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## 1. INTRODUCTION

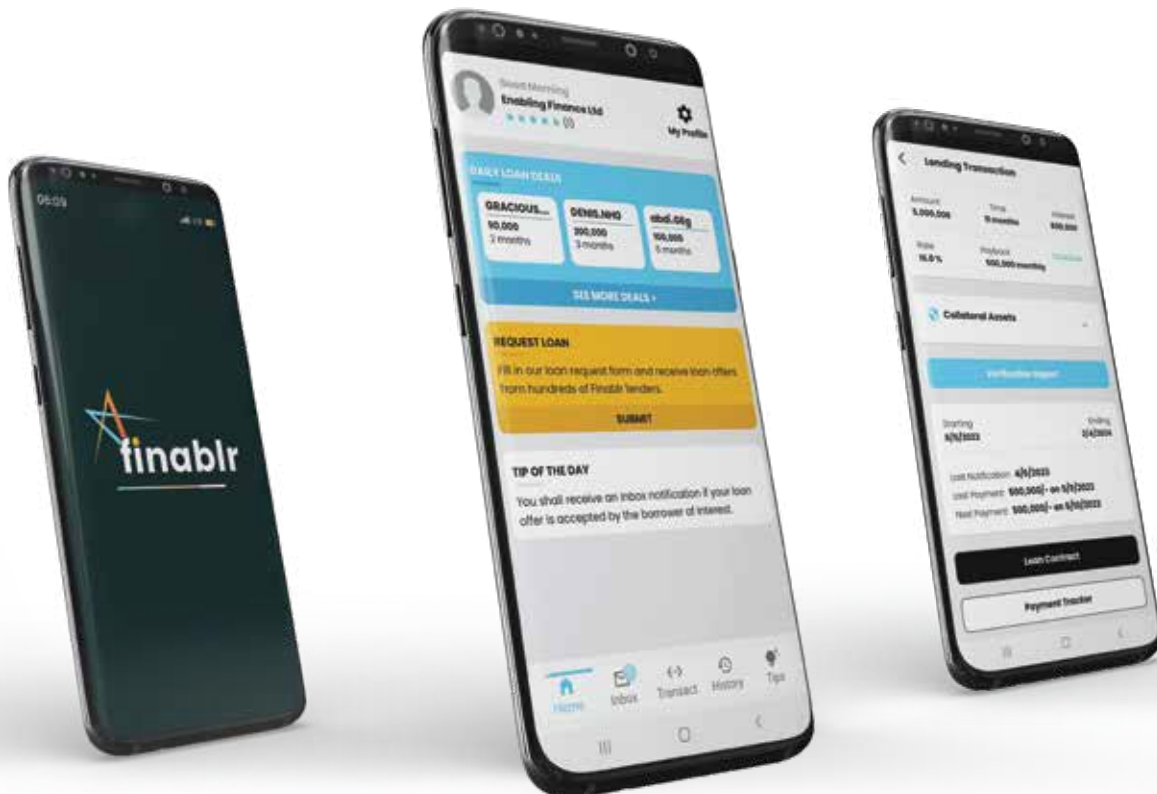
Here are a few things you need to know about Finablr.

### 1.1. What Is Finablr?

Finablr is a mobile network application that pre-qualifies and links borrowers secured by collateral to registered lenders in Uganda.

### 1.2. Who manages the Finablr Platform?

The Finablr platform is owned and managed by Enabling Finance Limited, a credit finance company whose foundations date as far back as 2014.



## 2. DEFINITIONS AND INTERPRETATIONS

*The following definitions should be read carefully as they provide important explanation and guidance on interpretation of the language used in these Terms.*

**“Business Day”** means a day (other than a Saturday, Sunday or Public Holiday) when banks in Uganda are open for business.

**“Collection Account”** means the designated EFL account where your funds are held in trust upon execution of the loan agreement prior to disbursement to the borrower or upon repayment by the borrower prior to disbursement to the lender less transaction fees.

