HNB FINANCE

KEY FACT DOCUMENT

Lending - Automobile

Product information Document (Key Fact Document)

This document consists with features of the products and services offered to the customers of HNB Finance PLC. The Company reserves the right to amend, delete and add any of the stated terms, conditions and related fees and charges at any time. This Key Facts Document is given for customer information as required under the Financial Customer Protection Framework for LFCs /SLCs, issued under Financial Business Act.

Products and services

HNB Finance PLC provides unmatched Automobile lending services (Leasing facilities and Auto Loan) to fulfil your dream of owning a vehicle or upgrading your existing vehicle.

Automobile related lending services available to customers through HNB Finance PLC.

- Leasing
- Auto Loan
- Flexi Draft
- Micro-Leasing

Product information related automobile related lending services

Criteria	Description
Key features and Nature of the Product	Mainly offered for vehicle models of brand new, unregistered and registered vehicles for private and commercial use and also considered for brand new machinery. While providing the following services, • Speedy processing & delivery • Attractable/competitive rates • Flexible repayment plans (structured & step-up leases) • No personal guarantors / no prepayments • Discount for insurance (Conditions apply)
Interest Rate and Penalty,	**Interest** – Annual Effective Rate of Interest: 13% and upwards (Interest rates will be applied in line with the market rates and the product.) **Penal Rates** – Penal interest is charged at a rate of 5% per month on outstanding overdue instalment arrears.
Charges, Fees and Commission	**Fee and Charges** • Service charges range from Rs. 9,500 to Rs. 26,000 for four-wheelers and Rs. 4,500 for two-wheelers and three-wheelers.

	• Renewal charges applicable to draft facilities amount to Rs. 9,500 – Rs. 26,000. • Insurance premiums are charged as per the relevant quotation. • Stamp duty, where applicable, is calculated at 1% of the net receivable. • Postage charges range between Rs. 500 and Rs. 1,500. • Administrative fees fall between Rs. 1,500 and Rs. 5,000. • Inspection fees are charged from Rs. 500 to Rs. 750. • RMV transfer fees are applied in accordance with the relevant guidelines. • CRIB-related charges are Rs. 1,000 for individual customers and Rs. 2,000 for corporate customers. • A facility settlement fee ranging from Rs. 2,500 up to Rs. 75,000 applies depending on the outstanding amount, particularly if it exceeds Rs. 5 million. • In case of late payments, a fee between Rs. 500 and Rs. 1,000 is charged. • Lease protection fees range from Rs. 1,280 to Rs. 1,940. • A charge of Rs. 500 applies for issuing a payment schedule letter. **Recovery Charges (if applicable only)** • Charges for first reminders, substantial failure notices, or accelerated payments range from Rs. 500 to Rs. 1,000. • Second reminders for draft facilities are subject to a fee of Rs. 1,500. • Lease or auto loan terminations incur a charge of Rs. 1,500. • Issuance of CR copies costs between Rs. 100 and Rs. 150. • Cheque returns are subject to a charge of Rs. 3,000. • Recovery visits attract charges ranging from Rs. 2,000 to Rs. 3,000. • Requests for duplicate deletions carry a fee of Rs. 5,000. • Yard parking fees range from Rs. 300 to Rs. 500. • Auction commission is charged between 1.25% and 2%. • Tender-related submissions include a fee of Rs. 300. • A default interest rate of 5% per month applies to instalment arrears remaining unpaid for more than four days after the due date. **Service Fee (Non-Performing Loan):** A bi-annual fee of Rs. 1,500 to Rs. 6,000 will be charged for facilities in arrears (Rs. 25,000 and above), based on the number of overdue days.
Main Terms and Conditions	• Facilities available for individual & corporate clientele • Individual applicants should be Sri Lankan citizens. • Minimum of 18 years of age not exceeding 60 years as at facility granting date (subject to credit approvals)

	• Minimum tenure for a facility is 12 months while the maximum tenure for facilities ranges from 5-7 years. • Loan range Rs. 50,000 & above • Security for the lease facility will be absolute ownership of the vehicle additional security may be requested. • Comprehensive insurance for leased asset • Direct payment to vendors/ suppliers to ensure end use of funds with the consent of the borrower • Deposit of funds on due date to recover the installment • The facilities will be available at the sole discretion of the HNBF subject to completion of all required documents and in line with the HNBF credit evaluation criteria. Exceptions to be allowed on special cases
Procedure to obtain product/ service	• Duly completed lease application form • Duly completed guarantor application (if available) • Submission of required financial information • Submission of information pertaining to the asset to be purchased / leased (Valuation report from HNBF approved value/Pro-forma invoice/Copy of the CR) Required documents for lease Individual Client's • Copy of NIC/Driving license/Copy of passport which carries the NIC number • Salary slips for the last 03 months (If employed) • Recent bank statements. • Proof of permanent residence. • Business registrations (If available) Corporate Client's • Business registration • Certificate of incorporation • Memorandum of articles • Audited financial statements of last 03 years
Applicable legal provision	• Finance and Lease act No 56 of 2000 and subsequent amendments

Complaint Procedure

The following methods are available to customers to lodge complaints

- Through the Branch manager
- Through our Complaint Handling Officer at **+94 71 029 4848** or info@hnbfinance.lk
- Through our call center **011-2024848 (operation in 365 days: Week days – 7.00am to 8.30pm and Weekend 8.30am to 5.30pm)**
- Write to: **The Manager, Call Center, HNB Finance PLC, No 168, Nawala Road, Nugegoda.**

- In the event a satisfactory solution is not provided by the company, the customer can escalate his/her complaint to the office of the Financial Ombudsman of Sri Lanka and Financial Consumer Relations Department of the CBSL.

  - **The Financial Ombudsman, Financial Ombudsman Office of the Financial Ombudsman, No.01, Bethesda Place, Milagiriya, Colombo 05**
    - Contact number: +94 11 259 5624
    - Tele Fax: +94 11 259 5625
    - Email: fosril@sltnet.lk
    - Website: http://www.financialombudsman.lk/

  - **Financial Consumer Relations Department of the CBSL - Director, Financial Consumer Relations Department (FCRD), Central Bank of Sri Lanka, No. 30, Janadhipathi Mawatha, Colombo 01**
    - Contact Number: 0112 477966
    - Hotline: 1935
    - Fax: 0112 4777444
    - Email: fcrd@cbsl.lk
    - Online Complaint Management System of FCRD: https://reachus.cbsl.lk/