

SMB FINANCE PLC

KEY FACTS DOCUMENT

This document consists of Key Features of Products/services being offered to customers of SMB FINANCE PLC. This Key Facts Document is available to the prospective customers of SMB FINANCE PLC, displayed in the corporate website www.smbk.com, published under Financial Leasing Act Direction No: 01 of 2018 titled “Financial Customer Protection Framework”.

1.0 PRODUCTS AND SERVICES – LENDING

We offer following products and services to our customers.

Product	Criteria	Description
Financial Lease	Key Features & Nature of the Product	❖ Facilities offered to Salaried employees, Individuals engaged in business, SME's & Corporate entities. ❖ Leasing Options offered for Registered/Reconditioned & Unregistered Vehicles, Machineries (on an exceptional basis).
	Terms & Conditions	❖ Age - should be between 18 years to 60 years for individuals. ❖ Maximum Tenor 7 years. ❖ Identification Proof - National Identity Card (NIC)/Business Registration (BR)/Form 1 or Form 40/Form 20/Memorandum of Articles. ❖ Income Proof - Certified Salary slips/Original or Certified Bank Statements/Audited Financial Statements/Other Income Proof Documents. ❖ Proof of Permanent Residency - Business Registration/ Form 13 (Corporates) /Utility Bill/Grama Sewaka Certificate (Individuals). ❖ Two acceptable Guarantors - Details such as Identification proof/Billing proof/Income proof. ❖ Vehicle details to be provided with the documents required for RMV registration. ❖ All proposed facilities should be supported with acceptable CRIB reports of the lessee & guarantors & to be in regular status. ❖ For Registered/Reconditioned Vehicles - Vehicle valuation to be obtained from an approved valuer registered with the Leasing Association of Sri Lanka. ❖ For Brand New Vehicles - Pro forma invoice from an agent in Sri Lanka. ❖ Exposure limit will be based on customer's repayment capacity, not exceeding the Loan to Value Ratio (LTV) advised by the CBSL from time to time. ❖ The asset to be comprehensively insured against all relevant risks and the policy assigned in favor of SMBF. ❖ Other general conditions stipulated in the Principal Agreement & Additional Terms & Conditions Document.
Quick Cash Loan	Key Features & Nature of the Product	❖ Introduced for the salaried employees of the government/approved private sector employees ❖ Provides financial support to accomplish diverse personal needs of any salaried employee
	Terms & Conditions	❖ Age - should be between 18 years to 60 years for government employees, 18 years to 55 years for private sector employees ❖ Maximum loan amount 10 times of the monthly basic salary plus

		fixed allowances. ❖ Minimum salary (Basic salary + Fixed allowances) of LKR 30,000/- per month ❖ Maximum Tenor 4 years ❖ Identification Proof - National Identity Card (NIC) ❖ Income Proof – Certified latest three months salary slips/Original or Certified Bank Statements/ Other Income Proof Documents ❖ Proof of Permanent Residency - Utility Bill/Grama Sewaka Certificate ❖ Two acceptable guarantors – Details such as Identification proof/Billing proof/Income proof ❖ Should be a permanent employee having completed one year of service ❖ Total deductions should not exceed 60% of the monthly salary. ❖ All proposed facilities should be supported with acceptable CRIB reports of the borrower & guarantors & to be in regular status ❖ Letter of undertaking from the employer to deduct the monthly loan installment ❖ Other general conditions stipulated in the Offer Letter, Facility Agreement Form & Additional Terms & Conditions Document.
Term Loans	Key Features & Nature of the Product	❖ Introduced to meet the demand for working capital requirements of businesses or to purchase capital assets and to meet personal financial requirements of individuals ❖ Property, Vehicle & Personal Guarantees can be offered as security. Value & type of security required will be decided by the facility approving authority based on credit risk factors.
	Terms & Conditions	❖ Age - should be between 18 years to 60 years for individuals ❖ Maximum Tenor 7 years. ❖ Identification Proof - National Identity Card (NIC)/Business Registration (BR)/Form 1 or Form 40/Form 20/Memorandum of Articles. ❖ Income Proof - Certified Salary slips/Original or Certified Bank Statements/Audited Financial Statements/Other Income Proof Documents ❖ Proof of Permanent Residency - BR/ Form 13 (Corporates) /Utility Bill/Grama Sewaka Certificate (Individuals) ❖ Two acceptable Guarantors – Details such as Identification proof/Billing proof/Income proof ❖ Property related security documents for mortgage loans. ❖ All proposed facilities should be supported with CRIB reports of the borrower & guarantors & to be in regular status ❖ Exposure limit for mortgage over immovable properties will be up to 70% of the Forced Sale Value. ❖ Exposure limit for mortgages over motor vehicles will be based on customer's repayment capacity, not exceeding the Loan to Value Ratio (LTV) advised by the CBSL from time to time, provided the Debt Service Cover Ratio is 1.25 times of the monthly income. ❖ For registered vehicles - Valuation to be obtained from an approved valuer registered with the Leasing Association of Sri Lanka. ❖ For unregistered vehicles - Pro forma invoice from an agent in Sri Lanka. ❖ For immovable properties - Valuation to be obtained from a

