



## **MEDIA RELEASE**

### **Nedbank to help facilitate loans to support small businesses on behalf of South African Future Trust**

**Johannesburg, 31 March 2020** – Nedbank welcomes the launch of the South African Future Trust (SAFT), established by Nicky and Jonathan Oppenheimer, and is proud to announce that it will help facilitate the distribution of loans to small businesses on behalf of SAFT. The main aim of the SAFT is to mitigate the immediate economic impact of the COVID-19 crisis by keeping companies in business and protecting jobs, in order to fast track SA's economic recovery after this pandemic. The Trust will extend direct financial support to employees of South African Small, Medium and Micro-sized businesses who are at risk of losing their jobs or will suffer a loss of income because of COVID-19. The SAFT has been funded with an initial contribution of R1bn by Nicky and Jonathan Oppenheimer.

Four of South Africa's leading banks, including Nedbank, will administer the scheme at no cost to the fund. The banks have also waived their normal credit fees for all loans approved under the SAFT scheme to maximise the funds available to recipients.

"Nedbank acknowledges that this is a time of heightened anxiety for our small business clients and their employees, not just in terms of their personal health but also their economic survival. We welcome this initiative which will provide some relief to small businesses, the lifeblood of our economy. We will continue to look for ways to support our clients during this time of uncertainty and are honoured to play a part in facilitating this process," Nedbank Retail & Business Banking Managing Executive Ciko Thomas says.

The scheme is currently available to clients of the four banks. SMMEs need to apply to their main bank. Once approved, the funds will be paid directly to the nominated employees, however liability for the loan remains with the business. Funds will be available from 3 April 2020.

## **ENDS**

Media inquiries: [NedbankMedia@Nedbank.co.za](mailto:NedbankMedia@Nedbank.co.za)

## **FAQs**

### **How do SMMEs register for the scheme?**

If you are a Nedbank client, please visit [nedbank.co.za](http://nedbank.co.za). Select 'Business' then 'Covid-19 Relief' for information on how to apply.

To submit your loan application please email [saft@nedbank.co.za](mailto:saft@nedbank.co.za)

### **Who is eligible for support?**

SMMEs with turnover <R25m;  
Trading for at least 24 months;  
Business was in good standing as at 29 Feb 2020;  
Has been negatively impacted by Covid-19;  
Not able to pay or retain permanent employees.

### **How much money will SMME employees receive?**

SAFT funding is intended as immediate and short-term relief to enable businesses to continue operations, while protecting jobs. Businesses can apply for funding of R750 per employee per week, for a period of 15 weeks. This is intended to cover both the lockdown period and its immediate aftermath. This payment is not a salary. It is intended to provide short-term relief to those who might otherwise become destitute.

### **How will SAFT fund SMME employees?**

During this initial COVID-19 period, SAFT offers a 5-year loans, interest-free loan to the business. Funds are to be paid directly into the employees' accounts. There is no minimum monthly payment requirement, the loan only needs to be repaid at the end of the period.

### **Will employees have to pay back any money?**

No. Employees carry no liability.

### **How will the businesses afford these loans?**

SAFT loans will be:

- Interest-free for a five-year period.
- Subordinated to other pre-existing debt.

If businesses are unable to repay the loan, SAFT will work closely with SMMEs to ensure that repayment plans are in place which are sustainable for the business concerned.

### **What is Nedbank's role?**

Nedbank will facilitate the application process for all Nedbank clients on behalf of SAFT and assist with the distribution of funds. All loan agreements are between the SME and SAFT.

**For more information on SAFT:** [www.opp-gen.com](http://www.opp-gen.com)