



Country: Nigeria	Date:	10/7/2024
Branch / Unit: LOKOJA BRANCH	MIS CODE	12770620
Review Type RENEWAL WITH INCREASE	Prepared by	JOSEPH MEJO

RELATIONSHIP SUMMARY

Borrower: BECHYCH GLOBAL MARKETING VEN LTD	
Location: NO 170 AMADU BELLO WAY NEW MARKET LOKOJA	Obligor Risk Rating: 3
Business: GENERAL	Ownership: 100%
Next Annual Review Date: 10/7/2025	Classification: PERFORMING
Exchange rate used: USD: 1661.39 GBP: 2156.98 EUR: 1794.47	

Facility	LLL Impact(NGN)	Currency	Approved Amount	Proposed Amount	Change	Tenor (Months)
Direct Facilities (NGN):						
OVERDRAFT	30,000,000.00	Naira	10,000,000.00	30,000,000.00	20,000,000.00	12
Total Direct (NGN)	30,000,000.00	Naira	10,000,000.00	30,000,000.00	20,000,000.00	12
Total Facilities	30,000,000.00	Naira	10,000,000.00	30,000,000.00	20,000,000.00	12
Legal Lending Limit:	264,380,851,008.00					
LLL Impact of Proposed Facilities:	30,000,000.00					
Any LLL violation? (Yes / No):	No					
Director-related? (Yes / No):	No					
Environmental And Social Risk Summary:	C					
Overall Green Category:		NOT ELIGIBLE				

If the Group Facility Summary is expressed in LCY, please state the USD Equivalent here.

GROUP EXPOSURE SUMMARY as at 11/11/2024 (this must comply with the One-Obligor concept of the bank)

Related Obligors(domestic)	Facility Name	LLL Impact (NGN)	Currency	Approved Amount	Outstanding Exposure	[O/S] Ccy	End Date
Direct Facilities:							
BECHYCH GLOBAL MARKETING VEN LTD	OVERDRAFT	130,000,000.00	Naira	130,000,000.00	00.00	Naira	9/25/2025 12:00:00 AM
TOTAL		130,000,000.00	Naira	130,000,000.00	00.00	Naira	

Facility Type	Security / Support
<ul style="list-style-type: none"> OVERDRAFT NGN30,000,000.00 	<ul style="list-style-type: none"> LEGAL MORTGAGE AT NO 16 OWORO ESTATE, FELELE, LOKOJA, KOGI STATE with OMV=75,000,000.00 and FSV =50,300,000.00

S/N	DESCRIPTION/SUMMARY	COLLATERAL VALUE(OMV)	COLLATERAL VALUE(FSV)
1	LEGAL MORTGAGE AT NO 16 OWORO ESTATE, FELELE, LOKOJA, KOGI STATE with OMV=75,000,000.00 and FSV =50,300,000.00	NGN 75,000,000.00	NGN 50,300,000.00
	TOTAL		NGN 50,300,000.00
	TOTAL FACILITY AMOUNT		NGN 30,000,000.00
	NET COVERAGE		167.67 %

SIGNIFICANT EXPOSURE DETAILS

We seek management approval to avail N30 Million wpower Overdraft in favour of BECHYCH GLOBAL MARKETING VEN LTD to augment their business working capital to meet their customers increasing demand.

Facility 1: New Request

Facility Type: Overdraft Facility

Amount: N30,000,000 (Thirty Million Naira Only).

Purpose: To augment working capital (majorly for purchase of stock-in-trade FMCGs from core suppliers), as required to match increasing demand by off-takers.

Tenor: 365 days

Clean up cycle: 90 days

Interest Rate: 31% p.a. subject to change from time to time , in line with money market changes. There shall be an annual penal charge of 12% applicable on any excess over limit, expired overdraft or unpaid obligation.

Management Fee: 1% Flat payable upfront.

Advisory Fee: 1% Flat payable upfront.

Credit life Insurance: 0.9% Flat payable upfront

Repayment Source: Daily lodgement of sales proceeds through POS collections and deposits from customer's normal business operations and other sources acceptable to Access Bank.

Turnover Covenant: Customer to make a minimum monthly lodgement amounting to at least 150% of the facility amount.

