

Inyosi Empowerment Competition Ts and Cs

Black-owned businesses currently face a challenging economic environment. The Inyosi interest-free loan competition is an exciting opportunity for entities looking to take their business to the next level. This document serves to set out all the details related to the competition, including the prizes & adjudication process, applicant eligibility, requirements, and the terms and conditions. By entering into the competition, applicants confirm that they have read and understood this document.

Prizes:

1. First Prize: long term¹ secured² Loan facility, up to an amount of R5,000,000 (five million Rand) fixed at zero interest rate³ & access to iHive for up to 36 months.
2. Second Prize: 2 YES employees⁴ for a year & access to iHive for up to 36 months.
3. Third Prize: 1 YES employee⁴ for a year & access to iHive for up to 36 months.

Businesses that are eligible to enter:

Small, medium or micro enterprises incorporated and operating its business in South Africa that:

- a. Are at least 51% black-owned;
- b. Have been in operation for at least 36 months;
- c. Have up to date financial statements and management accounts; and
- d. Annual revenue exceeding R1,000,000 (one million Rand) but not exceeding R50, 000,000 (fifty million rand).
- e. No Insolvency Event⁵ has occurred or is likely to occur in the next 12 months.

Documents needed to apply:

- A. Business Plan detailing the business' operations, group structure (organogram), what the funding requirements are and how this loan will assist the business to grow and create jobs;
- B. Signed Annual Financial Statements for each of the last 3-5 years;
- C. Management accounts for the period post the last financial year end;
- D. Financial forecast (Income Statement, Balance Sheet and Cash Flow) for the next 3-5 years;
- E. Detailed outline on what security is available to secure the loan funding (security should be valued more than the loan funding); and
- F. FICA documents.

Application and adjudication process:

- In order to enter, all applicants must apply via the Inyosi Empowerment's website <https://inyosi.co.za/competition/> by no later than 18h00 SAST on Monday, 31 October 2022. This is the only access point where applications will be reviewed for the competition.
- First round adjudication: Following the submission of all entries our panel of adjudicators will review the businesses entered and draw up a shortlist of successful entrants, based on the funding requirement, overall financial health of the business and its owners, the serviceability prospects of the loan, and the security cover of the loan and;
- Second round adjudication: All shortlisted business owners are contacted to provide any additional information as may be required. At this second round of adjudication all shortlisted applicants (i.e., the management team) are interviewed by the panel of adjudicators.
- Thereafter, the three winners will be announced: the First Prize Winner, the Second Prize Winner and lastly the Third Prize Winner.

Competition T's & C's:

- Please note that the competition is subject to one application per business.
- The Competition opens at 10h00 SAST on Tuesday, 30 August 2022 and closes at 18h00 SAST on Monday, 31 October 2022 – no late entries will be accepted.
- You participate in the Competition at your own risk. Inyosi Empowerment assumes no liability (Loss) whatsoever for any direct or indirect claims, expenses, liabilities loss, harm or damages, howsoever arising (“Adverse Consequences”), from your participation in the Competition and/or any prize awarded in the Competition. By entering into the competition, you hereby agree to the terms and conditions as set out herein and indemnify Inyosi Empowerment against any Adverse Consequences which you or any third party may suffer as a result of your participation in the Competition.
- Existing Inyosi beneficiaries with existing loan exposures of greater than R150,000 (one hundred and fifty thousand Rand) do not qualify for the competition.
- Costs incurred to implement the security for the Prize winner will be for the account of the Prize winner, Inyosi Empowerment holds no responsibility for any costs incurred in this process.
- Inyosi Empowerment may, in its sole discretion, declare any prize forfeited (lost) and may then choose a new prize winner, if: a prize winner’s entry and/or documents submitted was in any way false, misleading or misrepresentative or in any other way is found to be invalid; a Prize winner has breached these terms and conditions; a prize winner cannot be contacted via email and/or telephonically, or does not accept the Prize within 3 days from the initial date that the Prize winner was contacted about the Prize; a Prize winner gives up the Prize or we determine that the Prize winner has given up the Prize; the prize winner, between the date the prize winner was announced and the date the loan agreements and/or any other agreements is to be entered into, an Insolvency Event occurs or any other material adverse event, which in the discretion of Inyosi Empowerment, affects the credit risk of the prize winner.
- Inyosi Empowerment may declare an applicant disqualified should Inyosi Empowerment not receive documentation within 3 business days from the initial date of requesting such documents.
- The prize cannot be transferred or exchanged for its cash value.
- In the event of a dispute⁷, the competition’s adjudicators’ decision will be final and binding on all aspects of the Competition.
- Inyosi Empowerment reserves the right to amend these terms and conditions at any time and reduce or extend any dates of this Competition.
- Inyosi Empowerment assumes no risk and/or liability whatsoever for the failure of any technical element⁸ in the Competition which may result in an entry not being successfully submitted.
- If required by any legal body or if Inyosi Empowerment decides to do so for any other reason, Inyosi Empowerment will have the right to terminate this Competition or change a Prize with immediate effect and without notice of such termination. In such event, all applicants hereby waive any rights, which they may have against Inyosi Empowerment and hereby acknowledge that they will have no recourse or claim of any nature whatsoever against it.
- Applicants acknowledge that by entering the Competition, they claim to have a clear tax status with no arrears or breaches of any tax laws and will provide a clear Tax Clearance certificate should Inyosi Empowerment make such request.
- All costs or expenses relating to the security for the loan funding, as well as the employer co-payments (i.e. Skills Development Levy and Unemployment Insurance Fund payments) for YES employee prizes are excluded from the Prize and are not recoverable.
- This competition is only open to entities registered & operating in South Africa. Inyosi Empowerment reserves the right to withhold any prize until it is entirely satisfied that the claimant of the prize is the bona fide winner and reserves the right to call for such proof as it may deem necessary.
- Payment of the loan will be agreed with the successful first prize winner and will either be paid to the said winner’s Business Bank account or to a supplier of the said winner depending on the nature of the funding required.

