

# SMME LOAN PRODUCTS



**EswatiniBank**

Grow With Us, Sifutfuke Nawe



## **1. BRIDGING FINANCE**

- This is a short term facility to help customers meet orders/tenders/contracts promptly.
- The repayment period for this facility does not exceed six months.
- Financed orders/tenders/contracts are from reputable companies as determined by the bank.
- Repayment of the loan is made once off by the supplied company directly into our client's (supplier) account held with the bank.
- The order/tender/contract acts as security for the facility and applicants may be required to pledge immovable property and/or a certain percentage of cash as additional security.

## **2. OVERDRAFT FACILITY**

- This facility is open to already existing businesses, which are run through current accounts with the bank.
- It is used to acquire trading stock and to provide for working capital.
- The business's current account must have been operational for not less than six months to qualify for this facility.
- It is available to both sole traders and companies.
- Finance is available for any amount depending on the viability of the business and directors'/proprietor's capabilities to run the business.

- The form of security offered for the facility may be an immovable property and/or a certain percentage of cash as additional security plus a tender/contract/order.
- This facility is repayable on demand and renewable after twelve months.

### **3. BUSINESS LOANS**

- This facility is open to customers who are already in business and those who wish to venture into such.
- The facility is used for the acquisition of business, stock and business equipment.
- It is open to both sole traders/proprietors and companies.
- Finance is available for any amount depending on the viability of the business, directors'/proprietor's capabilities to run the business efficiently and the form of security offered for the facility.
- The facility is repayable over a period not in excess of 36/60months(3/5 years).

### **4. SMALL SCALE LOAN GUARANTEE SCHEME (CBS SCHEME)**

- This facility is open to start-ups or already existing businesses that are engaged in any industry such as retail, agriculture, commerce, tourism, construction, etc.
- This facility could be used for the acquisition of fixed assets, working capital and order/tender/contract financing.

- An eligible small-scale enterprise should be owned by a Swazi national or by a legal entity, in which Swazi Nationals have at least 75% ownership.
- This facility has a maximum credit amount of E500,000 repayable over a period not exceeding 5 years.

## **SMME LOANS REQUIREMENTS**

- Business Plan with a clear breakdown of how the funds will be utilised, (not required for Bridging Finance).
- Curriculum Vitae of key personnel in the business.
- Copy of orders/contracts/tenders where applicable.
- Cash-flow projections for the duration of the facility (maximum of 12 months).
- Trading Licence.
- Copy of valid lease agreement or proof of ownership of operating premises.
- Audited financial statements for the past two years (for existing businesses).
- Bankers' report and bank statements for the last six months (for businesses banking with other banks).
- Memorandum and Articles of Association.
- Company Form J and Form C.
- Certificate of Incorporation.

## **SMME LOANS REQUIREMENTS - Continued**

- Company's resolution to borrow.
- Copies of IDs for the Directors.
- Training & mentoring from accredited service provider.
- Quotations of material to be purchased.

## **SECURITY**

- First mortgage bond over immovable property.
- Cession of insurance policy.
- Cession of proceeds from Tender/contract/order.
- Deed of hypothecation over movable assets.
- Cession of deposit accounts held with the Bank (at least a minimum of 25% for Bridging Finance, Overdraft & Business loan).
- Cession of deposit accounts held with the Bank (at least a minimum of 5% for CBS SCHEME for new businesses and 15% for existing businesses).
- Personal guarantees by the directors of the company.
- Any other form of acceptable and disposable security.