



**STRATEGIC BANKING CORPORATION OF IRELAND  
TOP-UP FUTURE GROWTH LOAN SCHEME  
OPEN CALL FOR EXPRESSION OF INTEREST  
(Published on 15 June 2020)**

**1. Introduction**

The Strategic Banking Corporation of Ireland (“SBCI”) is launching an Open Call for Expression of Interest (the “Call”) to identify and select On-Lenders (the “On-Lenders”), to deliver the expanded Future Growth Loan Scheme as described in this document. Proposals submitted to the SBCI must conform to the requirements of the Call.

If you’re interested in becoming an On-Lender for the scheme, please read this Guidance Document first.

Interested Applicants should express their interest by completing and submitting an Expression of Interest as per the relevant template included at **Annex 1** to this Call and emailing it to [FGLSopencall@sbc.gov.ie](mailto:FGLSopencall@sbc.gov.ie)

**Closing date for receipt of Expressions of Interest for this Call is 26 June 2020 (the “Deadline Date”)**

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## 1.1 The Top-Up Scheme

Following engagement with Department of Business, Enterprise and Innovation (“**DBEI**”), the Department of Agriculture, Food and the Marine (“**DAFM**”), the European Investment Fund (“**EIF**”) and the European Investment Bank (“**EIB**”) the €300m SBCI Future Growth Loan Scheme (“**FGLS**”) was recently expanded to enable COVID-19 impacted SMEs and Small Mid-Caps to access to finance (the expended FGLS is referred to as the “**Existing Scheme**”).

The remaining capacity under the Existing Scheme is being deployed by four previously appointed On-Lenders: Allied Irish Banks, Bank of Ireland, KBC and Ulster Bank.

On 8<sup>th</sup> April 2020 the Minister for Business, Enterprise and Innovation announced that the Existing Scheme would be expanded by up to €500m to further support SMEs and Small Mid-Caps across Ireland who are experiencing disruptions (or loss) of cashflow due to the impact of Covid-19 (the “**Top-Up Scheme**”).

Both existing and potential new On-Lenders will be eligible to apply to participate as On-Lenders in respect of the Top-Up Scheme, with the aim of promoting competition in the credit market.

The Top-Up Scheme will be available for 36 months after its launch. SBCI may extend the scheme duration at its discretion.

## 1.2 The Strategic Banking Corporation of Ireland

The SBCI was established in September 2014 to ensure that businesses in Ireland have access to stable, lower cost and longer term funding options and is wholly owned by the Minister for Finance. One of the primary functions of the SBCI is to promote the provision of additional credit to businesses in Ireland, in particular to SMEs, and to encourage competition in the lending market. In designing any of its schemes, the SBCI strives to ensure the efficient use of available EU funding and guarantees.

The SBCI provides wholesale funding and risk sharing supports through its on-lending partners to deliver a range of loan products to SMEs and other enterprises, ensuring that the benefit of its support is delivered to the ultimate borrowers.

### 1.3 Opportunity for On-Lenders

The Call for the Top-Up Scheme is open, and On-Lenders active (or who intend to become active) in SME and Small Mid-Cap business lending are invited to apply, as detailed in **Section 3**.

For the purposes of this Call, a “**On-Lender**” is a financial or credit institution duly authorised to carry out lending activities according to any applicable legislation, established and operating in one or several of the EU27 countries, the UK and associated countries<sup>1</sup>.

The On-Lender must comply with relevant standards and applicable legislation on the prevention of money laundering, the fight against terrorism and tax fraud to which it may be subject.

The On-Lender:

- a) must not be established in a Non-Cooperating Jurisdiction<sup>2</sup>;
- b) must not meet any of the Exclusion Criteria listed in **Annex 1**;
- c) must not perform R&I activities which are related to:
  - (i) illegal activities according to the applicable legislation in the country of the On-Lender; or
  - (ii) Excluded Activities<sup>3</sup>; and
- d) must not have a substantial focus on any Restricted Sector<sup>4</sup>.

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<sup>1</sup> Associated countries means: (i) EEA countries other than Liechtenstein; and (ii) other associated countries to Horizon 2020 which are third party countries being party to an international agreement with the EU in accordance with Article 7 of the Horizon 2020 Regulation.

<sup>2</sup> A jurisdiction which does not co-operate with the European Union in relation to the application of the internationally agreed tax standards, or their tax practices do not follow the Commission Recommendation of 6.12.2012 regarding measures intended to encourage third countries to apply minimum standards of good governance in tax matters (C(2012)8805).

<sup>3</sup> Research activities aiming at human cloning for reproductive purposes or research activity intended to modify the genetic heritage of human beings or research activity intended to create human embryos or research activity that is prohibited in Ireland.

<sup>4</sup> Illegal economic activities, tobacco and distilled alcoholic beverages, weapons and ammunition, casinos, human cloning or genetically modified organisms or IT sectors relating to internet gambling, online casinos or pornography or which are intended to enable illegal entry of electronic data networks or illegal download of electronic data.

## 2. The Top-Up Scheme Details

The Top-Up Scheme is being established by the SBCI in partnership with DBEI and DAFM, and will be supported with the financial backing of the **EIF and EIB**.

The Existing Scheme is being expanded by up to a further €500m to facilitate the provision of low cost flexible loans to COVID-19 impacted SMEs and Small Mid-Caps.

The Top-Up Scheme will entail the grant by the SBCI of a guarantee to each On-Lender to cover the credit risk of newly originated loans included in its portfolio (up to a maximum of 80% of each loan). To partially off-set the risk of granting a guarantee to each of the On-Lenders, the SBCI will be granted a counter guarantee from the EIF to cover 40% of each loan.

The Top-Up Scheme will cover a total additional portfolio of loans of up to €500m (the “**Maximum Portfolio Volume**”). Applicants (who are selected and are approved by the SBCI Board and EIF following a risk assessment) will be invited to act as an On-Lender for the Top-Up Scheme and will be allocated a portion of the Maximum Portfolio Volume. At the time of signing agreements with On-Lenders, the maximum amount of loans that may be included in the portfolio will be approximately €200m with that maximum amount to increase to approximately €500 million upon approval from Government.

The loans will be subject to certain eligibility criteria and rules which are summarised in **Section 2.1** with full indicative details in **Annex 2**.

### 2.1 Summary of Loan Details

#### Loan Features

- Loans from €25,000 to a maximum of €3,000,000 per borrower. The On-Lender must provide the full range of loans – i.e. a different minimum or maximum threshold may not be set.
- Initial maximum variable loan interest rates of: -
  - 4.5% for Loans <€250,000
  - 3.5% for Loans >=€250,000.
- Loan terms of between 5 to 10 years, depending on the purpose of the loan.
- Loans <=€500,000 to be made on an unsecured basis.
- Loans >€500,000 may be secured however a personal guarantee may only be sought in circumstances where it is required to capture supporting security, or where it is an uncollateralised personal guarantee and is limited to a maximum of 20% of the loan amount.
- Loans to be available up to 36 months after the launch of the Top-Up Scheme.

- Borrowers should have the option to avail of an interest only or capital and interest moratoriums on the loans.
- The On-Lender's standard credit criteria apply to all borrowers.

### Loan Purposes

- Long term investment (as permissible under the original rules of the Existing Scheme) will be available from launch of the Top-Up Scheme.
- \*Financing to term out Covid-19 related expenses as per the examples below, will be available at a future date
  - Overdraft facilities or working capital facilities that have been drawn down or increased and remain fully or partially un-discharged due to the consequences of Covid-19;
  - Accrued trading liabilities attributable to the consequences of Covid-19 e.g. trade creditors forborne rent, tax liabilities, rates, utilities incurred, increased or remaining fully or partially un-discharged due to the consequences of Covid-19.

(\*Up to 30% of the portfolio will be eligible for this purpose should it be required at a future date as determined by DBEI and DAFM.)

### Loans cannot be used for: -

- In case the loan is granted under the General Block Exemption Regulation (GBER)<sup>5</sup> or Agriculture Block Exemption Regulation (ABER)<sup>6</sup>: Financing of undertakings in financial difficulties.<sup>7</sup>
- In case the loan is granted under the *De minimis* Regulation:<sup>8</sup> financing of SMEs and Small Mid-Caps that are subject to, or fulfil the criteria under domestic law for being placed in, collective insolvency proceedings; or, in the case of Small Mid-Caps only, have a credit rating of below B-.
- Refinance of existing debt unrelated to Covid-19 expenses (e.g. Terms loans/Leases/Hire Purchase/ etc.).

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<sup>6</sup> Commission Regulation (EU) No 702/2014 of 25 June 2014 declaring certain categories of aid in the agricultural and forestry sectors and in rural areas compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union, OJ L 193 of 1.7.2014, p. 1.

<sup>7</sup> Having the meaning given to the term "undertaking in difficulty" as defined in Article 2 (18)e General Block Exemption Regulation (Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 187 of 26.6.2014, p. 1.).

<sup>8</sup> Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid, OJ L 352 of 24.12.2013, p. 1

- Finance of specific export operations, or finance contingent upon the use of domestic over imported products, the purpose should not apply to financing the establishment and operation of a distribution network in other States, or current expenditure linked to the export activity.<sup>9</sup>

### **Who can apply for a loan?**

SME and Small Mid-Cap Enterprises including SMEs involved in processing and marketing of agricultural products, SMEs involved in the fisheries sector and SMEs involved in primary agriculture.

#### SMEs

- Micro, small or medium-sized enterprises which employ fewer than 250 persons; and
- Have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.

#### Small Mid-Cap Enterprises

- Is not an SME; and
- Has up to 499 employees.

Eligible SMEs and Small Mid-Caps must be based in Ireland and/or have their principal activities in Ireland and must be unlisted.