**“Credit Approval Team”** means the Company’s credit committee which evaluates and approves all applicants (lenders and borrowers) against the requirements for subscription to the Platform.

**“Pre-qualify”** means the process in which EFL prepares a potential borrower/lender to become a part of the Finablr community. Pre-qualification involves client profiling, collateral appraisal among other activities.

**“Loan: Value ratio.”** Means how much of the value of the collateral that can be borrowed against. E.g. 50% L:V ratio means the borrower can borrow 50% the value of his/her collateral.

**“Electronic Signature Act 2011.”** Refers to the law allowing Finablr to utilize digital signatures for its signature operations with lenders and borrowers.

**“Escrow account”** Means the account in which Finablr lenders and borrowers deposit their disbursements/repayments before they are sent to the respective recipients by EFL.

**“Interest-only payment”** refers to a method of loan repayment where a borrower pays only the interest amount for the first number of months and then finally pays the principal in the last month. Also referred to as ‘Balloon’ repayment.

**“Reducing-balance payment”** refers to a method of loan repayment where a borrower repays a share of both principal and interest with each deposit made.

**“Finablr Borrower”** refers to a client borrowing money through the Finablr platform.

**“Finablr Lender”** refers to a client lending money through the Finablr platform.

**“Finablr earnings.”** refers to income earned by lending through the Finablr platform.

**“Event of default/default event”** means an event where a Borrower or Lender defaults under a Loan Agreement and fails to remedy that default in accordance with that Loan Agreement. The most common event of default is failure to repay any given loan installment by a borrower.

**“Borrower”** means an individual or legal entity that has applied and has been approved by the Company’s Credit Approval Team to participate as a borrower on the Platform.

**“Lender”** means you and/or another lender (including, without limitation, EFL) registered onto the Platform, as the case may be.

**“Lending Commitment”** means a commitment by a Lender to lend money through the Platform on the terms agreed upon with a borrower matched on the platform. This is expressed upon accepting a loan request or countering a loan request that is in turn accepted by a borrower.

**“Loan Agreement”** means a loan agreement governing a particular transaction between a matched Lender and Borrower on the platform.

**“Match”, “Matches”, “Matched” or “Matching”** refers to the process of matching a Borrower with a Lender by initiation on the platform by you and execution by way of a duly signed Loan Agreement by a Lender. It could also refer to a borrower and lender that have reached an agreement on terms deliberated upon on the platform and are awaiting transaction scheduling by EFL.

**“Borrow”** refers to the section of the platform where any interested borrower navigates to begin the process of submission of his/her loan request. It could also refer to the initiation of a loan request by a borrower.

**“Lend”** refers to the section of the platform where an interested lender navigates to match submitted loan requests with his/her loan offers by way of accepting or countering. It also means the initiation of a lending commitment.

**“Tips”** refers to the section of the platform where a you can find information that may present as helpful in guiding your usage of the platform.

**“My account”** means your personalised area of the Platform which shows your registered names, collaterals and their respective values, email address and phone contact, “active”, “closed” and “delinquent” borrowing commitments and the option of adding collateral to one’s account to increase one’s borrowing limit.

**“Platform”** means the mobile application-based Business-to-Customer lending service provided by EFL named ‘Finablr’ and includes all secure areas of the platform in addition to any technology made available to Lenders.

**“Provision Fund”** means the discretionary compensation fund available in the default event where a Lender has received only part or no payment at all from the matched borrower, against interest or late fees overdue, over a period of at least 2 (two) months into the agreed loan term.

**“Provision Fund Committee”** means the EFL-designated committee that manages claim applications to the Finablr Lenders’ Provision Fund.

**“Security/collateral”** means any mortgage, asset, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interests declared to be used as a contingency to recovery of borrowed moneys in the event of default.

**“Security Trustee”** means any trustee company or service provider assigned by EFL to hold in trust all Securities declared by Borrowers pursuant to Loan Agreements.

**“Attachment Period”** is the notice period issued to the borrower by the designated EFL bailiff before sale/disposal can be effected.

