

## Working Capital Loan (Crédito Habilitación o Avío)

Short or medium-term **financing** to back up your **working capital**.

### What is it?

Working Capital Loan is a short or medium-term financing to support working capital, which amount may be invested only in the purchase of raw materials and supplies and the payment of daily wages, salaries, and direct-exploitation expenses that are indispensable for the operation of companies engaged in manufacturing and production activities, including the agricultural, cattle-raising, forestry and fishing sectors.

### Why should you sign up?

- **Backup to working capital** for companies engaged in manufacturing and production activities.
- **Immediate needs are satisfied** to continue with the production cycle and any ongoing businesses.
- **Timely acquisition of inputs** to be competitive in your industry.
- **Assistance to industrial, cattle-raising, forestry and fishing growth**, which will most likely result in greater profits.
- **Financing of operation costs and working capital** for companies engaged in production and manufacturing activities in the industrial, agricultural, cattle-raising, forestry and fishing sectors.

### Amount

- **For the industrial sector:** 80% of the value of items subject to financing.
- **For agricultural and cattle-raising, forestry and fishing sectors:** With BBVA treasury funds, up to 80% of the project's total amount.
- **Funds from Agricultural Related Trusts (Fideicomisos Instituidos en Relación a la Agricultura - FIRA):**
  - 100% of the project.

### Guarantees

#### Natural:

Raw materials and supplies acquired with the loan amount, as well as proceeds, products and devices obtained, whether future or pending, identified in the investment plan or in the attachment to the agreement.

#### Additional:

1. Mortgage or trust guarantee covering real estate property.
2. Surety(ies) in the agreement and guarantor(s) in the promissory notes.
3. Any other personal guaranty or security interest in real estate property.
4. From FIRA, through the Special Agricultural Aid Fund (Fondo Especial de Asistencia Técnica y Garantía para Créditos Agropecuarios - FEAGA)



Creating Opportunities

### Terms

- **Maximum 5 years in simple credit modality (including grace period).**
- **Up to 3 years in current account credit modality.**
- **Fideicomisos Instituidos en Relación a la Agricultura - FIRA:**
  - According to the production cycle without the maximum term per cycle or disposition exceed 2 years.
  - For permanent working capital the maximum term is 5 years.

### Currency

- Pesos.
- US dollars (only if items to be financed are stated in such currency).

## Requirements

### The following must be provided:

1. Application letter from the client.
2. Company's location and name of contact to attend visit to the facilities.
3. Investment project:
  - Detailed description.
  - Investor's participation in the project.
  - Investment estimate or budgets.
  - Sales projections in units, considering unit price.
  - Unit production costs (current and estimate).
  - Financial projections.
4. Financial statements (historic statements, statements corresponding to two complete fiscal years, and most recent partial financial statement), including analytic ratios.
5. Historic results or the company's total operation, considering productive areas, sold units, sale prices and production costs.
6. In case of companies engaged in agricultural and cattle-raising production: Water use concessions in case of irrigation lands.

### In addition, for fishing sector loans:

- Environmental impact assessment (aquiculture activities).
- General plans for fishpond construction.
- Project implementation program (construction and furnishing).
- Title deeds of vessels.
- Seaworthiness certificate.
- Boat fishing permits and/or concessions.
- Vessel's insurance.
- Vessel's registration with the Maritime Public Registry (Registro Público Marítimo Nacional).