Security & Collateral Support

Legal Mortgage t, over a property belonging to the Chief Operating Officer (COO) of the company, Mr Chika . The property is located at along LEGAL MORTGAGE AT NO 16 OWORO ESTATE, FELELE, LOKOJA, KOGI STATE; valued by Onuah Jude Estate Valuer at N50.3M FSV and N75M OMV in August 2024

Comprehensive Insurance over the property pledged, noting Access Bank as the first loss payee.

Personal Guarantee for the full facility amount by the Principal Director of the Business; Mrs Ihionu Onuawuchi Esther, supported by a notarized statement of her personal net worth., for the full facility amount, supported by Notarized statement of his Network.

Irrevocable Domiciliation of Business proceeds in their Access Bank account.

Credit Life Insurance cover taken out on the female promoter & CEO of the company, Mrs Ihionu Onuawuchi Esther; noting Access Bank as the first loss payee.

Duly Executed Letter of Lien & Set Off.

BACKGROUND TO THE REQUEST

Bechych Marketing Ven LTD is established to carry on the business of distribution of Fast Moving Consumer Goods (FMCGs). These goods includes but not limited to Groundnut oil, Palm oil, Rice etc.

The company started business operations in September 2007 has grown in leaps and bound. The company is at NO. 170 Ahmmadu Bello Way New Market Lokoja, Kogi State. The main promoters of Bechych Ven LTD are:

- 1. Mrs Okehie Judith Ifechi*
- 2. Mr Chika Okehie*

The customer is a sub-distributor with the following distributors: Alhaji Idris Saleh Nig LTD, Hyginus Ike and Benvic Enterprise. The customer in turn sells to the retail off-takers in all the 23 Local governments Area of the states. They have been in operations for the past 15 years with 3 outlets in Lokoja, Kabba and Idah respectively.

The company operates on a cash and credit basis; however, all credit sales are recovered within 7 days. In addition, all the goods are distributed to all the retail off-takers in the 23 Local governments on arrival.

The customer was availed 10million overdraft facility in August 2023 with a clean-up cycle of 90 days. The facility expired in August 2023 with the customer adhering to the clean-up cycle and turnover covenant through out the period of the facility. The facility gave the customer a boost in their business as seen in their turnover. The customer's one year turnover before the facility stands at 173million as compared to 456million after the disbursement, this is also evident in increase in their working capital..

Bechych ' Key Offtakers are seen below.
Gracious Custard Enterprises
Richard Chukwemeka Ezugha
Mrs Okoronkwo Promise
Emmanuel Ikechukwu Nnatu
E Nuel Superstores

RATIONALE FOR THE REQUEST

Due to frequent increase in the price of commodities and customer's penetration into new territories within Kogi State and villages of the neighbouring states, they needs to augment their working capital position, in order to sustain purchasing power to re stock their goods, hence the rationale for the customer's current loan request from Access Bank.

The proposed N30Million Overdraft facility is in favor of Bechych Marketing Ven LTD and shall be utilized is to augment customer's business working capital, so as to meet their customers increasing demand. This is because, the working capital available to the business does not cannot provide adequate buffer to meet their offtakers' increasing demand. Below is a table showing the effect of the change in price and gap it created in the business, hence the need for the financing.

SN	PRODUCT	QUANTITY PER SUPPLY	PREVIOUS PRICE	CURRENT PRICE	CHANGE IN PRICE PER SUPPLY
1	Smile Oil 20 Litres	100	24,000	54000	3,000,000
2	SMILE OIL 10 Litres	150	12000	27000	2,250,000
3	Carton of Smile Oil 4Litres	100	32000	75000	4,300,000
4	Carton of smile oil 5Litre	150	38000	76000	5,700,000
5	Mr. Vee Beverages	1 truck	3400000	5500000	2,100,000
6	Bobo Yoghurt	100	3200	4200	100,000
7	Pop Cola	100	1600	2300	70,000
8	Rice (OLAM, MAMA PRIDE and CHAMPION RICE)	150	50000	95000	6,750,000
TOTAL					24,270,000

Furthermore, rising inflation in the industry has repeatedly increased the unit cost of goods supplied by the aforementioned suppliers /large corporates, hence the need of the proposed credit line, i.e. N30Million Overdraft facility.
CER.

1. Deployment of hydrogen POS to the customer's business outlets
2. Consolidating all their transactions to Access Bank accounts. Access Bank account number will be printed and pasted in their business outlets.
3. Awareness will be created for the salesgirls to only push access bank account for any form of collection.
4. The business unit have discussed with the customer about deploying POS to her outlets for collections.
5. Monthly review of the account to ensure that customer is adhering to the above term.

