

**CONSUMER FINANCE LEASE (REGULAR)**

**PRODUCT MANUAL**



Table of Contents

[1. OVERVIEW 3](#_Toc532453487)

[2. REQUIREMENTS 3](#_Toc532453488)

[3. PRICING STRUCTURE 3](#_Toc532453489)

[3.1 Pricing for Cars within 8 & 10 Years Vehicle Age Policy 3](#_Toc532453490)

[3.1.1 TENOR 3](#_Toc532453491)

[3.1.2 FEES 4](#_Toc532453492)

[3.1.3 INTEREST RATES 4](#_Toc532453493)

[3.1.4 CAR RESTRICTION 4](#_Toc532453494)

[3.2 Pricing for Vehicles above 8 & 10 Years Age Policy 5](#_Toc532453495)

[3.2.1 TENOR 5](#_Toc532453496)

[3.2.2 FEES 5](#_Toc532453497)

[3.2.3 INTEREST RATES 5](#_Toc532453498)

[3.2.4 CAR RESTRICTION 6](#_Toc532453499)

[4. POLICIES 6](#_Toc532453500)

[5. INTERDEPARTMENTAL PROCESS FLOW 7](#_Toc532453501)

[5.1 SUBMISSION OF APPLICATIONS 7](#_Toc532453502)

[5.2 BUSINESS DEVELOPMENT UNIT 8](#_Toc532453503)

[5.3 CREDIT CONTROL – APPRAISAL OF LEASE APPLICATION 8](#_Toc532453504)

[5.4 ADMIN DEPARTMENT – INSPECTION OF ASSET 9](#_Toc532453505)

[5.5 CREDIT CONTROL – FIRST APPROVAL 9](#_Toc532453506)

[5.6 AUDIT DEPARTMENT – FINAL VERIFICATION/ APPROVAL 10](#_Toc532453507)

[5.7 ACCOUNTS DEPARTMENT 10](#_Toc532453508)

[5.8 ADMIN DEPARTMENT 10](#_Toc532453509)

[5.9 TRANSACTION PROCESS FLOWCHART 10](#_Toc532453510)

[6. APPENDICES 12](#_Toc532453511)

[6.1 APPENDIX I - CREDIT ANALYSIS MEMO 12](#_Toc532453512)

[6.2 APPENDIX II - CREDIT CONTROL FILES ACCEPTANCE CHECKLIST 13](#_Toc532453513)

* 1. [APPENDIX III - INTERNAL AUDIT CHECKLIST FOR LEASE TRANSACTIONS 15](#_Toc532453514)

# OVERVIEW

Rosabon Consumer Finance Lease is an affordable lease facility that is granted to individuals that want to purchase vehicles. It is targeted at salaried earners of reputable organizations in the private and public sector industries.

The consumer lease is built to accommodate one that allows also pre-appraised and as such easy to book. In most cases, a consumer lease agreement is non-cancellable and the lessee has an option to buy the asset for a nominal amount at the expiration of the lease term. The agreement usually provides for the payment of periodic rentals to cover capital repayment and interest computed at specific rates.

# REQUIREMENTS

* + Bank statement of account for the recent 6 months (stamped on each page)
  + Letter of employment/confirmation letter/Salary review letter/promotion letter
  + 1 Passport photograph of the Applicant
  + Photocopy of Identification Card of the Applicant
  + Proforma invoice addressed to Rosabon Financial Services
  + Utility bill
  + Post-dated cheques for number of months for lease facility
  + Executed Rosabon Lease Application Form
  + Net Salary of N150, 000 and above.

***Note: Utility bill has been removed from the required documents list as the purpose it serves is to verify Client’s home address, which will be addressed using BVN and home visitation where necessary.***

# PRICING STRUCTURE

## 3.1. Pricing for Cars within 8 & 10 Years Vehicle Age Policy

### 3.1.1. TENOR

|  |  |
| --- | --- |
| **TYPE** | **TENOR** |
| New Vehicle | Max 42 months |
| Tokunbo | Max 31 months |
| Nigerian Used Vehicle | Max 24 months |

The above tenor is restricted to different vehicle types; see **3.1.4 - CAR RESTRICTION**

