Corporates and other business firms duly registered in Sri Lanka according to the Business Names Ordinance 	<ul style="list-style-type: none"> • Tenor: Short Term/Medium Term Advances - 01-72 months • Project related lending - maximum 120 months • Interest rate at the time will be available on inquiry • Documentation charges and Mortgage bond execution charges as per the published in the website and relevant charges shall be borne by the borrower. • All facility requests are subjected to a credit evaluation and all facility approvals will be at the sole discretion of CBC Finance. • Property should be offered as a Collateral • On an event of Non-repayment as per the agreement, customer is liable to pay all the late payment fees/ charges/ interest charged on behalf of the same to CBC Finance.

PRODUCT/ SERVICE	TARGET MARKET & MAIN REQUIREMENTS	ELIGIBILITY CRITERIA	KEY TERMS & CONDITIONS
LEASING	<ul style="list-style-type: none"> ❖ TYPES OF BORROWERS <ul style="list-style-type: none"> • Personal Borrowers • Sole Proprietorship • Partnership Business • Limited Liability Companies ❖ Client profile should be in line and meet the requirements as per the CBC Finance lending guidelines ❖ Lending Officer make a Vehicle inspection & confirm the engine number/ chassis number of the vehicle as per the CR, Invoice and Valuation Report. ❖ In case of machinery, serial number and model number as per the Invoice and Valuation Report. ❖ Client should submit the Facility Application along with all supporting documents mentioned therein. 	<ul style="list-style-type: none"> ❖ The applicant should be Sri Lankan within the legally accepted age limit to obtain a finance facility. ❖ Corporates and other business firms duly registered in Sri Lanka according to the Business Names Ordinance 	<ul style="list-style-type: none"> • Maximum Tenor: Unregistered and Brand New - 72 months Registered - 60 months • Concession for documents charges/ RMV transfer charges/complimentary items during Leasing Promotion Period. • Interest rate at the time will be available on inquiry • Documentation charges and Mortgage bond execution charges as per the published in the website and relevant charges shall be borne by the borrower. • All facility requests are subjected to a credit evaluation and all facility approvals will be at the sole discretion of CBC Finance. • Types of Vehicles restricted to Cars, Vans, Jeeps, Trucks, Buses, Dual & Special purposes Vehicles and Machinery • The loan to Value (LTV) ratio will be in accordance with the CBSL directions and credit worthiness of the applicant. • On an event of Non-repayment as per the agreement, customer is liable to pay all the late payment fees/ charges/ interest charged on behalf of the same to CBC Finance.

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GOLD LOAN	<p><u>Target Market</u></p> <ul style="list-style-type: none"> ❖ This service is intended for both the investment and retail gold loan customer groups, which include jewelry manufacturers, pawnbrokers and jewelry store owners. <p><u>Obtaining Advance</u></p> <ul style="list-style-type: none"> ❖ Customer Visits Branch Produces Gold Article ❖ Gold Assessor checks & suggests maximum amount could be availed ❖ Customer Decides ❖ Obtain identity proof ❖ Gold Valuation Report (GVR) to be filled by gold loan officer ❖ Gold Loan Ticket generated by System to be signed by Customer along with KYC & Indemnity & taken to Cashier ❖ Cashier check accuracy of the Ticket & hands over Ticket & cash to Customer <p><u>Required documents</u></p> <ul style="list-style-type: none"> ❖ Copy of NIC/Driving license 	<ul style="list-style-type: none"> ❖ The applicant should be Sri Lankan within the legally accepted age limit to obtain a finance facility. 	<ul style="list-style-type: none"> ❖ Maximum advance amount decided by CBCF according to CBSL guidelines ❖ All expenses pertaining to this facility including stamp fees, legal and other fees should be born by Customer. ❖ The sum of money so granted should be fully repaid along with interest. ❖ Any default in payment on the due date will result in additional interest. ❖ In case of default, the Company reserves the right to request to pay the said full sum outstanding. ❖ In case of loss of items kept as security, CBCF will pay the debtor only the market value of such lost items and that the debtor has no legal right to solicit any other loss or damage from CBCF. ❖ CBCF reserves the right to sell items left on security as per the Mortgage Act. ❖ Legal procedure will be taken in accordance with the provision in the Sri Lankan legal system. <p><u>Redeeming Articles</u></p> <ul style="list-style-type: none"> ❖ Customer arrives with the Gold Loan Ticket ❖ Customer Identity to be verified ❖ Customer to be informed of settlement balance ❖ Customer settles the Cash ❖ Cashier issues settlement receipt & obtain signature from Customer ❖ Cash, Original Gold Loan Ticket & Settlement receipt to be given to gold loan officer who completes the transaction ❖ Original settlement receipt handed over to Customer