### **Who cannot apply for a loan?**

SME/Small Mid-Caps that: -

- In the case of loans granted under the *De Minimis* Regulation:
  - SMEs - are subject to, or fulfil the criteria under domestic law for being placed in, collective insolvency proceedings;
  - Small Mid-Caps – either (i) are subject to, or fulfil the criteria under domestic law for being placed in, collective insolvency proceedings or (ii) have a credit rating that is below B-.
- In the case of loans granted under GBER or ABER: Are undertakings in financial difficulty.
- Are bankrupt or being wound up or having its affairs administered by the courts.
- Have a substantial focus in any of the Restricted Sectors<sup>10</sup>.

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<sup>9</sup> Cannot be used for specific export orders (e.g. individual export invoice) for a trade finance product (e.g. export exchange document).

<sup>10</sup> Illegal economic activities, tobacco and distilled alcoholic beverages, weapons and ammunition, casinos, human cloning or genetically modified organisms or IT sectors relating to internet gambling, online casinos or pornography or which are intended to enable illegal entry of electronic data networks or illegal download of electronic data.

## **Borrower Eligibility**

The SME/Small Mid-Cap must satisfy certain conditions to be eligible to apply for a loan. The SME/Small Mid-Cap satisfies these conditions by completing an application form which contains a self-declaration and sending it to the SBCI. The SBCI will check the application form and send a confirmation to the SME/Small Mid-Cap of its eligibility/ineligibility. The SME/Small Mid-Cap will need to provide that confirmation to the On-Lender as part of its credit application process.

Confirmation of eligibility from the SBCI is simply a confirmation that the SME/Small Mid-Cap meets the eligibility criteria for the Top-Up Scheme. This does not impose any obligation on the On-Lender to provide a loan.

## **2.2 Key Terms between the On-Lender and SBCI**

The key terms and conditions relevant to On-Lenders encompass the following:

- The SBCI guarantee is to the On-Lender, not the borrower.
- SBCI will allocate a portfolio lending limit to each On-Lender under the Top-Up Scheme. On-Lenders cannot exceed this limit without agreement in writing from SBCI.
- Decision-making on a borrower's credit viability is fully devolved to the On-Lender.
- The On-Lender records all eligible transactions on the SBCI web portal. The SBCI web portal records loan and borrower details e.g. the loan amount, term and interest rate. On-Lenders must use the SBCI web portal to enter and update the loan details in a timely and accurate manner. Details of the loan data to be recorded on the SBCI web portal are in **Annex 5**.
- In the event of a borrower defaulting, the On-Lender may claim up to 80% of the outstanding principal from the SBCI as guarantor while bearing the remaining 20% of the loss.
- Any recoveries made by the On-Lender after making a claim under the guarantee must be repaid on an 80%/20% basis (80% must be repaid to SBCI).
- On-Lenders must ensure that the relevant customer-facing and back office staff in their organisation (e.g. Relationship Managers, Credit Sanctioners etc.) and any intermediaries, are trained to appropriately apply and administer the Top-Up Scheme, and that they manage their internal communication so that all relevant staff receive and understand the information relevant to them.
- On-Lenders must work with SBCI on joint promotions, accurately convey the terms and conditions of the Top-Up Scheme on all marketing materials and assemble case studies for SBCI use, in order to market the Top-Up Scheme appropriately.

- On-Lenders undergo periodic audits. Samples of transactions will be analysed during the audit to check that the Top-Up Scheme eligibility rules and processes have been followed.
- SBCI provides training, communications and guidance materials for On-Lenders, both initially following accreditation and intermittently as refresher training where needed.
- Selected On-Lenders are required to enter into a standard form SBCI legal agreement and an outline of the key indicative terms is set out in **Annex 4**.
- SBCI holds periodic meetings with On-Lenders, both bilaterally and collectively as appropriate, to discuss scheme performance, best practices and any issues.

### 3. The Selection Process For On-Lenders

SBCI welcomes proposals from any Applicant able to meet the requirements set out in this Call. Applicants must have the necessary capability to lend to eligible businesses and operate within the rules of the Top-Up Scheme.

Applicants are expected to meet the requirements of a 4-stage selection process, as detailed below.

- **Stage 1 - Expression of Interest:** submission (**Annex 1**) outlining in brief how the Applicant meets the requirements for On-Lenders participating in the Top-Up Scheme. If the Applicant is an existing On-Lender with the SBCI (an “**Existing On-Lender**”), Application Form No. 1 is to be completed. If the Applicant is not an Existing On-Lender, Application Form No. 2 is to be completed.
- **Stage 2 - Eligibility Requirements** – Applicants need to meet minimum requirements to progress to Stage 3, and those minimum requirements are set out in **Annex 3**. Applicants that meet the minimum requirements are then further assessed on the basis of the criteria set out in **Annex 3**.
- **Stage 3 - Initial Allocation** – An initial allocation of the Maximum Portfolio Volume will be determined for Applicants that (i) achieve a minimum score of 200 marks as set out in Phase 1 of **Annex 3** and (ii) an evaluation of two award criteria, being price and ability to deploy, as set out in Phase 2 of **Annex 3**.
- **Stage 4 - Due Diligence and Completion (subject to satisfaction of conditions precedent):** Those applicants that have successfully completed Stage 3 will be allowed to immediately deploy to the market subject to:
  - confirmation of SBCI Board approval; and
  - where required - EIF has completed its due diligence and the relevant Applicant has been confirmed as being satisfactory; and

- where required – the Applicant has satisfied SBCI’s due diligence process within 3 months of the date of publication of this Call; and
- completion of the legal documentation within 4 months of the date of publication of this Call.

In the event that any Applicant fails Stage 4 by not obtaining the approval of the SBCI Board and/or failing the due diligence and/or legal agreement requirements within the required timelines, the SBCI will re-allocate the amount of the Maximum Portfolio Volume which was initially allocated to that Applicant under Stage 3 to those applicants that have successfully completed Stage 4 on a pro-rata basis.

**The Expression of Interest submission and due diligence process will vary to take account of (i) whether an Applicant is an Existing On-Lender or not and (ii) the size and structure of Applicants.**

SBCI may request clarification or additional information at any point in the process. SBCI will assess applications using a risk and judgement-based approach based on the requirements set out in **Section 3** of this Call.

The SBCI shall select one or more Applicants to implement the Top-Up Scheme in accordance with the procedures described in this Call, up to a maximum of 8 Applicants.

### **3.1 Application Process**

#### **Stage 1 - Expression of Interest**

Applicants should complete and submit the relevant Expression of Interest form appended to this Call **at Annex 1** via email to:

[FGLSopencall@sbc.gov.ie](mailto:FGLSopencall@sbc.gov.ie)     *Subject: FGLS Scheme 2020*

The security of the information provided, the method of transfer and the timely delivery of the application are the sole responsibility of the Applicant.

## Requests for Additional Information

Applicants can make requests for additional information in advance of submitting an Expression of Interest. Any requests for additional information should be submitted to:

[FGLSopencall@sbc.gov.ie](mailto:FGLSopencall@sbc.gov.ie)      *Subject: FGLS Scheme 2020 – Query*

The SBCI will endeavour to respond to all requests for additional information as soon as possible.

The Expression of Interest form should be used to outline the key elements of the Applicant's proposal and how the Applicant meets the minimum requirements detailed in this Call.

Applicants are encouraged to have a preliminary discussion with SBCI (contact via [FGLSopencall@sbc.gov.ie](mailto:FGLSopencall@sbc.gov.ie)) in order to help them ascertain whether participation in the Top-Up Scheme would be potentially viable, before committing effort to preparing an Expression of Interest.

## **3.2 Assessment and Selection Process**

### **Stage 2 - Eligibility Requirements**

Following receipt of an Expression of Interest, SBCI may contact Applicants to discuss the information set out in their Expression of Interest and to seek any clarifications deemed necessary. Applicants may be requested to submit supplementary information.

An Applicant must meet the Minimum Eligibility Criteria (**Annex 3**) to progress to Stage 3, on the basis of both the written information submitted and any discussions held. SBCI will inform Applicants of the outcome of Stage 2 by email.

### **Stage 3 – Initial Allocation**

#### **Assessment**

Those Applicants that meet the Minimum Eligibility Criteria are then further assessed based on the criteria set out in **Annex 3**. The score of an Applicant will determine its ranking among the other Applicants in this phase of the process.

A maximum of 8 Applicants will be allocated a share of the Maximum Portfolio Volume in accordance with the following methodology:

Allocation is the lower of A and B, where:

$A = (AS / TAS) * \text{the Maximum Portfolio Volume (€500m)}$

B = the amount of the Top-Up Scheme requested by the Applicant

AS = a successful Applicant's Total Score

TAS = the aggregate of all successful Applicants' Total Scores

If the amount allocated to a successful Applicant is greater than the amount requested by that Applicant, the surplus (i.e. A-B) will be allocated to the other Applicants using the same methodology, adjusted for the exclusion of that successful Applicant.

Note: SBCI will apply rounding to the nearest €5m for each allocation.

#### **Stage 4 - Due Diligence and Completion**

At this point in the process, the SBCI will communicate to the successful Applicants an 'in principle' intention to enter into an agreement subject to satisfaction of any conditions precedent and completion of legal documentation. The SBCI has no obligation to enter into an agreement with a selected Applicant.

Applicants are advised that selection as an On-Lender may be subject to a satisfactory risk assessment being undertaken by representatives from the EIF which will include an on-site review. If requested, Applicants must facilitate a risk assessment to be undertaken promptly following submission of their applications.

Those applicants that have successfully completed Stage 3 will be allowed to immediately deploy to the market subject to:

- confirmation of SBCI Board approval; and
- where required - EIF has completed its due diligence and the relevant Applicant has been confirmed as being satisfactory;
- where required – the Applicant has satisfied SBCI's due diligence process within 3 months of the date of publication of this Call; and
- completion of the legal documentation within 4 months of the date of publication of this Call.

