

KEY FACTS DOCUMENT

This document provides key information in regard to Deposit/investment products offered to prospective customers by Softlogic Finance PLC (SF PLC). The company reserves the right to add, delete and amend any of the stated terms, conditions and related fees and charges at any given time.

Fixed deposit Accounts

1. Introduction

A fixed deposit is a secure type of account that will allow you to invest for a shorter or a long-term period and we offer you the freedom of investing your valuable money from a minimum period of 01 month to a maximum period of 5 years. Fixed deposit accounts offer higher interest rates than a savings account where the interest rate varies based on the period of investment. A FD can be opened by submission of a completed FD application form and KYC details for which the forms will be provided by the company.

2. Who can open fixed deposit accounts?

- Sri Lankan nationals over 18 years. Individuals under 18 are not eligible for accepting deposits either individually or jointly.
- Non -nationals holding a valid resident VISA or Dual citizenship.
- No deposits can be accepted from foreign citizens either jointly or individually.

3. Method of depositing funds

- Following methods can be used to route your funds for the purpose of placing the fixed deposit.
- Cheques to be drawn in favour of "SOFTLOGIC FINANCE PLC "
- Fund transfers (SLIPS/CEFTs /RTGS) with the reference of the Deposit holder's NIC No or any other identification acceptable to SF PLC

Funds for your fixed deposit investments can be routed through a combination of the above methods if required .But the fixed deposit account will be activated only once the total value of the investment is realized.

4. Unique Product features of a Fixed Deposit

- Minimum deposit value of a Fixed Deposit is Rs.10,000.00
- Contracted fixed period from 01 month to a maximum of 5years.
- No maximum limitation on the capital amount to be invested.
- You will be issued a Fixed Deposit Certificate which is not a negotiable or transferrable instrument.
- Any amendments to the renewal instructions can be made prior to date of maturity based on the operating instructions given at the time of placing the fixed Deposit.

5. Interest and interest payments

The interest rate applicable to your fixed deposit account is fixed by SF PLC according to the prevailing market rates and policy rates communicated by Central Bank from time to time.

You may visit our website – www.softlogicfinance.lk for updated interest rates

Interest will be calculated based on 365 days and you have the opportunity to select the frequency of the interest payments (monthly or at maturity).

Interest will be credited as per the interest payment frequency requested by you and following options are available

1. SLIPS transfer
2. Cash
3. Account Payee cheques
4. Softlogic Finance Savings Accounts

6. Advance Income Tax (AIT) on interest

As per the Income Tax Act No 24 Of 2017 (IRA) as amended by the Inland Revenue (Amendment) Act No 10 of 2021 and 45 of 2022– Circular No SEC/2022/E/02 with effect from 01st January 2023 issued by the Inland Revenue Department.

A person shall deduct Advance Income Tax from the payment of interest or discount which has a source in Sri Lanka at the rate of **5%**

If any deposit holder who is a **non-resident** person seeks a lower AIT rate (Compared to the rate of 5%) deposit holder should obtain a tax clearance certificate from the Commissioner General of Inland Revenue (CGIR) prior to the deduction of AIT.

7. Cancellation

The investor may choose to withdraw a deposit prior to its contracted maturity date. In such instances the customer should submit a written request.

SF PLC may agree to such requests based on market conditions prevailing at the time and will be subject to penalties and charges on account of such pre-mature withdrawal. In the event of a premature withdrawal the customer may receive an Interest Rate lesser than the rate initially agreed as per direction by Central Bank & management decision. FD cancellation will be processed based on your choice of the following modes of payment

1. CEFTs /SLIPs Transfer to any other bank
2. Cash Payments
3. Softlogic Finance savings account transfers
4. Account payee cheques

8. Charges and Fees

There are no charges directly applicable on placing FDs. Investments are placed at rates published by SF PLC from time to time.