CBC FINANCE LTD

Tariff Rates and Interest Rates for Company Lending Product.

Description	Facility Amount	Fee per facility	Interest Rates
Leasing/Business Draft/ Motor Draft/ Vehicle Loan	Rs.100,000/- Upwards	Rs. 6,000/- to Rs. 8,000/ (Dependent on the Vehicle Type)	14.5% Upwards
Micro Leasing (Bike)	Rs.100,000/- Upwards	Rs.6,000/-	35% Upwards
Micro Leasing (Three Wheel)			28% Upwards
Mortgage Loan Facilities	Rs. 5,000,000/- Upwards	0.3% of the facility amount subject to minimum Rs. 5,000/-	18% Upwards
	Rs. 5,000,001/- Upwards	0.5% of the facility amount subject to minimum Rs. 50,000/-	
Gold Loan	1-12 Months	0.65% for advance amount	19.2 % Per Annum
	3-6 Months	0.65% for advance amount	18% Per Annum

Late Fee Rate Table

Product Code	Product Name	Late Fee Rate
101	LEASE FINANCE	0.48
110	MORTGAGE LOAN	0.48
131	PERSONAL LOAN	0.48
141	TOP UP LOAN - VEHICLE	0.48
151	HIRE PURCHASE LOAN	0.48
160	PREMIUM MORTGAGE LOAN- PERSONAL	0.48
170	STAFF LOAN - CONSUMPTION	0.24
180	PREMIUM BUSINESS LN-N/PERSONAL	0.48
161	PREMIUM MORTGAGE LOAN- N/PERSNL	0.48
181	PREMIUM BUSINESS LN-PERSONAL	0.48
182	BUSINESS LOAN	0.48
190	PLEDGE LOAN - VEHICLE	0.48
183	CASH MARGIN LOANS	0.48
184	TERM LOAN -C-19 RELIEF I	0.48
185	TERM LOAN -C-19 RELIEF II	0.48
111	MOTOR DRAFT LOAN	0.48
195	GOLD LOAN	0.09
196	STAFF GOLD LOAN	0.07
102	LEASING TWO WHEELER	0.48
103	LEASING THREE WHEELER	0.48
104	LEASING DRAFT LEASING	0.48
105	LEASING SPECIAL LEASING	0.48
197	GOLD LOAN SPECIAL	0.07
198	GOLD LOAN ABOVE 500,000	0.07
200	GOLD LOAN CBCF HIGHER ADVANCE	0.07
135	CBC Vehicle Loan	0.48

PROCESS OF OBTAINING PRODUCTS AND SERVICES FROM CBC FINANCE LTD

- Customers required to visit or contact the nearest branch to avail products/services from CBC Finance. Branch locations and contacts are displayed on our website (www.cbcfinance.lk)
- Customer required to complete an application form and all relevant documents related to the product/service required be handed over to the branch officer to process the request. The information submitted by customer should be accurate.

JOINT DEPOSIT

- In the event of demise of one of the Depositors of a Joint Deposit, it should be immediately notified to CBC Finance and the survivor will be the only person recognized by CBC Finance as having an interest in the deposit.

