

Application for Finance

Development Bank of Namibia



**Development
Bank of Namibia**

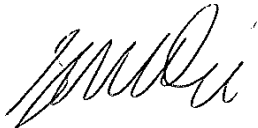
Expect more.

A Note from the CEO

If you have this document in your hands, no doubt you have taken a right step towards the realisation of your planned business objectives. By approaching the Development Bank of Namibia, you are now exposed to a variety of financial solutions tailor-made for your business needs. The Bank is committed to finance enterprises which have potential to impact on the economy positively.

The team of professional DBN staff will assist you from the day you submit your application, throughout the process to the day you start with drawdowns on your approved loan facility. In an event that your application for funding is unsuccessful, you are at liberty to appeal to the Head of Lending's office for reconsideration of your application. I have full confidence in the integrity of our loan appraisal system and we value your application.

I wish you well in your business endeavor.



Martin Inkumbi

Chief Executive Officer,

Development Bank of Namibia

General Information

The Development Bank of Namibia Limited (DBN)'s Loan Facilities assist businesses to start or expand their business operations with loans offered by the DBN. Requirements restrict financing, however, to transactions with a minimum **turnover of N\$5 million per annum**.

Eligibility

- Viable start-up of a business with potential for sustainability.
- Expansion of an existing business.
- Management buy-in, into an existing business.
- Management buy-out (take-over) of a business
- Project finance
- Asset finance (as part of a business proposal)
- Contract based finance
- Franchise financing

Criteria for possible qualification

- The business must be located in the Republic of Namibia and or expand into the SADC region.
- The business must create or retain employment for Namibian citizens.
- Owners' equity contribution of between 10 (ten) to 30 (thirty) per cent may be required for start-up projects.
- Expansions may be financed with up to 100 per cent debt.
- Collateral may be required depending on project specifics and risks.
- Majority Namibian ownership which is 51 per cent or more is a prerequisite.

Interest rates

Interest rates are related to the DBN's Base rate and are determined by DBN and depend mainly on cost of funds and project risk.

Financial Intelligence Act (FIA) compliance

The Development Bank of Namibia Ltd (DBN) fully complies with the Financial Intelligence Act, Act No. 13 of 2012 (FIA) as well as the Financial Intelligence Regulations of 28 January 2015.

The DBN will not be held liable for any damages or losses, whether monetary or otherwise, incurred by a DBN client as a result of any intervention from the Regulator, the Bank of Namibia and/or the Financial Intelligence Centre, should the account of the DBN client become the subject of an investigation in terms of the above stated Financial Intelligence Act or the Regulations.

Loan Application Procedures

1. Please complete the application form.
2. Submit all supporting documentation with the application form (**refer to appendices to the application form**).
3. Copies of supporting documents submitted should be certified (DBN certification is preferred where possible¹).
4. Upon acceptance of a complete application, an acknowledgement letter will be issued with a reference number.
5. Applicants may be requested to submit additional information to DBN during the submission or the appraisal phase and a return period will be specified in such instances. If information is not provided in such reference periods the application will be closed.
6. Applicants may be requested to make a formal presentation to DBN as part of the appraisal process.
7. DBN will review the application in accordance with stipulated criteria and will inform an applicant of one of the following outcomes:
 - Application approved.
 - Application referred for further development in collaboration with the applicant.
 - Application declined.
8. The **approval, decline, or referral of a proposal** is entirely at the discretion of DBN and clients will be informed upon such decision by the DBN.
9. Please refer to the **appendices to this application** form for general information regarding **required documentation**, a project plan and a business plan **guide**.
10. **Billing Means:** Please indicate to us by ticking appropriate box how you would want your statement if you are a DBN client:

Email	<input type="checkbox"/>
Post	<input type="checkbox"/>
Fax	<input type="checkbox"/>

¹ DBN has internal Commissioners of Oath and will gladly assist with certifying documents on behalf of client given the copies and originals are provided.

