



**nab**

# **NAB MICROENTERPRISE LOANS**

**YOUNG ENTREPRENEURS (18 - 29 YEARS)**



NAB's Young Entrepreneurs Program is offered in conjunction with the Enterprise Network of Young Australians (ENYA)

## 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 Young Enterprise Program

One of the ways you can get a NAB Microenterprise Loan is via the Young Entrepreneurs Program. This web-based Program is offered in conjunction with the Enterprise Network of Young Australians (ENYA) to entrepreneurs aged between 18 and 29 years wishing to start a new business.

NAB's partnership with ENYA is recognition that an organisation which supports and promotes the active participation of young people in enterprises is the best way to reach young entrepreneurs.

The following pages provide a step by step guide for applicants wishing to use the Young Entrepreneurs Program to access NAB's Microenterprise Loan.

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## STEP 1

### self assessment

To be considered for a NAB Microenterprise Loan under the Young Entrepreneurs Program you must meet these criteria.

- Be aged between 18 – 29 years.
- Be an Australian Citizen or Permanent Australian Resident.
- Not have had bankruptcies in last 7 years.
- Be seeking a business loan of between \$500 and \$20,000 to start or continue an enterprise with 5 or fewer people.
- Be willing to take part in, and complete, an online self-guided application process which includes developing a business plan and financials.
- Be willing to work with a mentor for at least 12 months.

## STEP 2

### business plan development

To supplement the web-based nature of the Young Entrepreneurs Program, ENYA has a dedicated staff member to help you:

- develop your business plan;
- provide advice and guidance on all your business questions;
- act a 'sounding board' to help consolidate your business idea; and
- identify any support you may need during the first 12 months of your new business.

In addition to help from ENYA, NAB has developed a guide to help you develop a business plan that meets its expectations.

You can download a copy of NAB's minimum requirements for a business plan from our website.

Once your business plan, including financials, is complete, ENYA will review your application and:

- provide the contact details for a NAB business banker; and
- provide a Letter of Support.

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 need to complete and submit a Microenterprise Loan Application Form to ENYA before this interview.

**Note:** Only updated business plans lodged with a letter of support from ENYA will be considered through the Young Entrepreneurs Program.

## STEP 3

### loan assessment interview

NAB wants to make sure 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 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 projects;
- 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 (if an existing business).

## loan approval

A NAB banker will assess your loan application. To make a decision the banker will need:

- a copy of the updated business plan and financials; and
- letters of support from:
  1. ENYA; and
  2. If it is an existing business, a letter of reference from an existing supplier, employee, landlord or customer.

## what to bring to the loan assessment interview

- Proof of identity
- 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) - (existing business only)

## STEP 4

### contract signing and information session

To make sure you understand the Terms and Conditions of the NAB Microenterprise Loan, a NAB banker will conduct an information session for you and a representative from ENYA.

### getting started

If you think you are eligible for a loan, complete the ENYA online application process at [www.enya.org.au](http://www.enya.org.au).

Alternatively you can contact ENYA via phone **1300 136 921** 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)