Current Version – II
Policy Custodian: Corporate Office
Approved by: Board of Directors & BIRMC

PREAMBLE

UB Finance PLC (hereinafter referred to as "the Company") is operating as a finance company in terms of the Finance Business Act No. 42 of 2011 and is a registered Finance Leasing Establishment in terms of the Finance Leasing Act No. 56 of 2000.

This Policy outlines UB Finance PLC approach to complaints handling with a view of ensuring customer concerns are treated seriously and that complaints are addressed promptly and in a fair and transparent manner. It details the requirements to ensure full compliance with regulatory obligations and the highest possible standards of customer service to which UB Finance PLC is committed.

This Policy of UB Finance PLC is developed in accordance with the Financial Consumer Protection Regulations No. 01 of 2023 issued by the Central Bank of Sri Lanka, and is intended to ensure that all customer complaints are handled in a fair, transparent, timely, and consistent manner in line with the regulatory requirements governing financial consumer protection.

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1. INTRODUCTION

UB Finance PLC (UBFP) considers customer complaints as the most valuable feedback to effectively manage customer relationship whilst ensuring that its products and services not only meet customer expectations, but keep adding value year on year. At UBFP we believe that providing prompt and efficient service is essential not only to attract new customers, but also to retain existing ones. We also recognize the right of our customers to share their dissatisfaction in form of a complaint.

2. PURPOSE

This Policy establishes a structured framework to ensure that all customer complaints are managed in a fair, transparent, timely, and effective manner, and to provide access to independent Alternative Dispute Resolution (ADR) mechanisms in accordance with regulatory requirements issued by the Central Bank of Sri Lanka.

A complaint under this Policy is defined as any oral or written expression of dissatisfaction: whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide a service that relates to business transaction carried on by UBF which alleges that the complainant has suffered (or may suffer) financial loss, reputational loss, material distress or material inconvenience.

2.1 TYPES OF CUSTOMER COMPLAINTS:

- Complaints related to the service offered
- Complaints related to products offered
- Recovery related complaints
- Fraudulent activities
- Matters related to routine transactions
- Violation of regulatory requirements

3. OBJECTIVE

UB Finance PLC seeks to maintain a reputation as a finance company delivering a high-level professionalism in providing its service to the existing and potential customers with utmost commitment whilst being responsive to the needs and concerns of our clients.

The policy & procedure is designed to provide guidance on the way in which the Company receives and handles complaints in compliance with the Finance Customers Protection Regulation (FCPR) promulgated by the CBSL in 2023

The objective of the policy is to outline how the company resolves complaints in an efficient, effective and professional manner and to ensure that we maintain our reputation as a professional company responsive to client needs and concerns.

Efficient & effective management of complaints enables us to identify problems and continuously improve our standards and services.

4. RECOGNITION OF CUSTOMERS' RIGHT

UBFP recognizes that every customer herein after referred to as the 'Complainant' has a right to lodge a complaint with UBFP and seek redress to any issue as stated under section 2.1 of this policy and receive positive feedback within a reasonable time frame. UBFP on its part will always strive to meet the expectation of the Complainant and will continuously improve our services and processes with the objective that UBFP products and services are customer centric and have no grievances to its valued customers

UB Finance PLC shall ensure that all customers are treated fairly, honestly, and with due care at all times during the handling of complaints. The Company shall ensure that complaint handling processes do not result in any discriminatory treatment or disadvantage to customers who lodge complaints.
Accordingly, UB Finance PLC shall:

- Handle all complaints impartially and consistently
- Ensure customers are not subjected to any form of retaliation or adverse treatment for lodging complaints
- Maintain transparency, fairness, and professionalism in all complaint handling activities
- Ensure equal access to complaint resolution mechanisms for all customers, including the ability to lodge complaints in Sinhala, Tamil, or English and through multiple accessible channels suitable for different customer needs.
- Provide reasonable assistance and accessible channels for customers with disabilities, including visual impairments to ensure they can independently lodge and follow up complaints.

