

Bridging Loan Programme (BLP) 过渡性贷款配套What it is

The new Bridging Loan Programme (BLP) focuses on the needs of all companies, including non-SMEs, by improving their access to working capital. It is administered by SPRING Singapore and offered through 16 participating financial institutions. The BLP is in operation on a temporary basis.

	Scheme with effect from 1 Jan 09	Scheme with effect from 1 Feb 09	Changes with effect from 1 Feb 2010
Source of Funds	Government Capital	Government Capital or Bank Capital	No change
Use of Funds	Working capital, including unsecured credit	No change	No change
Maximum Loan Quantum	\$500,000	\$5 million	\$2 million
Interest Rate	Min. of 5.0%.	No change	Min. of 5.5%
Maximum Loan Tenure	4 years	No change	2 years
Eligible Companies	Companies with more than 10 employees (at least 30% local shareholding)	All locally owned companies, and foreign-owned SMEs ¹	No change
Risk Share	Govt: 50% PFI: 50%	Govt: 80% PFI: 20%	Govt: 50% PFI: 50%

PFI: Participating Financial Institution

For more information, including a list of partnering financial institutions, please contact:
EnterpriseOne Hotline
Tel: 6898-1800

¹ A foreign SME is defined as a company with less than 30% local shareholding, which also:

- a. has maximum \$15m FAI
- b. is incorporated in Singapore;
- c. is tax resident of Singapore; and
- d. has at least one individual shareholder directly holding at least 10% of total number of issued ordinary shares.
- e. contributes significantly to Singapore in terms of employment and value add

Micro Loan Programme 微型贷款计划

What it is

The Micro Loan Programme is a fixed interest rate financing programme for enterprises with no more than 10 employees. Administered by SPRING Singapore, Micro Loan is offered through 16 participating financial institutions.

	Before 1 Dec 08	Enhancements with effect from 1 Dec 08	Enhancements with effect from 1 Jan 09	Enhancements with effect from 1 Feb 09	Adjustments with effect from 1 Feb 10
Source of Funds	Government capital	No change	No change	No change	No change
Use of Funds	Unsecured working capital	No change	No change	No change	No change
Maximum Loan Quantum	\$50,000	\$100,000	No change	No change	No change
Interest Rate	Min. of 6.25%	No change	Min. of 5.0%	No change	Min. of 5.5%
Eligible Companies	<ul style="list-style-type: none"> • SMEs with no more than 10 employees • At least 30% of local shareholding • Group fixed assets are below \$15 million 	No change	No change	No change	No change
Risk Share	Govt: 50% PFI: 50%	Govt: 80% PFI: 20%	No change	Govt: 90% PFI: 10%	Govt: 70% PFI: 30%

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Local Enterprise Finance Scheme (LEFS) 本地企业融资计划

What it is

The Local Enterprise Finance Scheme (LEFS) is a fixed interest rate financing programme offering loans of up to \$15 million to encourage and assist local enterprises to modernise and upgrade their operations. Administered by SPRING Singapore, LEFS is offered through 16 participating financial institutions.

	Before 1 Dec 08	Enhancements with effect from 1 Dec 08		Enhancements with effect from 1 Jan 09	Enhancements with effect from 1 Feb 09	Adjustments with effect from 1 Feb 10
Source of Funds	Government capital	No change		No change	No change	No change
Use of Funds	Secured factory loan Machinery term loan Hire Purchase	No change		No change	No change	No change
Interest Rate	Min. of 6.25% (< 4 years) Min. of 6.75% (> 4 years)	No change		Min. of 5.0% (< 4 years) Min. of 5.5% (> 4 years)	No change	Min. of 5.5% (< 4 years) Min. of 6% (> 4 years)
Maximum Loan Quantum	\$15 million	No change		No change	No change	No change
Eligible Companies	Local SMEs	Local SMEs	Local Non-SMEs	No change	All companies (at least 30% local shareholding)	No change
Risk Share	Govt: 50% PFI: 50%	Govt: 80% PFI: 20%	Govt: 50% PFI: 50%	No change	Govt: 80% PFI: 20% (both SMEs and non-SMEs)	Govt: 70% PFI: 30% (both SMEs and non-SMEs)
Scope		Expanded to include financing of more types of construction equipment and heavy vehicles		No change	No change	No change

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Loan Insurance Scheme (LIS)

The Loan Insurance Scheme, which is currently in its third tranche (LIS3), helps Singapore-based companies to secure trade financing facilities from Participating Financial Institutions (PFIs) by insuring the loans against borrower's insolvency risks. The insurance premiums are co-shared between the government through SPRING Singapore and IE Singapore, and the borrower.