Before being able to commence lending via the Top-Up Scheme, the Applicant will be required to complete a number of preparatory steps:

- a legal agreement (being the guarantee) must be signed by the Applicant within 4 months of the date of publication of this Call. This is a standard form agreement to be entered into between the SBCI and a successful Applicant, with limited scope to negotiate changes. Further details are set out in **Section 4.7** and indicative key terms of the guarantee are summarised in **Annex 4**.
- SBCI will provide the Applicant with training on the use of the SBCI web portal, as well as general training and communications materials on how the Top-Up Scheme works, which the Applicant may choose to use to train its staff on the terms of each of the Top-Up Scheme. The Applicant is, however, responsible for ensuring that all relevant staff within its organisation are fully trained on how the Top-Up Scheme works, and that all internal processes reflect the necessary Top-Up Scheme process requirements.
- The Applicant will be required to agree an Operations Manual before lending can commence, which will detail the Applicant's processes and procedures for delivering the Top-Up Scheme loans to ensure they are robust and fit for purpose.
- Applicants which are not Existing On-Lenders may be subject to a confirmatory due diligence process which would be undertaken by or on behalf of SBCI and which must be completed within 3 months of the date of publication of this Call.

#### **Note**

- SBCI will use all reasonable endeavours to (i) respond promptly to Applicants at each stage of the application process; and (ii) progress all due diligence and legal negotiations which are within its control as quickly as possible.
- SBCI may request additional information to clarify issues or to supplement information at any stage of the application process.
- SBCI reserves the right to reject Expressions of Interest and proposals at any stage of the application process.

### **3.3 Delivery of Expressions of Interest and Additional Information**

- Expressions of Interest and follow-on additional information should be submitted by email to [FGLSopencall@sbc.gov.ie](mailto:FGLSopencall@sbc.gov.ie).
- A response will be issued to all Applicants via email.
- Any accompanying spread sheets should be in Microsoft Excel, ensuring that no formulas have been hidden or removed. If the document is password protected, the password should be provided separately.

- By submitting an Expression of Interest, Applicants confirm they have read this Call, including the Legal Notice at **Section 5**.

### **3.4 Publishing of Information**

From time to time the SBCI may publish the names and associated details of those Applicants who have been selected as an On-Lender in respect of the Top-Up Scheme on its website. The associated details which may be published by the SBCI may include the registered address of the successful Applicant and the amount allocated to such successful Applicant under the Top-Up Scheme.

## **4. Requirements from On-Lenders**

This section details the requirements for selection as an On-Lender for the Top-Up Scheme. Applicants must be able to address all points to the full and absolute satisfaction of SBCI in order to progress through the selection process described in **Section 3**, and Applicants are requested to explain how they will meet these requirements in the Expression of Interest application form. If a requirement is unclear to the Applicant, or the Applicant does not have or is unable to disclose the information, this should be raised with the SBCI at the earliest opportunity.

For the avoidance of doubt, satisfying all requirements does not guarantee that an application will be successful, and SBCI reserves the right to consider, assess and seek additional relevant information at its discretion.

### **4.1 Lending to SMEs/Small Mid-Caps trading in Ireland**

Applicants should be able to either (i) demonstrate their track record in the provision of term loans to SMEs/Small Mid-Caps; or (ii) if they are a recent entrant to the SME and Small Mid-Cap lending market, demonstrate a clear intention and strategy to lend to SMEs and Small Mid-Caps.

### **4.2 Critical Mass**

The structure of the guarantee means that for participation to be worthwhile for both the On-Lender and SBCI, Applicants must be able to demonstrate through evidence-based forecasts the extent to which they intend to use the guarantee. SBCI would generally expect Applicants to support a minimum of €10m of new lending during the duration of the Top-Up Scheme.

### **4.3 Loan Interest Rate**

Applicants may apply a range of interest rates, up to a maximum interest rate of 4.50% on loan <€250,000 and a maximum interest rate of 3.50% on loans >250,000 granted under the Top-Up Scheme. Applicants can price loans on either a portfolio or an individual basis up to the maximum interest rates.

### **4.4 Availability of Capital**

The Applicant must be able to demonstrate that it has or will have sufficient capital available to meet its lending forecasts for the duration of the Top-Up Scheme, covering SME and Small Mid-Cap business lending both with and without the support of the Top-Up Scheme.

Where the availability of or freedom to deploy capital is subject to conditions which may affect the Applicant's ability to deploy capital for lending under the Top-Up Scheme, this must be declared. In such cases the Applicant should verify the position with the relevant provider(s) of the capital.

### **4.5 Operations, Management Team and Track Record**

Applicants must demonstrate a viable business model and robust operations and systems. For example, where an Applicant's business is loss-making, SBCI will need to see the strategy as to how the Applicant plans to reach profitable status over time. Applicants must demonstrate that robust and tested systems and processes are in place for making and managing the proposed loan facilities. This requirement includes, but is not limited to, origination processes, risk management and underwriting capabilities and processes, lending documentation, back-office systems, monitoring and compliance, governance arrangements and management information reporting. Applicants must also be able to demonstrate that they have a competent team, with sufficient expertise to execute the proposed strategy for lending under the Top-Up Scheme.

Applicants must have appropriate standards of reputation and integrity, including appropriate ethical standards in all areas of its proposed operations, together with appropriate processes in place to maintain these. The Applicant must be able to demonstrate this as part of its proposal.

Where a proposal relates to a start-up operation or a move into the SME and Small Mid-Cap lending market, an Applicant is expected to clearly demonstrate how it will access sufficient resources, and further how it will generate or acquire those skills and competencies which will be required to execute the Applicant's proposed lending strategy.

## 4.6 Regulation

Applicants are expected to be appropriately regulated, licensed and have the necessary authorisations and permissions to conduct activities consistent with their lending strategy. Applicants who are in the process of applying for the necessary regulatory approvals can still apply to become an On-Lender for the Top-Up Scheme, but obtaining those relevant approvals will be a condition precedent for progression through the process. All Applicants must also be able to demonstrate transparent and appropriate tax structures.

## 4.7 Legal Structure

All Applicants, if successful, will be required to enter into a “standard form” guarantee agreement with the SBCI. The guarantee agreement has been drafted on the basis that the origination and servicing of the loans under the Top-Up Scheme is undertaken by the same legal entity as the named On-Lender (the “lender of record”), who contracts with the underlying borrower. SBCI can also accommodate a structure whereby two corporate entities from the same corporate group contract to separately originate and service loans under the Top-Up Scheme.

The key terms of the guarantee agreement include (amongst other matters) the following:

- the guarantee agreement is given to the relevant On-Lender in relation to the Top-Up Scheme loans originated under the loan agreements between the On-Lender and the underlying borrowers
- the On-Lender originates the Top-Up Scheme loan and is the primary entity responsible for servicing the lending
- the On-Lender acts in accordance with its standard policies when originating and administering the Top-Up Scheme loans, having regard to the standard of care set out in the guarantee agreement
- the On-Lender is responsible for the administration of the SBCI web portal and making sure it is kept up-to-date
- the On-Lender maintains adequate and up-to-date records in relation to the loans granted by it under the Top-Up Scheme.

In general, SBCI does not undertake individual negotiations with On-Lenders on the standard form guarantee agreement.

If an Applicant has a business model that does not fit the standard form guarantee agreement, then its application will be considered using a risk and judgement-based approach which will

appraise (among other matters) the risk sharing and alignment of interests between the SBCI and the On-Lender, which requires the On-Lender to have a financial interest in the performance of its loan portfolio.

The SBCI will inform Applicants at the Expression of Interest stage if their lending model does not fall within the structure of the standard form guarantee agreement.

If an Applicant is invited to progress to Stage 4 – Due Diligence and Completion, any additional costs incurred by the SBCI in modifying its standard form guarantee agreement to accommodate business models other than those contemplated above may be for the account of the Applicant. These costs will be notified to the Applicant in advance.

Where the Applicant utilises a platform which pairs borrowers and individual lenders but does not itself provide credit to underlying borrowers or assume the rights of the person who provided the credit, (i.e. it's not the lender of record), it will not be considered a suitable On-Lender for the Top-Up Scheme. This means that an institutional investor lending through a platform, rather than the platform itself, should be accredited as an On-Lender, with the platform entering into suitable arrangements to be able to originate loans under the Top-Up Scheme. Applicants must be able to demonstrate that the platform that they originate loan facilities through is capable of ring-fencing institutional funds and complying with the other requirements of the Top-Up Scheme.

## **5. Legal Notice**

Applicants who submit an Expression of Interest are deemed to acknowledge and accept the terms and conditions set out in this Call, including this Section.

SBCI reserves the right at any time not to continue with the current process and/or cancel or withdraw from the process at any stage and any costs or expenses incurred by Applicants will not be reimbursed. SBCI hereby excludes any liability it may have whatsoever for any costs, expenses or losses incurred by any Applicant who decides to take part in this Call.

SBCI reserves the right to reject any and all submissions and/or proposals at any time. SBCI reserves the right to amend any timetable and/or other aspects of the current process at its discretion. SBCI may request clarification of information and additional information regarding a response and/or may also request video conference or face to face meetings. Refusal to provide such clarification or information or to attend such meetings may cause a submitted response to be rejected and the entire submission subsequently treated as if it had been

withdrawn. Where no reply to a request for information or for clarification or a meeting is received within ten business days of such request, SBCI may assume that the submission has been withdrawn in its entirety.

Applicants should note that information received by the SBCI as part of the application process, including personal data (if any), may be published or disclosed in accordance with access to information legislation.

These are primarily the Freedom of Information Act 2014, the European Communities (Access to Information on the Environment) Regulations 2007 to 2018 and data protection regulations and legislation, including but not limited to the Data Protection Acts 1988 to 2018 (as amended) and the European Union's General Data Protection Regulation ((EU) 2016/679). In view of this, should Applicants consider that any information should be treated as confidential and/or commercially sensitive, it would be helpful if Applicants could set out why they consider this to be the case in each instance. Automatic confidentiality disclaimers generated by IT systems will not, in themselves, be regarded as binding.