**“Service Providers”** means all third party suppliers who provide either a service or product to the Company which we use to provide the Services.

**“Services”** means the utility provisions on the Platform and other related and additional services including, without limitation, the provision of credit reference information, online identification verification software, credit finance applications and the technology that supports our Website and Platform.

**“Enabling Finance Ltd (EFL)”** means the Company and any subsidiary of EFL.

### 3. LEGAL AND REGULATORY INFORMATION

#### 3.1. Is Enabling Finance Limited regulated?

Yes, Enabling Finance is a registered private limited company located on Plot 2185, Najera, Bulabira and operating under license number 0832 issued by the Uganda Microfinance Regulatory Authority.

#### 4. USER INTERFACE

The Finablr app has a series of interesting features as described below:



##### Home Page

This highlights daily loan deals, has loan request forms for borrowers and also includes financial tips for better money and credit management.



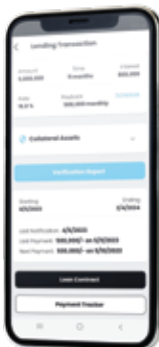
##### Loan Details Pages

These highlight information submitted by borrowers about the loan they are seeking and the security to be used.



##### User Dashboards

These give both borrowers and users information at a glance about the performance of their account



##### Transactions

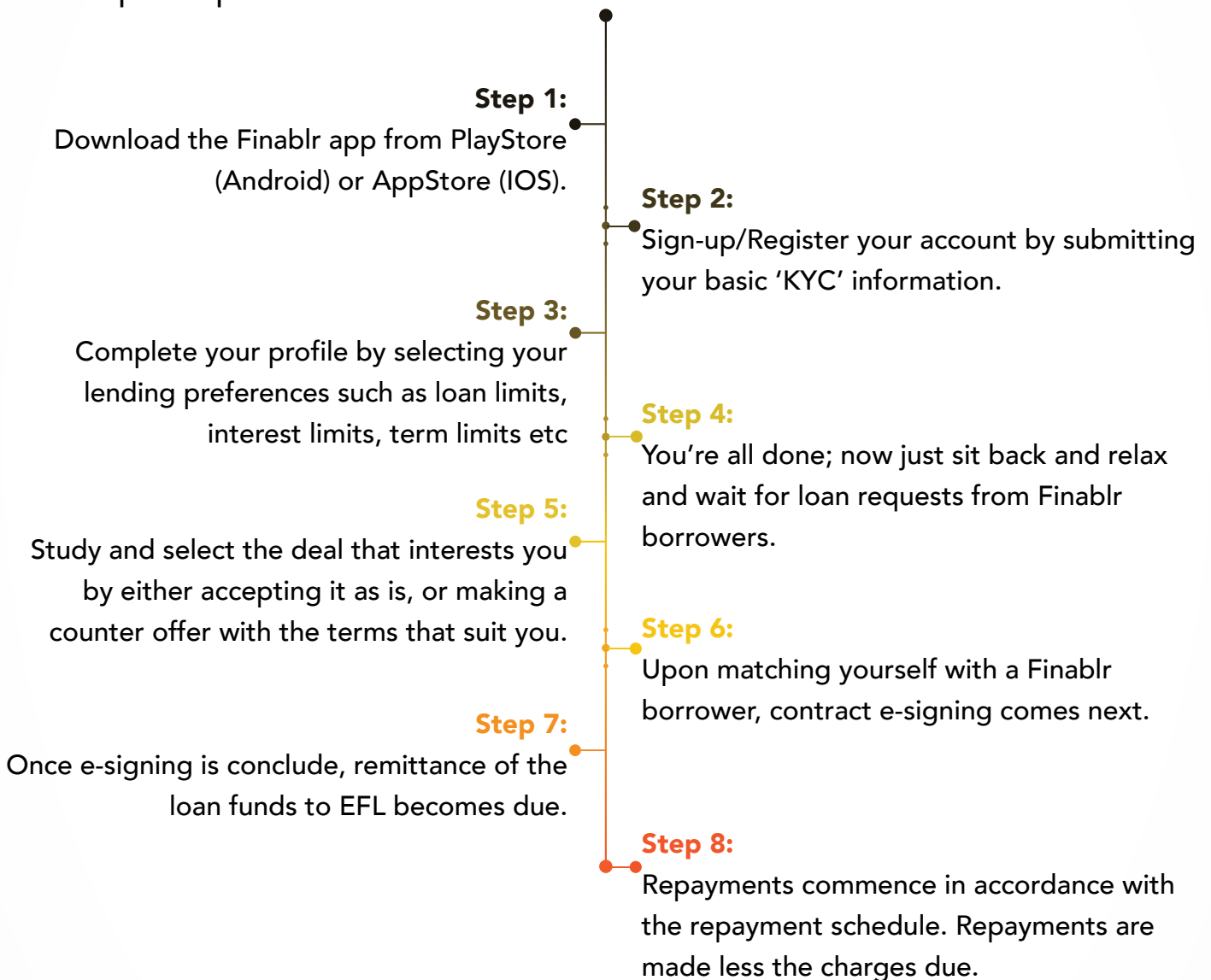
These show payment details including the principal balance, interest balance, due dates etc



