

# \*The Enhanced Credit Guarantee Fund

## Summary Sheet

### What is the Enhanced Credit Guarantee Fund?

It is a partial credit guarantee fund which has been established to assist small and medium-sized enterprises in obtaining short, medium and long-term financing by providing security to eligible financial Institutions for new loans.

### What are the eligibility criteria for a business seeking to access the Fund?

- The business must be incorporated and registered to operate in Barbados.
- Its annual sales should not exceed BBD\$20 million.
- Its total assets should not exceed BBD\$20 million.
- The number of employees should not exceed 200 persons.

### What are the business sectors for which guarantees can be provided?

Guarantee support can be provided to small and medium-sized enterprises involved in agriculture, commerce, industry and the services sectors.

### What activities can be guaranteed?

- The purchase of land and buildings
- The purchase of equipment and machinery.
- The expansion and improvement of infrastructure.
- The implementation of new technology, techniques and processes.
- An increase in permanent working capital, which is tied to an investment loan.

*Please note that all loans must be directly related to the company's activity and loans previously financed by an Intermediary Financial Institution will not be eligible.*

### What are the main features of the Guarantee?

- Guarantees can only be issued for new loans.
- Guarantees can be provided on loans up to USD\$1 million (BBD\$2 million) per project.
- Guarantees outstanding cannot exceed USD \$3 million (BBD\$6 million) for any one business.
- Guarantees may be provided for up to 80% of the credit facility.
- The maturity period of guaranteed loans shall not exceed ten (10) years.
- A premium rate of 0.75% per annum is charged on the loan facility.

### What interest rate will be applied to credit guaranteed under this Fund?

The interest rate is determined by the financial intermediary extending the credit.

### Where can I apply for the Fund?

- Capita Financial Services Inc.
- CIBC FirstCaribbean International Bank (Barbados) Limited
- Consolidated Finance Co. Limited
- Enterprise Growth Fund Limited
- First Citizens Bank (Barbados) Limited
- RBC Royal Bank (Barbados) Limited
- Republic Bank (Barbados) Limited
- SigniaGlobe Financial Group Inc.