APPROVAL REQUEST:

We seek Management's approval as follows:

- 1.To grant N30,000,000 (Thirty Million Naira Only) Overdraft facility in favour of Bychych Global Marketing Ven LTD(i.e a female owned business, with a Female, Principal Director (okehie Judith Ifechi), owning 50% shareholding).
- 2.The facility shall be tenored for for 12 months with 90 days clean up cycle and priced at at 31% p.a.
- 3.In line with the credit program, we shall secure Legal Mortgage with Mr Chika Okehie (one of the key promoters & COO of thecompany) who owns the property located at along oworo Estate Lokoja. This was valued by Onuah Jude Estate Surveyor at N53.3M FSV and N75.0M OMV in August 2024.

CRITICAL CREDIT ISSUES

Demand: There is a huge demand for FMCGs and since most of the private and public organizations have over the years consistently increased theconsumption of these commodities. Most of the new entrants have consistently increased their volumes due to this large market. With the currenteconomic situation and the volatility in FX, FMCGs companies have increased processing of commodities owing to the increase cost of raw materialsand production cost. This price has also resulted in distributors requiring more capital to sustain their businesses.

Management Expertise: The company's management team is made up of skilled professionals capable of running the organization and they have beenin this line of business since 2018, growing in leaps and bound.

Sufficiency of Collateral: The collateral , belonging to the COO, Mr Chika Okehi is situated at along Oworo Estate Lokoja, Kogi State.This was valued by Jude Onuoha & Co Etstate Surveyor at N50.3M FSV and N70M OMV in August2024 (Perfection will commence, upon approvalof the loan).
The sufficiency of collateral is not in doubt to cover the overdraft

RISK/RETURN AND RELATIONSHIP STRATEGY	
Customer Value Chain Eco-System Conversion Update.	
A Total number of vendors	20
B Number of vendors converted	15
C Total number of distributors	3
DNumber of distributors converted	10
E Staff strength	50

F Number of staff salaries paid through the Bank.	20
G Total number of family members of Principal Officer(s)	3
H How many have accounts with the Bank	3
I No of cards issued to customer/ her value chain	20
J Which corporate solutions is the customer on?	ACCESS MORE
K Key Promoters:	Chika Okechie and Okechie Judith Ifeci

PROFITABILITY ANALYSIS

S/N	PARAMETERS	VALUES ('000)
	Management Fee 1% Flat on 30Million	300
	Advisory Fee 1% Flat on 30Million	300
	NRFF on average monthly float of N5 Million @14% Spread p.a	700
	Gross Interest Income of N30M @ 31%	930
	Less Cost of Funds of N64M @ 18%	(540)
	TOTAL	1,690

NET YIELD: 5.6%

OVERDRAFT

S/N	CONDITIONS PRECEDENT TO DRAWDOWN
1	Duly Executed Offer Letter
2	Evidence of payment of all fees, costs and expenses due from the Borrower have been paid or will be paid by the disbursement date
3	Executed Security Document [i.e. Sales Domiciliation, Insurance on stock with Access Bank noted as first loss payee, in form and substance satisfactory to the Lender, creating a first ranking security in favour of the Lender over the property/asset
4	Receipt of a credit report from 2 (two) independent bureau agencies licensed by the Central Bank of Nigeria showing a credit score that translates to a minimum standard satisfactory to the Lender
5	Receipt by the Lender of evidence satisfactory to the Lender, of the endorsement of the Lender as [first loss payee] on the combined Fire and Burglary insurance policies taken out by the Borrower in relation to the property/asset with a reputable insurance company acceptable to the Lender
6	Legal Team is to ensure that all documents required for the perfection of the collateral are available.

OVERDRAFT	
S/N	TRANSACTIONS DYNAMICS
1	BECHYCH GLOBAL MARKETING VEN LTD request starts through submission of the hard copy application form to the Relationship Team
2	Relationship Team checks the documents for accuracy and completeness and refers to an account officer to conduct interview and initiates loan request through for approval
3	loan request goes through the approval process. Upon approval of the facility request, the relationship team sends the customer an offer for acceptance
4	OD availment takes place: Relationship Team shall be involved in availment and monitoring
5	Principal and interest repayment shall be to bullet, 90 days clean up circle
6	There will be 90 day clean up cycle for facility

WAYS OUT ANALYSIS:

Primary

The Primary Way Out: Repayment of the facility shall be from sales proceeds of FMCGs.

