



# **Home Finance Company Limited T/A HFC Bank**

**Terms of Reference**

**for**

**Banking Agent**

## **1. Introduction**

Home Finance Company Limited T/A **HFC Bank** is the only locally owned Fiji's bank. It was established in June 1962 at the initiative of the British Overseas Development Corporation (now Commonwealth Development Corporation) in partnership with the Government, primarily to provide Government-guaranteed assistance for housing finance to civil servants. Over the years, it has transformed into licensed credit and now a bank. HFC is currently owned by Fiji National Provident (FNPF and Unit Trust of Fiji (UTOF), 75 and 25 per cent respectively. It is registered under the Companies Act (Cap 247) and also regulated and supervised through the Banking Act 1995 by Reserve Bank of Fiji (RBF) which is supplemented with various Supervision Policies, enactments and statutory requirements.

## **2. Objectives**

The bank with its object to expand its reach to wider parts of Fiji, calling for Expression of Interest from reputable chain of stores, distributors, postal services providers, bill payment agents and telecommunication providers for this engagement. Agent banking is a banking model whereby retail outlets and those mentioned above act as agents for the bank in areas where banks do not have sufficient incentive or capacity to establish formal branches.

The agency platform would have objective to:

1. Support State and Regulator aspirations of financial inclusion and accessibility program;
2. Provide reasonable level banking services such as, but not limited to offering cash in and cash out transactions using communication technologies which will electronically link the transactions to the bank using a mobile phone, card and/or a Point of Sale (POS) device;

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3. Provide new customers to fill in account opening forms and/ or open new accounts and or collect KYC (Know Your Customer) documents to be sent to HFC bank;
  4. Provide any other proliferation of services that could be mutually agreed, in meeting the intended objectives

### **3. Scope**

The scope of the agent may include but not limited to:

- Cash in (Deposits);
- Cash out (Withdrawals);
- Necessary Document collection for Account Opening forms (KYC);
- Opening of accounts;
- Repayments of Loans;
- Bills Payment;
- Salary Payments;
- Funds Transfer;
- Balance Enquiry;
- Document collection for debit and credit (upon availability) cards loan applications.

### **4. Timeframe**

The Bank is looking at setting up the platform within three months once the agent is selected with necessary training on the policies, procedures provided accordingly.

## **5. Fees and Commissions**

HFC has approved transaction fee of \$0.30 on its platform and intends to apply \$0.80 through interchange mode. In addition for any new accounts with commission being \$1.00 per account opened.

Should the scope of engagement extend, then mutually agreed Fees and Commissions will be discussed.

## **6. Budget & Technical Specifications**

The intended agents have to advise of any additional cost, (if any) and technical specifications of any platforms should be part of the agency engagement.

## **7. Other Consideration**

The engagement is subject to meeting all internal HFC Bank policies and regulatory requirements. In particular, the Reserve Bank of Fiji's Banking Supervision Policy Statement No 18 on Agent Banking Guidelines.

## **8. Contacts**

More information be obtained by contacting: General Manager Risk & Governance, Mr. Raj Sharma on telephone 3239130/9991277 or e-mail: rajs@hfc.com.fj, General Manager Information Technology, Mr. Sailesh Lal on telephone 3239301/ 9991276 or email: saileshl@hfc.com.fj or Banking Project Officer, Mr. Akash Anand on telephone 3239136 or email akasha@hfc.com.fj