## 5. LENDER

### 5.1. The Lending Process

You can become a part of the Finablr network as a lender by following the simple steps below:



## 5.2. How You Earn

Finablr lenders earn by charging interest against money lent to Finablr borrowers.

## 5.3. Charges And Fee

Finablr lenders are liable to the following charges:

**Commissions:** Charged by EFL against the interest and late fees earned by the Finablr lender on each repayment by the Finablr borrower.

- Institutional lenders are charged 20% on their Finablr earnings.
- Private lenders are charged 30% on their Finablr earnings.

**Penalties:** These are charged to Finablr lenders for certain transaction offences such:

- Loan cancellation beyond contract signing: 1% of loan amount payable upfront, off Finablr earnings or upon the next transaction.

**Fees:** These are charged to Finablr lenders for on certain transactions such as:

- Provision fund: 10% on sum provisioned.

#### 5.4. Risk Associated

Finablr is a business opportunity and therefore just like any other, there is a real risk of failure of one or more transactions. Therefore, as a Finablr lender, it is important to understand that **you risk losing your money** in the event a Borrower you have Matched yourself to defaults on repayments and EFL has no liability for any such loss. EFL only guarantees the availability and custody of the borrower's collateral that can be disposed of to recover as much money as close to the entire outstanding loan balance as possible in the event of complete default.

#### 5.5. Provision Fund

This is a discretionary fund availed by EFL that presents Finablr lenders temporary cashflow relief in the event a Finablr borrower has entered default and has exceeded the collateral attachment period where the given collateral is now on sale. Lenders at this stage can apply to EFL for a refund of the interest and late fees due as at the point in time.

**NB:** It is at EFL's discretion to accept or decline provision fund requests.

## 6. BORROWER

### 6.1. The Borrowing Process:

You can become a part of the Finablr network as a borrower by following the simple steps below:



## 6.2. Charges And Fees

Finablr borrowers are liable to the following charges:

**6.2.1. Service fees:** A non-refundable processing fee payable by you to EFL that is deducted from your loan proceeds, so the loan proceeds delivered to your designated recipient account are less than the face amount of your loan request by the equivalent of this service fee.

Our present Finablr service fees are as follows:

Principal Range		EFL Service fee
Min	Max	
100,000	100,000	10.0%
110,000	5,500,000	8.5%
5,500,000	300,000,000	6.5%

### 6.2.2. Penalties:

These are charged to Finablr borrowers for certain transaction offences such:

- Loan cancellation beyond contract signing: 1% of loan amount payable upfront, off Finablr repayments or upon the next transaction.

### 6.2.3. Fees:

These are charged to Finablr borrowers for on certain transactions such as:

- Provision fund: 10% of sum provisioned.