5. LEGISLATION IN SRI LANKA ON COMPLAINT HANDLING

Regulation on Complaint Handling made by the Monetary Board of the Central Bank of Sri Lanka under Section 10(c) of the Monetary Law Act, No. 58 of 1949 (Chapter 422) under gazette notification No.2344/17 of 2023.

6. BOARD AND MANAGEMENT LEVEL RESPONSIBILITY

Ensure that all complaints are dealt with appropriately and consistently within statutory guidance, providing support to handle complex complaints and determining appropriate action.

7. UBF COMPLAINT HANDLING PROCESS WITH TIMELINES

7.1 UB Finance PLC shall ensure that all complaint-related communications are clear, transparent, and communicated in a language understood by the customer, where practicable.

In compliance with Section 8 (iii) of the Regulation in reference, UB Finance PLC shall appoint a Key Responsible Person (KRP) to oversee the financial consumer protection function and report to the Board periodically. The designated KRP will be stationed at head office and at branches the branch Manager shall be the responsible person to receive complaints. The regulation envisages a customer complaint handling unit to be place in meeting the stated objectives of the regulation

7.2 The designated KRP is responsible to;

a) coordinate and collaborate among other internal business units to ensure that the financial consumer protection policies and procedures are in compliance with these Regulations and circulars, guidelines, codes of conduct issued hereunder.
b) monitoring, evaluating and reporting on financial consumer protection activities, including complaint data and operational report.
c) overseeing and supervising the operations of any agent and/or third party who is providing financial products and/ or services to ensure financial consumer protection.
d) identification of financial products and services that carry compliance risks on financial consumer protection and initiate actions to manage such risk.
e) ensuring deployment of staff who have sufficient knowledge and expertise in carrying out financial consumer protection activities.
f) ensuring the provision of relevant training for employees, agents and third parties appointed by the Financial Service Provider, engaged with financial consumers on matters related to these Regulations, such as policies, procedures, systems, etc.;
g) to put in a mechanism for identifying, recording, monitoring, controlling and reporting issues relating to financial consumer protection.
h) ensure that any outsourced agents or third parties engaged by the Company comply with applicable regulatory requirements and internal policies relating to customer complaint handling and financial consumer protection.

7.3 There will be a designated officer assigned by the KRP, at Head Office, who will coordinate all complaints with respective Departments and Branches. All complaints received by each Branch / Dept. should refer the complaints to the coordinating officer and the coordinating officer shall have a compliant handling register. An officer is designated for each Branch / Dept. with the responsibility of handling and facilitating the resolution of complaints lodged by customers. If it is unresolved within 21 calendar days, it is the responsibility of such officer/s to escalate it to the next decision-making authority until it is resolved. At the Branch, the customer should be directed to the officer assigned to resolve such complaints. The Branch Managers and the HODs shall be the designated officers who will coordinate with the designated officer at the Centre.

Each Branch shall establish and maintain appropriate mechanisms for receiving customer complaints, including complaint registers, electronic communication channels and other approved methods to ensure accessibility and convenience for customers in lodging complaints.

7.4 Corporate office, under the purview of the GM Credit & Operations shall be the Complaint handling Centre. All the Complaints referred to the Centre will be assessed and categorized into three Risk categories based on the nature and the impact it has on the Company as given below.

In addition to the below risk classification, customer complaints shall also be categorized based on product type, customer segment, complaint channel, and root cause for the purpose of effective monitoring, analysis, reporting, and implementation of corrective actions.

Risk Category	**Description**
Low	Matters related to routine transactions operate within the Branch / Department / Unit
Medium	Matters related to financial loss up to LKR 1.0Mn
High	Matters arising from violation of regulatory requirements, Complaints received from Financial Consumer Relations Department (FCRD) and / or in the event of financial loss of above LKR 1.0Mn and / or loss of company reputation and / or issue arising due to service quality

7.5 Upon receipt of the Customer Complaint (written, verbal or any electronic mode) from the complainant, the designated complaint handling officer of the Branch or Dept., should route the complaint via email to the designated officer at the Centre, including Customer complaints forwarded by regulatory authorities. The Branch designated Complaint Officer should be strictly advised to direct such complaints to the designated officer at the Centre within one working day of receipt of the complaint. In the event the point of first contact fails to inform the designated officer at the Centre of the complaint within one working day, he/she will be held responsible for neglect of duty and appropriate action should be taken against such officers. Complaints received directly by the Compliance Officer from the regulator and FCRD should be reported to the Centre. Upon receipt of such complaint, the designated officer at the Center should follow up with designated officers at Branch or Dept. and related parties on the progress of the resolution.

