

BERMUDA ECONOMIC
DEVELOPMENT CORPORATION

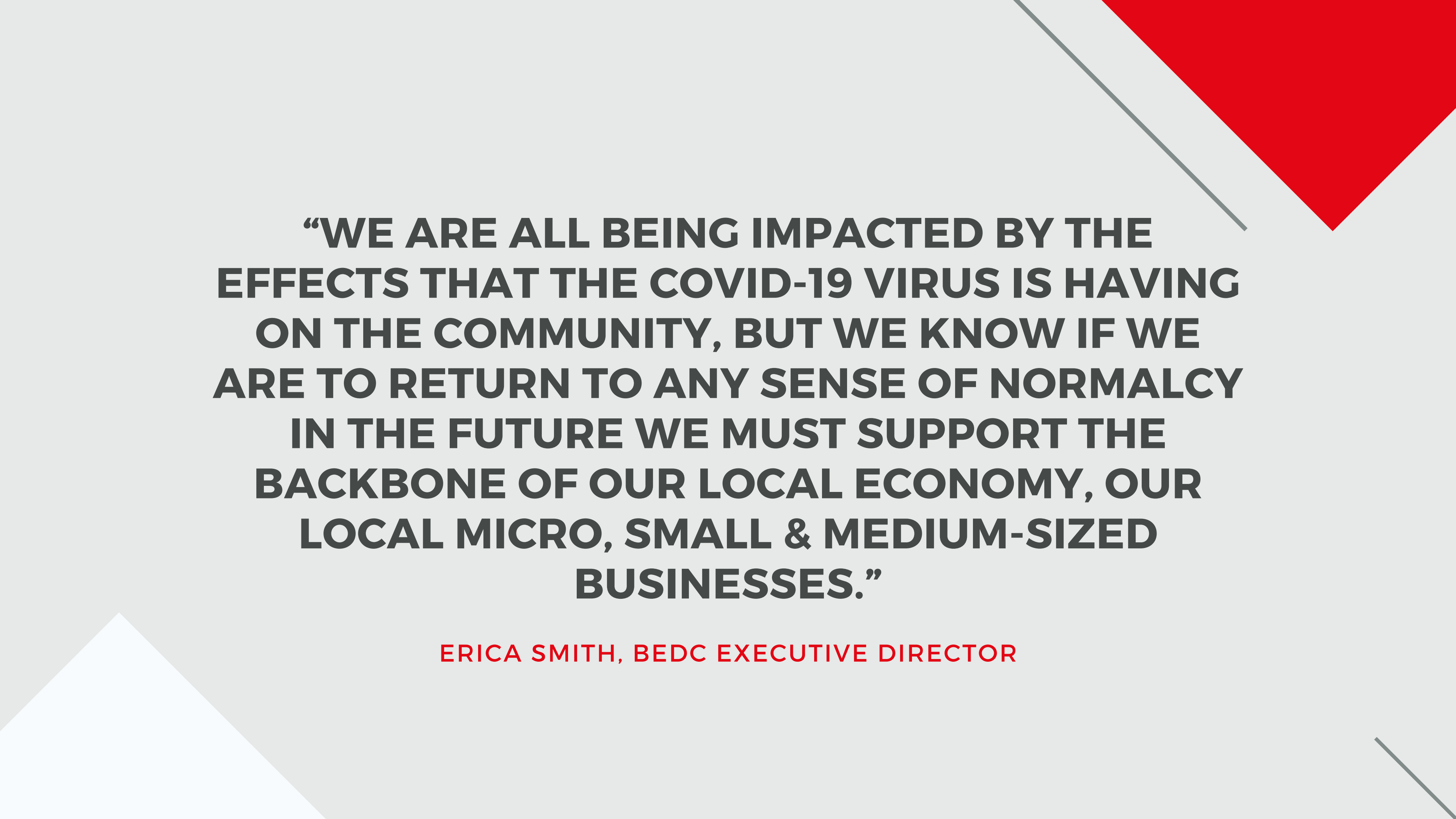


BUSINESS CONTINUITY PROGRAM

MSME COVID-19 RELIEF
NOW ACCEPTING APPLICATIONS

HERE TO SUPPORT!

BEDC with the support of its Board of Directors have reallocated funds from its budget and modified its existing products and services for the next 9 months, to be able to provide local business owners with support during these uncertain times in the wake of Covid-19. Funds will be allocated to provide support to general business owners, existing clients who have BEDC products, and new entrepreneurs seeking financial support.



“WE ARE ALL BEING IMPACTED BY THE EFFECTS THAT THE COVID-19 VIRUS IS HAVING ON THE COMMUNITY, BUT WE KNOW IF WE ARE TO RETURN TO ANY SENSE OF NORMALCY IN THE FUTURE WE MUST SUPPORT THE BACKBONE OF OUR LOCAL ECONOMY, OUR LOCAL MICRO, SMALL & MEDIUM-SIZED BUSINESSES.”

