

The InvestDiscount Facility

The **InvestDiscount Facility** is the latest financing solution from Investrust Bank Plc (the Bank) aimed at managing clients' receivables portfolio and their trading cycle in general. The InvestDiscount is an agreement between the bank and the client whereby, on presentation of an invoice, the bank pays the client against that invoice an agreed proportion of the invoice value. At the moment the facility is supported by the African Export and Import Bank (Afri-Exim Bank)

Key Features of the InvestLease

- The facility is dollar denominated and is available to the clientele who export their produce and or supply to entities that export.
- The facility is for a maximum tenor of 180 days and is available in multiple tenors of 30, 60, 90, 120 and 150 days.
- The client should have delivered the invoice and proof of delivery obtained from the customer whereon the payment will be 70% of the invoice value.
- Proof of delivery and acceptance of orders to include Letters of Credit, Guarantees
- Interest is based on our prime rate of 11% p.a. An arrangement fee of 3% is also payable on acceptance of the facility.
- The customer must open an account with Investrust Bank Plc to facilitate payments of the receipts from the client.
- The facility is revolving and available to the client upon successful completion any previous facility(ies).

Why obtain the InvestDiscount Facility?

- By introducing cash into your business before your debtors settle, your cash flow is enhanced tremendously,
- Financing shocks arising from tight and unexpected delays in receivables including

unexpected demands from creditors are managed,

- You concentrate on other facets of your business whilst Investrust Bank plc manages your debtors,
- Your bank becomes a partner in managing and entrenching financial discipline by disbursing only a proportion which covers your cost of sales,
- Your receivables are the main security unless the business case determines otherwise.

Limits Available.

Clients with single invoices ranging from USD100,000.00 to USD1,300,000 are advised to apply. Notwithstanding, smaller invoices aggregating to above USD100,000.00 can be considered as well. Subject to risk, the bank may offer 70% to 80% for every invoice presented.

Information required to Access the facility

- Application letter for the facility,
- A brief history of the business,
- Credentials of key management ,
- Details of the contracts or orders current,
- Historic financial statements,
- Projected cash flows,
- Proposed security, and
- Relationship with Investrust Bank plc.

Security

- Assignment of receivables under the export contracts or invoices. This should be supported by duly executed Notices of Assignment duly acknowledged by the importer or the buyer.
- Other forms of security may be taken subject to credit evaluation.

How it works

- The borrower submits an application to the bank enclosing the export contract if exporting; an invoice of supplying to a company in Zambia with an export contract.

- Also submit a brief of your business including your historic financials, budgets and credentials of the management team.
- Upon approval, the bank pays you 70%-80% of the **invoice** value,
- A loan account is opened which accrues interest monthly,
- A designated account is opened to which the export or sales proceeds are deposited once the payment is made.
- The receipt will be appropriated towards principal, interest and any other bank charges.
- Surplus will be released to the client.
- Although the facility is revolving, additional invoices will only be discounted once previous ones have been discounted.

Interested in Obtaining the InvestDiscount Facility?

Visit our Head Office or contact us on the details below. Our officers will be on hand to meet with you and discuss with you our discount facility solutions available.

Head Office

Corporate Finance & Credit Department
Tel +260 1 238733/5, 235284
Fax + 260 1 237060