Union National Bank

SME BUSINESS BANKING

Financing and funding to grow your grocery store business

بنك الاتحاد الوطني
UNION NATIONAL BANK

About the bank

- **Union National Bank (UNB)** was established as a Public Joint Stock Company in 1982 and it is one of the leading domestic banks in the United Arab Emirates.
- It is the only bank that is jointly owned by the Governments of Abu Dhabi and Dubai. The Chairman is H.E. Sheikh Nahayan Mubarak Al Nahayan, Minister of Education and Scientific Research.
- The headquarters are in Salam Street - Abu Dhabi. The bank offers a variety of products and services, addressing needs ranging from basic requirements of individuals to the more complex requirements of corporate entities.
- Listed in the Abu Dhabi Stock market under the symbol UNB
- Electronic delivery channels, ably supported by an extensive network of banking centers encompassing over 49 locations across all the Emirates.
- In 2006, the Bank acquired the Alexandria Commercial and Maritime Bank, which was established in 1981 in Alexandria, Egypt, in a privatization. Union National Bank also have their presence in China and Qatar

Funding options available for your business

- Micro finance loan
- Commercial SME loan
- Commercial Vehicle loan
- Commercial Rent loan
- Business Credit card
- Trade finance and discounting facilities

Other product features

- Current account / Savings account
- WPS
- Cheque book facility
- Telex transfers
- Free Telephone banking and Internet banking (UNINET)

An overview of the finance raising process

- Credit analysis – Five C's
- Key-Person Risk: Is one person in the firm the key to business success/viability?
- Lack of Capital: Due to limited funds, capital flexibility, etc.
- Lack of Track Record: Often new business or first-time business borrowers
- Poor Accounting Records - No audit or lodgement requirements, delays, reporting freedoms and/or attempted deception

An overview of the finance raising process

- Relationship Management approach
  - Business analysis and background
  - Analysis of audited financials, income statements, business performance, cash flows, partners equity, buyers and suppliers payments etc.
  - Account conduct with the bank

Understand how lenders and investors assess funding proposals

- Purpose of the loan
- Amount of the loan – Customer's contribution
- Business model and strategy – Customer and Suppliers terms
- Length of the business
- Capital contribution in the business
- Ownership status

Understand how lenders and investors assess funding proposals

- Structuring the Loan Proposal
  - Is loan amount sufficient for task?
  - Is cash available and repayment identifiable?
  - Is the debt long-term, will cash flow projections support repayment and does purpose match term?
  - Is the debt short-term, does asset conversion cycle and working capital allow repayment?
  - Does the borrower have seasonal funding requirements?
  - How much profits are retained in the business?

Recommendations on perfecting and strengthening your funding proposal and presentation

- Cash flow projections and growth prospects
- Maintain transactional business accounts – Deposit your daily cash revenue and POS settlements to the account
- Security - Maintain FD's, Life insurance schemes, POS transactions linked to the bank account
- Complete an in house audit from accounting experts
- Hypothecate/pledge property or stocks in favor of the bank

Thank you

Please free to contact us for any queries

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