Secondary Way Out

In the unlikely event of bankruptcy, the bank shall realize her exposure from the Legal Mortgage pledged as security with the bank. We shall also have recourse to call in the Personal Guarantee of the key promoter, for the facility amount in event of default.

UPDATE ON BANKING RELATIONSHIPS AND EXISTING FACILITIES

Account No: 0022118931 (Access Bank)

Account Name: BECHYCH GLOBAL MARKETING VEN LTD

Period	Outflow	Inflow	Balance
23-Sep	24,897,654	27,453,765	(7,548,566)
23-Oct	28,005,154	26,085,200	(9,845,126)

23-Nov	25,941,790	26,930,895	(8,856,021)
23-Dec	24,134,757	25,884,440	(7,925,171)
24-Jan	25,941,790	26,930,897	(8,867,889)
24-Feb	31,998,867	32,909,300	(106,346)
24-Mar	30,758,560	31,163,100	(8,856,021)
24-Apr	49,171,409	49,744,800	(3,188,786)
24-May	37,646,502	34,370,700	(6,104,588)
24-Jun	38,227,046	38,743,650	(6,498,765)
24-Jul	49,171,409	49,417,500	(3,188,768)
24-Aug	34,292,828	38,891,160	(5,104,118)
total	400,187,766	408,525,407	
avg	33,348,980.50	34,043,783.92	
Kindly note that customer only have active relationship with Access bank			

RISK ANALYSIS:

The core risks associated with doing this business with Bechych Global Marketing Ven LTD are summarized with their mitigants below:

Diversion Risk This is the risk that Bechych Global Marketing Ven LTD may divert proceeds from sales of the products for other uses.

Mitigant

Firstly this will be mitigated by monitoring of the company's account in line with goods in the customer's warehouse. Furthermore, we have customer's commitment to make Access Bank plc customer's number one bank so to meet and surpass the monthly CER 150%, and Access Bank Plc will be the Bank where customer's rebate will be paid to.

This risk is also mitigated by the fact that the ownership and management of the company have good reputation. The company has also been able to build up a name in the industry.

Demand Risk

This is the risk that Essy and Co Ventures may be unable to sell the products purchased due to a fall in demand, thereby jeopardizing our source of repayment.

Mitigant: This risk is mitigated by the fact that Bechych Global Marketing Ven LTD clientele base has consistently been increasing over the years because of the market acceptance of the company as one of the market leaders in Kogi State.

Also, the demand for FMCGs is always on the increase since these commodities are essential for every household.

Key man Risk

This is the risk that the business would die or come to an abrupt halt if the key promoter of the business passes on or is no longer capable of taking care of the daily affairs of the business.

Mitigant

This risk is mitigated by the fact that Mrs Okchie Judith Ifechi (Madam Chikwodi Onyelusi- age 41 years) is involved in the running of the business and is experienced enough to drive the affairs of the business in the unlikely event of incapacitation of any of them.

COUNTRY OVERVIEW & INDUSTRY / BUSINESS RISK:

The FMCG industry in Nigeria is a significant contributor to the country's economy, accounting for a significant share of the gross domestic product (GDP). This sector encompasses a diverse range of products that are consumed daily and have a relatively short shelf life, such as food and beverage, personal care, and household cleaning products.

To understand the Nigerian FMCG industry, it is essential to look at the market dynamics and the factors driving growth in the sector. One of the main drivers is the country's population, which is estimated to be over 200 million people, making it the most populous nation in Africa. This large population presents a vast consumer base for FMCG products, creating a significant market opportunity for both local and international companies. Another factor driving growth in the Nigerian FMCG industry is the increasing urbanization rate, with more people moving to cities and adopting modern lifestyles. This trend has led to a shift in consumer preferences towards convenient and ready-to-eat products, which has spurred the growth of the packaged food and beverage segments.

OWNERSHIP AND MANAGEMENT ASSESSMENT:

Mrs. Okchie Judith Ifechi – She is the Chief Executive Officer (CEO) of the company. She holds a Bachelors Degree in Business Administration. Judith started the business from scratch in September 2007. She is vast in the business of FMCGs distribution.

Mr. Okchie Chika – He is the Chief Operating Officer (COO) of the company. He holds a degree in Accounting. He joined the company in 2019. He helped stabilise after the COVID 19 Pandemic. He has been part of the success of the company.

