

HNB FINANCE LTD

KEY FACT DOCUMENT

Product / Service	Gold Loans										
Financial and other benefit including any incentives & promotions	<ul style="list-style-type: none">✓ Higher value to be borrowed for Gold✓ Quick Service✓ Flexible / Short Term Credit Facility✓ Ability to make partial payments✓ Able to redeem articles at any given time (office hours) & may redeem 1 article at a time (in the event many articles have been placed)✓ Any person can make repayments✓ Redeeming can also be done by a 3rd party with a written consent by original borrower✓ Ability to redeem items even 1 month after the end date and even prior to the auction✓ Reminders sent to Customers to redeem										
Fees/ charges, commissions, interest	<p>Rates & Advance Amounts</p> <table border="1"><thead><tr><th>Period</th><th>Monthly Rate</th></tr></thead><tbody><tr><td>1 Month</td><td>2.00%</td></tr><tr><td>3 Month</td><td>1.95%</td></tr><tr><td>6 Month</td><td>1.95%</td></tr><tr><td>12 Month</td><td>1.95%</td></tr></tbody></table> <p>If redeemed within 10 Days, Rate will be 0.95%</p> <p>Default Interest Charge 0.50%</p> <p>Documentation</p> <p>Copy of NIC/PP/ DL</p>	Period	Monthly Rate	1 Month	2.00%	3 Month	1.95%	6 Month	1.95%	12 Month	1.95%
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Procedure to be followed to obtain product/ service	<p>Obtaining Advance</p> <ul style="list-style-type: none">• Customer visits Branch• Produces Gold Article• Gold Assessor checks & suggests an amount• If Customer agrees; NIC / DL / PP is obtained• Gold Valuation Report (GVR) to be filled by Assessor• NIC / DL / PP & GVR to be given to CRO• CRO double checks & enters to System• Ticket & Bond generated by System to be signed by Customer & taken to Gold Assessor• Gold Assessor double checks & hands over documentation & Money to CRO• CRO checks all in order and hands over to the Customer (Ticket Copy & Bond to be retained) <p>Redeeming Articles</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 with Cash• CRO issues settlement receipt & obtain signature from Customer• Cash, Original Gold Loan Ticket & Settlement receipt to be given to Gold Assessor who completes the settlement• Original settlement receipt handed over to Customer										

- Office Copy to be attached to the original gold loan ticket & given to Storekeeper
- Storekeeper to check & verify & open safe and obtain the item & hand over to CRO / Gold Assessor
- CRO / Gold Assessor to issue items

Reminders

- 1st Reminder sent at the time of maturity giving 7 days (to pay the Interest portion)
- 2nd Reminder (Notice of Demand) sent 7 days after the deadline offering one more month
- 3rd Reminder (Notice of Auction) sent after that one month has lapsed to redeem before auction

Auctions will be held thereafter on a preferred date and location.

Renewals

Customers have the option to renew a Gold Loan by paying off the accumulated interest portion up until the particular date. However, the new loan will also have a similar time period as the original.

Customer should produce NIC / DL / PP & Gold Loan ticket

Part Payments

Customer has the option to make payments time to time and when the payment is more than the interest due, the remaining will be set off against the capital outstanding.

Customer should produce NIC / DL / PP & Gold Loan ticket

Lost Gold Loan Tickets

In the event the Customer loses the Gold Loan Ticket, an affidavit should be obtained from a Justice of Peace prior to attempting to redeem articles.

Major terms and condition

- HNB Finance Limited reserves the right to sell items left on security as per the Mortgage Act.
- The Gold Loan Sheet should be returned in recovering the items so kept on security.
- Company reserves absolute discretion primarily to charge fines for interest payable, if any, and to recover government levies paid by the Company on the facility and to apply the balance, if any, on loan installments.
- The sum of money so granted to him/her as credit and advances should be fully repaid in terms of the repayment methodology along with interest.
- Any default in payment on the due date will result in calculating an additional interest.
- In case of default, the Company reserves the right to request to pay forthwith the said full sum of money outstanding.
- Company may debit Savings Accounts and /or Fixed Deposits maintained by Customer with the Company to recover the interest, taxes and any other charges as well as the main outstanding loan balance at its absolute discretion and without notice.
- At loss of Gold Loan Receipt, an affidavit prepared by using a form approved by HNB Finance Limited and other documents should be presented to recover items.
- HNB Finance Limited is fully authorized to make any changes to interest rates or conditions after passage of the period of agreement noted on the Gold Loan Sheet.
- In case of loss of items kept on security, the HNB Finance Limited 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 HNB Finance Limited.
- Items will be released only after payment of the value of gold loan and its accumulated interest. Accumulated interest will be recovered first and the Advance deducted from the balance in repayment of advances in installments.
- HNB Finance Limited is released from all responsibilities on items when it gets revealed that the items so kept on security are goods stolen or fraudulently possessed and the debtor is committed to repay the advances received and its full accumulated interest.

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| | <ul style="list-style-type: none">• All expenses pertaining to this facility including stamp fees, legal and other fees should be borne by Customer. |
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Complaint Procedure

The following methods are available to customers to lodge complaints

- Through the Branch manager
- Through our call centre - **011-2024848**
- Write to: The Manager, Call Center, HNB Finance Ltd, No 168, Nawala Road, Nugegoda.

In the event a satisfactory solution is not provided by the bank, customer can escalate his/her complain to the office of the Financial Ombudsman of Sri Lanka.

The Financial Ombudsman, Financial Ombudsman Office of the Financial Ombudsman 143A, Vajira Road Colombo 05

Contact number: +94 11 259 5624 **TeleFax:** +94 11 259 5625 **Email:** fosril@slt.net.lk **Website:** www.financialombudsman.lk