

European Investment Bank (EIB) Loan

Main Characteristics

Purpose:	<p>To support Cypriot Businesses and youth employment with lending at favourable terms in cooperation with the EIB for the following purposes</p> <ul style="list-style-type: none"> ➤ Purchase / construction / extension / renovation of real estate for own use (buildings and equipment), excluding financing for the purchase of land (unless it is considered technically necessary for the investment) and the purchase of land for farming purposes. ➤ Purchase of assets including assets which are intended to be rented to third parties. ➤ Investment in intangible assets such as: Costs for the design, development, and financing of an asset during the construction of tangible assets. Research and Development costs, including salaries of persons directly related to the research being financed and Creation of distribution networks in domestic or other markets within the European Union (acquisition of assets and / or brands, operating and labor costs). ➤ Costs for the purchase of patents and licenses, where they are necessary. ➤ Medium-term / long-term working capital needs, which require at least a 2-year financing period. ➤ Generation change (i.e. retirement of previous owners) or business change associated with personnel, or which allows the continuation of the economic activity of that business.
-----------------	---

Maximum Loan Amount : €12.500.000

Repayment Period: From two (2) – twelve (12) years

Applies to :

- SMEs (companies / partnerships which employ less than 250 permanent employees at the of the financing application to the European Investment Bank).
- Mid-cap businesses (companies / partnerships which employ between 250 and 3000 permanent employees at the time of the application to the European Investment Bank).
- Self-employed entrepreneurs (registered for VAT and social security).

Currency: Euro

Interest Rate: Variable or Fixed Interest Rate for the entire period, as per table below:

Interest Rate	Annual Percentage Rate of Charge (APRC)	Estimated Monthly Instalment	Total Payment Amount
Euribor 6M + 3,00%	3,42%	€827,79	€121.239,28
Fixed Rate = 3,25%	3,68%	€839,57	€122.935,95

- *Euribor 6M – The Bank sets a minimum percentage of 0% for Euribor 6 months.*
- *Preferential interest rate, reduced by 0.50% if the financed project is in business promoting the employment of young people (15 to 27 years) and meets the criteria of the EIB “Jobs Program for young people”.*

The APRC has been calculated for a €100.000 loan (estimated property value of €150.000), repayable over 12 years and with initial bank fees (arrangements of 0.25% on loan amount, documentation and stamps duty), valuation fees of €150 and mortgage registration fees (1%) paid to the Land Registry.

Arrangement fees: 0,25% - 0,50% on the loan amount

Documentation fees: €100

Notes

- ❖ The Bank reserves the right to decline any application based on its judgement and to withdraw any product at any time.
- ❖ The granting of facilities is subject to the satisfactory assignment of collateral by the debtor.
- ❖ The facility's interest rate and instalment may be amended at any time by the Bank, provided that there is a change of the base interest rate linked with the facility.
- ❖ You are at the risk of losing your immovable property, if you do not repay the loan instalments of your mortgage loan.

For more information about the product, terms & conditions, you can refer to any USB Bank Branch, or Customer Teleservice Center