

Cost of borrowing at IPED

Below are a few examples of the borrowing costs at IPED

Loan	Interest	Total	Processing	Legal	Total
Amount		Repayment	Fee	Fee	Cost
300,000	11,063	311,063	4,000	7,500	322,563
500,000	18,438	518,438	5,000	12,500	535,938
750,000	27,656	777,656	7,500	18,750	803,906
1,000,000	36,875	1,036,875	10,000	25,000	1,071,875
5,000,000	187,500	5,187,500	50,000	125,000	5,362,500

Loan term 6 months, installment after term

Loan	Interest	Total	Processing	Legal	Total
Amount		Repayment	Fee	Fee	Cost
500,000	36,875	536,875	5,000	12,500	554,375
750,000	55,313	805,313	7,500	18,750	831,563
1,000,000	73,750	1,073,750	10,000	25,000	1,108,750
2,000,000	147,500	2,147,500	20,000	50,000	2,217,500
5,000,000	375,000	5,375,000	50,000	125,000	5,550,000

Loan term 12 months, quarterly installments

Loan	Interest	Total	Processing	Legal	Total	Quarterly
Amount		Repayment	Fee	Fee	Cost	Payment
500,000	73,750	573,750	5,000	12,500	591,250	143,438
750,000	110,625	860,625	7,500	18,750	886,875	215,156
1,000,000	147,500	1,147,500	10,000	25,000	1,182,500	286,875
5,000,000	477,376	5,477,376	50,000	125,000	5,652,376	1,369,344

Please note that in this example:

- i) *Legal fees were set on 2.5% of loan amount,*
- ii) *Processing Fees are shown for First Time Borrowers, and*
- iii) *Revenue Stamps are not taken into account.*

Crop Loan under Small & Medium Facilities



Features of the Crop Loan

1. **Loan amount:** up to \$35Million
2. **Purpose:**
 - a. To purchase seeds, seedlings, planting materials, fertilizer and chemicals
 - b. To purchase or pay for drainage and irrigation, empoldering, water pumps, and machineries.
3. **Collateral:**
 - a. Loans less than \$2Million: Bill of Sale on Motor Vehicles and equipment
 - b. Loans \$2Million and above: Mortgage on property and/or Bill of sale on Motor Vehicles and equipment
4. **Cost of borrowing:**
 - a. Interest rate:
 - i. Less than \$5million: 14.75% per year reducing balance (Balloon payment)
 - ii. Less than \$5 Million: 24% per annum reducing balance (monthly, quarterly and half yearly)
 - iii. From \$5million: 15% per year reducing balance
 - b. Processing fee: 1% of loan amount with minimum of \$4000 and \$75,000 maximum
 - c. Legal fees: between 2% and 3.5% of loan amount depending on the collateral
 - d. Fire insurance: 0.3% of loan amount annually if building is mortgaged
 - e. Revenue Stamps: 0.1% of loan amount
5. **Loan term and installments:**
 - a. Purchase of inputs: loan term depending on the crop cycle
 - b. Purchase of equipment: loan term up to 3 years
 - c. monthly and crop cycle installments possible

Available at:

Main office-	Tel.: 226-4675, 225-		
Georgetown Branch	8949	Vreed-en-Hoop Branch	Tel. 264-3592
Rosignol	Tel.: 327-5367	Parika Branch	Tel.: 260-4399
New Amsterdam	Tel.: 335-5673/3334360	Cotton Field	Tel.: 771-4955
Corriverton Branch	Tel.: 335-3928	Charity	Tel.: 771-4800
Port Mourant	Tel.: 336-6171	Lethem	Tel.: 772-2230
Linden Branch	Tel.: 444-3001	Mabaruma/Port Kaituma	Tel.: 772-2229
Parika	Tel.: 260-4399		

GET GOING.

KEEP GROWING.

Required documents and information

- Proof of Identity: **ID Cards or Passport**
 - Proof of Address: **Updated Utility Bill e.g. Rates and Taxes, Water & GPL or mail to address**
 - Tin certificate/number
 - Reference: Names, Address and Phone numbers of :**
 - 1. Family Member**
 - 2. A Friend**
 - Written Reference on form provided by IPED**
 - Land Rental Documents if land is rented
 - Statutory Declaration of Land cultivated on form provided by IPED
 - Statements of amounts owing to Millers, Banks, other Financial Institutions, Landlords, Suppliers, Family and Friends
 - For Collateral provided:
 - Motor Vehicle Registration
 - Copies of Transport, Certificate of Title, Lease etc . Valuation on form (s) provided by IPED
 - Description of Machinery and Equipment (including serial & model numbers, and value supported by receipts)
 - Payment of half (1/2) the Processing Fee (see below for details on amount) at the time of application
 - Credit Info Fee: \$..... per Client
- Please make sure to have received the following forms if you want to apply for this loan:**
- IPED Reference Form
 - IPED Estimate of Purchases Form
 - IPED Valuation Form For Building/ Land
 - IPED Valuation Form For Vehicle
 - Statutory Declaration of Land Cultivated
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Loan processing will commence upon submitting all of the above requirements. The submission of these documents does not guarantee that your loan application will be approved.

Call to book an appointment with your relevant Loan officer:

Name.....Tel.....

Process to be completed before disbursement

1. Upon submitting the requirements above a loan application will be filled out together with you and an IPED Business Counselor to assess if a loan is feasible.
2. The Business Counselor will visit your Business and/or Home to do an assessment of your business and collateral. They will take photos of:

The Applicant (s)

All Collateral including serial numbers and location The Business and/or Home

3. When the application is completed and signed by the applicant declaring all information submitted to be true and correct the application will go to the approval committee.
4. When the application is approved the following is required of the client before IPED will pay out the loan:
 - Submit Original lease, certificate of title, transport, and/or vehicle registration.
 - Approved Life Insurance of principal applicant under IPED's Group Life Policy. For loans above \$1,500,000 interview with insurance agent needed. Medical report can be requested at this stage. Premiums paid by IPED.
 - Fire Insurance application completed and premiums paid, if building is offered as collateral.
 - Payment of:
 - Second half of processing fee.....
 - Payment of legal fees.....
 - Payment of Revenue Stamps.....
 - Signing of all Legal and other related – Documents
5. Filing of the Mortgage and Bill of sale
6. Disbursement of the loan

Please not that Loan Applications can take two (2) to four (4) weeks to process, amongst others depending on the size of the loan and the sort of collateral given.