If the SBCI receives a request for disclosure of information provided pursuant to this Call, full account will be taken of any explanation, but no assurance can be given that confidentiality will be maintained in all circumstances.

Decisions on disclosure remain the responsibility of the SBCI and ultimately the Information Commissioner and the courts.

Personal data will be processed in accordance with the privacy notice on SBCI's website

<https://sbci.gov.ie/schemes/covid-19-loan-application/sbci-data-protection-notice>

## ANNEX 1

### Application Form No. 1 Expression of Interest for an Existing SBCI On-Lender

Information required	
Name of the Entity	
Name of Applicant	
Principal Contact(s)	
Contact Details	Address (registered office): Telephone: Fax: E-mail:

#### Certification and Authority to Submit

Dear Sirs,

We are submitting our Expression of Interest on behalf of [*Insert name of Applicant*] (the "**Applicant**") in response to the Open Call for Expression of Interest in the Top-Up Scheme to be implemented by the SBCI (the "**Call**").

The undersigned is/are duly authorised to submit this application form on behalf of the Applicant and by signing this form certifies/certify and declare(s) that:

- a) the information contained in this application and any supporting documentation is complete and accurate in all respects;
- b) if selected, the Applicant commits to complying with all requirements set by the SBCI for the successful delivery of the Top-Up Scheme;
- c) the Applicant is authorised to carry out lending activities to businesses in the State; and
- d) the Applicant is an On-Lender, as defined in **Section 1.3** of the Call.

I understand that selection as an On-Lender for the Top-Up Scheme is subject to the terms of the Call and that submission of this information does not confer any particular status or entitlement upon the Applicant.

The undersigned further declares that the Applicant is **not** in one of the following situations of exclusion, (the “**Exclusion Criteria**”), as at the date of this application form: -

- a) the Applicant is bankrupt or being wound up, is having its affairs administered by the courts, in this context, has during the last five (5) years, entered an arrangement with creditors, suspended business activities, been the subject of proceedings concerning those matters, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- b) during the last five (5), the Applicant or persons having powers of representation, decision-making or control over it, has been convicted of an offence concerning its professional conduct by a judgment which has the force of res judicata, which would affect its ability to implement the Top-Up Scheme. Alternatively, where such judgments exist the undersigned declares that the Applicant can demonstrate that adequate measures have been adopted against the persons having powers of representation, decision making or control over it, who are subject to this judgment;
- c) during the last five (5) years, the Applicant or persons having powers of representation, decision-making or control over it has been the subject of a judgment which has force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity. Alternatively, where such judgments exist the undersigned declares that the Applicant can demonstrate that adequate measures have been adopted against the persons having powers of representation, decision making or control over it, who are subject to this judgment;
- d) guilty of misrepresentation in supplying information to the SBCI required for selection as an On-Lender, or fails to supply this information;
- e) listed in the central exclusion database set up and operated by the Commission of the European Union under Commission Regulation (EC, Euratom) No 1302/2008 of 17 December 2008 on the central exclusion database.

<b>Name(s)</b>
<b>Title / Role(s)</b>
<b>Signature(s)</b>
<b>Date</b>

## **Information to be supplied by the Applicants:**

Applicants should seek to address each of the sections as closely as possible. Where any requested information is unavailable, or cannot be disclosed, Applicants should make this clear in their proposal. Applicants are requested to submit a response (not more than 5 pages) following the format set out below.

### Organisation Structure

- Brief background of the organisation including its principal lending activity.
- Brief outline of the key terms and price for its main business lending products.
- What is the strategy for SME/Small Mid-Cap business lending going forward?
- Confirm regulatory approvals required and if in place.

### Funding Structure

- The amount of the Top-Up Scheme being requested by the Applicant – i.e. the portion of the Maximum Portfolio Volume which the Applicant will deploy.
- Applicants must be capable of lending a minimum of €10m during the duration of the Top-Up Scheme.

### Availability of Capital

- Applicants must have or will have sufficient capital available to meet its lending forecasts both with and without the support of the Top-Up Scheme. Applicants should highlight at this stage if some of their sources of capital come with conditions that may restrict their ability to deploy capital for lending under the Top-Up Scheme.

### Loan Pricing

- The interest rates that will apply to the loans.
- Applicants may apply a range of interest rates however the maximum interest rate caps of 3.50% and 4.50% under the Top-Up Scheme cannot be exceeded.

### Lending Experience

- Applicants should provide high level evidence of their track records of lending to the SME/Small Mid-Cap market including portfolio details e.g. distribution per credit grade, defaults, arrears and region.
- Projected details of the proposed portfolio risk e.g. diversified by sector, geography, size of loans, credit grade. Applicants should provide some background on how they have come up with this forecast.

### Financial Details

- Details of Financial Standing. Please complete the table below.
- Copies of annual reports (including full set of financial statements with independent auditor's report) for the last three years.

EUR: - '000	Year (N-3)	Year (N-2)	Year (N-1)
Net profit			
Return on equity (%)			
Total assets			
Total Loan Book			
Total SME/Small Midcap Loan Book (in % of Total Loan Book)			
Cost/income (%)			
Shareholders' equity			
Tier 1 capital ratio (%) (or applicable equivalent, if relevant)			
Solvency ratio (%) (or applicable equivalent, if relevant)			

**Application Form No. 2**

**Expression of Interest for potential New On-Lender**

Information required	
<b>Name of the Entity</b>	
<b>Name of Applicant</b>	
<b>Principal Contact(s)</b>	
<b>Contact Details</b>	Address (registered office): Telephone: Fax: E-mail:

**Certification and Authority to Submit**

Dear Sirs,

We are submitting our Expression of Interest on behalf of [*Insert name of Applicant*] (the “**Applicant**”) in response to the Open Call for Expression of Interest in the Top-Up Scheme to be implemented by the SBCI, (the “**Call**”).

The undersigned is/are duly authorised to submit this application form on behalf of the Applicant and by signing this form certifies/certify and declare(s) that:

- a) the information contained in this application and any supporting documentation is complete and accurate in all respects;
- b) if selected, the Applicant commits to complying with all requirements set by the SBCI for the successful delivery of the Top-Up Scheme;
- c) the Applicant is authorised to carry out lending activities to businesses in the State, or is in the process of applying for such authorisation; and
- d) the Applicant is an On-Lender, as defined in **Section 1.3** of the Call.

I understand that selection as an On-Lender for the Top-Up Scheme is subject to the terms of the Call and that submission of this information does not confer any particular status or entitlement upon the Applicant.

The undersigned further declares that the Applicant is **not** in one of the following situations of exclusion, (the “**Exclusion Criteria**”), as at the date of this application form: -

- f) the Applicant is bankrupt or being wound up, is having its affairs administered by the courts, in this context, has during the last five (5) years, entered an arrangement with creditors, suspended business activities, been the subject of proceedings concerning those matters, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- g) during the last five (5), the Applicant or persons having powers of representation, decision-making or control over it, has been convicted of an offence concerning its professional conduct by a judgment which has the force of res judicata, which would affect its ability to implement the Top-Up Scheme. Alternatively, where such judgments exist the undersigned declares that the Applicant can demonstrate that adequate measures have been adopted against the persons having powers of representation, decision making or control over it, who are subject to this judgment;
- h) during the last five (5) years, the Applicant or persons having powers of representation, decision-making or control over it has been the subject of a judgment which has force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity. Alternatively, where such judgments exist the undersigned declares that the Applicant can demonstrate that adequate measures have been adopted against the persons having powers of representation, decision making or control over it, who are subject to this judgment;
- i) guilty of misrepresentation in supplying information to the SBCI required for selection as an On-Lender, or fails to supply this information;
- j) listed in the central exclusion database set up and operated by the Commission of the European Union under Commission Regulation (EC, Euratom) No 1302/2008 of 17 December 2008 on the central exclusion database.

<b>Name(s)</b>
<b>Title / Role(s)</b>
<b>Signature(s)</b>
<b>Date</b>

## **Information to be supplied by the Applicants:**

This template is designed for use by all sizes of financial providers that wish to apply to become an On-Lender under the Top-Up Scheme. Some of the guidance points listed under each section below may not be relevant to all Applicants and can therefore be excluded on the basis of non-relevance in the relevant Applicant's submission, as applicable.

Subject to the foregoing paragraph, Applicants should seek to address each of the sections as closely as possible. Where any requested information is unavailable, or cannot be disclosed, Applicants should make this clear in their proposal.

Proposals should be focused on lending to viable SMEs/Small Mid-Caps that are eligible for loans under the Top-Up Scheme.

### Organisation Structure

- Brief background of the organisation (date of establishment, number of employees, capital structure and shareholders, organisational structure, distribution network, number of branches, etc.) including its principal lending activity.
- Brief outline of the key terms and price for its main business lending products.
- Description of internal organisation set-up (and roles) for the implementation of the Top-Up Scheme, including the team (or unit) and/or internal mechanisms.
- Outline of legal structure and tax structure, to include a group structure diagram where there is more than one company.
- Name of the lender of record, the servicer of the loans (if different from the lender of record) and the originating entity (again, if different from the lender of record).
- Confirm regulatory approvals required and if in place.

### Funding Structure

- The amount of the Top-Up Scheme being requested by the Applicant – i.e. the portion of the Maximum Portfolio Volume which the Applicant will deploy.
- Applicants must be capable of lending a minimum of €10m during the duration of the Top-Up Scheme.

### Availability of Capital

- Please demonstrate that you have or will have sufficient capital available to meet your lending forecasts both with and without the support of the Top-Up Scheme. Please highlight at this stage if some of your sources of capital come with conditions that may restrict your ability to deploy capital for lending under the Top-Up Scheme.