### 3.1.2. FEES

|  |  |  |  |
| --- | --- | --- | --- |
| **INSPECTION FEES** | **UPFRONT FEES** | **MONTHLY FEES** | **TRANSFER FEES** |
| Tokunbo - N14,500 | Equity Contribution | Management Fee – 0.95% | New Vehicle - 2% |
| Nigerian Used - N15,500 | Legal Fee - 1% | Insurance - 4% | Tokunbo - 3% |
|  | Processing Fee - 1% |  | Nigerian Used - 3% |
|  | Stamp duty - 1% |  |  |
|  | Car Registration – New Registration = N45,000  Change of Ownership = 56,000 |  |  |

### 3.1.3. INTEREST RATES

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **REGULAR FINANCE LEASE STRUCTURE** | | | | | | | |
| **DTI Category** |  | **NEW** | | **TOKUNBO**  **(AGE LIMIT = MAXIMUM OF 10 YEARS)** | | **NIGERIAN USED**  **(AGE LIMIT = MAXIMUM OF 8 YEARS0** | |
| Risk Category | DTI Ratio | Annual Interest Rate | Contribution | Annual Interest Rate | Contribution | Annual Interest Rate | Contribution |
| Low | 0 - ≤ 0.28 | 24.00% | 27.00% | 26.00% | 30.00% | 29.00% | 40.00% |
| Medium | 0.29 - ≤ 0.33 | 26.00% | 30.00% | 29.00% | 35.00% | 33.00% | 45.00% |
| High | 0.34 - ≤ 0.40 | 29.00% | 34.00% | 32.00% | 40.00% | 37.00% | 49.00% |

### 3.1.4. CAR RESTRICTION

Below are the accessible maximum tenors for cars within age policy

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Brand** | **Maximum Acceptable Age/ Year of Manufacture (if Tokunbo)** | **Maximum Tenor If Tokunbo** | **Maximum Acceptable Age/ Year of Manufacture (if Nigerian Used)** | **Maximum Tenor If Nigerian Used** |
| Toyota | 10yrs/2008 | 31 | 8yrs/2010 | 24 |
| Honda | 10yrs/2008 | 31 | 8yrs/2010 | 24 |
| Nissan | 10yrs/2008 | 31 | 8yrs/2010 | 24 |
| BMW | 10yrs/2008 | 31 | 8yrs/2010 | 24 |
| Lexus | 10yrs/2008 | 31 | 8yrs/2010 | 24 |
| Mercedes-Benz | 10yrs/2008 | 31 | 8yrs/2010 | 24 |
| Hyundai | 10yrs/2008 | 28 | 8yrs/2010 | 18 |
| Kai | 10yrs/2008 | 28 | 8yrs/2010 | 18 |
| Mitsubishi | 10yrs/2008 | 28 | 8yrs/2010 | 18 |
| Infinity | 10yrs/2008 | 28 | 8yrs/2010 | 18 |
| Volkswagen | 10yrs/2008 | 28 | 8yrs/2010 | 18 |
| Others | 10yrs/2008 | 24 | 8yrs/2010 | 18 |

## 3.2. Pricing for Vehicles above 8 & 10 Years Age Policy

RFS recognizes the fact that some vehicles no matter the age limit have a high market demand and thus, a separate pricing structure have been set for these categories of car.

### TENOR

|  |  |
| --- | --- |
| **TYPE** | **TENOR** |
| Tokunbo | Max 28 months |
| Nigerian Used Vehicle | Max 18 months |

The above tenor is restricted to different vehicle types; see **3.2.4 - CAR RESTRICTION**

### FEES

|  |  |  |  |
| --- | --- | --- | --- |
| **INSPECTION FEES** | **UPFRONT FEES** | **MONTHLY FEES** | **TRANSFER FEES** |
| Tokunbo - N14,500 | Equity Contribution | Management Fee – 0.95% | Tokunbo - 3% |
| Nigerian Used - N15,500 | Legal Fee - 1% | Insurance - 4% | Nigerian Used - 3% |
|  | Processing Fee - 1% |  |  |
|  | Stamp duty - 1% |  |  |
|  | Car Registration – New Registration = N45,000  Change of Ownership = 56,000 |  |  |

