



Questionnaire - SME Loan Guarantee Scheme for Business Installations and Equipment Loans & Associated Working Capital Loans

1. Does your institution have any internal operation manual (“the manual”) on the processing and approval of credit facilities ?

Yes No

2. Is such manual drawn up by reference to and in compliance with the Code and all HKMA Guidelines and Circulars?

Yes No

3. Is such manual regularly updated and from time to time when need arises ?

Yes No

4. Was the staff responsible for the processing and approval of the Business Installations and Equipment Loan and/or the Associated Working Capital Loan applied by the Borrower under the SME Loan Guarantee Scheme (SGS) sufficiently familiar with such manual ?

Yes No

5. Was/Were the Business Installations and Equipment Loan and/or the Associated Working Capital Loan granted to the Borrower under the SGS as a matter of exception to the guidelines and policies stated in the manual?

Yes No

If yes,

(a) To what extent was the staff concerned allowed to deviate from the manual ?

(b) Was prior approval from the senior management required for such deviation ? Has such approval been sought ?

(c) What were the considerations for allowing the exception ? Have these considerations been stated in the manual ? What was the degree of discretion involved ?

6. If the borrower or its related companies already had credit facilities with you at the time when the Borrower submitted its application to you for the Business Installations and Equipment Loan Guarantee and Associated Working Capital Loan Guarantee under the SGS, please provide the following information :

Name of Borrower	Nature of Facilities	Terms of Repayment	Amount Outstanding at Time of Application for Business Installations and Equipment Loan Guarantee and Associated Working Capital Loan Guarantee under the SGS (HK\$)	Amount Overdue, if any, at Time of Application for Business Installations and Equipment Loan Guarantee and Associated Working Capital Loan Guarantee under the SGS (Please provide details and course of recovery action taken) (HK\$)	Amount Repaid & Date of Repayment Since Then (HK\$)

If the answer to Q.6 is affirmative,

(a) Does the manual have clear guidelines on the circumstances in which credit facilities may be approved where existing credit facilities remain outstanding ?

Yes No

(b) Has your institution complied with such guidelines when approving the Business Installations and Equipment Loan and/or the Associated Working Capital Loan to the Borrower under the SGS ?

Yes No

(c) Has your institution properly rated the existing outstanding credit facilities of the Borrower or its related company in accordance with HKMA's guidelines ?

Yes No

(d) Is the granting of new credit facilities (where existing credit facilities of the Borrower or its related company remain outstanding) a normal part of the lending business of your institution ?

Yes No

(e) Is it normal for your institution to approve credit facilities to a borrower knowing well that its related company has outstanding credit facilities with your institution ?

Yes No

7. If you have granted any new credit facilities or renewed or rescheduled any existing credit facilities to the Borrower or its related companies after you obtained the Government's guarantee for Business Installations and Equipment Loan and/or the Associated Working Capital Loan under the SGS, please provide the following information :

Name of Borrower	Nature of Facilities	Start Date of the Facilities	Terms of Repayment	Amount Outstanding as at Today (HK\$)	Amount Overdue, if any, during the Term of the Facilities (Please provide details and course of recovery action taken) (HK\$)

8. Does your institution use monitoring staff different and independent from staff who advanced the Business Installations and Equipment Loan and/or the Associated Working Capital Loan to the Borrower under the SGS ?

Yes No

9. Does your institution diarise and bring up account for review?

Yes No

10. Does your institution ascertain changes in credit quality yearly at least and properly document and report results of the credit reviews?

Yes No

We confirm and undertake that -

- (a) the above information, which is given in connection with the claim for payment under the Deed for the SME Loan Guarantee Scheme for Business Installations and Equipment Loans and Associated Working Capital Loans ("the Deed"), is to the best of our knowledge and belief to be true, accurate and complete; and
- (b) in accordance with Clause 6.12 of the Deed, we act in accordance with prevailing good banking practice for the banking sector in processing the Borrower's application for Business Installations and Equipment Loan and/or the Associated Working Capital Loan under the SGS.

Signature : _____

Name of Lender : _____

Name & Title : _____

Date : _____