

Eximbank Zrt. (hereinafter: Eximbank, Exim) assists SMEs and large companies through joint and several guarantees in overcoming their temporary severe liquidity difficulties arisen due to the outbreak of the corona virus pandemic, as well as in obtaining loans for financing their working capital and investment needs to maintain the viability of the enterprises and to provide the continuity of their economic activity.

The guarantee of Eximbank provided within the Compensation Loan Protection Program enables UniCredit Bank Hungary Zrt. to grant new working capital and investment loans to enterprises even in cases where otherwise they could not obtain financing without the guarantee of Eximbank, or only with less advantageous conditions.

Exim provides guarantee in compliance with the framework rules set out in the Communication C (2020) 1863 of the European Commission on a temporary framework for state aid measures to support the economy in the current COVID-19 outbreak (hereinafter: COVID Communication).

## **Why is Exim Compensation Loan Protection Program guarantee advantageous?**

- You can obtain working capital and investment loan with less collateral;
- You can apply guarantee for even up to 80% of the principal amount of the financed credit transaction;
- You do not have to comply with the de minimis state aid limits;
- The guarantee can be issued in HUF, EUR or USD according to the currency of the loan;
- In case of the underlying loan, the minimum expected coverage ratio of the collaterals is 0-30% depending on the rating by Eximbank;
- The guarantee fee is advantageous.

## **To whom do we recommend Exim Compensation Loan Protection Program guarantee?**

To resident companies pursuant to Act XLII of 1994 (Exim Act) registered in Hungary and qualified as SMEs or large companies pursuant to Annex No. 1 of Commission Regulation (EU) 651/2014 (hereinafter: General Block Exemption Regulation), which at the time of contracting the guarantee

- was not in difficulty according to the General Block Exemption Regulation on 31.12.2019;
- qualifies as exporter or supplier to an exporter, or operates in a sector having export potential according to the company register (the sectors having export potential are contained in the NACE list on the website of Exim);
- faced temporary severe liquidity difficulties due to the outbreak of the COVID-19 pandemic.

## Features of the guarantee

- The loan types to be guaranteed are investment loan with a maturity up to 6 years, non-revolving working capital loan with a maturity up to 3 years or revolving working capital loan with a maturity up to 1 year.
- New loan aiming at refinancing a loan taken out earlier if it meets the requirements on the Exim product sheet.
- The guarantee cannot be linked to a loan granted within the framework of the Exim Compensation Loan Program, but loans within the Exim Exporters of the Future loan construction or the Funding for Growth Scheme Go! Program of the National Bank of Hungary, or provided from the own funds of banks may be applied for.
- The maximum rate of the guarantee of Eximbank is 80% for SME and small mid-cap companies<sup>1</sup>, while it is 50% for large companies.
- The minimum amount of the guarantee is EUR 29 thousand / HUF 10 million / USD 30 thousand.
- The guarantee of Eximbank is a guarantee containing state aid according to the COVID Communication with 100% state counter guarantee.
- In addition to the guarantee by Eximbank, other collateral may be required for the loan transaction (e.g., owner joint and several guarantee, surety, mortgage, etc.) depending on the rating of the client.

## Documents necessary for guarantee application

- Guarantee application signed by the credit applicant, furthermore, the declarations required by Eximbank, which are available on the website of Exim.
- Documentation required by the bank for the credit assessment.

For further information about Eximbank's services, tariffs and Business regulation, please visit their website at <https://exim.hu/en/products/exim-compensation-programs#hitelfedezeti-program>.

If you have any questions, please feel free to ask your contact person at the bank, or our colleagues at one of our many bank branches. Further information about our bank and products is available on our website [www.unicreditbank.hu](http://www.unicreditbank.hu).

## UniCredit Bank Hungary Zrt.

**This information should not be considered an offer.** The Bank reserves the right to change the conditions. UniCredit Bank reserves the right to make decisions on an individual basis regarding loan disbursement/issuance of bank guarantee and on the amount and conditions thereof, based on the loan/bank guarantee application and documents submitted.

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<sup>1</sup> Small mid-cap company: the total number of its employees is less than 500 and its net annual turnover is less than the HUF equivalent of EUR 100 million or its balance sheet total is less than the HUF equivalent of EUR 86 million, and is not qualified as SME.