7.6 The designated officer at head office shall keep the Compliance Dept updated on the progress and resolution of the complaint.

7.7 Upon receipt of a complaint by the Center, the designated officer shall allocate a reference number **[Complaint ref. No. format: Department/Branch Name (Three digits)/ Year/Month/Running No) Eg: REC/2021/01/0001]** and inform the respective officer who reported the compliant on the reference number allocated for the complaint in reference. This reference number will be the tracking number and shall be included in all correspondence pertaining to the case until the case is closed.

7.8 An acknowledgment should be sent to the customer within 5 working days from the date of receipt of the complaint by the designated officer at the Center, indicating the reference number, and inform the complainant of the procedure that will be followed by the Company for the resolution of the complaint and the contact details of the officer/officers handling the complaint.

7.9 The Center will route the complaint to the relevant Branch or Unit and call for feedback.

7.10 Branch / Dept. will initiate an investigation on the complaint objectively and impartially, by considering the information provided and if any additional information or documentation may be required to complete an investigation the unit can contact the customer to clarify details or request additional information where necessary.

7.11 Branch or respective unit which has been assigned to resolve the complaint, has to notify the Center of findings with proof of any action within ten (10) working days and keep the designated officer at the Center informed of same.

7.12 If a resolution cannot be provided within twenty-one (21) working days, the Center should inform to the client before the expiry of 21 working days with the reasons for the delay.

7.13 If a customer is dissatisfied with the service provided by the company, he/she should contact the Company Complaint Handling Officer via the following modes.

Mode	Number / Address
1. Contact No	011 4468888 Ext – 229 / +94 716 454 714
2. Email	info@ubf.lk
4. By Post or in person	Senior Executive, Complaint handling unit, UB Finance co. Ltd, No.10, Daisy Villa Avenue, Colombo 04, Sri Lanka.

7.14 Process of escalation - If dissatisfied with the initial resolution, following contact point is available to make an appeal;
GM - Credit & Operations
UB Finance co. Ltd
No.10, Daisy Villa Avenue, Colombo 04, Sri Lanka.
Tel: +94 (0)114 468 888
Fax: +94 (0) 112 508 517
Email: info@ubf.lk

The contact details of the financial Ombudsman should be prominently displayed in all branches.

The financial Ombudsman
Address: No. 01, Bethesda Place, Milagiriya, Colombo 05.
Telephone: +94 11 259 5624
Telefax: +94 11 259 5625
Email: fosril@sltnet.lk
Website: www.financialombudsman.lk

Monthly follow up on un-resolved complaints to be done by the Center and all unsolved customer complaints within the stipulated timelines will be reported to the Senior Management every month. Senior management should take prompt corrective action (PCA) on the unresolved matters.

The Center should establish a database to record all customer complaints and assign an officer in charge of the database. The Centre shall monitor complaint trends and recurring patterns on a periodic basis and escalate significant findings to Senior Management for necessary action and service improvement initiatives.

UB Finance PLC shall ensure that all complaints are appropriately analysed to identify the root cause of the issue. Where recurring, systemic, or significant issues are identified, the relevant Branch, Department, or Unit shall implement appropriate corrective and preventive actions to minimize the risk of recurrence.