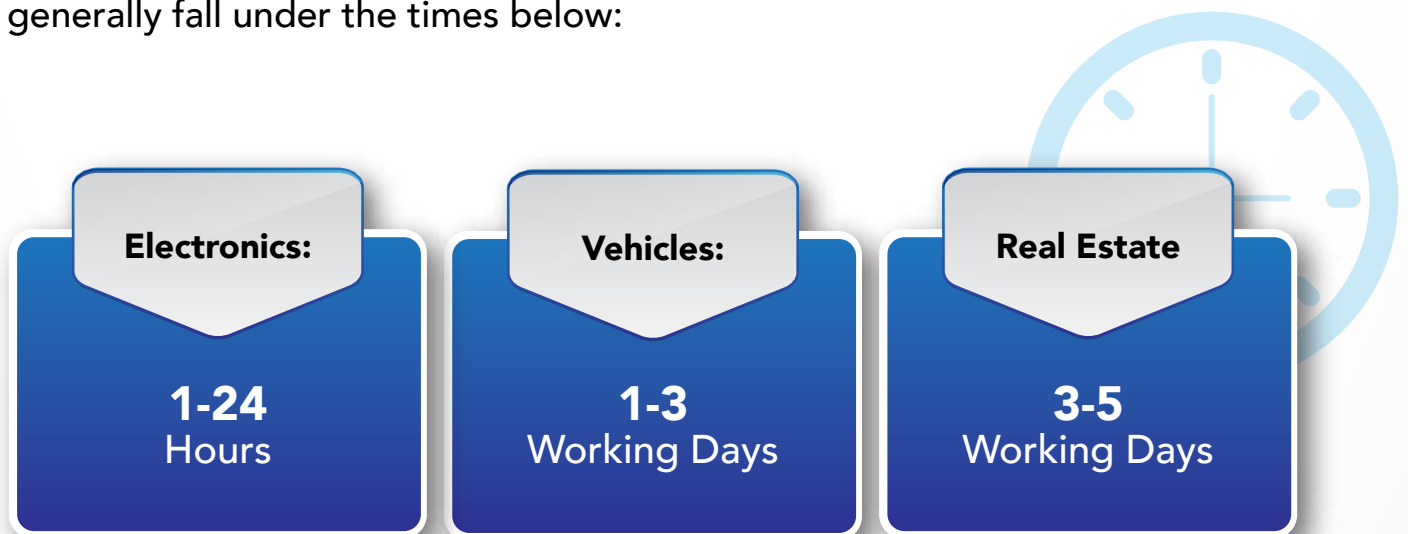
**6.2.4. Assessment Fees:**

While pre-qualification/assessment charges under Finablr vary from collateral category to category and on the technicalities that each case presents, here are the general cost ranges to consider:

Collateral	Cost Involved	Amount(UGX)
Electronics	Assessment/ Valuation	10,000-80,000
Vehicles	Assessment/ Valuation	80,000-400,000
	Tracker and Installation	280,000
	Insurance	400,000+
	Caveat	180,000
Real Estate	Assessment/ Valuation	350,000+
	Mortgage deed	200,000+

**6.3. Processing Time**

Finablr loan processing times are dependant on the collateral in use but generally fall under the times below:



## **6.4. Interest rates**

This is one of the most unique features of Finablr. Finablr allows borrowers to determine the interest rates they are comfortable with and able to afford and then allows lenders to accept the loan requests as are or counter them with interest rates that they are willing to lend at. However rates generally range between **6-10%** per month.

## **6.5. Risks Associated**

We Do Not Warrant Or Guarantee

6.5.1. That Your Loan Request Will Be Funded Or

6.5.2. That You Will Receive A Loan As A Result Of Posting A Request.

## 7. COLLATERAL/SECURITY

Collateral is a key component of the Finablr system. Here are a few things we think might be important for users to note.