	Before 1 Dec 08	Enhancements with effect from 1 Dec 08	Enhancements with effect from 1 Jan 09	Adjustments with effect from 1 Feb 10
Source of Funds	Financial Institution	No change	No change	No change
Use of Funds	Trade finance lines comprising of: - Inventory/Stock Financing - Structured Pre-delivery working capital - Factoring/Accounts receivable discounting	No change	No change	No change
Max Loan Quantum	No limit but insurer has veto rights over \$1 million	No change	No change	No change
Eligible Companies	<u>Domestic Facilities</u> <ul style="list-style-type: none"> All companies with at least 30% local shareholding Company's fixed assets must not exceed S\$15mil Companies in the service industry must also have an employment size of not exceeding 200 workers <u>Export Facilities</u> <ul style="list-style-type: none"> Singapore-based companies with at least 3 strategic business functions in Singapore <u>Turnover Cap</u> <ul style="list-style-type: none"> Non-Trading Listed: <\$100m Non-Trading Privately-held: <\$200m Trading Listed: <\$200m Trading Privately-held: <\$500m 	<u>Domestic Facilities</u> All companies with at least 30% local shareholding <u>Export Facilities</u> Singapore-based companies with at least 3 strategic business functions in Singapore	No change	No change
Risk Share	Insurer: 75%, PFI: 25%	No change	No change	No change
Insurance Premium borne by Company	0.75%	0.75%	0.15%	0.45%

Loan Insurance Scheme Plus (LIS+)

On 1 February 2009, the Government launched a new version of the LIS3 scheme, LIS3+, which complements the existing LIS3, by having Government insure loans which are beyond the capacity of current LIS insurers.

	Scheme with effect from 1 Feb 09	Adjustments with effect from 1 Feb 10
Source of Funds	Financial Institution	No change
Use of Funds	Trade finance lines comprising of: - Inventory/Stock Financing - Structured Pre-delivery working capital - Factoring/Accounts receivable discounting	No change
Maximum Loan Quantum	\$15 million per borrower group	No change
Eligible Companies	<u>Domestic Facilities</u> - All companies with at least 30% local shareholding <u>Export Facilities</u> - Singapore-based companies with at least 3 strategic business functions in Singapore	No change
Risk Share	Government: 75% PFI: 25%	No change
Insurance premium borne by Company	0.5%	1%

Internationalisation Finance Scheme (IF Scheme) 国际化融资计划

The IF Scheme is a financing scheme to assist Singapore-based companies to expand overseas. Companies can tap on the IF Scheme to secure credit facilities from Participating Financial Institutions (PFIs) to acquire fixed assets for use overseas and/or to finance the working capital expenses of secured overseas projects.

	Before 1 Dec 08	Enhancements with effect from 1 Dec 08	Enhancements with effect from 1 Feb 09	Adjustments with effect from 1 Feb 10
Source of Funds	Financial Institution	No change	No change	No change
Use of Funds	<ul style="list-style-type: none"> Overseas fixed asset financing Structured Loan for secured overseas projects Banker's guarantee for secured overseas projects 	No change	Refinancing into the IF Scheme allowed	Refinancing into the IF Scheme <u>NOT</u> allowed
Maximum Loan Quantum	\$15 million	No change	Increase to \$50m per borrower group.	No change
Eligible Companies	Turnover caps <u>Non-Trading</u> <ul style="list-style-type: none"> Listed: <\$100m Privately-held: < \$200m <u>Trading²</u> <ul style="list-style-type: none"> Listed: <\$200m Privately-held: < \$500m 	Turnover caps <u>Non-Trading</u> <ul style="list-style-type: none"> <\$300m for both listed and privately-held <u>Trading</u> <ul style="list-style-type: none"> Listed: <\$300m Privately-held: no change 	No change	No change
Risk Share	Govt: 70% PFI: 30%	Govt: 80% PFI: 20%	No change	No change
Qualifying criteria	Borrower must be a Singapore-based company with at least three strategic business functions ³ in Singapore. Overseas business must complement the Singapore company's core operations and result in economic spin-offs to Singapore.			

