

SME LOAN APPLICATION GUIDELINE

PRODUCT NAME	CBN N50 BILLION TARGETED CASH-FLOW LENDING
PRODUCT DESCRIPTION	Targeted Cash flow-based Lending: This offers an avenue for loans to be processed for customers based on established sufficient cash flow capacity of each customer, as the major consideration for lending.
TARGET MARKET	The fund is targeted at credit worthy businesses with good track record in their line of business, and who meet the acceptable cash-flow requirements and whose businesses are demonstrably adversely affected by the COVID-19 pandemic
ELIGIBILITY	<ul style="list-style-type: none"> • The Bank will assess the capacity of the customer through the customer's business history; via total account statement turnover (with NMFB and other banks), however this would not be the only tool used to determine customer's eligibility. (Note: Where a review of the customer's account statement raises fundamental issues, the bank reserves the right to make decisions as considered appropriate). • Customers who have agreed to allow the NMFB Credit unit assess their financial records. • Customer must show that the request is justified by the level of sales proceeds evident in the account statement turnover. Also, the customer's books (ledger) should also justify the numbers. • Evidence of opportunity cost or adverse impact as a result of COVID-19 pandemic
DOCUMENTATION REQUIRED	<ul style="list-style-type: none"> • Loan application letter • Duly completed application form • Guarantor form • A valid means of ID (national ID, driver's license, voter's card or international passport) • Current utility bill (Applicant & Guarantor) • 2 recent passport-size photographs • BVN
TERMS & CONDITIONS	<ul style="list-style-type: none"> • Flexible and moveable collateral options shall be admitted and registered under the Collateral Registry Bureau. • Forfeiture Undertaking and Power of Attorney agreement to be signed by customer, giving NMFB rights to take over pledged assets in instance of loan default. • Insurance cover on the asset financed or asset availed as flexible collateral, with the NMFB noted as the first loss payee. • Customer must have a verifiable supplier/s who he/she must have had a business relationship with for a minimum of 6 months.

	<ul style="list-style-type: none"> • Loan amount must match loan repayment and 5% p.a till February 28, 2021 and 9% subsequently loan purpose. • Domiciliation of proceed with NIRSAL MFB
FACILITY TYPE	Term Loan
SINGLE OBLIGOR LIMIT	N25m
LOAN TENOR	Maximum of 36 months
MORATORIUM	At least 12 months
PRICING	
REPAYMENT STRUCTURE	Installment basis, according to the nature of enterprise

COLLATERAL REQUIREMENT

SME	Possible Collateral
Mini SME: 3 - 10m	<ul style="list-style-type: none"> • Any describable movable asset with a serial number that can be used for registration on the collateral registry worth 70% of the loan amount. • Comprehensive insurance over the asset with NMFB as first loss Payee. • Personal Guarantee of Business Promoter • Irrevocable domiciliation of proceeds • Acceptable Guarantor (1)
SME: 10 - 15m	<ul style="list-style-type: none"> • Any describable movable asset with a serial number that can be used for registration on the collateral registry worth 70% of the loan amount. (Comprehensive insurance over the asset with NMFB as first loss) Or; • Simple Deposit of title documents in perfectible state • Search will be conducted at customers cost • (Ground rent will be up to date and all perfection letters to be executed) • Irrevocable domiciliation of proceeds. • Personal Guarantee of Business Promoter • Acceptable Guarantor (2)
SME Plus: 15 - 25m	<ul style="list-style-type: none"> • Simple Deposit of title documents worth 70% of the loan amount in perfectible state • Search will be conducted at customers cost • (Ground rent must be up to date and all perfection letters to be executed) • Personal Guarantee of Business Promoter • Irrevocable domiciliation of proceeds • Acceptable Guarantor (2)

