



## Due Diligence Package

MicroCredit Enterprises will request a complete Due Diligence Package from qualified microfinance institutions after the MFI Loan Application has been received and reviewed by our senior management. The following is an illustrative list of the information required as part of the Due Diligence Package. MicroCredit Enterprises reserves the right to request additional information as needed.

- Audited financial statements for the previous three years
- Year-to-date unaudited financial statements
- Table showing number of clients, offices, employees, and loan officers for previous four years and current year to date.
- Percent of current clients that are women and percent of current loans to rural clients
- Maturity analysis for assets and liabilities as of most recent month
  - Present assets and liabilities maturing in 0-30 days, 31-90 days, 91-180 days, 181-365 days, 1-2 years, and greater than 2 years
- Currency analysis for assets and liabilities (present assets and liabilities by currency)
- List of current debt obligations, including the following information for each debt obligation: (a) Lender; (b) Original loan amount and disbursement date; (c) Outstanding balance; (d) Frequency of payments; (e) Final repayment date; (f) Currency denomination; (g) Interest rate (please indicate if fixed or variable).
- Loan portfolio reports:
  1. Gross portfolio by branch for past four years and current year to date
  2. Gross portfolio by loan product for past four years and current year to date
  3. Gross portfolio by loan use (economic activity) for past four years and current year to date
  4. Value of PAR>30 by branch for past four years and current year to date
  5. Value of PAR>30 by loan product for past four years and current year to date
  6. Value of PAR>30 by sector for past four years and current year to date
  7. Report showing aging of portfolio in arrears for past four years and current year to date (i.e. value of loans without arrears, PAR of 1 to 7 days, 8 to 30 days, 31 to 60 days, etc.)
  8. Value of rescheduled loans for past four years and current year to date
- Value of loans written off during past four years and current year to date
- Three-year financial projections
- Three-year business plan that demonstrates operational self-sufficiency or the ability to achieve operational self-sufficiency
- All by-laws, legal registration, articles of incorporation and/or charter documents
- Shareholder ownership percentages (or voting control percentages for NGO)
- External ratings or evaluations

- Summary report of your management information systems (MIS)
- Description of products and services (including lending methodology & interest rates)
- Résumés, curricula vitae, or biographies for key management and board of directors
- List of major donors
- Policies for loan loss reserve
- Policies for writing off loans
- Policies for refinancing or re-aging loans
- Policies for managing foreign exchange risk
- Policies and procedures for internal controls to prevent fraud (including controls for cash handled by loan officers), or internal control and/or internal audit manuals
- Credit policies and/or credit manuals, operating manuals

The complete due diligence package should be emailed to [Kyle R. Salyer](mailto:ksalyer@MCEnterprises.org), Executive Vice President ([ksalyer@MCEnterprises.org](mailto:ksalyer@MCEnterprises.org)) or mailed by courier service to:

MicroCredit Enterprises  
c/o Kyle R. Salyer  
1080 Noel Drive #3  
Menlo Park, CA 94025 USA