OTHER RELEVANT INFORMATION INCLUDING MEDIA COVERAGE ON OBLIGOR

Please state any other relevant information (including media coverage) on the obligor and shareholders

HISTORICAL FINANCIAL ANALYSIS & OUTLOOK:

FINANCIAL ANALYSIS – HISTORICAL

Company's Name: BECHYCH GLOBAL MARKETING VEN LTD

Auditors: ISMAHEEL & CO.

FYE: 2021 to 2023

Auditor's Opinion: Unqualified

Audited: Yes No

Sales and Profitability Ratios

SALES AND PROFITABILITY RATIO

	2023 (A)	2022 (A)	2021(A)
Sales (N)	705,750,100	585,175,300	454,500,000
Cost of Goods Sold (N)	564,600,080	473,991,993	372,690,000
Gross Profit Margin (%)	20.00%	19.00%	18.00%
CGS/Sales (%)	80.00%	81.00%	82.00%
OPEX /Sales (%)	3.33%	2.90%	3.51%
NPAT (N)	91,647,609.00	53,901,836.00	49,410,280.00
Net Profit Margin (%)	12.99%	9.21%	10.87%

The company's Sales revenue grew from N454,500,000 in 2021 to N705,750,100 to 2023. The growth is attributed to their ability to remain relevant in their market by offering their customers, excellent service with unequalled quality of their products.

The company has shown significant level of profitability in line with the noted increase in sales. They were able to make an impressive profit after tax which increased from N49,410,280.00 in 2021 to N91,647,609.00 in 2023.

Their key success factor is the ability to maintain a relatively stable COGS to sales margin (below 83%) during the period under review and keep Operating expense below 3.6%. Their net profit margin also inched upwards slightly from 18% in 2021 to 20% in 2023.

They were more prudent in managing recurring expenses, which yielded slightly increased profitability, over the review period.

Asset Management

ASSET MANAGEMENT

	2023 (A)	2022 (A)	2021(A)
WI (N)	21,480,000	19,388,000	17,239,410
WI/Sales (%)	3.04%	3.31%	3.79%
INVDOH (days)	10	11	13
APDOH (days)	0	0	1
ARDOH (days)	4	3	4
Current Assets (N)	24,097,500	20,870,000	18,709,725
Current Liabilities (N)	800,000	762,000	900,315

Working Investment to Sales (%): There is a decrease in the working capital to sales ratio from 3.79% in 2021 to 3.04% in 2023. This was caused by the new expansion drive of the company from 2021 to 2023. This entails opening of new outlets in the local governments of the states that were not covered.

Inventory Days on Hand (INVDOH): The INVDOH reduced from 11 days in 2021 to 5 days in 2023. This was a result of increased demand for goods by their customers.

Accounts Payable Days on Hand (APDOH): The APDOH remained constant from 1 days to 0 days. This is attributed to payment to suppliers before goods are delivered.

Accounts Receivable Days on Hand (ARDOH): The days sales outstanding (DSO) have decreased, implying that the company is collecting receivables more quickly due to efficient accounts receivable management.

CURRENT ASSETS & LIABILITIES: The current assets level remained above N18 million during the review period. There is a significant increase from N18,709,725 in 2021 to N24,097,500 in 2023, while current liabilities remained considerably low. This remains significantly above current liabilities level and shows that the company can service its maturing obligations as at when due.

Liquidity & Leverage

LIQUIDITY AND LEVERAGE

	2023 (A)	2022 (A)	2021(A)
Working Capital (N)	23,297,500	20,108,000	17,809,410
Current Ratio	30.12	27.39	20.78
Quick Ratio	11.15	8.16	6.13
Leverage Ratio	0.00	0.01	0.01
Tangible Net worth (N)	367,364,250	158,647,449	151,983,636

The company's business has experienced steady growth especially in the period under review. This is clearly visible in the increasing WC from N17,809,410 in 2021 to N23,297,500 in 2023 FY.

The strong positions for the Current & Quick ratios further show that the company will be able to service its current liabilities even in the unlikely event of inventory loss. In the same vein, the tangible networth of the company also increased from N151,983,636 in 2020 to N367,364,250 in 2023. The profit retention policy also reflected in the company's net worth as the company has been ploughing back its profit into the business.

The company's overall liquidity position is satisfactory with demonstrated capability to meet its maturing obligations as at when due.