### 7.1. Acceptable Collaterals

While Finablr is ever-evolving to include as many other marketable collateral categories as feasibly possible, here are the currently accepted ones:

Electronics e.g. smart phones, smart Televisions, Laptops, Higher end blue tooth audio devices etc

Vehicles e.g. private vehicles, passenger vehicles, earth-movers

Real estate i.e. titled land or untitled land with development (buildings)

### 7.2. Assesment Protocols

The following are key considerations for Finablr borrower pre-qualification under each collateral category:

#### Electronics:

- Pictures of device
- Functionality Assessment/ valuation report

#### Vehicles:

- Copy of Logbook
- Pictures of vehicle
- MechanicalAssessment/ valuation report
- Tracker
- Comprehensive insurance
- Caveat placement
- Guarantor

#### Real estate:

- Pictures of property
- Copy of title
- Boundary opening report
- Title search report
- Valuation report
- Mortgage placement
- Spousal consent
- LC1 introduction
- Guarantor

#### NB:

- I. Assets are only valued once every **3-12 months** unless otherwise specified by EFL at the time of application.
- II. EFL permits the deduction of some of the above costs directly from the loanable sum at the time of disbursement.



## 8. DISBURSEMENT AND REPAYMENTS /RECOVERY

Here are a few things users need to know between the time loans are given out to the time they are repaid.

### 8.1. Disbursement And Repayment

All disbursements from lenders and repayments from borrowers are made to the EFL collections account specified in the loans contract. EFL then goes ahead to transfer the said cash to the respective recipient less of applicable charges and fees.

### 8.2. Early/Excess Repayment

Early repayments are not only welcome with Finablr but are also a lawful right to every borrower in Uganda. However, early repayments attract an early repayment fee as stipulated in the loan contract.

### 8.3. Recovery

The Finablr recovery protocols for delinquent (D) borrowers are as follows:

Delinquency period	Action
7 days past Due Date	Grace Period
7-37 days	Demand Notice 1
37-60 days	Demand Notice 2/Notice to sell
60-74 days	Collateral attachment
Past 74 days	Open Bidding/Disposal

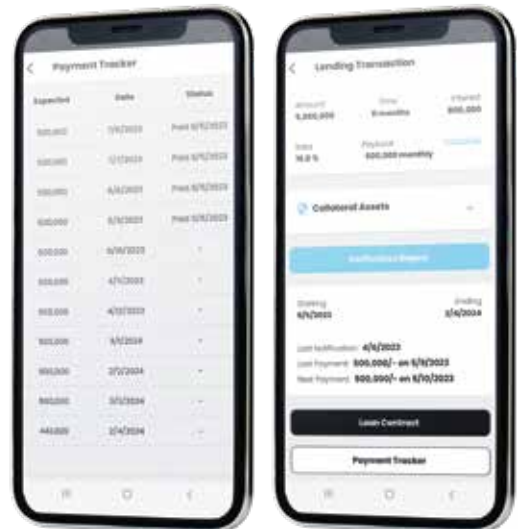
## 9. REPORTING

It is the duty and responsibility of EFL to track all transactions and avail both Finablr lenders and borrowers all transactional related information including payment receipts, demand notices, portfolio reports among others. All reporting is automated within the Finablr system and is accessible to users in a real time.

However, on separate arrangement, EFL can provide lenders and borrowers specialized reports and analyses of their portfolio performances



**User Dashboards**



**Transaction Information In-App**

## 10. CONTACT US



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Enablingfinanceltd (EFL)

## 11. JOIN/DOWNLOAD NOW

Our goal is to promote African financial freedom by converting 500,000,000+ Africans into Finablr lenders.  
Join the Finablr network today.



Download on the  
App Store

Available on the  
Google Play

## 12. FAQs

Here are some to further attend to queries you may have;

### **I. DO I NEED COLLATERAL SECURITY TO ACCESS LOANS THROUGH FINABLR?**

Yes. Finablr operates strictly secured loan products; this being the only surest way to protect our lenders' capital in the unfortunate event of complete default.

### **II. HOW DO I JOIN THE FINABLR NETWORK?**

Simply download the Finablr app available via Playstore (for Android users) and Appstore (for IOS users), register your account with your basis KYI and you are in.

