Central Finance Products and Services Key Facts Document

The Key Facts Document consists of the main features of the products and services offered by Central Finance Company PLC (CFC).
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.
CFC reserves the right to amend any of the stated terms, conditions and related fees and charges at any time.

A) Products and Services

The following products and services are offered to customers.

Product /Service	Description	Main Product Features, Terms and Conditions	Rates, Fees and Other Charges
Leasing Facilities	Finance lease facilities are mainly offered for popular models of registered and unregistered vehicles for private and commercial use. Finance leases are also considered for brand new machinery To be eligible to obtain a finance lease facility the applicant needs to clearly demonstrate his/her ability to meet the lease commitments	• Competitive rentals • The Loan to Value (LTV) ratio will be in accordance with the CBSL directions and credit worthiness of the applicant. • Rentals payments will be due only after acceptance of the asset. • Lease period: 12 - 72 Months • Repayment: Equated Instalments, Structured or Bullet Payments according to a pre-agreed schedule. • Insurance and subsequent renewals should be placed through our insurance broking subsidiary CF Insurance Brokers Pvt Ltd Client Profile: Citizen of Sri Lanka, of age over 18 years and not more than 70 years at the time of application.	• Service Charges: Rs 1,000 to 10,000 +VAT • Stamp Duty: 1% of total receivables • Valuation fees, CRIB Report Fees, Insurance Premiums vary based on facility type and equipment type. • Other levies which may be imposed by the government or other revenue authorities from time to time. • Late payment fees on delayed rentals and other charges due would be calculated at the rate of 0.1644% per diem on amount outstanding • A fee based on the unexpired period of a lease would be levied on pre terminations of leases

Sub Loan Facilities	A Sub loan facility is an additional loan provided against the leased asset of an active contract.	• Competitive instalments. • Security : Until full settlement a there will be lien over the leased asset • Repayment: Equated Instalments, Structured or Bullet Payments according to a pre-agreed schedule. • The term is limited to the balance period of the lease.	• Interest Rates: 19% to 34% • Service Charges: Rs 1,000 to Rs 5,000 +VAT • Valuation fees, CRIB Report Fees, Insurance Premiums vary based on facility type and equipment type • Other levies which may be imposed by the government or other revenue authorities from time to time. • Late payment fees on delayed rentals and other charges due would be calculated at the rate of 0.1644% per diem on amount outstanding • A fee based on the unexpired period of the loan would be levied on pre termination
Business Loans	CFC provides Short and Medium term financing for registered business entities for the purpose of purchasing machinery and equipment, working capital requirements and business expansion.	• Loan period: 3 to 60 Months • Repayment: Equated Instalments, Structured or Bullet Payments according to a pre-agreed schedule. • Interest is charged on the outstanding balance at an agreed fixed rate • Security may be requested in the form of Guarantors, Fixed Deposits, Property mortgage, Lien over vehicles or any other security as the company sees fit. • The client is required to obtain a Decreasing Term Assurance Insurance cover through CF Insurance Brokers for the duration of the loan. • Post Dated Cheques will be obtained for rental payments. Client Profile: Citizen of Sri Lanka of age over 18 years and not more than 60 years at the time of application. The business	• Interest Rates : 21% to 23% • Service Charges : Rs 10,000 to 100,000 +VAT • Stamp Duty : 0.1% of Loan Value • Legal Fees : Rs 10,000 + VAT • Valuation fees, Documentation Fees, Insurance Premiums are variable from client to client • A pre-termination fee of 5% of outstanding capital value would be charged for early settlement of loans • Late payment fees on delayed rentals and other charges due would be calculated at the rate of 3% per mensum on amount outstanding • Other levies which may be imposed by the government or other revenue authorities from time to time.