### INTEREST RATES

Vehicles exceeding the age policy will be charged on a flat monthly rate and the repayment will be on a reducing balance with the aid of the effective rate.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **FINANCE LEASE EXCEEDING VEHICLE AGE POLICY** | | | | | |
| **DTI Category** | | **TOKUNBO**  **(AGE > 10 YEARS)** | | **NIGERIAN USED**  **(AGE > 10 YEARS)** | |
| Risk Category | DTI Ratio | Monthly Interest Rate | Contribution | Monthly Interest Rate | Contribution |
| Low | 0 - ≤ 0.28 | 3.00% | 35.00% | 3.25% | 40.00% |
| Medium | 0.29 - ≤ 0.33 | 3.25% | 40.00% | 3.5% | 45.00% |
| High | 34 - ≤ 0.40 | 3.50% | 45.00% | 3.75% | 50.00% |

### CAR RESTRICTION

Below are the accessible maximum tenors for cars above age policy

|  |  |  |  |
| --- | --- | --- | --- |
| **Brand** | **Maximum Acceptable Age/ Year of Manufacture** | **Maximum Tenor If Tokunbo** | **Maximum Tenor If Nigerian Used** |
| Toyota | 18yrs/2000 | 28 | 18 |
| Honda | 18yrs/2000 | 28 | 18 |
| Nissan | 13yrs/2005 | 28 | 18 |
| BMW | 13yrs/2005 | 28 | 18 |
| Lexus | 13yrs/2005 | 28 | 18 |
| Mercedes-Benz | 12yrs/2006 | 28 | 18 |
| Hyundai | 12yrs/2006 | 24 | 18 |
| Kai | 12yrs/2006 | 24 | 18 |
| Mitsubishi | 12yrs/2006 | 24 | 18 |
| Infinity | 12yrs/2006 | 24 | 18 |
| Volkswagen | 12yrs/2006 | 24 | 18 |
| Others | 11yrs/2007 | 18 | 18 |

# POLICIES

* Consumer leases can only be accessed by a salary earner
* The client must be working with a recognized organization
* Finance lease is available for persons who reside either in Lagos or PH
* The client should have a minimum income of N150,000 monthly and a current account
* Client must meet basic requirements (see **REQUIREMENTS** above) before his/her lease can be processed
* The tenor of repayment is dependent on the type of lease and the category the car falls in (see **APPENDIX I** below)
* The vehicle must not be more than the above age limits
* Mileage covered by the vehicle must be between 0-90,000km, If above 90,000km then an additional contribution of 8% of inspection value would apply
* The interest rate is calculated based on the client’s DTI and type of car that is being requested for (see **INTEREST RATES** above)

# INTERDEPARTMENTAL PROCESS FLOW

## SUBMISSION OF APPLICATIONS

1. Individuals interested in taking out a consumer/affordable lease with RFS are to indicate their interest through one of the following means:

* Send an email to [info@rosabon-finance.com](mailto:info@rosabon-finance.com) in response to marketing and advertisements put out by RFS or one of its partners.
* Call the number provided on flyers, advertisements or the RFS website.
* Prospective client walks in to an RFS branch to make an enquiry.
* Fill out interest form on the Carmudi website.
* Fill out interest form on the HonCars website.

1. An Asset Creation Admin receives the leads and forwards them to the Channel Manager.

* In the case of Carmudi, the Channel Manager logs in to the Google sheet shared with Carmudi to receive new leads.
* In the case of other partners or organic leads, the Channel Manager logs in to the Leads Management System to view the leads.

1. The Channel Manager uploads leads not already on the Leads Management System.
2. The Channel Manager assigns each lead to an Independent Marketer (IMTT) who then becomes the Account Officer for that lead.
3. The Account Officer then contacts the interested individuals to ascertain they meet basic requirements (refer to Lease Policy document).
4. Prospective applicants who meet these requirements are emailed the Affordable Lease Application Form (see Affordable Lease Application Form on RFS website) as well as the documents required from the Account Officer. **FOR A DETAILED REQUIREMENT LIST, SEE REQUIREMENTS ABOVE.**
5. Applicants then print out and complete the Affordable Lease Application Form and either:

* Scan and return it to the Account Officer along with all required documents via email.
* Visit an RFS branch to submit it along with the required documents.
* Request for the form as well as the required documents to be picked up by an RFS dispatch rider for an added cost (see Dispatch Rider Policy document).