Charge for issuing Visa Letter	Rs. 2,000
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9. Loans against Fixed deposits

It is possible to obtain a loan facility against your fixed deposit account up to a maximum of 80% of your fixed deposit value based on the loans against fixed deposit application and the operating instructions of the said fixed deposit account.

Savings accounts

1. Who can open Savings Accounts?

Savings Accounts may be opened in the name of:

- Individuals - Individually or jointly with other individuals (Sri Lankan citizens only).
- Minors - on behalf of minors, by their guardian who is a Sri Lankan citizen. Minors will be eligible to operate the a/c after 18 years of age. Minor accounts are subject to "FINANCE COMPANIES (MAINTAINANCE OF SAVINGS ACCOUNT FOR MINORS) GUIDELINES NO.1 OF 2007. However upon completion of 18 years of age, the minor account must be converted into an Adult Savings Account with the balances lying in the minor account. A fresh passbook will be issued. Copy of the original Birth Certificate to be obtained at the time of opening a minor savings account. " Original Seen "rubber stamp should be placed along with the authorized officer's signature on copy of Birth Certificate.
- Senior Citizens – Eligible for persons who have completed 60 years of age.
- Any business entity – Subject to the guidelines issued by SF PLC and the laws/rules applicable to such entity.

2. Opening a Savings Account

We invite you to visit the closest Softlogic Finance branch to open your savings accounts. Following account opening documents will be handed over to you by our staff that should be read and filled accurately.

- Account opening application
- KYC form

You will only need to bring your National Identity Card /Passport or driving license. If your current residential address differs from address on the National Identity Card /driving license, you will be expected to bring a valid address verification document (Billing proof –Utility bill –not over 3 months old / other bank statement or copy of other bank passbook /a letter obtained from a state authority etc.) to register the address accordingly.

If the savings account is opened for business entity the relevant documentation required will be informed by our staff.

3. Initial Deposit Value and Minimum Balance

Depositor can open a savings account with an initial deposit of Rs.1,000. Initial value will depending on the type of savings account.

- The minimum balance of Rs.1,000.00 as determined by SFPLC from time to time must always be maintained and you have to be mindful of the minimum balance stipulated by SF PLC for the savings accounts product you have chosen.
- Whenever the balance in the savings account falls below the prescribed minimum balance a minimum average balance fee will be levied as per the prevailing board approved tariff and such customer must be advised to regularize the account.
- If any account holder continuously maintains less than the prescribed minimum balance in his account SFPLC may exercise its right to close such account with prior advice to the customer.

4. Interest on Savings Accounts

- Rate of interest payable for Savings Accounts will be as decided by the Management from time to time and as per Central Bank guidelines.
- Interest will be calculated on a daily basis and credited to the accounts monthly.
- No interest will be paid if the Savings Account maintains a balance below the minimum balance determined.
- There will not be any preferential rate paid on Savings accounts.
- You can visit our web site – www.softlogicfinance.lk for updated interest rates

5. Advance Income Tax (AIT) on interest

As per the Income Tax Act No 24 Of 2017 (IRA) as amended by the Inland Revenue (Amendment) Act No 10 of 2021 and 45 of 2022– Circular No SEC/2022/E/02 with effect from 01st January 2023 issued by the Inland Revenue Department.

A person shall deduct Advance Income Tax from the payment of interest or discount which has a source in Sri Lanka at the rate of 5%

If any deposit holder who is a non-resident person seeks a lower AIT rate (Compared to the rate of 5%) deposit holder should obtain a tax clearance certificate from the Commissioner General of Inland Revenue (CGIR) prior to the deduction of AIT.

6. Nomination for Savings Accounts

Should you require nominating someone for your Savings Account, you will need to fill a Nomination Form with details of the Nominee, percentage of nomination along with account details. Our staff will assist you in this regard.

