# Expression of Interest to become an accredited MDB implementing partner for the MDB Guarantee Facility for Loans to SMEs

Applicants are requested to submit an Expression of Interest in line with the format set out below.

### Details of applicant

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| --- | --- |
| Applicant Name: |  |
| Details of Ownership: |  |
| Contact Address: |  |
| Principal Contact(s)(Name(s) and Role(s)): |  |
| Phone - Direct Line:Phone - Mobile: |  |
| E-mail: |  |

### Requested Information

This Expression of Interest is to be accompanied by the General Information and Specific Information listed in sections (1) and (2) below.

1. **General Information**

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| 1.1 | A brief background of the applicant commercial bank, including the nature of its main lending activity. |
| 1.2 | The main business loan products provided to SMEs in Malta and the key terms and conditions of these; the applicant’s future plans and growth strategy for SME lending in Malta. |
| 1.3 | The key statutes and regulatory requirements with which the applicant complies (including banking license and a list of statutory returns filed with the regulator). |
| 1.4 | The department/s or business area/s responsible for the management of the facility in the applicant organisation; its organisational set-up (including reporting lines) and details of authority limits at approval and monitoring stages. |

1. **Specific Information**

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| 2.1 | High-level evidence of the applicant’s track record in lending to the Maltese SME market, including default rates by sector, key performance indicators and performance against targets. |
| 2.2 | Additionality – Lending under the MDB Guarantee Facility for SMEs must have an element of additionality, meaning that it must be lending that otherwise, following the commercial bank’s normal credit approval processes, would not have been granted. The MDB Guarantee Facility for SMEs is not designed as a substitute for lending which would have otherwise been undertaken by the applicant entirely at their own risk. Please provide evidence that the MDB Guarantee Facility would be additional for the applicant. |
| 2.3 | Ability to build portfolio: Applicant is to provide projections on the volume of lending under the MDB Guarantee Facility on an annual basis, both in terms of number of facilities and average size per facility. These projections are to be compared with other SME lending of the commercial bank. Background information is to be provided on the method used for the projections.  |
| 2.4 | Availability of Capital: Applicant is to demonstrate that capital levels will be sufficient to meet the projected lending under the MDB guarantee facility. |
| 2.5 | Operational capacity: * Applicant to provide high-level information on the risk management regarding the credit policy (internal procedures and guidelines), origination, risk assessment (rating/scoring), loan approval procedures, collateral requirement, recovery procedures, and monitoring
* Applicant to demonstrate that the team to be responsible for the facility is competent and has sufficient experience and expertise to execute the proposed strategy for the facility.
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### Other considerations

* 1. MDB retains the right to reduce the amount of the guarantee commitment if the implementing partner’s build-up of the portfolio falls below expectations. The Portfolio target shall be based on the amount applied for by the implementing partner and shall be stipulated in the Risk Sharing Agreement between the MDB and the implementing partner.
	2. The MDB retains the right to request any further information that it may require for the accreditation decision.
	3. The MDB also retains the right to not consider favourably any application.

### Submission of Expression of Interest

The Expression of Interest and all required accompanying information are to be addressed to:

The Chief Executive Officer, Malta Development Bank, Pope Pius V Street, Valletta VLT 1041 or via email on info.mdb@mdb.org.mt.

### Certification and Authority to Submit the Expression of Interest

To the Chief Executive Officer

We are submitting our Expression of Interest on behalf of [Applicant] in response to the Open Call for Expression of Interest in the MDB Guarantee Facility for Loans to SMEs.

The undersigned undertake that we are duly authorised to represent the [Applicant].

The undersigned declare that the financial intermediary that we are representing:

a) is submitting this application in response to the Open Call for Expression of Interest to participate as an accredited implementing partner of the MDB Guarantee Facility for Loans to SMEs.

b) Undertakes that all information contained in this application is complete and correct in all its elements; and,

c) if accredited, commits to complying with all requirements set by the MDB for the successful delivery of the MDB Guarantee Facility for Loans to SMEs.

Yours sincerely,

Signature(s) of officer(s) submitting this Expression of Interest:

Name and position in capital letters of officer(s) submitting this Expression of Interest:

Name of Applicant Bank:

Stamp of the Applicant Bank:

Date (day/month/year):