Submission of Loan Application Form

Details of applying business (Please complete all relevant section)

Business name	
Business registration number	
Contact Person Authorised to act on behalf of the business as per Resolution held	
Preferred contact Number	
Office telephone Number	
Registered Trading Address (Physical address of business)	
Postal address	
Email address	
Fax number	

Business banking details²

Name of Bank		Branch Name	
Account name		Account Manager	
Main Account Number		Branch Tel No.	
Email of account manager		Account Manager Tel No.	

Business legal form

Close Corporation	<input type="checkbox"/>	Proprietary Limited – Pty (Ltd)	<input type="checkbox"/>
Sole Proprietor	<input type="checkbox"/>	Other (<i>e.g. partnership, trust, etc.</i>)	<input type="checkbox"/>

² This section must be certified as true by any branch of the commercial bank where account is held, by stamping it and it is critical for processing your application.

Ownership - details for all shareholders with interests greater than 20% or more³

Shareholder/Member/ Partner Name - 1		ID / Reg. no.		Married (Y/N)
Residential Address		Postal Address		
Position if in Management		% Interest	%	
Name of Bank		Branch Name		
Account name		Account Manager		
Email address of account manager:				Account type
Main Account No		Branch Tel No.		
Email for member		Cell number for member		
Shareholder/Member/ Partner Name - 2		ID / Reg. no.		Married (Y/N)
Residential Address		Postal Address		
Position if in Management		% Interest	%	
Name of Bank		Branch Name		
Account name		Account Manager		
Email address of account manager:				Account type
Main Account No				
Email for member		Cell number for member		
Shareholder/Member/ Partner Name - 3		ID / Reg. no.		Married (Y/N)
Residential Address		Postal Address		
Position if in Management		% Interest	%	
Name of Bank		Branch Name		
Account name		Account Manager		
Email address of account manager:				Account type

³ Please copy this sheet in event that more partners need to be reported on.

Main Account No			
Email for member		Cell number for member	

Regional classification of loan

Erongo		Hardap		Karas		Kavango (East)		Kavango (West)		Khomas	
Kunene		Ohangwena		Omaheke		Omusati		Oshana		Oshikoto	
Otjondjupa		Zambezi		Multiple regions							

Note: please mark with an X next to region where bulk of money would be spent

Urban or Rural classification

Urban	
Rural	

Note: please mark with an X next Urban or Rural where bulk of money would be spent

Economic sector

Agriculture & forestry		Fishing & fish processing		Mining & quarrying		Communication	
Electricity		Water		Construction		Retail	
Hospitality		Tourism		Transport			
Health		Education		Other (specify)			

Empowerment previously disadvantaged Individuals (PDI)

	Percentage of Total	
	Year 1	Year 2 and beyond
Shareholding of overall PDI (% of total shares)		
Board of Directors from PDI (% of total directors)		
Shareholding of women (% of total shares)		
Youth shareholding (% of total shares)		
Other PDI (specify)		

Employment

Current		Projected (one year)	
Full time		Full time	
Part time		Part time	
Youth employed		Youth employed	

Products Types and Products Offerings (please select appropriate)

Sector	Facility	Product Offering's under facility	Please <input checked="" type="checkbox"/> Where applicable
Private Sector	Contract Based Financing	Performance Guarantee	
		Suspensive Sale Agreement (Vehicle and Asset Financing)	
		Term Loan	
	Enterprise Development Financing	Performance Guarantee	
		Suspensive Sale Agreement (Vehicle and Asset Financing)	
		Term Loan	
	Franchise Financing	Suspensive Sale Agreement (Vehicle and Asset Financing)	
		Term Loan	
	Project Financing	Term loan	
		Equity Finance	
		Suspensive Sale Agreement (Vehicle and Asset Financing)	
	Public Sector	Local Authority Financing	Suspensive Sale Agreement (Vehicle and Asset Financing)
Term Loan			
Public Enterprise Financing		Suspensive Sale Agreement (Vehicle and Asset Financing)	
		Term Loan	
Public Private Partnership	Project Financing	Equity Finance	
		Term loan	
		Suspensive Sale Agreement (Vehicle and Asset Financing)	

