



**nab**

# **NAB MICROENTERPRISE LOANS**

## **INCUBATOR CONNECT**



NAB's Incubator Connect Program is offered in conjunction with Business Innovation & Incubation Australia

# OVERVIEW

NAB Microenterprise Loans are unsecured business loans of between \$500 and \$20,000 for people on low incomes who have few or no avenues to access affordable business credit.

NAB supplies the loans on a not-for-profit basis.

Key features:

- loans from \$500 to \$20,000;
- interest rate – 9.95%;
- up to 3 years repayment period; and
- 90 day access period is interest free.

Loans are available to help start up or support existing businesses of five or fewer employees. This includes owner-operated businesses and businesses operated from home.

If you are unable to get a normal business loan through a bank, and you have a sound business idea, you may be eligible for a NAB Microenterprise Loan.

## about the Incubator Connect Program

One of the ways you can get a NAB Microenterprise Loan is via the Incubator Connect Program. This program aims to support businesses who are tenanted or supported by Small Business Incubators. The Incubator Connect Program is offered in conjunction with Business Innovation and Incubation Australia (BIIA).

Your small business incubator will work with BIIA to help you update your business plan and financials to apply for a NAB Microenterprise Loan.

The following pages provide a step by step guide for applicants wishing to use the Incubator Connect Program to access NAB's Microenterprise Loans.

## STEP 1

### self assessment

To be considered for a NAB Microenterprise Loan under the Incubator Connect Program you must meet the following eligibility criteria.

- Be currently tenanted or supported by a small business incubator.
- Be seeking a business loan of between \$500 and \$20,000 to continue an enterprise with 5 or fewer people.
- Be 18 years and over.
- Be an Australian Citizen or Permanent Australian Resident.
- Not have had bankruptcies in the last 7 years.
- Be willing to update your business plan and financials.
- Be willing to continue to work with a mentor for at least 12 months.

## STEP 2

### business plan and financials update

Your small business incubator is working with BIIA to supply dedicated staff to help you with this process.

It is not necessary to rewrite the entire business plan, just provide a revised executive summary and any minor amendments where changes have been experienced. Financials must be updated to provide an accurate reflection of the business' current status.

Once the update is completed, your small business incubator will:

- provide the contact details for a NAB business banker; and
- provide a letter of support from the BIIA.

With these details in hand, it will be your responsibility to contact the nominated NAB business banker to arrange a loan assessment interview (see Step 3). You'll be required to complete and submit a Microenterprise Loan Application Form to this banker before this interview.

**Note:** Only updated business plans lodged with a letter of support from BIIA will be considered for a NAB Microenterprise Loan.

## **STEP 3**

### **loan assessment interview**

NAB wants to make sure that it does not put you in a worse position by offering you a loan, and that you have the necessary finance and support you need to be successful.

With this in mind, you should treat the assessment interview like a job interview and come prepared.

#### **eligibility check**

During the interview a NAB banker will do the following:

- ensure you are not eligible for a normal NAB business loan;
- do a personal and commercial credit check to ensure you have no overdue or outstanding unpaid debts of \$500 or more;
- assess the strength of your business plan and financial projections;
- confirm that you are able to take on the repayment needs of any loan; and
- do a company search to confirm ownership, proprietorship, directorship and structure.

## **loan approval**

A NAB banker will assess your loan application. To make the assessment decision the banker will require:

- a copy of the updated business plan and financials; and
- letters of support from:
  1. your local small business incubator approved by BIIA; and
  2. current supplier, employee, landlord, or customer.

## **what to bring to the loan assessment interview**

- Proof of identity
- Updated business plan – including financials
- Documents to confirm income and expenditure
- Letters of support (see above)
- A completed Microenterprise Loan Application Form
- Australian Business Number (ABN)

## **STEP 4**

### **contract signing and information session**

To make sure you understand the Terms and Conditions of the Microenterprise Loan, a NAB banker will conduct an information session for you and your mentor (if required).

## getting started

If you think you are eligible, contact your existing small business incubator or BIIA **[www.businessincubation.au](http://www.businessincubation.au)** to discuss updating your business plan and financials.

Alternatively you can contact BIIA on **(03) 9490 1497** or email **[microenterprise@businessincubation.com.au](mailto:microenterprise@businessincubation.com.au)** to discuss any comments or queries you may have.

## more information

Full information regarding NAB's Microenterprise Loans, including other ways to secure the loan and key documents can be found at **[nab.com.au/microenterpriseloans](http://nab.com.au/microenterpriseloans)**