***Note: Applicants who scan their forms to the Account Officer will still need to submit their required documents to RFS before the lease agreement can commence.***

## BUSINESS DEVELOPMENT UNIT

1. The Account Officer creates a customer file.
2. The Account Officer requests for Credit Bureau report from the Credit Assessment Officer in order to prepare Credit Analysis Memo (CAM) **APPENDIX II** in line with RFS current appraisal policy.
3. The Account Officer directs the Asset Creation Admin Officer to input the new client’s data on the Lease Manager and generates a Lease ID.
4. The Channel Manager reviews the CAM (and performs first and second approval when due) and signs off files being handled by non-core staff.
5. The Account Officer transfers customer’s file to the Credit Assessment Officer who retains the hard copy till the final verification stage.

## CREDIT CONTROL – APPRAISAL OF LEASE APPLICATION

1. The Credit Assessment Officer is to critically evaluate applications to ascertain whether the applicant is eligible for a lease. This involves:

* Analyzing the net take home pay from their bank statements in line with RFS guidelines
* Generating a credit report to evaluate client history
* If declined, the Credit Assessment Officer informs the Account Officer who in turn informs the client.
* If an adjustment needs to be made for initial contribution, tenor or interest rate, the Credit Assessment Officer informs the Account Officer who in turn informs the client.
* If approved, the Credit Assessment Officer will prepare a memorandum of inclusion for the vendor into Rosabon accredited list of vendors which has to be approved by the authorized signatories in the event that the vendor has not been previously accredited.

1. In the event that a lease application for N650, 000 or more was made and/or there is inconsistency in the applicant’s home address on the application form, BVN, RSA and CRC, home visitation will be carried out. (See Visitation Policy document for process flow). Home visitation will be initiated by the Credit Assessment Officer. Home visitation TAT is set at a minimum of 24 hours and a maximum of 48 hours in Lagos, Port-Harcourt, Ogun and Oyo states.
2. The Credit Assessment Officer will then carry out verification of the obligor/guarantor’s office email address by sending an email through [kyc@rosabon-finance.com](mailto:kyc@rosabon-finance.com) to the applicant and copying their Account Officer.

***Note: For used assets, customers must make payment of N10,000 or N12,500 inspection fees for the application process to progress.***

## ADMIN DEPARTMENT – INSPECTION OF ASSET

Inspection is carried out for only used assets.

1. An Admin Officer verifies and confirms proof of ownership of the asset.
2. The asset shall be inspected by the Admin Department through an accredited inspector after evidence of payment of the Inspection Fee of (N14,500 (Fourteen Thousand and Five Hundred Naira only) for Tokunbo and N15,500 (Fifteen Thousand and Five Hundred Naira only) for Nigerian Used)has been provided.

***Note: This shall be done at the same time as when the Credit Assessment Officer is analyzing and preparing the CAM on the application in order to save time.***

1. The Admin Officer gives the inspection report to the Account Officer.

## CREDIT CONTROL – FIRST APPROVAL

1. The Credit Assessment Officer reviews the inspection report, and makes a decision on whether the asset is to be recommended for approval. The price of the asset must be within 20% range of the market value of the asset.

* If asset value is greater than 40% of market value, RFS should reject asset and find alternative asset for client which is within 40% of the market value.

1. If asset is approved, the Credit Assessment Officer prepares the Offer Letter. The Offer Letter clearly outlines the lease amount, tenor of the least, upfront contribution (if any), interest rate and the administrative/legal fees attached to processing the lease.
2. The Offer Letter is then signed by the Channel Manager and the Head of Risk.
3. The Offer Letter will then be sent to the customer for signing.
4. On receipt of the client’s signed Offer Letter, Guarantor Agreement and Obligor and Guarantor cheques, the Credit Assessment Officer updates the client file.
5. The Credit Assessment Officer sends a copy of the cheques to the Asset Creation Admin and the original cheques to the Collections Officer.
6. The Asset Creation Admin Officer inputs the cheque numbers into Lease Manager and prompts the Collections Officer, who carries out another check to ensure accuracy.
7. The Collections Officer completes their checklist and sends back to the Credit Assessment Officer. The Credit Assessment Officer ensures that all checklists and requirements have been updated in the physical file.
8. The Credit Assessment Officer reviews all checklists and ensures that all required documents and processes have been met.
9. The Credit Assessment Officer carries out a check to ensure accuracy of information in Lease Manager.
10. The Credit Assessment Officer completes the checklist and gives the file to the Asset Creation Admin who conveys the physical file to Internal Audit for Final Verification.