		should have been registered and in operation for a minimum of 5 years	
Dealer Advance Loans	Short term financing is available to vehicle importers to finance the import of vehicles for sale.	• Loan period: Maximum Period of 03 Months • Repayment: During the term of the loan • Interest is charged on the outstanding balance at an agreed fixed rate • Security: Original Import documents retained as security • Post Dated Cheques will be obtained for rental payments. Client profile: Registered Vehicle Importers	• Interest Rate : 16% - 21% • Service Charges : Rs 6,000 and above • Stamp Duty : 0.1% of Loan Value • Legal Fees : Rs. 3,750 • Valuation fees, Documentation Fees, Insurance Premiums are variable from client to client • Late payment fees on delayed rentals and other charges due would be calculated at the rate of 3% per mensum on amount outstanding • Other levies which may be imposed by the government or other revenue authorities from time to time.
Savings	CF offers a variety of Savings options for customers ranging from Minor Savings Accounts to Senior Citizens Accounts, ensuring better returns and convenience to withdraw funds whenever required. The interest rate payable varies depending on the account balance and the type of savings account	• Details of the Savings Products are displayed on our website - http://www.centralfinance.lk/products-services/investments/savings.html • Applications are accepted from Individuals who are Citizens/Dual Citizens of Sri Lanka and of age 18 Years or older • Applications are accepted from Corporates and Other Institutions Registered within Sri Lanka • Minor Savings Accounts can be opened for a new born and children below the age of 18 Years of age, with the parent or legally appointed guardian as the primary account holder.	• The latest applicable rates related to our products have been displayed on our website – (http://www.centralfinance.lk/products-services/investments/savings.html) • Terms and Conditions applicable to accepting Savings Accounts are displayed on our website • Fees charged for not maintaining the required minimum account balance: A service charge of Rs.25 will be debited to the account each calendar month.

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Calculation of Interest: For all Savings Accounts, interest will be calculated daily and interest will be calculated on a simple interest basis, quoted per annum and credited to the account monthly.

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<td>Fixed Deposits</td>
<td>A fixed deposit account enables a depositor to earn a higher interest rate. The interest is payable either monthly or at maturity.</td>
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Deposit tenure: 1 to 60 Months
Depositors should be Citizens/Dual Citizens of Sri Lanka and of age 18 Years or older
Deposits are accepted from Corporates and Other Institutions registered within Sri Lanka
An individual who has completed 60 years of age on the date of Deposit shall be eligible to open a Senior Citizen account. A Senior Citizen may open an account either in an individual capacity or jointly with another individual who should be 60 years of age on the date of Deposit.
Deposit holders can choose to obtain Interest payments either Monthly or at Maturity. The rates are quoted per annum basis and interest will accrue at simple rates and will be calculated and paid only at the end of the term of the Fixed Deposit where interest is

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The latest applicable rates related to our products have been displayed on our website – http://www.centralfinance.lk/products-services/investments/deposits.html
Terms and Conditions applicable to accepting Fixed Deposits are displayed on our website.
Deposits for fixed periods cannot be withdrawn prematurely but in special cases applications for withdrawals of all categories of deposits will be considered on receipt of one weeks' notice prior to date of maturity subject to Company's right to accept or reject such notice at its sole discretion. Should the money deposited or any part thereof be withdrawn before maturity a reduced rate of interest will be applied depending on the period of deposit and the excess interest paid will be repayable to the Company. The Company shall be entitled to deduct the said excess payment from the capital held in deposit. No portion or the full amount will be released unless the deposit certificate is returned to us duly endorsed. In a case of an early withdrawal the following rate table will be applied depending on the completed period of deposit.

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<tr><th>Over 1 month & up to 12 months</th><th>Over 12 months & up to 24 months</th><th>Over 24 months & up to 60 months</th></tr>
<tr><td>4% p.a</td><td>5% p.a</td><td>6% p.a</td></tr>
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		payable at Maturity. In the case of Monthly Interest payments, interest will be calculated by applying the agreed interest rate per annum and divided by 12 months. • CFC 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. • All fixed deposit holders are eligible for the following facilities against the deposits held by them. (a) Temporary refunds (b) ATM Card to obtain a pre-approved Temporary refund. (c) Letters of Guarantee (d) Assignment of the deposit certificate against credit facilities (e) Obtain balance confirmation letters for the purpose of travel Visa requirements. (f) CF Kalin Poli - This scheme enables the depositor to obtain his/her maturity or monthly interest in advance subject to a discount while having the deposit capital intact.	(a) On temporary refunds 3% service charge is levied on amount withdrawn and this charge will be calculated on daily outstanding balance. (b) An ATM card could be obtained at a charge of Rs. 350 (c) 1.0%- 1.5% of deposit amount will be charged for the issue of Letters of Guarantee.