7.15 Time lines

Category	Timeline
1. The acknowledgement of the complaint	Within five (5) working days
2. Provide a resolution from date of receipt of complaint	Within twenty-one (21) calendar days
3. Provide feedback to client of the resolution	Within three (3) working days after providing a resolution

4.	If a resolution cannot be provided within twenty-one (21) calendar days	Inform the client within 10 days of receipt of the complaint giving reasons for such delay and provide a resolution not later than 3 months form the date of first receipt of the complaint
5.	Make an appeal	If the customer is not satisfied with the solution
6.	All matters relating complaints and appeals will be closed in the absence of a response by Customer.	Within five (5) weeks from the responded date

7.16 Method of collecting complaints.

Written Complaints - Accepted at branch/ Head office - Received by email/ Post
Verbal Complaints - Received at branch / Head office / Complaint Handling unit

All complaints received at branch (Written or verbal) to be entered to a dedicated system and processed on a digital flatform, which helps to manage complaints seamlessly from end to end under centralized monitoring of the complaints handling unit at Head Office.

Complaints relating to suspected cyber fraud, unauthorized digital transactions, or information security concerns shall be escalated to the relevant responsible units for investigation and resolution in accordance with internal procedures.

8. EXTERNAL COMPLAINT HANDLING AND ALTERNATIVE DISPUTE RESOLUTION MECHANISM (ADR)

8.1 Referral to CBSL

A complainant may escalate the complaint to the Financial Consumer Relations Department (FCRD) of the Central Bank of Sri Lanka if:

- The Company fails to respond within stipulated timelines
- The complainant is dissatisfied with the outcome

8.2 ADR Process

Upon escalation:

1. Complaint is acknowledged and registered by CBSL
2. Preliminary assessment is conducted
3. Complaint is referred to the Company for response
4. CBSL facilitates mediation/conciliation
5. Resolution is reached or determination is made

8.3 Nature of ADR

- Informal and non-judicial
- Focused on fair and amicable settlement
- Does not restrict the complainant’s right to pursue legal action

9. RESPONSIBILITIES OF UBF

The complainant shall have the following responsibilities at each stage of the complaint handling process:

9.1 At the initial stage

- To provide accurate, complete, and truthful information regarding the complaint.
- To submit all relevant supporting documents.
- To clearly state the nature of the complaint and the expected resolution.

9.2 During the investigation

- To cooperate fully with the Company's investigation process.
- To respond promptly to requests for additional information, ideally within **five (05) working days**.

9.3 During escalation

- To adhere to the Company's escalation procedures.
- To allow branch/ department/ center the stipulated timeframes to investigate and respond.

9.4 At the ADR stage

- To submit the complaint to the relevant authority with complete documentation.
- To comply with the procedures of the external dispute resolution body.

10. OBLIGATIONS OF UBF

The Company shall adhere to the following obligations in handling complaints:

10.1 Accessibility and transparency

- Maintain a documented complaint handling policy approved by the Board of Directors.
- Ensure multiple, accessible complaint submission channels.
- Clearly communicate escalation procedures and ADR options.

10.3 Fairness and objectivity

- Ensure impartial, unbiased, and consistent handling of complaints.
- Maintain confidentiality of customer information at all times.
- Avoid conflicts of interest.

10.4 Record keeping

- Maintain a complaint register with dates, details, actions, and outcomes.
- Retain records for a minimum period as required by regulatory authorities.
- Ensure records are available for inspection by the Central Bank of Sri Lanka.

10.5 Communication

- Provide clear, reasoned written responses within stipulated timelines.
- Inform complainants of the outcome and their right to escalate to external bodies.

10.6 Continuous improvement

- Analyze complaint data and identify root causes.
- Implement corrective and preventive actions.
- Report complaint statistics periodically to Senior Management and the Board.

11. MANAGEMENT INFORMATION

11.1 The designated officer at the Center shall forward a summary of the complaints received, resolved and unresolved on a monthly basis in a tabulated form to the GM Credit & Operation on or before the 10^{th} of the following month with a copy to CEO and Compliance officer.

11.2 Summary of customer complaints are to be reported to BIRMC quarterly basis.

12. PUBLICATION

This customer complaint resolution policy should be published in the UBF official website under the heading 'Customer complaint resolution policy'

13. POLICY REVIEWING FREQUENCY

This Policy shall be reviewed every two years or as may be necessary, to ensure it is in accordance with the Laws, Directions and Guidelines issued by Regulatory Authorities and reflect accurately the procedures relating to customer complaint handling.