		professional valuer within the criteria set out by the CBSL. ❖ For vehicles & if the building on the land is taken into consideration, the asset to be comprehensively insured against all relevant risks and the policy assigned in favor of SMBF ❖ Other general conditions stipulated in the Offer Letter, Facility Agreement Form & Additional Terms & Conditions Document.
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2.0 INTEREST RATES, PENALTIES & OTHER CHARGES

Effective Interest rate varies according to the credit risk of the client, Mark- up rates as per tariff sheet decided by ALCO from time to time & could be made available to prospective clients upon personal inquiry or viewed through this website link <https://www.smbk.com/products-services/rates/>

- ❖ Following charges are applicable for lending facilities, according to the type of product.
 - Processing Charges
 - Stamp Duty
 - Insurance Premium Charge
 - Legal fees applicable for asset mortgage
 - Inspection/Visiting Charges
 - Asset Transfer Fee - RMV Charges
- ❖ Please refer current charges applicable through our website link <https://www.smbk.com/products-services/rates/>.
- ❖ A penalty interest rate of 3% per annum (p.a.) above the applicable Effective Interest Rate shall be charged on overdue installments/rentals.
- ❖ Stamp duty & RMV charges as set by relevant authorities.
- ❖ Quotations from insurance companies will be provided to decide upon the Insurance Premium amount.
- ❖ Applicable government tax & all other statutory charges/fees for leasing/loans applicable.

3.0 PROCEDURE FOR OBTAINING PRODUCTS & SERVICES

All potential customers are invited to visit either our Head Office or the nearest branch and discuss with our sales team about their financial requirements. After the discussion, the company will issue an application form for potential customers to apply for our products & services. Once the perfected application form is received along with other required documents specified in the application form, it will be processed and evaluated depending upon the type of product or service requested by the customer.

Facility approval and disbursement will be done upon execution of the security/legal documentations & fulfillment of terms & conditions.

4.0 APPLICABLE LEGAL PROVISIONS

- ❖ Consumer Credit Act (No: 29 of 1982) as amended
- ❖ Financial Leasing Act (No: 56 of 2000) as amended
- ❖ Civil Procedure code and as amended
- ❖ Mortgage Act No: 6 of 1949

5.0 PROCEDURE FOR RESOLUTION OF CUSTOMER COMPLAINTS

We at SMB Finance PLC are committed to provide preferred financial solutions complemented by competitive interest rates, prompt service and convenience to our customers using methodical and effective process by a well-trained and competent workforce. However, if you have a complaint against a particular service delivered to you which is not for your satisfaction, you shall make your complaint either in writing in the form of a letter, email, fax or on website, or verbally by phone/walking to the following officer or by completing the CFF (Customer Feedback Form) which is available in all branches.

Mr Nigel Wijesinghe
Head of Credit
No : 282/1, CBS Building,
Galle Road,
Colombo 03
Tel - 0114 222 830 Fax No - 0112 574 330
E-mail - nigelw@smbk.com
Website - www.smbk.com

Complaints received to the above officer will be acknowledged within 5 working days & shall resolve such complaint within 21 calendar days. If SMB Finance PLC is unable to resolve the complaint within 21 calendar days, it shall take maximum of three months & the respective officer will notify you the measures taken to resolve the matter so far giving reasons for the extension period.

If such resolution is not up to your expectation or if the issue raised by you was not resolved within the stipulated timelines, the services of an independent Financial Ombudsman are available for you to take your complaint to, for further details please ask an officer in the office you deal with or contact the office of Ombudsman direct. Contact details are as follows.

The Financial Ombudsman
No 143/A, Vajira Road
Colombo 05
Tel - 0112 595 624 Fax No - 0112 295 625
E-mail - fosril@sltnet.lk
Website - www.financialombudsman.lk

Following platforms can be utilized to inquire on our products and services we offer at SMB Finance PLC.

- Call us on: +94 114 222 888
- Email us on: info@smbk.com
- Website: www.smbk.com
- Visit us: Head Office, SMB Finance PLC, No. 282/1, CBS Building, Galle Road, Colombo 03, Sri Lanka.
- You can visit any SMB Finance PLC branch on weekdays from 8.30 a.m. to 5.00 p.m.

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Customer's Signature

Date: