



# ELIGIBILITY AND FINANCING

## ELIGIBILITY CRITERIA

- Years in operation: at least 3 years (must be able to provide 3 years of audited financial statements)
- Asset size: most of our partners have \$1-10 million in total assets, with some exceptions
- Mission: the financial institution's focus is on generating social and environmental benefits in their community and serve low-income, traditionally marginalized borrowers, such as women and rural residents.
- Average loan size: preferably < \$2,000
- PAR 30 days + restructured loans + written-off loans: < 10%, or adequately provisioned.
- Operational self-sufficiency (total revenue/total expenses): Above 100% (break-even) is preferred. Small MFIs below 100% that are on a positive trend are viewed positively.
- Equity ratio: >10%
- Deployment ratio (portfolio/total assets): >70%

## FINANCING CONDITIONS

**Amount:** a starting loan is \$100,000 - \$300,000. Concurrent loans can be considered after 1 year.

**Currency:** USD (established partners may be eligible for loans in local currency)

**Term:** 30 months. There is a 21-month grace period on principal payments and quarterly interest payments throughout the life of the loan.

**Interest rate:** 11%

**Disbursement fee:** 1% of the loan amount

**Reporting:** quarterly financial and portfolio reports within 45 days of quarter-end