

## **Principles of Customer Protection**

The Customer Protection Principles are part of the microfinance-industry initiative to ensure that providers take steps to protect low-income customers from potentially financial products that are not suitable for customers and ensure that they are treated fairly.

We at Fino Finance Pvt. Ltd. have endorsed these principles and are committed to translate them into appropriate standards, policies and practices and train our staff in the same.

Fino Finance Pvt. Ltd. (FFPL) is committed to adhere to the following six core principles and accordingly implement the suitable code of conduct for its employees:

1. **Avoidance of Over-Indebtedness:** FFPL will take reasonable steps to ensure that credit will be extended only if borrowers have demonstrated an adequate ability to repay and loans will not put the borrowers at significant risk of over-indebtedness. FFPL will conduct credit checks from CIBs on individual loan applicants to ensure that only such applicants who fulfil the limits specified in credit policy (in terms of number of active borrowers, existing indebtedness, loans in overdues) are sanctioned loans. The credit policy will comply with the regulatory guidelines laid down by the RBI. FFPL will also take adequate care that non-credit financial products that are extended to customers are appropriate to their needs.
2. **Transparent Pricing:** The pricing, terms and conditions of the loans (including interest charges, insurance premiums, all fees, etc.) will be transparent and will be adequately disclosed in a form understandable to customers. FFPL will conduct trainings for its staff to adequately enable them to convey the necessary information to the customers.
3. **Appropriate Collections Practices:** Debt collection practices will not be coercive and FFPL will put in place monitoring systems and policies to ensure that staff members abide by the laid down processes. All staff members will be adequately trained to understand and comply with the 'Do's and 'Dont's of collection practices. A staff Code of Conduct will be communicated to all employees of FFPL.
4. **Ethical Employee Behaviour:** Employees of FFPL will comply with high ethical standards in their interaction with customers and will ensure that adequate safeguards are in place to detect and correct corruption or mistreatment of customers. A staff Code of Conduct will be communicated to all employees of FFPL.
5. **Mechanisms for Redressal of Grievances:** FFPL will have in place timely and responsive mechanisms for complaints and problem resolution for their customers. A central helpline phone number will be provided to all the customers to enable them to register complaints/ grievances directly to the FFPL central team. The helpline number will be communicated to all customers.
6. **Privacy of Customer Data:** FFPL will respect the privacy of individual customer data, and such data will not be used for other purposes (except for where it is required by regulation to do so) without the express permission of the customer. FFPL will put in place adequate checks in its systems and HR policies that will restrict the sharing of customer data with any outside agency/ individual.