### **III. WILL MY COLLATERAL BE SOLD IF I DEFAULT COMPLETELY ON MY LOAN?**

Unfortunately and very rarely so; Yes. However, the good news is Finablr operates a very transparent system where all our borrowers are taken through the entire loan process including what happens in the event of default.

EFL shall only dispose of collateral in the event of complete default which is where a borrower has been in default for 67 (Sixty seven) days or more with no resolution between the client and the lender as mediated by EFL.

We are happy to share that in the 9 years of existence, EFL has only disposed of collateral seven times. This goes to show the very low collateral disposal rate which we hope brings comfort to our borrowing clients under Finablr.

**IV. WHAT ARE THE INTEREST RATES ON FINABLR?**

This is one of the most unique features of Finabl. Finabl allows borrowers to determine the interest rates they are comfortable with and able to afford and then allows lenders to accept the loan requests as are or counter them with interest rates that they are willing to lend at.

**V. AS A LENDER ON FINABLR IS MY LOAN PORTFOLIO GUARANTEED?**

No. While EFL does not guarantee repayment of loans to lenders nor lender's portfolios under Finabl being recouped, we do guarantee the presence of collateral security that is worth twice the loan value as at the time of loan disbursement.

In the event of complete default, EFL makes best effort to dispose of collateral at the highest price possible enough to recover all that is due to lenders as well as to return to borrowers any amount over and above what is due.

**VI. HOW MUCH CAN I BORROW ON FINABLR AND FOR HOW LONG?**

Borrowers can access through Finabl up to Ugx. 300,000,000 for up to 36 months. Finabl is ever evolving and so we, ever, strive to modify our various lending parameters.

**VII. CAN I USE MY SALARY OR NATIONAL ID AS A SECURITY?**

No. For the safety of Finabl lenders' capital, Finabl only allows assets/collateral that can be resold for cash in the Uganda market fairly easily.

## **VIII. AS A LENDER ALREADY IN BUSINESS WHY SHOULD I LEND THROUGH FINABLR?**

Not only will you be able to continue running your own lending business unhindered by Finablr, but through Finablr shall you also have:

- Free access to a pool of pre-qualified borrowers.
- Free access to an ever-evolving information management system to manage your clients from the point of application to repayment/recover.
- Freedom from the risks of collateral custody.
- Assisted borrower-default recovery.
- Free access to money-lending advisory services from EFL

## **IX. HOW LONG DOES IT TAKE FOR MY LOAN TO BE PROCESSED ON FINABLR?**

Depending on the collateral category, Finablr loans have the following processing times:

- Electronics: 3-6 hours
- Vehicles: 12-36 hours
- Real Estate: 3-5 working days.

However, it is important to note that the times above assume there are no unforeseen circumstances surrounding the collateral that are out of the control of EFL. E.g squatters found on land, caveats on logbooks, faulty electronics etc.

## **X. WHAT HAPPENS AFTER A LENDER HAS MADE AN OFFER TO MY LOAN REQUEST?**

At this stage, phase 5 kicks in which is the documentation phase. Here, the lender and borrower are availed the relevant paper work for e-signing on the Finablr platform. Once documentation is duly-signed by all parties, the borrower is then prompted to deliver the declared collateral to EFL offices after which the loan is disbursed.

**XI. DO LENDERS AND BORROWERS HAVE TO REPORT TO OFFICE TO SIGN THE LOAN AGREEMENT OR AT ANY STAGE?**

No. Since Finablr documentation takes advantage of the Electronics Signature Act of Uganda 2011, unless otherwise required by EFL, parties shall typically sign contracts at their places of comfort as long as the collateral has already been delivered to EFL offices by the borrower.

**XII. WHAT HAPPENS IF I DON'T RECEIVE A LOAN OFFER?**

While Finablr borrowers are not guaranteed to receive loan offers from Finablr lenders, the Finablr platform has an extremely low loan-matching failure rate. To increase chances of securing loan offers, borrowers are advised to make competitive loan offers which typically entail higher interest rates or collateral with a high Loan: Value ratio.

