

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

The Government is launching a new Bridging Loan Programme (BLP) which replaces the BLP announced in Nov 08. It aims to inject more Government loan capital through the banking system into viable businesses. The Programme 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 participating financial institutions.

The BLP will be in operation on a temporary basis for one year starting from 1 February 2009.

	Scheme which took effect on 1 Dec 08	New Scheme with effect from 1 Feb 09
Source of Funds	Government Capital	No change
Use of Funds	Working capital, including unsecured credit	No change
Interest Rate	<u>After 1 Jan 09</u> Minimum of 5.0%. (Announced on 30 Dec 08.) <u>Before 1 Jan 09</u> Minimum of 6.25%	No change
Maximum Loan Quantum	\$500,000	\$5 million
Eligible Companies	Companies with more than 10 employees (at least 30% local shareholding)	All locally owned companies, and foreign-owned SMEs ¹
Risk Share	Govt: 50% PFI: 50%	Govt: 80% PFI: 20%

PFI: Participating Financial Institution

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

Tel: 6898-1800

<http://www.spring.gov.sg/blp/>

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

- has maximum \$15m FAI
- is incorporated in Singapore;
- is tax resident of Singapore; and
- has at least one individual shareholder directly holding at least 10% of total number of issued ordinary shares.
- 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 14 participating financial institutions.

	Before 1 Dec 08	Enhancements which took effect from 1 Dec 08	Enhancements with effect from 1 Feb 09
Source of Funds	Government capital	No change	No change
Use of Funds	Unsecured working capital	No change	No change
Maximum Loan Quantum	\$50,000	\$100,000	No change
Interest Rate (depending on loan tenure)	Minimum of 6.25%	Minimum of 5.0% (< 4 years) (Announced in Dec 08)	No change
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
Risk Share	Govt: 50% PFI: 50%	Govt: 80% PFI: 20%	Govt: 90% PFI: 10%

PFI: Participating Financial Institution

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

EnterpriseOne Hotline

Tel: 6898-1800

<http://www.spring.gov.sg/microloan>

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 14 participating financial institutions.

	Before 1 Dec 08	Enhancements which took effect from 1 Dec 08		Enhancements with effect from 1 Feb 09
Source of Funds	Government capital	No change		No change
Use of Funds	Secured factory loan Machinery term loan Hire Purchase	No change		No change
Interest Rate (depending on loan tenure)	Minimum of 6.25% (< 4 years) Minimum of 6.75% (> 4 years)	Minimum of 5.0% (< 4 years) Minimum of 5.5% (> 4 years) (Announced in Dec 08)		No change
Maximum Loan Quantum	\$15 million	No change		No change
Eligible Companies	Local SMEs	Local SMEs	Local Non-SMES	Local SMEs and Non-SMEs
Risk Share	Govt: 50% PFI: 50%	Govt: 80% PFI: 20%	Govt: 50% PFI: 50%	Govt: 80% PFI: 20% (both SMEs and non-SMEs)
Scope		<ul style="list-style-type: none"> Expanded to include financing of more types of construction equipment and heavy vehicles 		No change

PFI: Participating Financial Institution

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

EnterpriseOne Hotline

Tel: 6898-1800

<http://www.spring.gov.sg/lefs/>

Loan Insurance Scheme - Plus (LIS+) 升级档贷款保险计划

What it is

The Loan Insurance Scheme (LIS) helps Singapore-based companies to secure working capital and trade financing facilities by providing private insurance against default risks. The Government's involvement is in the co-sharing of the insurance premiums between SPRING Singapore and International Enterprise Singapore (IE Singapore), and the borrower.

From 1 February 2009, the Government will launch a new programme that will be complementary to LIS, named LIS+. This will support the existing scheme by having Government co-share risks with PFIs on insure loans which are beyond the capacity of current LIS insurers for a one-year period.

The Government expects to insure up to \$2 billion of loans in the first year.

	Scheme before 1 Dec 08	Enhancements which took effect on 1 Dec 08	New Scheme with effect from 1 Feb 09
Source of Funds	Financial Institution	No change	No change
Use of Funds	Secured working capital (e.g. against receivables)	No change	No change
Maximum Loan Quantum	No limit but insurer has veto rights over \$1 million	No change	Up to \$15 million per borrower group
Eligible Companies	SMEs	All companies	No change
Risk Share	Insurer: 75% PFI: 25% Government supports 50% of insurance premium on loans	Government pays for 90% of insurance premium on loans.	<u>Government will insure loans beyond the LIS insurers' capacities</u> Government 75% PFI: 25% Fixed insurance premium: 0.5%

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>

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

What it is

The IF Scheme is a financing scheme to assist Singapore-based companies to expand overseas. Companies can tap on the IF Scheme to acquire fixed assets for use overseas and/or to finance the working capital expenses of secured overseas projects.

	Before 1 Dec 08	Enhancements which took effect from 1 Dec 08	Enhancements with effect from 1 Feb 09
Source of Funds	Financial Institution	No change	No change
Use of Funds	Overseas fixed assets, structured project financing	No change	Refinancing into the IF Scheme allowed
Maximum Loan Quantum	\$15 million	No change	Increase to \$50m per borrower group.
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
Risk Share	Govt: 70% PFI: 30%	Govt: 80% PFI: 20%	No change
Qualifying criteria	Borrower must be a Singapore-based company with at least 3 strategic business functions ³ in Singapore. <ul style="list-style-type: none"> ▪ Borrower can tap on the IF Scheme to purchase fixed assets and/or purchase factories for use by its <u>overseas subsidiary</u> company, which is at least 50% equity owned by the Singapore-based company. ▪ Borrower with no physical set-up overseas but is exporting services to overseas market (such as leasing companies) can also tap on the IF Scheme to finance the purchase of fixed assets for use overseas. ▪ Borrower with secured overseas contract can tap on the IF Scheme to finance the working capital expenses associated with the confirmed contract. Overseas business must complement the Singapore company's core operations and result in economic spin-offs to Singapore.		

IE Singapore

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

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

² It refers to companies that derive more than 50% of 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.

List of participating financial institutions

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

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