

DIB Collateral Financing

Our Collateral Financing allows a customer to secure financing using an asset such as property, inventory, equipment, receivables, or investments as security for a credit facility.

Target market

Open to Business Customers.

Features and benefits

- Access to business growth for working capital, expansion, acquisitions, equipment purchases, or other investment needs.
- Available in KES and USD.

Requirements and qualification criteria

- The Obligor or its principal should have been in the business of commodity trading for at least a minimum of three years.
- Evidence of Product /Commodity trading knowledge of not less than 3 transaction cycles
- Products/commodity must have a robust secondary market.
- Firm off -take agreements of at least 40% of the consignment.
- For specialized product/commodity such as bitumen with no robust secondary market firm –off take agreements with prime customers.
- Revenue authority /fiscal payments must be fully provided for either by the bank in the facility amount or by the customer's cash deposit prior to initiating the transaction.
- Director's Personal, Joint and Several guarantees must be availed.
- 20% cash margin to be held in non-profit bearing cash margin account.
- Customs bond to be issued through DIBK.
- All assets debenture on both fixed and floating assets where there is no other Bank.
- Tenor of the facility to be matched against the customer's trading cycle.
- Bank will ensure that each obligor has a separate cash margin account.
- Maintain a current account with DIBK.
- Business Registration Certificate/Certificate of Incorporation.
- Sale Agreement.
- Certified copy of Memorandum & Articles of Association.
- Certified Annual Returns.
- CR12 (not more than 30 days old).
- Original or certified bank statements for the last 6 months.
- Board resolution authorizing financing.
- Copies of IDs and PIN certificates for Directors.
- PIN certificate for the company.
- Evidence of Tax Compliance Certificate.

Fees

Bank profit rate is determined and provided on the offer letter, as per the Risk Based Pricing Model. The Pricing can also be viewed from the Total Cost of Credit Website - <https://www.costofcredit.co.ke>. Other charges will apply as per the DIB Bank Tariff.



Product Fact Sheet

Disclaimer and Declaration.

This product Fact Sheet should be read in conjunction with the Facility offer letter and DIB Bank's Tariff Guide, which is available on our website and branches. The Bank may vary the Product Facts from time to time. Customers will be notified in writing or by publication. Such variations will be binding to the customer. For more clarification, kindly contact your Relationship Manager, our Contact Centre at +254 709 913 000, our email at contactus@dibkenya.co.ke, or alternatively, you can visit your nearest branch.