Debit Card	By using the CF VISA Debit Card, Savings account holders would be able to withdraw cash through VISA enable ATMs Worldwide. The Card can also be used to pay for goods and services through VISA enable merchants worldwide	• All individuals except Minor Savings account holders are eligible to apply for a Debit Card. • Terms and Conditions applicable to the Debit Card are displayed on our website.	Applicable Charges for the Issue of Cards and other Transaction fees are displayed on our website
CF Mobile App	The CF Mobile Application is available for download for both Android and IOS mobile phones. The App allows customers to carry out financial transactions using a CF Savings account and also obtain easy access to information regarding their active Fixed Deposits and Credit Facilities with CF.	• All individuals except Minor Savings account holders could enjoy the available facilities. • Non- Savings account holders also could download the App and obtain information on products and services including calculators, interest rates etc.	• Currently no charges are levied from the customers for the transactions carried out by them.
Micro Finance	Loan facilities are available for development of Agriculture, Livestock and Cottage Industries	• Competitive interest rates • Equated Monthly instalment/Seasonal instalment • Maximum age limit of client is 60 years • Maximum repayment period of loan is 36 months • Personal guarantees accepted as security	• Interest Rate: 22-30% • Service charges: 270/- + VAT • CRIB Report Fees is variable • Late payment fees on delayed rentals and other charges due would be calculated at the rate of 0.1644% per diem on amount outstanding
CF Contract Hire	Long Term Vehicle Hire solutions for Companies.	• Solutions are available for one vehicle or a fleet of vehicles • Inclusive of full maintenance and insurance	• Monthly rental varies depending on make and model (purchase price) of vehicle and spare parts, maintenance and insurance costs. • Stamp duty of 1% of the agreement value is payable

		• Stand by service in the case of breakdown or emergencies available 24/7	at the time of signing contracts. • Monthly rentals are subject to 15% VAT
CF Budget Hire and CF Whizz	Cars available for short term hire on a self drive basis	• Daily Rental • Cars with Manual and Automatic Transmission available • Vehicles are fully maintained and insured by CFC	• CF Budget Hire: Rs. 1,480/- a day inclusive of NBT, VAT and Stamp duty for Maruti 800cc cars .KMs allowed a day is 100. Excess KM rate Rs.10/- + NBT and VAT , Rs. 2,295/- a day for Alto 800cc cars. and Rs.1,850/- a day for Viva Elite 1,000cc cars KMs allowed a day is 100. Excess KM rate Rs.12/- + NBT and VAT. • CF Whizz: Rs. 2,645/- a day inclusive of NBT, VAT and Stamp duty for Suzuki A Star and Daihatsu Mira cars. KMs allowed a day is 80. Excess KM rate Rs.12/- + NBT and VAT. Rs.3,010/- a day inclusive of NBT, VAT and Stamp duty for Hyundai Grand i10 cars. KMs allowed a day is 100. Excess KM rate Rs.15/- + NBT and VAT.

B) <u>Procedure of obtaining products and services from CFC</u>

All potential customers seeking to obtain products/services from CFC should either visit or contact the closest branch location. The list of branches, their locations and contacts numbers are displayed on our website (http://www.centralfinance.lk/contacts/general-contact.html)

After a discussion with an authorised officer of CFC regarding their requirement the customer would be required to complete an application form. Any relevant documents related to the product/service requested should also be handed over to the branch evaluating and processing the request.

An investigation of business and residential premises will be carried out by an authorised officer of the company as part of the evaluation process.

C) Compensation for premature withdrawal or termination

- Lending Products : A rebate on future rentals will be offered for facilities based on the unexpired period
- Deposits : Pre-mature withdrawals are allowed with due notice to CFC at a reduced rate of interest. Interest will be applied depending on the period of Deposits and if it is a monthly interest payment deposit, excess interest paid will be repayable to the company. CFC will be entitled to deduct the excess payment from the capital held in Deposit.