### Loan Pricing

- The interest rates that will apply to the loans.
- Applicants may apply a range of interest rates however the maximum interest rate caps of 3.50% and 4.50% under the Top-Up Scheme cannot be exceeded.

### Lending Strategy

- Demonstrate an ability to access eligible SMEs/Small Mid-Caps by describing the distribution channels already in place or which will be put in place (including number of branches, number of employees, business segments, etc.).
- Information detailing plans as well as capacity to generate lending to SMEs/Small Mid-Caps to the portfolio level proposed.
- Plans for launching the Top-Up Scheme to the market including necessary pre-implementation actions (adoption of IT systems, loan documents, marketing etc.) to facilitate compliance with the indicative rules of the Top-Up Scheme.

### Lending Experience

- Applicant's share of the SME and Small Mid-Cap lending market, main competitors, trends and outlooks.
- SME/Small Mid-Cap lending volumes - current and budgeted. Track record of ability to originate loans.
- Details of Applicant's business lending portfolio e.g. distribution per credit grade, region, subset of SME/Small Mid-Cap sector, if available, historic performance of existing portfolio by reference to default/loss rates and credit rating profile for the last 5 years.
- Applicant's strategy in relation to the SME/Small Mid-Cap sector (positioning, strengths and weaknesses, core products).
- Projected details of the proposed portfolio risk e.g. diversified by sector, geography, size of loans, credit grade.
- Details of team, describing expertise appropriate for meeting the requirements of the Top-Up Scheme.
- Details of prior/proven experience (inclusive of compliance with relevant operational and reporting requirements) with the deployment of other similar products.

### Team, Systems and Processes

- Applicants to set out at a high level (and with supporting documentation) of robust and tested systems and processes are in place for making and managing Top-Up Scheme-supported lending facilities. This requirement includes, but is not limited to, origination processes, risk management and underwriting capabilities and processes, loan

documentation, back-office systems, monitoring and compliance, governance arrangements and management information reporting.

- Each Applicant to demonstrate at a high level that it has a competent team, with sufficient expertise to execute the proposed strategy for lending under the Top-Up Scheme.
- Information regarding internal credit risk assessment criteria and management procedures for financing the SME/Small Mid-Cap sector.
- Other information relevant to the Applicant’s SME/Small Mid-Cap sector financing activity.
- Ability to report the data required to be provided to the SBCI under the Top-Up Scheme as set out in **Annex 5**.

#### Financial Details

- Details of Financial Standing. Applicant to complete the table below.
- Copies of annual reports (including full set of financial statements with independent auditor’s report) for the last three years.
- Confirmation that taxes are up-to-date.

EUR: - '000	Year (N-3)	Year (N-2)	Year (N-1)
Net profit			
Return on equity (%)			
Total assets			
Total Loan Book			
Total SME/Small Midcap Loan Book (in % of Total Loan Book)			
Cost/income (%)			
Shareholders’ equity			
Tier 1 capital ratio (%) (or applicable equivalent, if relevant)			
Solvency ratio (%) (or applicable equivalent, if relevant)			

## ANNEX 2

### Indicative Rules of the Top-Up Scheme

#### Loan Features

- Loan amounts from €25,000 to a maximum of €3,000,000
- On-Lender must provide the full range of loans – i.e. a different minimum or maximum threshold may not be set.
- Loan terms between 5 years and a maximum of 10 years.
  - 7 – 10 years for long term investment
  - 5 – 10 years for “Financing to term out”
  - 7 – 10 years for loans combining investment & “Financing to term out”
- Maximum loan interest rate of 4.50% on loan <€250,000. Maximum loan interest rate of 3.50% on loans >€250,000. Applicants can price loans on either a portfolio or an individual basis up to the maximum interest rates.
- Loans <=€500,000 to be made available on an unsecured basis (excluding leases).
- Loans >€500,000 may be secured however a personal guarantee may only be sought in circumstances where it is required to capture supporting security, or where it is an uncollateralised personal guarantee and is limited to a maximum of 20% of the loan amount.
- Borrowers should have the option to avail of interest only payments for up to a maximum of two years at the beginning of the term of the loan.
- Capital and interest moratorium of up to 90 days is permitted on a loan with the term of the loan to remain unchanged.
- Save for the above permitted interest only period, loans must have an amortising repayment schedule and not a bullet repayment profile (i.e. where the entire principal amount is repayable at maturity).
- Loans to be available up to 36 months after the Scheme launch.
- Loans must be structured as term loans in euro.
- The On-Lender’s standard credit criteria must apply to all loan applications.
- Loan amounts are dependent on aid intensity and State aid thresholds.
- Maximum amount of 20% of the On-Lenders portfolio per industry sector, except Primary Agriculture (40%).

- Maximum of 25% of the value of the portfolio to be graded B3 or lower on the Moody's rating scale noting that a maximum of 5% can be graded Caa1 and that Caa1 is the lowest eligible grade.<sup>11</sup> These grade thresholds are based on to the grade of the loans at the time of entry in to the portfolio.

**NB – Other rules may apply and will be set out in detail in the draft Guarantee Agreement provided by the SBCI to successful Applicants. In addition, the EIF may apply additional rules subject to its risk assessment of On-Lenders.**

### **State aid treatment**

This Scheme is subject to the State aid rules set out in:

- 1) the De Minimis Regulation – Commission Regulation (EU) No 1407/2013 hereinafter referred to as “De Minimis”;
- 2) the General Block Exemption Regulation - Commission Regulation (EU) No 651/2014 hereinafter referred to as “GBER”; and
- 3) the Agriculture Block Exemption Regulation - Commission Regulation (EU) No 702/2014 hereinafter referred to as “ABER”.

The Scheme will operate under a combination of De Minimis, Article 17 GBER, Article 29 GBER, Article 14 ABER and Article 17 ABER. The rules that apply will depend on the borrower and the loan type.

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<sup>11</sup> Caa1 graded loans cannot be granted under the *De minimis* Regulation and would need to instead qualify under Article 17 GBER, Article 29 GBER, Article 14 ABER or Article 17 ABER.

The following table provides a **summary** of the State aid rules and restrictions applicable to FGLS:

Loan	Loan Purpose	Category of borrowers	Excluded undertakings/loan purposes	State aid thresholds
<b>De minimis</b>	Long term investment.	<ul style="list-style-type: none"> <li>• SMEs</li> </ul>	<ul style="list-style-type: none"> <li>• Undertakings active in the primary agricultural production sector</li> <li>• Undertakings active in the fishery and aquaculture sector</li> </ul>	EUR 200,000 in a 3-year fiscal period.
<b>Art 17 GBER</b>	Long term investment in 1) setting up a new establishment or extension of an existing one; 2) diversification of output into new additional products; 3) fundamental change in production process; 4) acquisition of assets of an establishment where (i) the establishment would have otherwise closed had it not been purchased, (ii) the assets are purchased from third parties unrelated to the buyer; and (iii) the transaction takes place under market conditions.	<ul style="list-style-type: none"> <li>• SMEs</li> </ul>	<ul style="list-style-type: none"> <li>• Undertakings active in the primary agricultural production sector</li> <li>• Undertakings active in the fishery and aquaculture sector</li> </ul>	<ul style="list-style-type: none"> <li>• Maximum aid amount is EUR 7.5m per undertaking per project</li> <li>• Maximum aid intensity is 10% of eligible costs for medium enterprises and 20% of eligible costs for small enterprises</li> </ul>
<b>Art 29 GBER</b>	Long term investment in process and organizational innovation.	<ul style="list-style-type: none"> <li>• SMEs</li> <li>• Undertakings active in the fishery and aquaculture sector</li> </ul>	Undertakings active in the primary agricultural production sector	<ul style="list-style-type: none"> <li>• Maximum aid amount is EUR 7.5m per undertaking per project</li> <li>• Maximum aid intensity is 50% of eligible costs</li> </ul>
<b>Art 14 ABER</b>	Long term investment linked to primary agricultural production.	<ul style="list-style-type: none"> <li>• SMEs active in the primary agricultural production sector</li> </ul>	<ul style="list-style-type: none"> <li>• Land purchase</li> <li>• Livestock</li> <li>• Working capital</li> <li>• Drainage</li> <li>• Annual plants</li> <li>• Biofuels</li> </ul>	<ul style="list-style-type: none"> <li>• EUR 500,000 per undertaking per project for primary agriculture</li> <li>• Maximum aid intensity is 40% of eligible costs</li> </ul>
<b>Art 17 ABER</b>	Long term investment in connection with the processing and marketing of agricultural products.	<ul style="list-style-type: none"> <li>• SMEs active in the processing and marketing of agricultural products</li> </ul>	<ul style="list-style-type: none"> <li>• Land purchase</li> <li>• Livestock</li> <li>• Working capital</li> <li>• Drainage</li> <li>• Annual plants</li> <li>• Biofuels</li> </ul>	<ul style="list-style-type: none"> <li>• Maximum aid amount is EUR 7.5m per undertaking per project</li> <li>• Maximum aid intensity is 40% of eligible costs</li> </ul>

*N.B. The above table is a summary only. For the complete text on State aid rules, please refer to the relevant regulation. The FGLS may be broadened to include Small Midcaps under certain regulations.*

**N.B. The loan amount is not the aid amount. Borrowers will be sent a State aid letter by the SBCI if any State aid is generated by a loan.**

## Loan Purposes

- Long term investment (as permissible under the rules of the Existing Scheme) will be available from launch of the Top-Up Scheme.
  - \*Financing to term out Covid-19 related expenses as per the examples below, will be available at a future date
    - Overdraft facilities or working capital facilities that have been drawn down or increased and remain fully or partially un-discharged due to the consequences of Covid-19;
    - Accrued trading liabilities attributable to the consequences of Covid-19 e.g. trade creditors forborne rent, tax liabilities, rates, utilities incurred, increased or remaining fully or partially un-discharged due to the consequences of Covid-19.
- (\*Up to 30% of the portfolio will be eligible for this purpose should it be required at a future date as determined by DBEI and DAFM.)