## AUDIT DEPARTMENT – FINAL VERIFICATION/ APPROVAL

1. An Internal Audit Officer checks that the original documents, Offer Letter and CAM tally with RFS policy. **SEE APPENDIX IV FOR INTERNAL AUDIT CHECKLIST**
2. Audit signs off on the application and sends the Accounts department.

***Note: If there are any issues with documentation, the Internal Audit Officer will inform the Account Officer who in turn informs the client***

## ACCOUNTS DEPARTMENT

The Accounts department is responsible for disbursement of funds.

1. An Account Officer will process disbursement of funds for the purchase of the asset from the vendor.

## ADMIN DEPARTMENT

1. An Admin Officer will ensure that the purchase and delivery of the asset is done within the stipulated time limit.

## TRANSACTION PROCESS FLOWCHART

Client Service

Application

Business Development unit

Collection of documents

Basic requirements

Credit control

Loan eligibility

Offer letter

Collection of guarantor cheque

Audit

Final approval

Account

Disbursement

Admin

Vehicle registration

Vehicle insurance

Tracker installation

Vehicle delivery

# APPENDICES

## 6.1 APPENDIX I - CREDIT ANALYSIS MEMO

**Section A- Introduction-Summary:**

* The Customer-Raphael Ikechukwu Chalokwu has an appointment with IBM
* **Employment Date:** 2012
* Confirmed Date**- 2013**
* Business Relationship – First time with us
* **6 Months’ salary analysis –Gtbank**

|  |  |  |
| --- | --- | --- |
| **Month** | **Salary N** | **Loan** |
| **Jan** | **N991,606.26** | **N170,375.85** |
| **Feb** | **N983,182.89** | **N170,375.85** |
| **Mar** | **N1,494,844.03** | **N170,375.85** |
| **Apr** | **N1,033,691.95** | **N170,375.85** |
| **May** | **N2,955,819.45** | **N170,375.85** |
| **June** | **N1,032,327.11** | **N170,375.85** |

* **Cost of Asset**- N5,300,000.00 (2009 Toyota Venza)
* **Contribution**- N1,431,000.00 (27%)
* **Tenor**: 31 Months
* **Renta**l- N216,735.55
* **Upfront**- N1,628,722.00 (Fees & Car reg, & Contribution)

**Section B-Bank Statement Analysis:**

* Monthly Salary- N1,032,327.11
* Allowances - Nil
* Return Cheques- 1

**Credit Registry Report:**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| CRC | NAME OF INSTITUTION | ACCOUNT BALANCE/AMOUNT OUTSTANDING | MONTHLY REPAYMENT AMOUNT | TENOR/LAST REPAYMENT DATE/ | EXPIRED /  PERFORMING | TYPE OF FACILITY |
|  | Nil | See report attached | Nil | Nil | Nil | Nil |
| CREDIT REGISTRY |  |  |  |  |  |  |
|  | Nil | See report attached | Nil | Nil | Nil | Nil |

**Section C-Budget Planner Analysis:**

* Monthly Income (salary) =    N1,032,327.11
* Monthly expenditure (15%) =N154,849.06
* Financial Commitments (loans monthly) =N170,375.85
* Disposable Income=N707,102.19

**Section D – Transaction Analysis:**

* 1/3 of Disposable Income= N235,700.73
* Monthly rental = N216,735.55

**Section E- Justification for Approval**

Mr Raphael is the Head of Legal, West Africa Region for IBM West Africa and an Attorney in the Law. The client earns over N1,000,000.00 monthly with other allowances not captured. He is a professional and has met all requirements. Mr Raphael only has a loan of just N170,000.00 with the FCMB and has a good credit history. The other obligation of N208,000.00 to Victorcoban is an asset finance for 3 months beginning from March to May 2015. The asset finance was for a family friend which he guaranteed as explained in the mail attached to this CAM. However, that is not factored as client already qualify but for credit clarification. All documentations have been perfected and the Asset will be registered in our name with a tracking device. Client has indicated to terminate in the next one year before due date. I wish to recommend that the transaction be approved.