ERICA SMITH, BEDC EXECUTIVE DIRECTOR



Reallocation of Funds

BEDC will reallocate \$350,000.00 from its existing operations/programmes to its capital budget to increase its capitalisation to \$2 million. This will allow:

- an increase to \$1 million (50% of capitalisation) in direct lending based on current loans in repayment mode, BEDC will have over ½ million in funds to assist with direct lending.
- an increase to \$12 million (6 times capitalisation) for issuing loan guarantees for bank financing.



Expertise & Support

BEDC will reallocate \$100K from its existing budget to provide access to businesses to external expertise support in accounting, legal, and marketing services (supplementing BEDC's support and expertise) to assist in right-sizing business once Covid-19 passes.

GENERAL SUPPORT



Facilitate Idea Pools

BEDC will facilitate the creation of an ideas pool where businesses can write in with recommendations and suggestions of how public authorities and departments can assist.



New Payment Terms

BEDC will amend its payment terms to pay all its vendors on a weekly basis to ensure they are not waiting for payments to facilitate better cash flow.



Facilitate Connections

BEDC will act as an intermediary connecting consumers/buyers with sellers as businesses will have underused inventory.



Forming Partnerships

BEDC will facilitate businesses in forming partnerships, merging, sharing overhead, etc. with other businesses to reduce operating costs, both during and once Covid-19 passes.

EXISTING & NEW FINANCIAL APPLICATIONS/CLIENTS OF BEDC

50% FEE REDUCTION

With immediate effect, all application fees will be reduced by 50% for all products (the only exception would be for vending licenses due to the need for legislative amendments).

CREDIT CHECK FEES ELIMINATED

BEDC will absorb the cost for credit checks thereby eliminating this fee to the client.

INCREASED CREDIT LINE FOR RETAILERS

BEDC will now increase the maximum credit line it will guarantee for its Letter of Credit product for retailers from \$10K to \$12.5K.

BEDC MICROLOANS

EXISTING & NEW FINANCIAL APPLICATIONS/CLIENTS OF BEDC

\$30K MICROLOAN

BEDC will increase its microloan offering from \$20,000.00 (twenty-thousand dollars) up to a maximum of \$30,000.00 (thirty-thousand dollars) per business with no security required.

- New microloan clients will receive a decrease in interest rates by 1.5% to 3% and 3.5% for EEZ and non-EEZ Businesses, respectfully.
- Microloans can be used for both capital and working capital purposes.

INTEREST ONLY PAYMENTS

All new and existing microloan clients have the option to structure/restructure their loans for 3 to 6 months interest-only repayment periods based on need then followed by principal and interest (P&I) payments.

EXTENDED REPAYMENT TERMS

Existing microloan clients have the option to extend their loan repayment terms from currently 9 to 24 months to now up to 42 months if needed which will reduce their monthly payment amounts once in the P&I phase of their loans.

BEDC MICROLOANS

EXISTING & NEW FINANCIAL APPLICATIONS/CLIENTS OF BEDC

INTEREST ONLY PERIODS FOR SEASONAL BUSINESSES

Entrepreneurs that operate seasonal businesses will have the option to have recurring interest-only periods for the life of their microloans (e.g. tourism - based businesses).

DELAY REPAYMENT DATES

All new approved microloans will have the option to delay the first repayment date by 3 months – to be on the last business day of the month, 3 months after the month in which the drawdown occurs – this applies to the interest-only option also.

BEDC LOAN GUARANTEES

EXISTING & NEW FINANCIAL APPLICATIONS/CLIENTS OF BEDC

UP TO 75% LOAN GUARANTEE

BEDC will now guarantee up to 75% (increased from 65%) of a bank loan up to a maximum of \$300K (15% of increased new capitalisation of \$2M).

LEND AGAINST ADDITIONAL ENTITIES

BEDC's Guarantee will now be applied, for the first time, against lending from other entities – this can be such as individuals, private entities, credit union, or companies, as long as KYC/AML requirements are met.

FEES REDUCED

With immediate effect, BEDC will reduce its loan guarantee fees by reduced by 50%.

Entrepreneurship Education


For Business Owners & Entrepreneurs

BEDC QUARTERLY SEMINARS

BEDC's Quarterly seminars once reinstated will be offered free of charge to all business owners and entrepreneurs who register.

REGISTRATION FEES REDUCED

Registration fees for all BEDC's multi-week courses will be reduced by 50%.



In addition to the aforementioned provisions, BEDC will be working with the Bermuda Government to determine what other reliefs can be provided to support business owners through this time.

**More Relief
to come...**

Get in Touch

Interested business owners should contact the BEDC directly by calling or by email. Additional information can also be found on our website.

WEBSITE

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