

LOAN PROCEDURES

ELIGIBILITY

Loan funds are for businesses in British Columbia.

Funds are for business related purposes only.

Applicants must have financial involvement and investment in the business venture.

BUSINESS LOANS

Fully repayable with a maximum term of FIVE years with a floating interest rate (dependent on risk). There are no prepayment penalties. All loans must be fully secured with personal or business assets.

APPLICATION PROCESS

Attached application form must be filled out completely and signed BEFORE the process can begin. Each owner/shareholder must complete an application form. References are required and as a courtesy please inform these references that they may be contacted. **Also, a duly signed Authorizing or Cancelling A Representative AND Business Consent Form needs to be attached to the application form.**

A business plan is required. We can assist with the development of this plan, however each loan applicant must take ownership and responsibility for their own plan.

Additional documents and information will be required to fully consider the application. Information reviewed includes credit checks, security valuation, three years financial information, supply and sales agreements, market research, etc.

Application process must be fully completed at least one week prior to loan committee meeting.

LOAN APPROVAL

Loan Approval is determined by a local volunteer committee (quorum of three), which meets approximately every second Tuesday.

A decision regarding applications is usually made the day of the committee meeting. Occasionally, additional information may be requested by the committee before a final decision is made.

LOAN ACCEPTANCE

Once approved, a Letter of Offer, which lays out the terms and conditions of the loan, is signed.

The security offered for the loan must be legally registered and all other legal documentation completed, this will require additional processing time.

DISBURSEMENT

Loan funds can only be disbursed after the completion of all legal documentation.

Disbursements are generally made directly to agencies or suppliers. Copies of invoices, quotes or proof of debt are required at least 2 days prior to the day the cheque(s) are issued. Cheques are usually processed once weekly.

TIMELINES:

Business financing involves many variables: developing a business plan, security valuation, our due diligence (verification of information), committee approval, legal registration and disbursement of funds can take varying lengths of time. Please allow adequate time for all these steps.

REPAYMENT

Loan payments are by pre-authorized debit (taken from your account at 12:01am) on either the 1st or 15th of each month.

ON-GOING RELATIONSHIP

Loan clients are encouraged to access our staff and services for continued support of your changing business needs.

PLEASE RETAIN THIS SHEET - IT IS A GOOD REFERENCE FOR THE ENTIRE LENGTH OF YOUR LOAN WITH US.