Thanks

---------------------------------------- ----------------------------------------------- Account Officer Head of Department

## 

## APPENDIX II - CREDIT CONTROL FILES ACCEPTANCE CHECKLIST

|  |  |  |
| --- | --- | --- |
|  | **YES** | **NO** |
| Has the offer letter been signed by authorized signatories and the client? |  |  |
| Are the cheques the most recent design? E.g. logo and digits. |  |  |
| Do all the cheques bear the name of the client? |  |  |
| Do any of the cheques have an alteration? |  |  |
| If yes, has the alteration(s) on the cheque(s) been countersigned? |  |  |
| Is the signature on file, cheques, offer letter, guarntors form regular? |  |  |
| Are the cheques good for clearing? |  |  |
| For individual accounts, are the cheques drawn from the clients salary account vis a vis the enclosed bank statement (statement must be stamped by bank)? |  |  |
| For individual transactions, do the due dates on cheques fall on or shortly after the salary hits the client’s account (maximum two days)? |  |  |
| Does client’s name on lease manager/IBS correspond with the name embossed on the cheques? |  |  |
| Has the guarantor’s name been entered on lease manager? |  |  |
| Do dates on cheques tally with that on lease manager? |  |  |
| Do post-dated cheques value amount correspond with stated value on offer letter and lease manager |  |  |
| Is the number of cheques equal to the number of required cheques on the offer letter? |  |  |
| Does the amount in words and figure tally with the rental value stated on lease manager? |  |  |
| Was the email provided in clients file, lease manager correct and confirmed? (official and personal) |  |  |
| Was the phone number provided in clients file, lease manager correct and confirmed? |  |  |
| Does the signature on offer letter tally with signature on cheques? |  |  |
| Are the dates on the cheques correct especially February (using calendar year), and months that end in 30 days? |  |  |
| Is there anything that could make the rental cheques return? |  |  |
| Does client have any outstanding due to Rosabon from any previous transactions? |  |  |
| If yes, please state below. |  |  |
| Is a copy of the cheque confirmation letter included in the file? (Corporate Client) |  |  |
| Was the offer letter signed by the client and approving signatories? |  |  |
| Is the client’s resume attached to the file? |  |  |
| Is the client’s offer letter in the file? |  |  |
| Is the client’s confirmation letter in the file? |  |  |
| Are the offer and confirmation letter of the client stamped or signed by the employers? |  |  |
| Is the visitation report in the file? |  |  |
| Was the house visitation done? |  |  |
| Was the office visitation done? |  |  |
| Is the office address given in the file and visitation report correct and confirmed? |  |  |
| Is the house address given in the file and visitation report correct and confirmed? |  |  |
| Was visitation report approved by credit control department |  |  |

**NOTE: ALL STATEMENT MUST BE STAMPED BEFORE PRESENTATION TO CREDIT CONTROL**

……………………………………………………………………………………………………………………………………………………………………………………………………………………………….

Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date & Time\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Remark (OK or Disapproved)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## 6.3 APPENDIX III - INTERNAL AUDIT CHECKLIST FOR LEASE TRANSACTIONS

Checked By…… ………………………….. Sign & Date……………………………………

Client Name……………………………….. File No………………………………………….

Asset Type…………………………………. Lease Value (=N=)……………………………

Tenor……………………………………….. Lease ID………………………………………..