## Loans cannot be used for: -

- In case the loan is granted under the General Block Exemption Regulation (GBER) or Agriculture Block Exemption Regulation (ABER): Financing of undertakings in financial difficulties.<sup>12</sup>
- In case the loan is granted under the *De minimis* Regulation:<sup>13</sup> financing of SMEs and Small Mid-Caps that are subject to, or fulfil the criteria under domestic law for being placed in, collective insolvency proceedings; or, in the case of Small Mid-Caps only, have a credit rating of below B-.
- Refinance of existing debt unrelated to expenses incurred due to Covid-19 (e.g. Terms loans/Leases/Hire Purchase/ etc.).
- Finance of specific export operations, or finance contingent upon the use of domestic over imported products, the purpose should not apply to financing the establishment and operation of a distribution network in other States, or current expenditure linked to the export activity.<sup>14</sup>

## Who can apply for a loan?

SME and Small Mid-Cap Enterprises including SMEs involved in processing and marketing of agricultural products, SMEs involved in the fisheries sector and SMEs involved in primary agriculture.

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<sup>12</sup> Having the meaning given to the term “undertaking in difficulty” as defined in Article 2 (18)e General Block Exemption Regulation (Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 187 of 26.6.2014, p. 1.).

<sup>13</sup> Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid, OJ L 352 of 24.12.2013, p. 1

<sup>14</sup> Cannot be used for specific export orders (e.g. individual export invoice) for a trade finance product (e.g. export exchange document).

## SMEs

Micro, small or medium sized enterprises, as those are defined in the Commission Recommendation of 6 May 2003 (2003/361/EC), (the “**Commission Recommendation**”).

## Small Mid-Cap Enterprises

For the purposes of the Top-Up Scheme, Small Mid-Caps are “enterprises”, (as defined in Article 1 of Title 1 of the Annex to the Commission Recommendation) that (i) have up to 499 employees (calculated in accordance with Articles 3, 4, 5 and 6 of Title 1 of the Annex to the Commission Recommendation) and (ii) are not SMEs as defined in the Commission Recommendation.<sup>15</sup>

Includes SMEs/Small Mid-Caps involved in processing and marketing of agricultural products, the fisheries sector and primary agriculture.

Eligible SMEs and Small Mid-Caps must be based in Ireland and/or have their principal activities in Ireland and must be unlisted.

## **Who cannot apply for a loan?**

SME/Small Mid-Caps that: -

- In the case of loans granted under the *De Minimis* Regulation:
  - SMEs - are subject to, or fulfil the criteria under domestic law for being placed in, collective insolvency proceedings;
  - Small Mid-Caps – either (i) are subject to, or fulfil the criteria under domestic law for being placed in, collective insolvency proceedings or (ii) have a credit rating that is below B-.
- In the case of loans granted under GBER or ABER: Are undertakings in financial difficulty.
- Are bankrupt or being wound up or having its affairs administered by the courts.
- In the last 5 years have entered an arrangement with creditors, in the context of being bankrupt or wound-up or having its affairs administered by the courts.
- Have been convicted of an offence concerning professional conduct by judgment, fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity where such illegal activity is detrimental to the European Union’s financial interests.

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<sup>15</sup> As defined: [http://www.eif.org/what\\_we\\_do/guarantees/single\\_eu\\_debt\\_instrument/innovfin-guarantee-facility/call/innovfin-sme-guarantee-frequently-asked-questions.pdf](http://www.eif.org/what_we_do/guarantees/single_eu_debt_instrument/innovfin-guarantee-facility/call/innovfin-sme-guarantee-frequently-asked-questions.pdf)

- Are performing research and innovation activities that are related to illegal activities or Excluded Activities<sup>16</sup>.
- Please note that finance to support distilled alcoholic beverages and related products are eligible under the Scheme but are subject to a maximum cap of 20% of On-Lenders allocation of the total Scheme size.
- Have a substantial focus in any of the Restricted Sectors<sup>17</sup>.

### **Borrower Eligibility**

The SME/Small Mid-Cap must satisfy certain conditions to be eligible to apply for a loan. The SME/Small Mid-Cap satisfies those conditions by completing an application form which contains a self-declaration and sending it to the SBCI. The SBCI checks the application form and sends a confirmation to the SME/Small Mid-Cap of its eligibility/ineligibility. The SME/Small Mid-Cap will need to provide that confirmation to the On-Lender as part of its credit application process.

Confirmation of eligibility from the SBCI is simply a confirmation that the SME/Small Mid-Cap meets the eligibility criteria for the Top-Up Scheme. This does not impose any obligation on the On-Lender to provide a loan. For the avoidance of doubt, confirmation of eligibility from the SBCI does not (i) give any assurance as to the credit risk or credit suitability of the SME/Small Mid-Cap and/or (ii) prevent any loan to that SME/Small Mid-Cap being subsequently excluded from the On-Lender's portfolio if it subsequently transpires that that loan and/or that SME/Small Mid-Cap did not meet the eligibility criteria.

### **Data Requirements**

The information that must be collated and provided by the On-Lender to the SBCI under the Top-Up Scheme is set out in **Annex 5**.

### **Use of Information**

The information provided by the SME/Small Mid-Cap will be shared with the SBCI, the SBCI's authorised agents, DBEI, DAFM, the European Commission, the EIF and the EIB.

### **Publication and Information Requirements**

The SBCI is required to publish details of the borrower and aid amount on its website where the individual aid award for an SME exceeds the thresholds: -

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<sup>16</sup> Research activities aiming at human cloning for reproductive purposes or research activity intended to modify the genetic heritage of human beings or research activity intended to create human embryos or research activity that is prohibited in Ireland.

<sup>17</sup> Illegal economic activities, tobacco and distilled alcoholic beverages, weapons and ammunition, casinos, human cloning or genetically modified organisms or IT sectors relating to internet gambling, online casinos or pornography or which are intended to enable illegal entry of electronic data networks or illegal download of electronic data.

- a) €500,000 for aid granted under GBER
- b) €60,000 for aid granted to borrowers active in the primary agricultural production under ABER
- c) €500,000 for aid granted in the sectors of the processing and marketing of agricultural products under ABER

N.B. The loan amount is not the aid amount. The borrower will be sent a State aid letter by the SBCI if any State aid is generated by a loan under FGLS. Only if the amount of State aid exceeds the above thresholds will the details require publication.

**Period of the Scheme**

The Top-Up Scheme will operate up to 36 months after the launch of the Scheme or as otherwise set out in the guarantee agreement.

### ANNEX 3

	<b>MINIMUM ELIGIBILITY CRITERIA</b>	<b>System of appraisal (for SBCI use only)</b>
		<b>Yes/No</b>
<b>1.1</b>	The Applicant currently lends or intends to lend to Irish SMEs/Small Mid-Caps.	
<b>1.2</b>	The Applicant is either (i) authorised to carry out lending activities within the State; or (ii) is in the process of obtaining such authorisation.	
<b>1.3</b>	The Applicant and its senior management do not meet any of the Exclusion Criteria (see <b>Annex 1</b> ).	
<b>1.4</b>	The Applicant is an On-Lender (see <b>Section 1.3</b> ).	
<b>1.5</b>	The Expression of Interest is complete including relevant supporting information.	
<b>1.6</b>	The Expression of Interest has been submitted on or before the Deadline Date.	

## Applicant Assessment

Below are the maximum scores for each category of the assessment. The weightings that each section has been assigned is based on the importance of that section to the selection of an On-Lender for the Top-Up Scheme.

All applications will be assessed using these guidelines. If the SBCI is of the view that it does not have sufficient information to score the Applicant, it will revert back to the Applicant to request additional or better information. On receipt of such additional or better information, SBCI will complete the assessment.

<b>Applicant Scoring – Phase 1</b>		
<b>1</b>	Does the Applicant currently lend or intend to lend to SMEs/Small Mid-Caps?	20
<b>2</b>	Is the Applicant authorised to carry out lending activities within the State?	30
<b>3</b>	Does the SBCI have sufficient information to assess the Applicant?	30
<b>4</b>	Quality and plausibility of the proposal for implementation of the Top-Up Scheme, with particular focus on: operational readiness, rollout strategy and marketing/publicity of the Top-Up Scheme and the plan for building a portfolio.	40
<b>5</b>	Ability of the Applicant to deploy the size of portfolio indicated in the application.	30
<b>6</b>	Experience and ability of the Applicant to provide finance to SMEs/Small Mid-Caps including Applicant's track record in loan origination and credit management.	50
<b>7</b>	Financial standing of the Applicant as evidenced by external credit rating and/or the SBCI's financial analysis of the Applicant.	40
<b>8</b>	Capital availability of the Applicant to fund the level of portfolio proposed.	40
<b>9</b>	Applicant's existing/proposed market share of SME/Small Mid-Cap sector.	40
<b>Maximum Score</b> <ul style="list-style-type: none"> <li>• <b>Minimum score of 200 marks required to progress to Allocation – Phase 2</b></li> <li>• <b>Maximum of 8 Applicants may progress to Allocation – Phase 2</b></li> </ul>		<b>320</b>