Cashflow

CASHFLOW

	2023 (A)	2022(A)	2021 (A)
COPAT (N)	117,452,411	94,402,697	65,862,380
NOPAT (N)	113,117,511	57,630,218	118,025,564
Finance Payments (N)	3,020,000	23,172,555	667,800
FCF (N)	114,432,411	71,230,142	63,655,880

The FCF for the period under review showed an increase. Finance payments remained relatively stable and below N3.1m during the review period, thereby having minimal impact on the FCF. This also shows that the firm is maximizing its potential.

Overall, the company's cashflow has been encouraging and can be linked to the company's ability to manage its expenses and assets to maximize profit. The company is expected, however, to continue in this trend in the coming years as evidenced by the analysis of the company's statement of account

PROJECTED FINANCIAL ANALYSIS

All term exposures must be accompanied by financial projections covering the tenor of the financing. Include the relevant spreadsheets (inputs and outputs) and discuss trends including covenant compliance, and cushions vs. benchmarks, if appropriate. The projections must include the assumptions underlying them. This section must also show the results of sensitivity analysis of the projections, as well as the performance against financial covenants in these scenarios.

BUSINESS AND INDUSTRY DESCRIPTION**INTRODUCTION TO FMCG**

Fast-Moving Consumer Goods (FMCG), or Consumer Packaged Goods (CPG), are products sold quickly and at a relatively low cost. The FMCG industry is characterized by high-volume sales, quick inventory turnover, and various products catering to consumer needs. These goods include essential everyday items such as food and beverages, toiletries, cleaning supplies, and other low-cost household items.

IMPORTANCE OF FMCG IN THE ECONOMY

The FMCG industry is a vital component of the global economy, contributing significantly to a country's Gross Domestic Product (GDP) and job creation. As a major driver of consumer spending, FMCG plays an essential role in various aspects of the economy, such as the retail and distribution sectors, generating demand for a range of products and services. Here are some of how the FMCG industry contributes to the economy

Economic Growth and Employment

The FMCG sector is a primary source of employment, providing job opportunities for millions across the supply chain, including manufacturing, distribution, retail, and marketing. As a labor-intensive sector, FMCG contributes to economic growth by creating direct and indirect employment opportunities, helping to reduce unemployment rates and boost overall productivity.

Driving Retail and Distribution Growth

The FMCG industry plays a crucial role in the growth of the retail and distribution sectors, generating a steady demand for various products. The high volume and quick turnover of FMCG products encourage retailers and distributors to invest in infrastructure, technology, and workforce development, further supporting economic growth.

CORPORATE STRUCTURE AND ORGANIZATION

Name	BVN	% Holding	Gender	Position	TIN
Mrs Okechie Judith Ifechi	22475419882	50	Female	MD/CEO	18944489-0001
Mr. Chika Okechie	22184202452	50	MALE	COO	18944489-0001

JUSTIFICATION FOR THE REQUEST / CREDIT CONSIDERATION

- Customer requires N30M OD to augment their current working capital required to meet their re- order level in view of the current hike in price of commodities.
- The impact the N30M OD is expected to translate to increase in customer sales by over 50%. Likewise rebate/profit the commodities shall increase to N4,115, 000.00 monthly.
- The Customer has been a loyal customer since the inception of this account. Availing this facility will increase our share of the customers' business as the customer has pledged to fully move his business to us if this request is granted.
- We would be able to woo more of the customers sub distributors and other major dealers as customer would gladly refer us to them.
- Further exposure will enhance the customers' capacity while increasing our profitability.

APPROVAL RECOMMENDATION

Based on the above justifications, we recommend N30,000,000 (Thirty Million Naira Only) Overdraft Loan be approved in favour of Bechych Global Venture LTD to augment business working capital for 12 months at 31%, with 90 days clean up cycle and for a period of 12 months . This facility shall be collateralized by Legal Mortgage arrangement on Mr Okechie Chika property located at Oworo Estate Lokoja, valued by Kola Jude Onuoha & Co Estate Surveyors at N50.3M FSV and N70M OMV in August 2024

Kindly approve.