Funding Requirement

Product selection	Amount (N\$)	Duration of requirement	Preferred repayment frequency (Monthly / Quarterly, etc.)	Preferred grace period required (in months)
Contract Based Finance Facility	N\$			
Enterprise Development Financing	N\$			
Equity Finance Facility	N\$			
Franchise Financing	N\$			
Performance Guarantee	N\$			
Project Financing	N\$			
Suspensive Sale Agreement (Vehicle and Asset Financing)	N\$			
Term Loan	N\$			
Local Authority Financing	N\$			
Public Enterprise Financing	N\$			
Public/Private Partnership	N\$			
Other:	N\$			
TOTAL	N\$			

Uses of Funds

Purpose	Amount	Percentage
Property acquisition (land and buildings)	N\$	%
Equipment, Machinery, Vehicles, etc.	N\$	%
Working capital	N\$	%
Inventory/ trading stock	N\$	%
Other (specify)	N\$	%
TOTAL	N\$	%

Collateral Offered to DBN

**Description of Collateral Offered ⁴	Amount (N\$)
1.	N\$
2.	N\$
3.	N\$
4.	N\$
5.	N\$
TOTAL	N\$

Tender Based Finance (Only applicable in cases of Tender/Contract Based Finance)

Tender/Contract Description			
Tender/Contract No			
Tender/Contract Value			
Date of Commencement			
Duration			
Entity awarding Tender/Contract			
Ministry	<input type="checkbox"/>	Local Authority	<input type="checkbox"/>
Parastatals	<input type="checkbox"/>	Company	<input type="checkbox"/>
NGO	<input type="checkbox"/>	Main Contractor (specify):	<input type="checkbox"/>

⁴ Collateral refers to items used to secure the loan such as a bond on a property and equipment purchased with the DBN loan, for example Continuing Covering Mortgage Bonds, Cession on Investments, Cessions on Life Policies, Suretyships etc...)

Details of Entity awarding Tender/Contract			
Name of Entity		Email Address	
Contact Person		Tel No.	
Physical Address		Cell No.	
Postal Address			
Previous or current Tenders/Contracts (<i>if applicable</i>)			
Name of Entity	Description	Reference Name	Contact No.
1.			
2.			
3.			
4.			

Acknowledgement

I, the undersigned,

_____, with identity number _____

HEREWITH acknowledge and understand that:

1. the bank will be entitled to make enquiries about my payment profile and credit performance history for the purposes of compiling a credit assessment as provided for in the Bank of Namibia Act 1997: Credit Bureau Regulations (Regulation 15 and 16);
2. the assessment will relate to both favourable and unfavourable credit performance information (Regulation 15 and 16);
3. the bank will be obligated to provide such credit performance information to all credit bureaus and credit providers which have subscribed to receive credit performance information from credit bureaus and such information will include both favourable and unfavourable information (Regulation 22);
4. without any notice to me, the bank will be obligated and entitled to inform credit bureaus in the event that I default on this credit agreement, fail to effect payment or make late payment in terms of this agreement (Regulation 14(2)).
5. I have satisfied myself to the meaning and consequences of the above-mentioned.

Signature

Place

Date

RESOLUTION BY

**A COMPANY/CLOSE CORPORATION (“the Entity”) TO OBTAIN BANKING FACILITY
FROM THE DEVELOPMENT BANK OF NAMIBIA Reg. No. 2003/189 (“DBN”)**

“At the meeting of the Director(s)/Members(s) of:

Entity(s) Name: _____ Reg. No. _____

held at _____ on the _____ day of _____ 2015

resolved that the Entity herewith borrows

N\$ _____

(_____ Namibia Dollars) from DBN

And that

Name(s): _____

in his/their

Capacity(s): _____

be authorised to sign the **Application Form**, all **Loan Agreement** as well as all **Collateral Documents** and any other documents in connection therewith, and to bind the Entity to all the Terms and Conditions thereof”

Certified a true and correct.

