



LPO/Contract Financing Fact Sheet

This Product Fact Sheet provides you with key information about this product/service. The document should be read in conjunction with the Terms and Conditions of the Product and the Bank's Tariff Guide which is available in our branches. Should there be any aspect of information contained in this document that is not clear to you, please refer to the Business Banker or your Relationship Manager for more information.

Product Summary

This refers to the bank availing banking facilities to a supplier to enable them meet a supply order that they have from a known buyer.

Features

- Maximum Tenure -180 days
- Minimum contribution by each applicant shall be 20% of the cost of executing the contract
- Bullet repayment of principal from proceeds of contract on or before the expected due date
- Interest will be accrued monthly and charged on a reducing balance

Benefits

- Enables suppliers fulfil their orders without provision of security
- Finance of up to 80% of cost of items to be supplied
- Competitive interest rate
- Quick approval process
- Maximum period of 180 days depending on the term of the LPO

Eligibility Criteria/Target Market

- This product is available to both individuals and business clients

Documentation Criteria

A customer accessing this product is required to meet the Bank's "Know Your Customer (KYC)" standards and provide the requisite documentation below:

- Hold a Stanbic Bank account
- In possession of LPO from the government, parastatal organization or reputable company
- Proforma invoice or quotation of items of purchase from the supplier

Fees and Charges

- Foreign Currency Loans -risk based linked to the Banks Base Rate
- Local currency - Prime Rate + Margin
- Supplier/contract commission: 2.5% for each LPO/contract financed

"Prime Rate" means the base lending rate computed based on market benchmarks.

"Margin" (Risk based and subject to change from time to time) means a premium to be added to the Prime Rate, calculated by the Bank taking into consideration customer's risk profile and other loan cost considerations.

Key Product risk

All products are prone to price fluctuations in line with market forces.

Rights and Obligations of the Parties

These are available on the Stanbic Bank Kenya website or through your nearest Stanbic Branch, Universal Banker or your Relationship Manager.



Complaints Procedure

Should you have any complaint related to this product or any other product or service offered by Stanbic Bank, we welcome you to lodge your complaint in line with our Complaints Procedure. A copy of this procedure is available on our website www.stanbicbank.co.ke or alternatively you can visit your nearest branch.

Customer Sign-Off

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

Name: _____ Signature: _____ Date: _____

For more information or queries, contact us at:

Customer Care Centre (CCC)

Tel: +254 (20) 3268 449

Mobile: 0711 068 449 / 0732 113 449

Email: customercare@stanbic.com

Website: www.stanbicbank.co.ke