APPROVALS

Role	Name	Decision	Comment	Date
ACCOUNT OFFICER	JOSEPH MEJO	Accepted	Kindly approve	10/16/2024 1:15:22 PM
RELATIONSHIP MANAGER	Liman Chongdung	Accepted	ok to treat	10/16/2024 2:20:37 PM
ZONAL HEAD	Cosmos Rotimi Ogedengbe	Referred	Adjust interest rate	10/17/2024 8:41:17 AM
RELATIONSHIP MANAGER	Liman Chongdung	Referred	please amend the rate as discussed Sent to Applications to edit Application with loan Reference Id: 1412755536809	10/17/2024 9:29:01 AM
ACCOUNT OFFICER	JOSEPH MEJO	Accepted	tREATED	10/17/2024 11:28:18 AM
RELATIONSHIP MANAGER	Liman Chongdung	Accepted	ok to treat	10/17/2024 11:37:26 AM
ZONAL HEAD	Cosmos Rotimi Ogedengbe	Accepted	Supported	10/17/2024 12:38:19 PM
GROUP HEAD	Emeka Uzowuru	Referred	Is this request for N30m or N40m?	10/17/2024 5:18:24 PM
ZONAL HEAD	Cosmos Rotimi Ogedengbe	Referred	Amend amount across body of FAM	10/18/2024 8:07:05 AM
RELATIONSHIP MANAGER	Liman Chongdung	Referred	Please amend the facility amount to N30m across the FAM especially GROUP FACILITY SUMMARY part.	10/18/2024 8:57:09 AM
ACCOUNT OFFICER	JOSEPH MEJO	Accepted	All section of the FAM have been updated	10/18/2024 9:50:46 AM
RELATIONSHIP MANAGER	Liman Chongdung	Accepted	Sir, FAM amended	10/18/2024 11:25:11 AM
ZONAL HEAD	Cosmos Rotimi Ogedengbe	Accepted	Request is N30M sir. This has been aligned in the FAM.	10/18/2024 1:11:18 PM
GROUP HEAD	Emeka Uzowuru	Accepted	Recommended for further review	10/23/2024 5:44:08 PM
CREDIT RISK REVIEW	Jude Motunrayo Oni	Referred	1. Review Type: Amend to "Renewal with increase" 2. Relationship Summary: Populate the sections for Obligor Risk Rating, Ownership structure, and Customer Classification. 3. Approved Amount: Enter the previous loan amount under "Approved Amount" and the requested increase under "Change." 4. Security Cover Analysis: Populate the security details with the FSV, OMV, and Net Coverage values. 5. Background to Request: Briefly describe the utilization of the previous facility availed to the customer, specify the customer's primary products and product brands. Rationale for the Request: Review this section, expunge any unrelated information. Justification for Loan Increase: This has not been well articulated to justify recommendation. ==In monetary terms, indicate the specific product lines or brands of FMCG, where the noted impact of hike in cost price has hit the business in the last 6 - 9 months. (i.e. Identify the affected products, their new versus previous prices, and the period of price changes. == Articulate how the proposed N20m facility enhancement is expected to buffer the identified gap in the company's working capital. Why are they not able to fund this directly from their Business. 6. Approval Request: Update the FSV and OMV of the collateral (at the last paragraph) 7. Banking Relationship: Indicate the complete account details (Acct name & Number) for the bank activity provided. Also Include account activities for the customer's other major bank on a month- on month basis. 8. Financial Analysis: Spread and analyze the company's	10/25/2024 2:01:05 PM

