



## TOURISM LOAN FUND

### **The Tourism Loan Fund can be used for the following purposes:**

1. Refurbishment, rehabilitation or renovation of accommodation properties with seventy-five rooms or less;
2. Accommodation properties of seventy-five rooms or less but which seek to expand to seventy-five or to more than seventy-five rooms so that these properties can benefit from economies of scale;
3. The complete rebuilding on the same site of an accommodation property of seventy five rooms or less;
4. The construction of new facilities, including buildings together with ancillary facilities and equipment, where the facilities are to be used for the purpose of carrying on a business which emphasizes our historical, cultural, and natural heritage;
5. The refurbishment, rehabilitation, renovation or expansion of existing facilities, including buildings together with ancillary facilities and equipment, where the facilities, are to be used for the purpose of carrying on a business, which emphasize our historical, cultural and natural heritage.

### **APPLICATION PROCEDURES**

Entities wishing to access funding from the Tourism Loan Fund should provide the following information and documentation in support of their application:

1. **A comprehensive business plan** which clearly demonstrates that the project is commercially viable. The business plan should include but not be limited to the following information:
  - a) A clear definition of the project;
  - b) The estimated total cost of the project supported by bills of quantity;
  - c) The amount of loan funds being requested;
  - d) Management skills;
  - e) The use of the proceeds of the loan;
  - f) Other sources of financing for projects whose total cost exceed the loan amount;
  - g) Details relating to shares and to the number of shares held by shareholders;
  - h) Realistic financial projections for 5 years (balance sheet and income statement), showing the ability of the entity to meet its debt-service obligations as well as a risk and sensitivity analysis;
  - i) Internal rate of return (hurdle guide between 10% and 12%);
  - j) Foreign exchange earning capacity;
  - k) Employment generation.



### **Tourism Loan Fund (Cont'd)**

2. **For existing entities, audited financial statements** (income statement and balance sheet) of the enterprise for the last three years immediately preceding the year of application.
3. **A copy of the following corporate documentation:**
  - a) A copy of the Certificate of Incorporation;
  - b) A copy of the Notice of Address or Notice of Change of Address of the entity's registered office;
  - c) A copy of the Notice of Directors or Notice of Change of Directors;
  - d) A copy of the Articles of Incorporation.
4. **Governmental or corporate approvals, permits and consents** required in connection with the execution of the project. These must be obtained and in full force and effect (proof provided to EGFL) prior to disbursement of funds.

**Prior to disbursement, the applicant must ensure that all N.I.S., taxes and P.A.Y.E are current, or that satisfactory arrangements have been made (proof provided to EGFL) to bring any arrears current.**

On completion of the due diligence process of the funding request and business plan, EGFL prepares and presents a Project Funding Memorandum for the review and approval of the Investment Committee.