INTEREST RATES

- Interest rates will be determined by CBC Finance Ltd as per the ALCO policy within any law or guidelines issued by the regulatory body.
- Interest rates applicable for lending products are depending on the type of facility and tenor and the security offered. Based on the market conditions, interest rates are revised from time to time.
- Interest rates applicable for deposit products are displayed at all our branches and available in our website at www.cbcfinance.lk

APPLICABLE LEGAL PROVISION RELATED TO PRODUCTS AND SERVICES

- ❖ Finance Business Act No.42 of 2011
- ❖ Finance Leasing Act No 56 of 2000
- ❖ Mortgage Act No.06 of 1949 as amended by Mortgage Act No 03 of 1990
- ❖ Recovery of Debt (Special Provision) Act No. 2 of 1990
- ❖ Financial Transactions Reporting Act No.6 of 2006
- ❖ The Civil Procedure code and other applicable laws in Sri Lanka

DORMANT ACCOUNTS

- Abandoned deposits accounts will follow the standard legal procedure which is given by the CBSL. Deposits with no transactions or no correspondence for a maximum of 10 years will be flagged as Dormant and subsequently reported to CBSL, as per Finance Business Act No 42 of 2011.

DISCLOSURE

- CBC Finance Ltd maintains strict secrecy in respect of all transaction with the customer subject to provisions of section 61(2) of the Finance Business Act No.42 of 2011.
- CBC Finance Ltd is regulated by the Central Bank of Sri Lanka and is obliged to provide details of customer transaction to Central Bank of Sri Lanka and other regulatory/ statutory institution without prior notices to customer and without further obligations or legal recourse to the customer.
- CBC Finance Ltd is bound to report lending information including borrower details to the Credit Information Bureau of Sri Lanka.

FINANCIAL TRANSACTION REPORTING ACT NO.06 OF 2006

- Where CBC Finance Ltd has reasonable grounds to suspect that any transaction or attempted transaction may be related to the commission of any unlawful activity or any criminal offence, CBC Finance Ltd shall report such transaction to the Financial Intelligent Unit under the provisions of Section 7 of the Financial Transaction Reporting Act No.06 of 2006.

PROCEDURE OF RECOVERY OF CREDIT FACILITIES

CBC Finance Ltd shall make every attempt to facilitate the re-payment of the credit facilities by the customers. These endeavors may include re-scheduling and re-structuring of facilities to suit the customer's cash flow within the CBC Finance overall lending policy on a case by case basis. In the event the customers are still unable to settle, CBC Finance would be compelled to initiate recovery actions in accordance with its contractual rights and the law of the country. All legal and other expenses incurred by the CBC Finance in this regard shall be borne by the customer. The customer shall have recourse under the law to such actions of CBC Finance Ltd.

PROCEDURE OF RESOLVING OF CUSTOMER COMPLAINTS

❖ **LODGING A COMPLAINT**

- A complaint can be lodge by customers to CBC Finance Via any of the below.
 - ✓ By post: **Head of Human Resources & Operations – No.187, Katugasthota Road, Kandy.**
 - ✓ Phone No: **+94761755271**
 - ✓ By e-mail: **info@cbcfinance.com**
 - ✓ Website- **www.cbcfinance.com**
 - ✓ Suggestion Boxes

- **Required Information to place a complaint**
 - ✓ Customer Name, NIC number, Account number, Mobile number and Email address (if any)
 - ✓ Incident or Complain in brief

- **Complaints**
 - ✓ To lodge a complaint customer can get support from Branch Manager.
 - ✓ Anonymous complaints, without adequate proof and evidence will not be considered as an official complaint.

- **Acknowledgment of complaints**
 - ✓ A correspondence will be sent to the customer via email/post acknowledging the complaint and has been forwarded to the respective authorityfor further investigation.

- **Complaint Investigation**
 - ✓ CBC Finance will respond with the decision and offer an explanation to the complaint lodge by the customer.
 - ✓ If the company is unable to investigate and fail to send a response within a period of 10 working days, the customer will be informed the response date for the complaint lodged.

Financial Ombudsman Sri Lanka (Guarantee) Ltd, Address :

Level L Mezzanine, Ceylinco House, Colombo 1 Email :

slba@slba.lk

Telephone:0112345230