

Loan Policy

Effective date: 20 June 2022

Flash Cash respects your privacy and is committed to protecting your personally identifiable information that may be collected through your use of our website or mobile application. This privacy policy describes how we collect and use your personally identifiable information and how you can control that use.

Please read this Policy carefully. By using our Site or Services, you agree to our collection, use, and sharing of your personally identifiable information as described in this.

Purpose

The purpose of this Loan Policy is to establish guidelines and procedures for the granting and management of loans by flash cash to eligible borrowers. This policy aims to ensure responsible lending practices, risk management, and compliance with all relevant laws and regulations.

Objectives

The primary objectives of this loan policy are as follows:

- a. To promote financial inclusion by providing access to credit for underserved and economically vulnerable individuals and microenterprises.
- b. To assess the creditworthiness of potential borrowers.
- c. To manage credit risk effectively while maintaining a sustainable loan portfolio.
- d. To comply with all applicable legal and regulatory requirements governing microfinance operations.

Eligibility Criteria

3.1. Individual Borrowers:

- a. Must be of legal age (20 +).
- b. Must be a Sri Lankan citizen.
- c. Must have a legitimate source of income.
- d. Must have a satisfactory credit history or demonstrate the ability to repay the loan.

3.2. Microenterprise Borrowers:

- a. Must be a legally registered microenterprise.
- b. Must be in operation for a minimum period, as defined in our lending policy.
- c. Must demonstrate a viable business plan and a clear need for credit.
- d. Must have a satisfactory credit history or demonstrate the ability to repay the loan.

Loan Products

Flash cash offers a range of loan products tailored to meet the specific needs of individual borrowers and microenterprises. These products may include but are not limited to:

- a. Individual loans
- b. Business development loans

Loan Approval Process

5.1. Loan Application:

- a. Borrowers must complete an online loan application form.
- b. All required documentation must be submitted with the application.

5.2. Credit Assessment:

- a. Flash cash will conduct a thorough credit assessment to determine the borrower's creditworthiness. Along with the confirmation from the guarantors.
- b. This assessment includes a review of the borrower's financial statements, credit history, and other relevant factors.

5.3. Loan Approval:

- a. A loan approve committee, comprising experienced staff members, will review loan applications and make loan approval decisions.
- b. The committee will ensure that the loan is in line with the borrower's repayment capacity and the company's risk tolerance.

5.4. Loan Disbursement:

- a. Approved loans will be disbursed promptly to the borrower.

Interest Rates and Fees

Flash cash will charge interest rates and fees that are fair, transparent, and compliant with local regulations. The interest rates will be determined based on the cost of funds, operating expenses, and market conditions.

Flash cash will provide a minimum amount of Rs.5000 to the maximum amount of Rs.50000. with the annual interest rate of (36%).in addition to that there is a processing fee/ admin fee will be get added.

Flash cash will provide the minimum repayment date of 60 days and the maximum of 180 days.

Eg. If a customer requests a loan amount of Rs.10000/- for 90 days the customer total payable amount as follows.

Actual Amount	-	10000.00
Intrest 3%/ month	-	900.00
Processing fee 12%	-	1200.00
Admin Fee 20 %	-	2000.00
Total payable amount is	-	<u>14100.00</u> after 90 days.

Loan Repayment

7.1. Borrowers are expected to make regular and timely loan repayments as per the loan agreement.

7.2. Flash cash will work with borrowers who face difficulties in repayment to develop a reasonable repayment plan or provide appropriate support.

Monitoring and Collections

Flash cash will establish a robust monitoring and collections process to ensure that loan repayments are received on time. This includes regular follow-ups and, if necessary, engaging external collection agencies.

Risk Management

Flash cash will maintain a risk management framework to identify, assess, and mitigate credit risks associated with the loan portfolio.

Reporting and Compliance

Flash cash will regularly report on its loan portfolio and ensure compliance with all applicable laws and regulations governing microfinance operations.

Review and Revision

This Loan Policy will be periodically reviewed and updated as necessary to reflect changes in business practices, regulations, and market conditions.

This Loan Policy has been approved by Flash cash management and is effective from the date mentioned above.