

Purpose

1. The purpose of this document is to provide relevant stakeholders with a summary of the criteria which underpins Football NSW's Loan Policy.

Eligibility Criteria

Who can apply?

2. Member Associations, Branches (and their member associations) and clubs participating in Football NSW's elite competitions are eligible to apply.
3. Consideration will be given on a case by case basis to clubs participating in Association-run competitions that are applying to participate in Football NSW's elite competitions.

Purpose of loan

4. Loans may only be granted for the exclusive purpose of facility investment/improvement. Loans for any other purpose will not be considered.

Loan amount

5. Only loans of between \$5,000 and \$100,000 will be considered. The loan amount cannot exceed 50% of the total project cost.
6. Football NSW's total loan pool is capped at a maximum of \$200,000. The availability of funds remains at the total discretion of the Football NSW Board.

Interest Rate

7. Loans made will be subject to interest at a rate equal to the 6-month term deposit interest rate available with the National Australia Bank + 1%. The rate of interest will be fixed for the period of the loan. Interest will be charged monthly on the outstanding balance.

Repayments

8. Loans must be repaid within the following timeframes:

\$5,000 - \$20,000	repayable within 24 months from the date of advance
\$20,001 - \$60,000	repayable within 36 months from the date of advance
\$60,001 - \$100,000	repayable within 48 months from the date of advance
9. Repayments of principal and interest must be made

monthly by direct deposit. A loan repayment schedule will be provided at the time of advance. Borrowers wishing to repay their loan sooner will not be charged any early repayment fees by Football NSW.

Security

10. For loans greater than \$50,000, Football NSW requires the following by way of security over the loan:
 - (a) Directors' Guarantees from all of the applicant's directors; and
 - (b) Entry by the applicant into a General Security Agreement over the applicant's assets.

Documenting the Loan

11. Funds will only be advanced under a Loan Agreement between Football NSW and the applicant.
12. The Loan Agreement will be in a form approved by Football NSW and the applicant may be required to pay Football NSW's legal costs in relation to the preparation of the Loan Agreement (and the General Security Agreement, if required) in addition to any fees payable in relation to the registration of the agreements.
13. The applicant will be responsible for obtaining its own legal and financial advice in relation to entering in to the Loan Agreement (and the General Security Agreement, if required) and for the cost of that advice.
14. The applicant's directors will be responsible for obtaining their own legal and financial advice in relation to entering in to the Loan Agreement, the General Security Agreement and providing Directors' Guarantees (as required) and for the cost of that advice.

Documentation in support of application

15. Loan applications must include the following:
 - (a) A document clearly outlining the purpose of the proposed loan;
 - (b) Copies of a minimum of two quotes for the project;
 - (c) A loan repayment plan setting out how the loan from Football NSW is to be funded (i.e. where the money is coming from to make the repayments);
 - (d) A clear indication of how the remaining funding required to complete the project will be funded, including confirmation of how repayments of that funding are to be funded;

- (e) Documentation from the relevant authority indicating that the applicant has access to the facility for at least the term of the loan;
 - (f) In-principle consent from the facility owner to conduct the project;
 - (g) A copy of the applicant's externally audited financial reports for the last three financial years;
 - (h) A cashflow forecast report for the covering the term of the loan;
 - (i) Copies of the applicant's bank statements for the last six months;
 - (j) Confirmation that all of the applicant's directors will provide Directors' Guarantees (for loans greater than \$50,000); and
 - (k) Confirmation that the applicant will enter into a General Security Agreement (for loans greater than \$50,000).
16. Football NSW reserves the right to request further documentation/information as required.

Application process

17. Any applications for funding received will be reviewed by Football NSW management in the first instance to ensure the above criteria have been addressed. Any applications that do not meet the specified criteria will be returned to the applicant to review/amend as required.
18. Applications that meet the criteria will receive a confirmation of lodgement which will outline when the Board will be in a position to consider the application and make a final decision, typically this will be at the Board's next meeting.
19. The Board will then consider the application and may, in its absolute discretion, decide whether to approve or reject the application.

Process following Board approval

20. Once the Board has given its approval, the process will generally be as follows:
- (a) A meeting will be organised between a representative(s) of the applicant, the Football NSW CEO and Head of Finance to discuss the project and the quotes;

- (b) Once agreement has been reached between Football NSW and the applicant as to the services to be provided, the parties will sign the Loan Agreement and the Directors' Guarantees and General Security Agreement (if required);
 - (c) Payment of supplier invoice(s) will be made directly by Football NSW in accordance with the payment schedule set out in any accepted quotes.
21. Depending on how the loan repayments are to be funded, Football NSW reserves the right to require the applicant to enter into a multi-party agreement so that have funds payable to the applicant are assigned to Football NSW (e.g. sponsorship revenue and registration fees).

Borrower default

22. In the event that a borrower fails to meet its repayment commitment, Football NSW reserves the right to take appropriate action to recover any amounts outstanding.
23. This recovery action may include, but is not limited to:
- (a) requesting immediate payment of amounts overdue;
 - (b) taking action in accordance with the Football NSW Grievance & Disciplinary Regulations, including, but not limited to:
 - i. playing for no points;
 - ii. forfeiture of matches; and/or
 - iii. suspension from participation in the current or future competitions; and/or
 - (c) taking legal action to recover the debt.