7. Cash deposits /Cheque Deposits

- In order to deposit cash to your respective account, you will need to fill in a deposit slip that is available at any Softlogic Finance branch and proceed to the teller counters to deposit.
- A third party can also deposit cash to your account over the counters. In the case a third party makes a single or accumulated deposit exceeding LKR200,000.00, Softlogic Finance PLC will obtain the name, address, identification number of the third party. It is important that the third party states the purpose and source of funds in relation to the deposit.
- If it is a cheque deposit, the cheque should be drawn in favor of Softlogic Finance PLC and the amount will be credited on realization of the cheque

8. Cash withdrawals

- If you wish to make a cash withdrawal from your Savings Account through the Branch network, you will have to visit any of the Softlogic Finance branches, in person. Softlogic Finance PLC will request you to produce your National Identity Card or any other acceptable form of identification with a duly completed withdrawal slip.
- In the event of a joint savings account, where the operating instructions are "All of us", the company will consider it a must that all joint account holders are present at the Branch, to perform the transaction.
- If the operating instructions are "Any of us", the transaction could be carried out with the signature of one such party.

- Third party cash withdrawals are not permitted on behalf of your account.
- If you are of ill –health and unable to sign the withdrawal slip, in addition to a witness, you are required to provide a document attested by a doctor and he /she should confirm that you are able to understand the transaction and that you are in a normal frame of mind. In such instances, the withdrawal will be made in the presence of officers of Softlogic Finance PLC.

9. Passbooks and Statements

- Unless you have specifically requested for a passbook, you will be offered statements for all your accounts.
- Passbooks will be provided upon your request and based on type of account.
- You are not required to bring your passbook for cash deposits or withdrawals; however, the passbook needs to be presented for updating purposes.
- We promote statements to our customers. You will receive monthly /quarterly statements upon request to the address provided by you at the time of the account opening.

10. Charges /Fees

No charges apply for any transactions such as standing instructions, duplicate issuance of pass books, account closures etc.

Charge for issuing Visa Letter	Rs. 2,000
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Commercial Paper

1. Introduction

Commercial paper also called CP, is a short –term debt instrument issued by the company to raise funds generally for a time period up to one year.

2. Who can invest for Commercial Papers?

- Sri Lankan nationals over 18 years. Individuals under 18 are not eligible for accepting deposits either individually or jointly.
- Non -nationals holding a valid resident VISA or Dual citizenship
- No deposits can be accepted from foreign citizens either jointly or individually.

3. Method of depositing funds

- Following methods can be used to route your funds for the purpose of the investment of the commercial paper
- Cheques to be drawn in favour of "SOFTLOGIC FINANCE PLC "
- Fund transfers (SLIPS/CEFTs /RTGS) with the reference of the investor's NIC No or any other identification acceptable to SF PLC

Funds for your commercial paper investments can be routed through a combination of the above methods if required. But the commercial paper account will be activated only once the total value of the investment is realized.

4. Unique Product features of a commercial paper

- Minimum investment value of a commercial paper is Rs.1.0Mn
- Investment period from 01 month to a maximum 12 months (365 days basis)
- No maximum limitation on the capital amount to be invested.
- You will be issued a Commercial Paper Certificate which is not a negotiable or transferrable instrument.

5. Interest and interest payments

The interest rate applicable to your commercial paper investment is fixed by SF PLC according to the prevailing market rates and policy rates communicated by Central Bank from time to time.

Interest will be calculated based on 365 days and you have the opportunity to select the frequency of the interest payments (monthly or at maturity).

6. Cancellation

The Company on request from the investor, at its discretion, may allow withdrawal of a commercial paper before completion of the period of the commercial paper. The Company shall pay the capital amount for premature withdrawal of a commercial paper.

CP cancellation will be processed based on your choice of the following modes of payment

1. CEFTs /SLIPs Transfer to any other bank
2. Softlogic Finance savings account transfers
3. Account payee cheques

7. Charges and Fees

There are no charges directly applicable on investing CPs. Investments are made at rates published by SF PLC from time to time.

Charge for issuing Visa Letter	Rs. 2,000
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Softlogic Finance PLC

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