- Loan term and repayment terms will be agreed with the successful entrant and will depend on the use of the loan funding. The interest free loan amount will only be valid for a period of 60 months thereafter the loan terms exceeding 60 months will be subject to an interest rate of prime + 1.5%.
- Despite the first prize being up to R5,000,000 (five million Rand) at zero interest, Inyosi Empowerment and the successful entrant may agree to enter into a loan amount in excess of R5,000,000 (five million Rand), with the excess loan amount being charged at Prime + 1.5%, resulting in an overall Blended Interest Rate⁹.
- Inyosi Empowerment will need to process the confidential information of the business and key management & shareholders to validate the entry and if you are a prize winner, to make the prize available to you. By entering this Competition, you consent to Inyosi Empowerment processing the confidential information for this purpose.
- Applicants acknowledge and understand that Inyosi will use the credit information to review and assess credit risks and exposures for affordability purposes.
- By entering into the competition, the potential borrower consents to Inyosi Empowerment, and its business affiliates to process the potential business's personal information, and all of its directors and shareholders, whose information is provided to Inyosi, for purposes of conducting a due diligence on the potential borrower and reviewing and assessing the potential borrower's business for purposes of electing whether such entity is suitable. Any potential borrower when entering into the competition, warrants that it has obtained the consent of all data subjects to disclose personal information to Inyosi Empowerment and its business associates for purposes of this competition by submitting the application, the applicant agrees that all information provided is done so by an authorised party & deemed to be factually correct. All information provided to Inyosi Empowerment is subject to Inyosi Empowerment's privacy policy; <https://inyosi.co.za/privacy-policy/>.
- Applicants acknowledge and understand that the business, key management and shareholders' information may be requested & used for the purpose of conducting credit checks by accessing and obtaining the applicants' credit information and records/profile from the Credit Bureau institutions⁶. Applicants acknowledge and understand that should there be a refusal to provide the required consent and/or object to the processing of business & key management and shareholders information, Inyosi Empowerment will not be able to assist with the application and the applicant will be disqualified from the competition in its entirety.
- Loan funding is contingent on having sufficient security² to cover the loan exposure, with some headroom. Security should be fair valued and subject to a reasonable discount to account for a forced sale situation.
- Inyosi Empowerment will protect the applicant's confidential information as required by relevant laws and the constitution of the RSA.
- Any conflict of interest on the part of the Applicant shall be immediately disclosed to Inyosi. Inyosi may, at its option, disqualify the applicant if it finds that a conflict of interest exists and poses a material conflict to and with the adjudication procedure.

¹ Loan Terms to be agreed between the parties, depending on the nature of the loan.

² The facility will require first ranking security in the form of, a mortgage, pledge and/or cession of assets and the shares in the Company, subject to agreement with the successful applicant. At a minimum, personal guarantees from the Shareholders and/or directors will be required. Costs and expenses incurred to implement said security will be for the cost of the Prize winner.

³ Eligible for additional funding at our standard interest rate of Prime + 1.5% per annum.

⁴ Subject to such potential winner complying with all applicable laws and entering into a short agreement regulating the secondment. This prize constitutes 12 months of minimum wage payments. All payments in addition to the minimum wage will be carried by the Prize winner.

⁵ Insolvency Event means where the potential business: appears to be insolvent, is or is deemed by any authority or legislation to be unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness, the value of its assets is less than its liabilities (taking into account contingent and prospective liabilities; is or is deemed by any authority or legislation to be "financially distressed" (as defined in the Companies Act, 2008); takes any corporate action or other steps are taken or legal proceedings have started for its winding-up (whether provisional or final) dissolution, administration or for the appointment of a liquidator, receiver, administrator, business rescue practitioner or similar officer; any of its assets are attached under a writ of execution.

⁶ Credit Bureau Institutions refers to an agency that collects and researches individual credit information and sells it to creditors for a fee.