			financials or management accounts (minimum last 3 years) in the FAM. 9. Supporting Documents: Submit the following: Current CAC status search for the company (issued within the last 6 months). CAC2 document verifying company directors. Recent title search on property used as collateral (within the last 6 months). Company's financial statement or management accounts (minimal last 2 years.) Valuation report for the pledged property. Clean credit checks (CRC, XDS, and CRMS) for BECHYCH GLOBAL MARKETING VENTURES LTD, Mrs. Okehie Judith Ifechi, and Mr. Chika Okehie (no older than October). - Please confirm if this customer previously had a N130m OD and when it was paid down.	
ACCOUNT OFFICER	JOSEPH MEJO	Accepted	All issues raised have been addressed	10/30/2024 6:22:50 PM
CREDIT RISK REVIEW	Jude Motunrayo Oni	Referred	Kindly address the following for further review: SUPPORTING DOCUMENT: Kindly attach clean credit checks (CRMS) for BECHYCH GLOBAL MARKETING VENTURES LTD, Mr Okehie Chika, and Mrs Okehie Judith Ifechi. Also, BVN validation page for each of these persons. Please note that Mrs. Judith Ifechi was recently added as a director of BECHYCH GLOBAL MARKETING VENTURES LTD. Therefore, the prevailing interest rate for a proper overdraft stands. Adjust the interest rate to 31% across these FAM sections; Significant Exposure Details; Profitability Analysis; and Approval Recommendation Section.	10/31/2024 12:18:28 PM
ACCOUNT OFFICER	JOSEPH MEJO	Accepted	Treated	10/31/2024 1:33:22 PM
CREDIT RISK REVIEW	Jude Motunrayo Oni	Referred	Kindly address the following for further review FACILITY SUMMARY: Facility Column: Remove the Term Loan of N3.3m entirely from the table. Change "Retail Term Loan" to "Retail Time Loan" and adjust this across the FAM wherever referenced. Approved Amount: Update the approved amount to N20m. Change: Reflect the increase difference, which is N12m. SECURITY/SUPPORT Facility Type: Remove duplicates and retain only the "Existing Facility (if any)" and "New Facility". Security/Support: Remove duplicates and include the Valuer, FSV, OMV, and Perfection Status. CUSTOMER CURRENT OBLIGATIONS WITH ACCESS Monthly Repayment Amount: Revise the monthly repayment amount as it appears overstated. Maturity Date: Specify the actual maturity date. Repayment Update: Add comments on repayment status below the table. DEFAULT RISK MITIGANT Average Credit Turnover: Correct this to align with the amount stated in the statement of account activity. FUND DIVERSION MITIGATION Direct Payment to Supplier: Clarify your position on "direct payment to supplier" as a mitigation strategy for fund diversion and explain how monitoring will be carried out. ASSET MANAGEMENT WI/Sales%: Express this figure as a percentage. Does this customer have an existing relationship with other banks? kindly reflect your response in the Banking Relationship Summary.	10/31/2024 3:00:44 PM
ACCOUNT OFFICER	JOSEPH MEJO	Accepted	Treated	10/31/2024 4:13:02 PM
CREDIT RISK REVIEW	Jude Motunrayo Oni	Accepted	Our recommendation is for a renewal & enhancement of the Overdraft facility limited to N20m for a period of 12 months. The facility shall be priced at 31% p.a. BECHYCH MARKETING VEN LTD is into distribution of FMCGs (palm oil, rice etc.), operating in Lokoja, Kogi State. The request is to renew the Overdraft facility from N10m to N30m to facilitate purchase of their stock-in-trade FMCGs, from core suppliers. Customer has a satisfactory credit relationship with the bank, having previously taken N10m overdraft facility which has fully liquidated. In the past 12 months (2023 Sept - 2024 Aug), the customer routed total collections of N408m, averaging N34m monthly via their account with Access Bank. They currently do not have any relationship with other banks. The 2023 AFS reveals the customer's consistent ability in managing operating costs, evidenced by the noted growth in Net Profit after Tax. Current ratio trend was consistent, above 20:1 (during FY 2021-2023), while Quick Ratio was also sturdy above 10:1 in 2023. These metrics indicate strong liquidity, but also suggest under utilized current assets majorly tied in inventory., which also does not quite underscore a need of excessive debt financing. However, considering the impact of Inflation on cost of goods N20m is recommended, at 31% p.a, with monthly clean up cycle of 90 days. Facility is secured with Legal mortgage with N75m OMV, and N50.3m FSV providing a cover of 251.5% Attached credit checks shows no default. Request is recommended for further approval	11/1/2024 4:14:59 PM
ESRM REVIEW	Miracle Oche Michael	Accepted	The facility is rated C risk (low risk) due to the minimal E&S risk associated with the Customer's line of business. The commitment below should be captured in the executed Offer letter under other conditions. (" The Borrower shall comply with the Environmental and Social Laws of Nigeria and the Environmental and Social Guidelines of the Bank. Non-compliance shall constitute an Event of Default")	11/4/2024 8:45:29 AM
CREDIT RISK MANAGER	Bukola Ogedengbe	Accepted	N20mm supported	11/4/2024 2:27:09 PM
LEGAL - APPROVAL	Ogochukwu Egbe	Accepted	Supported	11/4/2024 4:20:01 PM
TREASURY	Odosa Osadolor	Accepted	32%pa interest rate advised	11/4/2024 4:43:25 PM
EXECUTIVE DIRECTOR	AJIRI ONOWOTU	Accepted	I approve in line with the recommendation of the Credit Risk Manager.	11/5/2024 10:33:42 AM