|  |  |  |  |
| --- | --- | --- | --- |
|  | **YES** | **NO** | **COMMENT** |
| Is the credit bureau reports attached? Any financial obligation in other institutions? |  |  |  |
| Is application form duly completed, appended and stamped by supervisor? |  |  |  |
| Is the passport photograph attached? |  |  |  |
| Is the lease asset value below =N=300, 000? No utility bill? |  |  |  |
| Is the lease asset value above =N=300, 000? Check for utility bill where BVN and house visitation not done |  |  |  |
| Has the email address of the client and guarantor (Official and Personal) been verified before final approval? |  |  |  |
| Has justification of Email address (Official and Personal) been done by credit control? If yes, have responses been received? |  |  |  |
| Is the house visitation report sheet attached by the Address Verification Officer for transaction of =N=650, 000 and above? |  |  |  |
| Is leased asset worth over =N=5m? If yes, carry out physical inspection |  |  |  |
| Is the Year of Manufacture (YOM) of the asset more than 10 years for tokunbo cars? Reject the transaction, otherwise proceed |  |  |  |
| Has the inspection fees been paid? =N=10, 000 for cars and =N=12, 000 for buses & trucks, =N=7, 000 for PH? If yes proceed (Tokunbo Car Only) |  |  |  |
| Is tokunbo car of up to 10 years with mileage from 100, 000 – 150, 000km if so has adjustment been made to %contribution in accordance to the policy? If yes, approve otherwise reject |  |  |  |
| Is the tenor of the tokunbo vehicle of up to10yrs that has covered up to 99, 999km exactly 31 months? If yes approve, otherwise check contribution. |  |  |  |
| Has the mandatory equity contribution of either 30%, 35% or 40% depending on risk category for tokunbo cars been paid by the client? Check the receipt in the file, otherwise reject. |  |  |  |
| Has client made an advance payment of 27%, 30% or 34% (New car) of the cost of the vehicle (depending on risk category) and 29% for Household? |  |  |  |
| Has the client paid =N=2, 500 to Accounts Dept. for verification of vehicle ownership? For Sale & Lease back |  |  |  |
| Is invoice facility of the car more than the valuation report? For sale and lease back. |  |  |  |
| Is car to be financed for more than four (4yrs). For sale & lease back? |  |  |  |
| Is the maximum tenor for financing more than 24months i.e. 20months + 4months upfront? For sale & lease back. |  |  |  |
| Is there a bill of sale for car in the file? For sale and lease back. |  |  |  |
| Is the value of the car as per proforma invoice higher or lower than 7.5% of the value as per inspection report? If yes query why. |  |  |  |
| Is the client a confirmed staff? Check the letter of employment. |  |  |  |
| Is payslips no later than 3/4 months old? Check against bank statement. |  |  |  |
| Does the employer ID card number correspond with the payslip number? |  |  |  |
| Is the bank statement up to 6 months & no later than 1 month old? |  |  |  |
| Does the name of the bank on the statement and post-dated cheques tally? |  |  |  |
| Is letter of request for client’s bank statement included in the file? Check the contents, date interval, A/C nos & signature. |  |  |  |
| Is the monthly rental above maximum DTI capacity? |  |  |  |
| If yes, any other source of income? |  |  |  |
| Is the 1st rental repayment date not more than 45days from the transaction date on lease manager? |  |  |  |
| Is the amortization schedule and pricing in accordance with prevailing rate e.g. mgt, legal and insurance? |  |  |  |
| Are 2 offer letters generated from lease manager on Rosabon letter head? |  |  |  |
| Is proforma invoice from approved vendor & addressed to Rosabon? |  |  |  |
| Is the client an old client? If old, fresh application after 9 months (tenor). |  |  |  |
| Have the relevant authorized officers approved the offer letter? |  |  |  |
| Are all the agreed terms: lease asset, type, value, tenor, rentals, etc, stated? |  |  |  |
| Is the offer letter duly signed by the lessee? |  |  |  |
| Have security deposit and additional fees been paid? |  |  |  |
| Has value been received for security deposit and other fees in the bank statement? |  |  |  |
| Do post-dated cheques amount correspond with offer letter/ lease manager? |  |  |  |
| Do the cheques bear the name of the clients? |  |  |  |
| Are the cheques a day or two after payday of client? |  |  |  |
| Is client an old client? If yes, was there any return cheque in the previous facility? |  |  |  |
| If yes has it been fully paid alongside with all the charges? Has the previous facility matured? |  |  |  |
| Is the pricing in line with the approved prevailing rate as stated? Check the lease manager. |  |  |  |
| Was discount granted before raising LPO? Agree the value with lease manager. |  |  |  |
| Is there a standing order instruction to the client’s banker and acknowledgement thereof? |  |  |  |
| Does the signature on the offer letter correspond with that of the application form and post-dated cheques? |  |  |  |
| Are all documents in the client’s file appropriately numbered and clipped? |  |  |  |
| Is the copy of the offer letter properly numbered and filed in the client’s file and original copy sent to accounts after initial approval? |  |  |  |
| Is client’s curriculum vitae (CV) attached? Check for reference and phone no in the CV. |  |  |  |
| Is credit control checklist attached after original cheques and bank statement request have been accepted by them? |  |  |  |
| Is PH’s credit control checklist attached after original cheques have been accepted? Check details of scanned cheques. |  |  |  |
| APPROVED? If not approved, inform credit control department. |  |  |  |