<b>Applicant Scoring for Allocation - Phase 2</b>		<b>Marks</b>																																				
<p>Applicant to determine the maximum interest rate it will apply to the Top-Up Scheme loans – marks to be awarded as follows:</p> <table border="1"> <tr> <td>Loan Category 1</td> <td>Loans up to €249,999.</td> </tr> <tr> <td>Loan Category 2</td> <td>Loans greater than or equal to €250,000.</td> </tr> <tr> <td>Loan Category Weighting</td> <td>This is a 70:30 weighting that will be applied when scoring the Maximum Interest Rate proposed by the Applicant for Loan Category 1 and Loan Category 2 respectively.</td> </tr> <tr> <td>Maximum Interest Rate</td> <td>The variable interest rate, an Applicant will charge for each loan in Loan Category 1 and Loan Category 2. The Maximum Interest Rate is inclusive of (i) the SBCI Guarantee Fee and (ii) any arrangement or facility fee that may be charged by the Applicant.</td> </tr> <tr> <td>Maximum Interest Rate Cap</td> <td>The Maximum Interest Rate for Loan Category 1 is capped at 4.5%, the Maximum Interest Rate for Loan Category 2 is capped at 3.5%.</td> </tr> <tr> <td>Guarantee Fee</td> <td>To be finalised following EIF risk assessment, however expected to be approximately [0.64%] being the cost charged per annum by the SBCI to the On-Lender for the provision of an 80% guarantee on the outstanding balance of Eligible Beneficiary Transactions.</td> </tr> </table> <p><b>Scoring:</b> Each Applicant to determine the Maximum Interest Rate it will apply to FGLS loans under Loan Category 1 and Loan Category 2 – marks will then be awarded based on the discount each Applicant applies to the Maximum Interest Rate Cap, as follows:</p> <table border="1"> <thead> <tr> <th><b>Discount on Maximum Interest Rate</b></th> <th><b>Marks</b></th> </tr> </thead> <tbody> <tr><td>0%</td><td>0</td></tr> <tr><td>0.1%</td><td>35</td></tr> <tr><td>0.2%</td><td>70</td></tr> <tr><td>0.3%</td><td>105</td></tr> <tr><td>0.4%</td><td>140</td></tr> <tr><td>0.5%</td><td>175</td></tr> <tr><td>0.6%</td><td>210</td></tr> <tr><td>0.7%</td><td>245</td></tr> <tr><td>0.8%</td><td>280</td></tr> <tr><td>0.9%</td><td>315</td></tr> <tr><td>1.00%</td><td>350</td></tr> </tbody> </table>		Loan Category 1	Loans up to €249,999.	Loan Category 2	Loans greater than or equal to €250,000.	Loan Category Weighting	This is a 70:30 weighting that will be applied when scoring the Maximum Interest Rate proposed by the Applicant for Loan Category 1 and Loan Category 2 respectively.	Maximum Interest Rate	The variable interest rate, an Applicant will charge for each loan in Loan Category 1 and Loan Category 2. The Maximum Interest Rate is inclusive of (i) the SBCI Guarantee Fee and (ii) any arrangement or facility fee that may be charged by the Applicant.	Maximum Interest Rate Cap	The Maximum Interest Rate for Loan Category 1 is capped at 4.5%, the Maximum Interest Rate for Loan Category 2 is capped at 3.5%.	Guarantee Fee	To be finalised following EIF risk assessment, however expected to be approximately [0.64%] being the cost charged per annum by the SBCI to the On-Lender for the provision of an 80% guarantee on the outstanding balance of Eligible Beneficiary Transactions.	<b>Discount on Maximum Interest Rate</b>	<b>Marks</b>	0%	0	0.1%	35	0.2%	70	0.3%	105	0.4%	140	0.5%	175	0.6%	210	0.7%	245	0.8%	280	0.9%	315	1.00%	350	350
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Please note that where an Applicant submits a pricing matrix (i.e. a range of pricing across different loan sizes) the score will be applied against the highest interest rate on that matrix.

The Loan Category Weighting will then be applied to each of the marks awarded for Loan Category 1 and Loan Category 2, therefore creating a Total Score for Phase 2.

For example:

If Applicant A submits a Maximum Interest Rate for Loan Category 1 of 4.1%, and Loan Category 2 of 2.9%, the Applicant will score 215 marks out of a possible 350 marks available. Calculated as follows: 200 marks at a 70% weighting plus 250 marks at a 30% weighting.

Maximum Interest Rate Proposal Table – to be completed by Applicants

	Loan Category 1	Loan Category 2
Maximum Interest Rate Cap	4.5%	3.5%
Maximum Interest Rate	____%	____%
Being the composition of:		
Funding Cost* _____	____%	____%
Guarantee Fee	0.64%	0.64%
Margin	____%	____%

\*Applicants must choose a cost of funds benchmark of either 1M, 3M, or 6M EURIBOR plus set out any additional internal cost allocations if applicable.

Note 1: Maximum Interest Rate includes the SBCI Guarantee Fee plus any arrangement or facility fee that may be charged by Applicants.

Note 2: Applicants are asked to submit the proposed Maximum Interest Rate in a manner that can be transparently tracked throughout the life of the Scheme i.e. Funding Cost should clearly be presented on a (EURIBOR basis 1M, 3M, 6M) plus any additional internal cost allocations if applicable.

Note 3: It will be a requirement that throughout the life of the Scheme the Applicant adheres to the agreed internal margin(s) above EURIBOR.

For example:

If 3-month Euribor is 0.20% and Applicant A submits its Maximum Interest Rate for Loan Category 1 of 4.2%, it may present the pricing at 3M Euribor + 4%.

	<p>The scale/ability of the Applicant to achieve the level of deployment to the SME/Small Mid-Cap sector that is being proposed and in the time frame required.</p>	30
	<ul style="list-style-type: none"> <li>• <b>Applicant's Total Score is Phase 1 score + Phase 2 score (i.e. a maximum of 700)</b></li> <li>• Successful Applicants will be allocated a share of the Maximum Portfolio Volume in accordance with the following methodology:</li> </ul> <p><b>Allocation is the lower of A and B, where:</b></p> <p><b>A</b> = (AS / TAS) * the Maximum Portfolio Volume (€500m for the purpose of this calculation)</p> <p><b>B</b> = the amount of the Top-Up Scheme requested by the Applicant</p> <p><b>AS</b> = a successful Applicant's Total Score</p> <p><b>TAS</b> = the aggregate of all successful Applicants' Total Scores</p> <p><b>For example</b>  If Applicant A's total score is 660 marks and Applicant B's score is 680 and Applicant C's score is 700, then Applicant A is allocated <math>660/2040 * €500m = €162m</math>.</p> <p>If the amount allocated to a successful Applicant is greater than the amount requested by that Applicant, the surplus (i.e. A-B) will be allocated to the other successful Applicants using the same methodology, adjusted for the exclusion of that successful Applicant.</p>	

## ANNEX 4

### Indicative Terms of the Guarantee Agreement

**SUBJECT TO CONTRACT, FURTHER DUE DILIGENCE, CREDIT APPROVAL AND SATISFACTORY DOCUMENTATION**

**Below is an outline of the terms and conditions proposed for the agreement which may be entered into between the SBCI and a successful Applicant. It should be noted these are indicative only and not legally binding.**

Claims under the guarantee	<p>80% of the principal and permitted interest due in respect of a loan included in the Portfolio, following acceleration or a payment default which is continuing for 90 days and incurred no later than the termination date (the “<b>Defaulted Amounts</b>”).</p> <p>The amounts guaranteed shall exclude default interest, capitalized interest, fees or other costs and expenses and any interest that accrues after a period of 360 days.</p>
Agreed Portfolio Volume	Prior to the SBCI serving a notice (the “Extension Notice”) on the On-Lender, the maximum amount covered under the SBCI guarantee shall be approximately EUR 200,000,000 with that maximum amount to increase up to approximately EUR 500,000,000.
Maximum Portfolio Volume	A maximum amount of EUR 500,000,000 of the principal and permitted interest due in respect of all eligible loans included in the Portfolio by the On-Lenders.
Portfolio Inclusion Process	<p>Loans may be included in the Portfolio during the Inclusion Period which meet the eligibility criteria being:</p> <ul style="list-style-type: none"> <li>• the criteria in respect of the loan and borrower summarised in <b>Annex 2</b> and any other such criteria as may be determined by the SBCI; and</li> <li>• other scheme eligibility criteria as may be set out in the Guarantee Agreement between SBCI and On-Lenders.</li> </ul> <p>The SBCI shall provide details of the covenants, representations, events of default and/or other terms that they may require to be contained in the loan documentation governing the eligible loans.</p>

	<p>The SBCI reserves the right to terminate the Inclusion Period on notifying the On-Lenders if certain portfolio triggers are met in respect of cumulative defaults and uptake of the Scheme, summarised as follows:</p> <p>(a) on a date (to be specified) that is halfway through the Inclusion Period, if the actual portfolio volume (across the entire portfolio) is less than [X]% of the Maximum Portfolio Volume; and/or</p> <p>(b) on the Default Trigger Date (as defined below) the aggregate Defaulted Amounts incurred up to such date are more than [X]% of the actual portfolio volume (across the entire portfolio) on such date, where</p> <p>the Default Trigger Date shall be a date (to be specified) that is approximately 1 year and 3 months through the Inclusion Period, or if earlier, on the date that [X]% of the Maximum Portfolio Volume has been utilized.</p> <p>The SBCI shall consult with the On-Lender prior to such trigger dates if it considers that there is a risk that such triggers could be met.</p> <p>No further transactions may be included in the portfolio once a trigger notice has been served following the occurrence of either of the above trigger events.</p> <p>Other restrictions including restrictions on minimum credit grades may apply following EIF's risk assessment.</p>
Portfolio Exclusion Process	<p>If a loan included in the portfolio is or becomes ineligible (other than by reason of the On-Lender's ineligibility) as a result of circumstances beyond the On-Lender's control and of which the On-Lender was not aware (and could not, acting diligently, have become so aware at an earlier date), the On-Lender may either procure that the relevant loan is accelerated and make a demand in respect of that loan (which demand may be included in the covered portfolio, subject to the terms of the agreement) or exclude that loan from the covered portfolio.</p>
Guarantee Term	<p>The agreement shall terminate on the earlier of:</p> <ul style="list-style-type: none"> <li>• nine months following the last maturity date on the Eligible Beneficiary Transactions;</li> <li>• The date on which the agreement terminates following an event of default;</li> <li>• Such other date as may be set out in the Guarantee Agreement between SBCI and On-Lenders.</li> </ul>
Right of clawback	<p>The SBCI shall be entitled to claw back (with interest) any amounts paid by it in excess of the Guarantee Amount or paid in respect of a loan not included in the covered portfolio or excluded from the covered portfolio.</p>