Director/Member Signature

Date

Director/Member Signature

Date

Director/Member Signature

Date

Director/Member Signature

Date

Appendix A:

Documents to be submitted together with the Application form

GENERAL DOCUMENTS *(Applicable to all)*

1. Complete signed loan application (this form)
2. Business Plan (Not applicable in case of tender based applications)
3. Bank Statement, with banking details of applicant (business) for past 12 months
4. Proof of residence of the (Member's/Shareholder's/Sole Proprietor/Partnership). e.g. Municipal bills, lease agreement or police declaration.
5. Proof of Tender / Contract between Employer and Contractor (if applicable)
6. Projected Cash flow Statement for the next 36 months or duration of contract for contract based financing.
7. Quotations supporting the Projected Cash flow Statement for the next 36 months
8. Original Certificate of Good Standing from Ministry of Finance *(Valid for 60 days)*
9. Original Income Tax Certificate
10. Original Good Standing Certificate from SSC *(Valid for 60 days)*
11. Certified Copy Certificate of Fitness from the Municipality (Proclaimed areas)
12. Non – Namibian - Certified copies of Foreign Identification Documents or Foreign Valid Passport or Permanent Residential No. (Individual/Partners)
13. Non – Namibian – Proof of Residence in country of Domicile (Individual/Partners)
14. Ownership and reporting structures of Company/Closed Corporation

Additional Documents in case of a **CLOSE CORPORATION**

1. Certified copies of Founding and where applicable, Amended Founding Statement
2. Certified copy of Certificate of Incorporation
3. Certified copies of Identity document of the member(s) of the Close Corporation
4. If member is married, certified copies of spouses ID, Marriage Certificates, and or Antinuptial Contract
5. If business is operational for 6 months or more Annual Financials is required. In event of a dormant business Dormant Letter by accounting officer is required
6. Member(s) personal bank Statement, with banking details for the past 6 months

Additional Documents in case of a **COMPANY**

1. Certified copy of Articles of Association
2. Certified copy of Memorandum of Association
3. Certified copy of Certificate of Incorporation
4. Certified copy of CM29 / List of Directors of the company
5. Certified copy of Identity document of the Shareholder(s) of the Company

6. If business is operational for 6 months or more Audited Annual Financials is required. In event of a dormant business Dormant Letter by accounting officer is required
7. Shareholder(s) bank Statement with banking details for the past 6 months. (Only applicable to shareholding of 20 percent and more)
8. If shareholder(s) is married, certified copies of spouses ID, marriage certificates, and or antinuptial contract. (Only applicable to shareholding of 20 percent and more)

Additional Documents in case of **SOLE PROPRIETOR/PARTNERSHIP**

1. Certified copy Certificate of Registration of Defensive Name (Sole Proprietor/Partnership)
2. Namibians - Certified copies of Namibian ID or Valid Passport (Individual/Partners)
3. If married, certified copies of spouses ID, marriage certificates, and or antinuptial contract
4. Personal Balance Sheets (Assets and Liabilities)
5. Income statement (Income and Expenditure)

Additional Documents in case of **BUILDING/CONSTRUCTION**

1. Bill of Quantity
2. Total Cost Outline (inclusive of Cost of Bill of Quantity and Professional Fees)
3. Approved Building Plans or evidence that Building Plans has been submitted for approval
4. Approval Sectional Titles from the Municipality (if applicable)
5. Signed Agreements between Contractor/Sub-Contractor and the Employer
6. Profiles of Identified Professional Team (The Applicant/Building Contractor/Project Manager/Civil Engineers/Quantity Surveyor/Estate Agents)
7. Sales agreement in the case of both Vacant Land and Existing Building
8. Environmental and Social Impact Assessment study (Only for listed activities)
9. Environmental and Social Management Plan (For all applications)
10. Environmental Clearance from the Office of The Environmental Commissioners Office within the Ministry of Environment and Tourism (Only for listed activities)