**XIII. WHAT HAPPENS IF I MISS MY LOAN REPAYMENT INSTALLMENT?**

A missed loan repayment installment is referred to as an event of default. The following are the Finablr recovery protocols followed in the event of default:

- 7 days past missed installment: Interest-free grace period.
- 37 days past missed installment: Demand notice 1
- 67 days past missed installment: Demand notice 2/Notice of Intention to Sell Collateral.
- 67-88 days past missed installment: Collateral attachment period (Advertising)
- Past Attachment period: Sale of collateral to highest bidder (borrower inclusive).

Please note that any amount recovered upon sale, over and beyond, what the borrower owes is duly returned to the borrower.

**XIV. WHAT HAPPENS IF I PAY EXCESS OR LESS?**

In the event a borrower repays less than the scheduled amount, his/her deposit is deposited to a designated EFL escrow account but not marked as paid. The deposit shall only be posted to the lender once paid in full. In the meantime late fees shall be accounted for as if the deposit had not been paid at all.

In the event a borrower repays in excess, only the scheduled amount shall be posted to the lender and the excess carried forward to the next scheduled installment. In the next scheduled installment, the borrower would therefore pay less the excess amount brought down.

**XV. WHAT HAPPENS IF MY SECURITY GETS DAMAGED WHILE IN EFL CUSTODY?**

EFL claims full responsibility for all borrower collateral in its custody. With the exception of damage due to natural/reasonable wear and tear/depreciation, any damages shall be the full responsibility of EFL.

**XVI. WHAT HAPPENS TO THE LENDER WHEN THE BORROWER DEFAULTS?**

Because Finablr loan repayments are not guaranteed, lenders are required to be patient as the Finablr Recovery Protocols are executed by EFL in the event of default or complete default. During recovery, borrowers continue to accrue late fees/penalties which are payable to lenders upon collateral disposal.

**XVII. WHAT HAPPENS IF I PAY AFTER THE RECOVERY PROTOCOLS HAVE STARTED?**

Finablr Recovery Protocols shall continue to stay in effect until the borrower has paid in full of what is due as at date.

**XVIII. WHAT HAPPENS IF I WANT TO PAY THE LOAN EARLY IN FULL?**

Early repayments are not only welcome with Finablr but are also a lawful right to every borrower in Uganda. However, early repayments attract an early repayment fee as stipulated in the loan contract.



**XIX. WHAT HAPPENS IF I AM NO LONGER ABLE TO FINANCE MY LOAN OFFER AFTER ACCEPTING IT?**

A lender can cancel his/her loan offer at any point in the lending process. However, if a lender cancels beyond the documentation phase after signing the loan contract, he/she shall attract a cancellation fee of 1% of the intended loan amount. This shall be payable upfront or deductible from the lender's active receivables or from his/her next disbursement.

A borrower can cancel his/her loan request at any point in the borrowing process. However, if a borrower cancels beyond the documentation phase after signing the loan contract, he/she shall attract a cancellation fee of 1% of the intended loan amount. This shall be payable upfront or deductible from the lender's active receivables or from his/her next disbursement.

However, EFL may at its discretion ban from the Finabl platform users that repeatedly cancel requests/offers with no clear cause.

**XX. WHAT HAPPENS IF THE SIGNATURE ON MY NATIONAL ID IS DIFFERENT FROM MY CURRENT NATIONAL ID?**

Because Finabl documentation is authenticated using e-signatures in the shape and form of user signatures as on their National IDs, where a user's signature is different on ID as is at present, the user shall be required to sign an affidavit with the EFL legal team confirming that the two signatures belong to the same person.

**XXI. CAN I BORROW WHILE I HAVE AN ALREADY RUNNING LOAN?**

No. All borrowing clients can have only one active loan cycle running at any given time. To secure a second loan cycle, the Finabl borrower must first clear to zero his/her active loan.

**XXII. CAN I LEND TO MORE THAN ONE BORROWER?**

Yes. Finabl lenders can lend to as many borrowers at any given time as they would like.