Loss Recoveries	<p>All recoveries in respect of Defaulted Amounts shall be shared pro rata between the On-Lender and the SBCI.</p> <p>The On-Lender shall use all reasonable efforts to maximize recoveries in accordance with its internal guidelines and procedures.</p> <p>Any payments made by the SBCI in respect of a Defaulted Amount shall not be recorded by the On-Lender as a reduction in the monies due by the relevant borrower until such time as the On-Lender has (a) used all reasonable efforts to maximize recoveries in accordance with its internal guidelines and procedures and (b) determined in good faith and in a commercially reasonable manner and in accordance with its internal guidelines and standard recovery procedures, that no further recoveries are available and the recovery period for the relevant loan shall be terminated.</p>
Repeating Representations:	<p>The Guarantee Agreement shall contain repeating representations, including the following:</p> <ul style="list-style-type: none"> <li>• status, power and authority, authorisations and regulatory standards;</li> <li>• binding obligations, no conflict, governing law and enforcement and proceedings;</li> <li>• no default, no misleading information;</li> <li>• excluded or illegal activities and restricted sectors;</li> <li>• that the documents governing the eligible loans are legal, valid, binding and enforceable;</li> <li>• that each eligible loan included in the portfolio complies with the eligibility criteria.</li> </ul>
Ongoing Covenants:	<p>The Guarantee Agreement shall contain ongoing covenants, including in relation to the following:</p> <ul style="list-style-type: none"> <li>• information undertakings;</li> <li>• monitoring and audit (including consenting to the carrying out of audits in respect of the scheme);</li> <li>• maintenance of records;</li> <li>• to comply with all laws to which it may be subject, where the breach may adversely impact performance of the agreement or prejudice the interests of the SBCI, the EIF, the Commission and/or the European Investment Bank in respect of the Scheme; and</li> <li>• maintain title to the eligible loans.</li> </ul>
Events of Default	<p>Events of default shall include the following:</p> <ul style="list-style-type: none"> <li>• Non-payment (except where caused by an administrative or technical error and remedied within 2 business days of its due date);</li> <li>• Breach of other obligations, except where remedied within 14 days if capable of remedy;</li> <li>• Insolvency and insolvency proceedings;</li> <li>• Repudiation and rescission;</li> <li>• Unlawfulness;</li> <li>• Misrepresentation.</li> </ul>

Term and Termination	<p>On the occurrence of an Event of Default, the non-affected party may terminate the Guarantee Agreement and promptly thereafter the On-Lender may send a report and a payment demand in respect of any current Defaulted Amounts to the SBCI. The Guarantee Agreement shall then terminate save in respect of any rights accrued at termination (and certain surviving provisions which are to be specified).</p>
Changes to the Parties	<p>No party may assign any of its rights or transfer any of its rights or obligations under the agreement, without the prior written consent of the other party.</p> <p>If the SBCI notifies the On-Lender that it wishes to transfer all its rights and/or obligations under the agreement to an affiliate, the On-Lender shall act reasonably in considering such request provided it is satisfied that such transfer does not adversely affect the interests of the On-Lender thereunder.</p>

## Annex 5 – Information Requirements under the Top-Up Scheme

### Initial Loan Reporting

Fields	Collected by	Details
<b>1) Data outlined below is required on each loan via the SBCI Portal</b>		
Borrower Name	SBCI	
Contact Name	SBCI	
Contact Telephone Number	SBCI	
Contact Email	SBCI	
Registration or Identification Number	SBCI	Company Registration Number, VAT Registration Number or Other Identification
Address	SBCI	Borrower Address
EIRCODE	SBCI	
County	SBCI	
Date of Establishment	SBCI	YYYY
Principal activities in Ireland	SBCI	Y or N
Based in Ireland	SBCI	Y or N
Sector (NACE code)	SBCI	NACE Codes (select from list)
Previous State Aid	SBCI	Value of state aid incurred in the last 3 fiscal years
Number of employees	SBCI	Current number of employees (FTE)
Total turnover	SBCI	Mandatory
Total assets	SBCI	Mandatory
Enterprise Ireland client	SBCI	Y or N
Bord Bia client	SBCI	Y or N
Pre-clearance Reference No.	SBCI	
Confirmation of borrower's identity	FI	Y = FI's proposed borrower matches the borrower approved through pre-clearance; N = Borrower does not match
Final Recipient Transaction ID	FI	Unique Transaction Identifier (account number)
Final Recipient internal score/rating	FI	Credit Grade
Grading Model Used	FI	
Principal amount	FI	Loan amount sanctioned
Maturity (months)	FI	Period starting from signature date of Final Recipient Transaction to scheduled final payment date
Grace Period (months)	FI	Interest only period

Interest Rate / Margin	FI	Margin charged by FI - expressed as a decimal number rather than a percentage
Signature Date	FI	Date of loan agreement (dd/mm/yyyy)
First Disbursement Date	FI	Date of first principal drawdown (dd/mm/yyyy)
First Instalment Date	FI	Date of first principal repayment (dd/mm/yyyy)
Payment Frequency	FI	Drop down menu - Repayment of a Final Recipient Transaction granted
State Aid Calculation	TBD	Value of state aid generated by loan
Guarantee Maturity Date	FI	Should match the end date of the loan to the SME
Final recipient agreement to data publication	FI	Y or N (applies to loans > €1.25m)
On-Lender Rating Scale	FI	Provided by FI during set up phase
Reference Rate	FI	Euribor 3m, etc.
LGD	FI	Static Data - Provided by FI during set up phase
Amortisation Profile	SBCI	Static Data - Annuity
Final Recipient Transaction type	SBCI	Static Data - Loan
Country	SBCI	Static field
Currency	SBCI	Static Data - Euro
Region	SBCI	Calculation: NUTS code derived from county
Purpose	SBCI	Static Data - Working Capital
Guarantee fee rate	SBCI	Static Data
Guarantee amount	SBCI	Calculation = The Principal amount*Guarantee Rate
Guarantee Rate	SBCI	Static Data - 80%
Guarantee Signature Date	SBCI	Static Data - Date of guarantee signed between SBCI & On-Lender
Sub - Intermediary Name	SBCI	Static Data - FI details
Sub - Intermediary Address	SBCI	Static Data - FI details
Sub - Intermediary Postal Code	SBCI	Static Data - FI details
Sub - Intermediary Place	SBCI	Static Data - FI details
<b>2) On-going Quarterly Reporting</b>		
Final Recipient ID	FI	Unique SME Identifier (Pre-clearance Reference No)
Final Recipient Transaction ID	FI	Unique Transaction Identifier (account number)
Cumulative Disbursement	FI	Actual total disbursed amount of each loan
Address	FI	Borrower Address
Eircode	FI	
County	FI	

Outstanding Principal amount	FI	Current balance
Outstanding Principal Amount (Performing)	FI	
Final Recipient Internal Score/Rating	FI	Credit Grade
Repayment Date	FI	Date of full repayment of the outstanding principal (dd/mm/yyyy)
End of Disbursement	FI	Y or N field (Y = Loan fully drawn, N = Loan not yet fully drawn)
Delinquent Final Recipient Transaction	FI	Y or N field (Y = In arrears at quarter end, N = No arrears)
Delinquent Period	FI	If field above "Y" then include number of days in arrears
Defaulted Final Recipient Transaction	FI	Y or N field (Y = defaulted [arrears 90 days+], N = No arrears/arrears < 90 days)
Date of Defaulted Final Recipient Transaction	FI	Date of default/restructure/acceleration (dd/mm/yyyy)
<b>3) Exceptional Quarterly Reporting</b>		
<b>3.1 List of Excluded Transactions</b>		
Final Recipient ID	FI	Unique SME Identifier (Pre-clearance Reference No)
Final Recipient Transaction ID	FI	Unique Transaction Identifier (account number)
Event Date	FI	Date when a specific event occurred (dd/mm/yyyy)
Event Type	FI	Codes 0-6 Cancellation/Irregularity to any payment demand etc.
<b>3.2 Payment Demand</b>		
Final Recipient ID	FI	Unique SME Identifier (Pre-clearance Reference No)
Final Recipient Transaction ID	FI	Unique Transaction Identifier (account number)
Currency	FI	Euro - Static Data
Event Date	FI	Date event occurred (dd/mm/yyyy)
Event Type	FI	Acceleration/Default/Restructuring
Defaulted Principal amount	FI	Amount of outstanding principal following occurrence of a specific event
Defaulted Interest Covered	FI	Amount of outstanding interest following occurrence of a specific event
Recovery Date	FI	Date in which recovery payment of a loss is received by the FI before submitting payment demand
Recovery Amount	FI	Amount recovered in respect of the event type for which the FI has not yet submitted Payment Demand. The amount paid will be netted against recoveries
Guarantee Call date	FI	Date of claim by FI under SBCI guarantee

Intermediary Payment Date	SBCI	Date when payment was made by SBCI
Intermediary Paid Amount	SBCI	Value of payment made by SBCI
<b>3.3 Form of Loss Recoveries</b>		
Final Recipient ID	FI	Unique SME Identifier (Pre-clearance Reference No)
Final Recipient Transaction ID	FI	Unique Transaction Identifier (account number)
Currency	FI	Euro - Static Data
Recovery Date	FI	Date which recovery is made by the FI
Recovery Amount	FI	The amount recovered in respect of the relevant defaulted/restructured/accelerated loan
<b>3.4 Restructuring Report</b>		
Final Recipient ID	FI	Unique SME Identifier (Pre-clearance Reference No)
Final Recipient Transaction ID	FI	Unique Transaction Identifier (account number)
Old Value of the Parameter to Modify	FI	
New Value of the Parameter to Modify	FI	