² Refers to companies that derive more than 50% of its turnover from trading activities.

³ Strategic business functions refer to activities such as banking and finance, marketing and business planning, procurement/logistics, training and personnel management, investment planning/coordination, research and development, technical support and manufacturing.

Export Coverage Scheme (ECS)

The Export Coverage Scheme (ECS) was launched in March 2009 to provide Singapore-based companies with access to additional capacity of short term trade credit insurance against buyers default and to manage the rising costs of trade credit insurance. ECS is administered through programme manager, Aon Singapore and consists of two key components: (i) Insurance Premium Support and (ii) Top-up Arrangement.

The scheme will be extended till 31 Jan 2011 with no change to the current features:

	<u>Insurance Premium Support</u>	<u>Top-up Arrangement</u>
Eligible Companies	<ul style="list-style-type: none"> • Singapore-based companies with at least 3 strategic business functions⁴ in Singapore • Group turnover of no more than S\$80mil 	<ul style="list-style-type: none"> • Singapore-based companies with at least 3 strategic business functions in Singapore
Support Government by	<ul style="list-style-type: none"> • IE Singapore will subsidise 50% of the insurance premium for ECS policies held with Singapore-registered credit insurers • Subject to maximum premium subsidy of S\$100,000 per qualified Singapore-based company 	<ul style="list-style-type: none"> • IE Singapore will work with a pool of insurers to increase companies' access to additional trade credit insurance coverage by 2 times of their underlying policy, up to an additional S\$2mil per insured buyer.
Type of Cover	Insolvency and protracted default of end buyers	
Scope of Cover	Export and/or domestic sales	
Policy Period	1 year	
Indemnity Level	Up to 90% of net insured loss	

⁴ Strategic business functions refer to activities such as banking and finance, marketing and business planning, procurement/logistics, training and personnel management, investment planning/coordination, research and development, technical support and manufacturing.

PFI: Participating Financial Institution

For more information on LIS+, including a list of partnering financial institutions, please contact:

IE Singapore

Tel: 1800-IESPORE (1800-437-7673)

<http://www.iesingapore.gov.sg/lis>

List of participating financial institutions

Bridging Loan, Micro Loan and Local Enterprise Finance Scheme (LEFS)

1. Citibank
2. DBS Bank Limited
3. GE Commercial Financing (Singapore) Ltd
4. Hong Leong Finance Limited
5. IFS Capital Limited
6. Indian Bank
7. Maybank
8. ORIX Leasing Singapore Ltd
9. Oversea-Chinese Banking Corporation Limited
10. RHB Bank
11. Sing Investments & Finance Limited*
12. Singapura Finance Limited*
13. Standard Chartered Bank
14. The Bank of East Asia
15. The Hongkong and Shanghai Banking Corporation Limited
16. United Overseas Bank Limited

Loan Insurance Scheme (LIS)

1. DBS Bank Limited
2. GE Commercial Financing (Singapore) Ltd
3. Hong Leong Finance Ltd
4. Maybank
5. Oversea-Chinese Banking Corporation Limited
6. Standard Chartered Bank
7. The Bank of East Asia, Limited
8. The Hongkong and Shanghai Banking Corporation Limited
9. United Overseas Bank Limited

Internationalisation Finance Scheme

1. ABN AMRO
2. DBS Bank Limited
3. GE Commercial Financing (Singapore) Ltd
4. Hong Leong Finance Limited
5. IFS Capital Limited
6. Maybank
7. ORIX Leasing Singapore Ltd
8. Oversea-Chinese Banking Corporation Limited
9. Standard Chartered Bank
10. The Hongkong and Shanghai Banking Corporation Limited
11. United Overseas Bank Limited

* Micro-Loan and LEFS schemes only