Additional Documents in case of **MANUFACTURING**

1. Offtake agreements and supply agreements
- 2.
3. Plant design, Bills of Quantity and layout
4. Environmental and Social Impact Assessment study (Only for listed activities)
5. Environmental and Social Management Plan (For all applications)
6. Environmental Clearance from the Office of The Environmental Commissioners Office within the Ministry of Environment and Tourism (Only for listed activities)

Additional Documents in case of **MINING**

1. Offtake agreements
2. Mining license
3. Mine development plan
4. Environmental and Social Impact Assessment study (Only for listed activities)
5. Environmental and Social Management Plan (For all applications)

ENVIRONMENTAL CLEARANCE *from the Office of The Environmental Commissioners Office within the Ministry of Environment and Tourism* (Only for listed activities)

The relevant environmental documents are required to meet the requirements of the DBN Environmental and Social Management (ESMS) Policy Framework and Standards and, also to comply with Namibian Legislation as Gazetted in Government Gazette No. 4878 especially;

- Government Notice No. 28 Commencement of the Environmental Management Act, 2007
- Government Notice No. 29 List of activities that may not be undertaken without Environmental Clearance Certificate: Environmental Management Act, 2007
- Government Notice No. 30 Environmental Impact Assessment Regulations: Environmental Management Act, 2007

Appendix B: Project plan guide

Documentation

Covering letter

Index (contents)

Executive summary (using guidelines detailed below)

1. Company information

1.1 Name

1.2 Business location

1.3 Description of business, range of products or services (current and future)

1.4 Background (business strategy, regulations, sector analysis)

1.5 Sources of funding (borrower, DBN, government, commercial bank, donor etc.)

2. Management plan

2.1. Organisational structure

2.1.1 Management (organogram) and personnel (waged and salaried - from year 1 to 3)

2.1.2 Experience and technical ability of management/applicants

2.1.3 Ownership structure (shareholder agreements)

2.1.4 Strategic alliances (if any)

3. Marketing plan

3.1 Industry analysis

3.1.1 SWOT analysis

3.1.2 potential markets (target)/market share estimates

3.1.3 market segments

3.1.4 competition and/or substitute products

3.2 Marketing strategy

3.2.1 Product strategy

3.2.2 Pricing strategy

3.2.3 Promotion and advertising strategy

3.2.4 Distribution strategy

3.2.5 Sales strategy (local vs export)

4. Operations / manufacturing information

4.1 Business process (activity) description

4.2 Existing assets (land, equipment, buildings) and capacities and costing

4.3 Raw material supplies and costing

4.4 Organisation of operations and outputs

5. Financial information

- 5.1 Historical financial statements and income tax returns: three years
 - 5.1.1 Balance sheet
 - 5.1.2 Income statement
 - 5.1.3 Cash flow statement
 - 5.1.4 Income tax returns

- 5.2 Forecasts: budgeted / projected (Please provide electronic version of forecasts as well)
 - 5.2.1 Key assumptions
 - 5.2.2 Sales projections
 - 5.2.3 Income projections: profit/loss
 - 5.2.4 Break-even analysis
 - 5.2.5 Pro-forma balance sheet
 - 5.2.6 Cash flow projections
 - 5.2.7 Financial ratios: debt-to-equity, cash flow to capex, capex per jobs created, etc.