D) Procedure for Recovery of Credit Facilities

CFC shall make every endeavour to facilitate the re-payment of the credit facilities by the Customers. These endeavours may include re-scheduling and re-structuring of facilities to suit the customer's cash flow within the Company's overall lending policy on a case by case basis.

In the event the customers are still unable to settle, CFC would be compelled to initiate recovery actions in accordance with its contractual rights and the laws of the country.

If we are compelled to deploy our field officers as a result of contract becoming delinquent, the cost incurred due to such visits will be charged to the contract. All legal and other expenses incurred by the Company in this regard shall be borne by the Customer.

The Customer shall have recourse under the law to such actions of the Company

E) Disclosure of Customer Information

CFC shall observe strict secrecy in respect of all transactions of the Customer with the company subject to the provisions of section 61(2) of the Finance Business Act No. 42 of 2011.

However CFC is regulated by the Central Bank of Sri Lanka, and is obligated to provide details of customer transactions to the Central Bank of Sri Lanka and other regulatory/statutory institutions without prior notice to the customer, and without further obligations or legal recourse to the customer

F) Financial Transaction Reporting Act No 6 of 2006

Where CFC 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, it will report such transaction to the Financial Intelligence Unit under the provisions of Section 7 of the Financial Transaction Reporting Act No 6 of 2006

G) Applicable Legal Provisions

- Finance Leasing Act No. 56 of 2000
- Consumer Credit Act No. 29 of 1982
- Mortgage Act No. 6 of 1949
- Secured Transactions Act No.49 of 2009
- Registration of Title No. 21 of 1998
- Arbitration Act No.11 of 1995
- Mediation Board Act No. 72 of 1988
- Recovery of Debt (Special Provisions) Act No. 2 of 1990
- Inland Trust Receipts Act No. 14 of 1990
- Finance Business Act No.42 of 2011
- Inland Revenue Act No.24 of 2017
- Financial Transactions Reporting Act No.6 of 2006.
- The Monetary Law Act (No 2053/16 -2018/01/09)
- Prevention of Money Laundering Act No 5 of 2006
- Payment and Settlement Systems Act No. 28 of 2005.
- Civil Procedure Code (Amendment) Act No. 11of 2010.
- Any other laws which are in existence for the time being or any other laws which will be introduced from time totime

H) Procedure for resolution of customer complaints

Making a complaint
A customer could make a complaint to Central Finance through any of the below-mentioned channels

- In writing : Customer Engagement Manager, Central Finance Company PLC, 270 , Vauxhall Street, Colombo 02
- Complaints Hot line : +94112038080 E-mail : tellus@cf.lk
- Website www.centralfinance.lk

Information required to make a complaint

- Customer Name, Mobile number and Email address (if any)
- Date of complaint
- Contract number or vehicle number or identity card number
- Nature of the complaint (briefly)

If assistance is required to lodge a complaint, a customer can seek such assistance from the manager of the business point and the manager could direct the customer to lodge the complaint via any channel described above.

Anonymous complaints

Anonymous complaints without sufficient proof and information related to the complaint will not be considered as a formal complaint.

Acknowledgment of complaints

Once the complaint has been notified to the Company, an SMS and/or email containing a reference number will be sent to the customer acknowledging that their complaint has been received and has been forwarded to the relevant authority for further action.
The message will also state the number of days within which CFC hopes to resolve the complaint.

Complaint Investigation

Based on the information gathered during the investigation, Central Finance Company will respond to the customer with the decision and offer an explanation for the basis of the decision made.
If we are not able to bring our investigations to a conclusion within a period of 7 working days we call the customer to inform the delivery date for the complaint raised.

Financial Ombudsman of Sri Lanka

Address: No 143A, Vajira Road, Colombo 5
Telephone : +94 11 2595624
Fax: 94 11 2595625
Email : fosril@sltnet.lk
Website: http://www.financialombudsman.lk/