

Annex VII: Term sheet

Date:

Business name:

Proposed terms:

- Type of financing: *(e.g., dollar-denominated loan)*
- Amount:
- Investment plan: *(e.g., to finance the purchase of inventory...)*
- Annual interest rate:
- Term in years:
- Grace period: *(e.g., six months on principal and interest)*
- Penalty interest rate: *(fee for late payments)*
- Repayment currency: *(e.g., dollars)*
- Payment frequency: *(e.g., monthly, quarterly, semi-annually, etc.)*
- Administration and legal fees: *(any fees charged by financial institution upon disbursement)*
- Guarantee: *(e.g., promissory note, lien over stocks and inventory, property, key-person life insurance policy, etc.)*
- Other applicable terms including special legal requirements:
- Remaining due diligence needed:
 - Conditions precedent: *(conditions to be met prior to disbursement, for example:*
 - *Investment approvals*
 - *Monitoring and evaluation baseline data collected*
 - *Completion of legal agreements and registrations*
 - *Key-person life insurance*
 - *Verification of documentation covering land ownership by shareholders*
 - *Independent review of valuation report on property given as guarantee, etc.)*
- Date Enabler's commitment expires:

This term sheet outlines the general terms agreed to between **Enabler** and **Champion's enterprise**. It is understood by you that all **Enabler** investments require approval from **Enabler's** Investment Committee and that no investment can be made without such approval. Agreement to the terms in this document does not obligate **Enabler** to make this investment nor does it obligate you to accept the funds. **Champion's enterprise** shall not hold **Enabler** liable for damages or claims if **Enabler** does not invest in the business.

Agreed to on this date _____ by:

Investment Officer

For **Enabler**

Project Director and Proprietor

For **Champion's enterprise**