6. Critical success factors

- 6.1 Indicate the critical elements that need to be in place for the business to succeed
 - 7.1.1 Personnel (availability of skills, availability of staff, training needs, etc.)
 - 7.1.2 Raw materials
 - 7.1.3 Technology and equipment
 - 7.1.4 Foreign currency / imports
 - 7.1.5 Other

7. Environmental Impact Assessment (where applicable)

- 7.1 Environmental impact assessment study results
- 7.2 Environmental management plan

8. Economic and or development impact

- 8.1 Stimulation of target economic sectors and or geographic area
- 8.2 Projected job creation: New and or temporary jobs
- 8.3 Empowerment impact: ownership structure, capacity building, skills transfer , breakdown of shareholding

9. Supporting documentation

- 9.1 Documentation required to operate business: e.g. fuel retail license, license to operate, operating agreements with contractors, etc.

Appendix C:

Appendix C: Business plan guide

Documentation

Index (contents)

Executive summary (using guidelines detailed below)

1. Company information

- 1.1 Name
- 1.2 Business location
- 1.3 Description of business, range of products or services (current and future)
- 1.4 Background (business strategy, regulations, sector analysis)
- 1.5 Sources of funding (borrower, DBN, government, commercial bank, donor etc.)

2. Management plan

- 2.1. Organisational structure
 - 2.1.1 Management (organogram) and personnel (waged and salaried - from year 1 to 3)
 - 2.1.2 Experience and technical ability of management/applicants
 - 2.1.3 Ownership structure (shareholder agreements)
 - 2.1.4 Strategic alliances (if any)

3. Marketing plan

- 3.1 Industry analysis
 - 3.1.1 SWOT analysis
 - 3.1.2 potential markets (target)/market share estimates
 - 3.1.3 market segments
 - 3.1.4 competition and/or substitute products
- 3.2 Marketing strategy
 - 3.2.1 Product strategy
 - 3.2.2 Pricing strategy
 - 3.2.3 Promotion and advertising strategy
 - 3.2.4 Distribution strategy
 - 3.2.5 Sales strategy (local vs export)

4. Operations / manufacturing information

- 4.1 Business process (activity) description
- 4.2 Existing assets (land, equipment, buildings) and capacities and costing
- 4.3 Raw material supplies and costing
- 4.4 Organisation of operations and outputs

5. Financial information

- 5.1 Historical financial statements and income tax returns: three years
 - 5.1.1 Balance sheet
 - 5.1.2 Income statement
 - 5.1.3 Cash flow statement
 - 5.1.4 Income tax returns
- 5.2 Forecasts: budgeted / projected (Please provide electronic version of forecasts as well)
 - 5.2.1 Key assumptions
 - 5.2.2 Sales projections
 - 5.2.3 Income projections: profit/loss
 - 5.2.4 Break-even analysis
 - 5.2.5 Pro-forma balance sheet
 - 5.2.6 Cash flow projections
 - 5.2.7 Financial ratios: debt-to-equity, cash flow to capex, capex per jobs created, etc.

6. Critical success factors

- 6.1 Indicate the critical elements that need to be in place for the business to succeed
 - 7.1.1 Personnel (availability of skills, availability of staff, training needs, etc.)
 - 7.1.2 Raw materials
 - 7.1.3 Technology and equipment
 - 7.1.4 Foreign currency / imports
 - 7.1.5 Other

7. Environmental and Social Impact Assessment (where applicable)

- 7.1 Environmental and Social Impact Assessment study (where applicable) Environmental and Social Management Plan
- 7.2 Environmental Clearance from the Office of The Environmental Commissioners Office within the Ministry of Environment and Tourism (where applicable)

8. Economic and/or developmental impact

- 8.1 Stimulation of targeted economic sectors and/or geographic area
- 8.2 Projected job creation: primary
Empowerment impact: ownership structure, capacity building, skills
- 8.3 transfer,
breakdown of shareholding

9. Supporting documentation

- 9.1 Documentation required for operating business: e.g. fuel retail license, license to operate, operating agreements with contractors, etc.