



SME Financial Solutions and Government Loan Schemes supported by AIB

03 November 2020

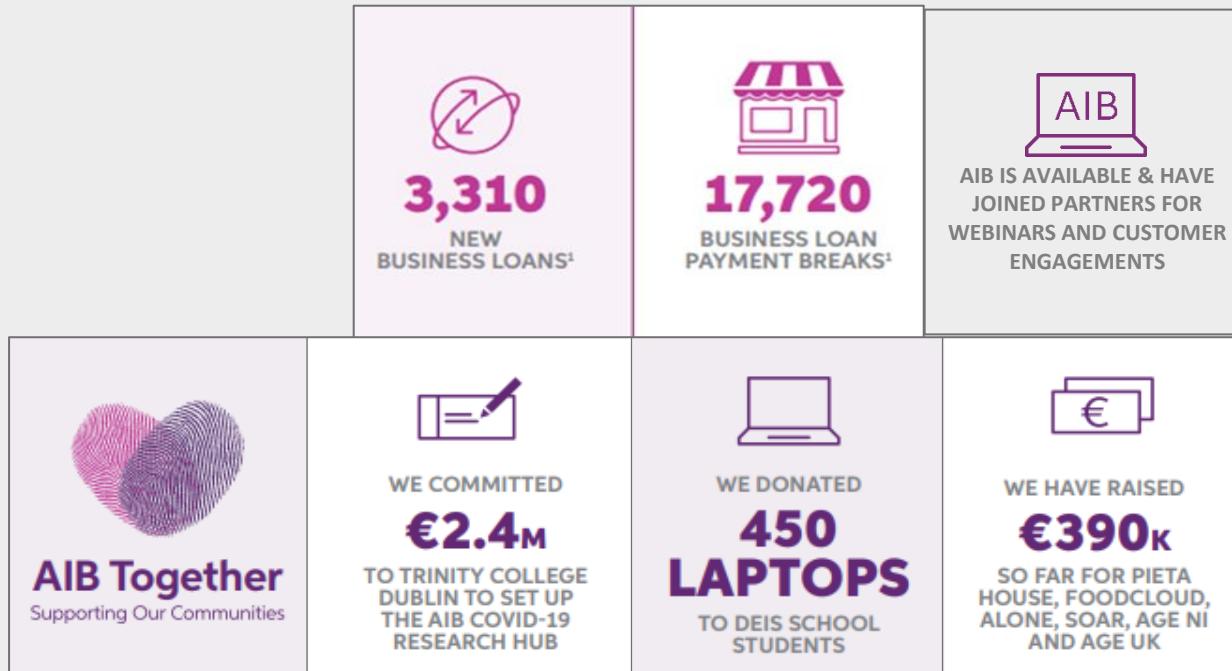
Maeve Buckley, Branch Manager, AIB Skibbereen
Ludgate Hub Webinar : Financial Supports Insights

COVID-19

Supporting Our Customers



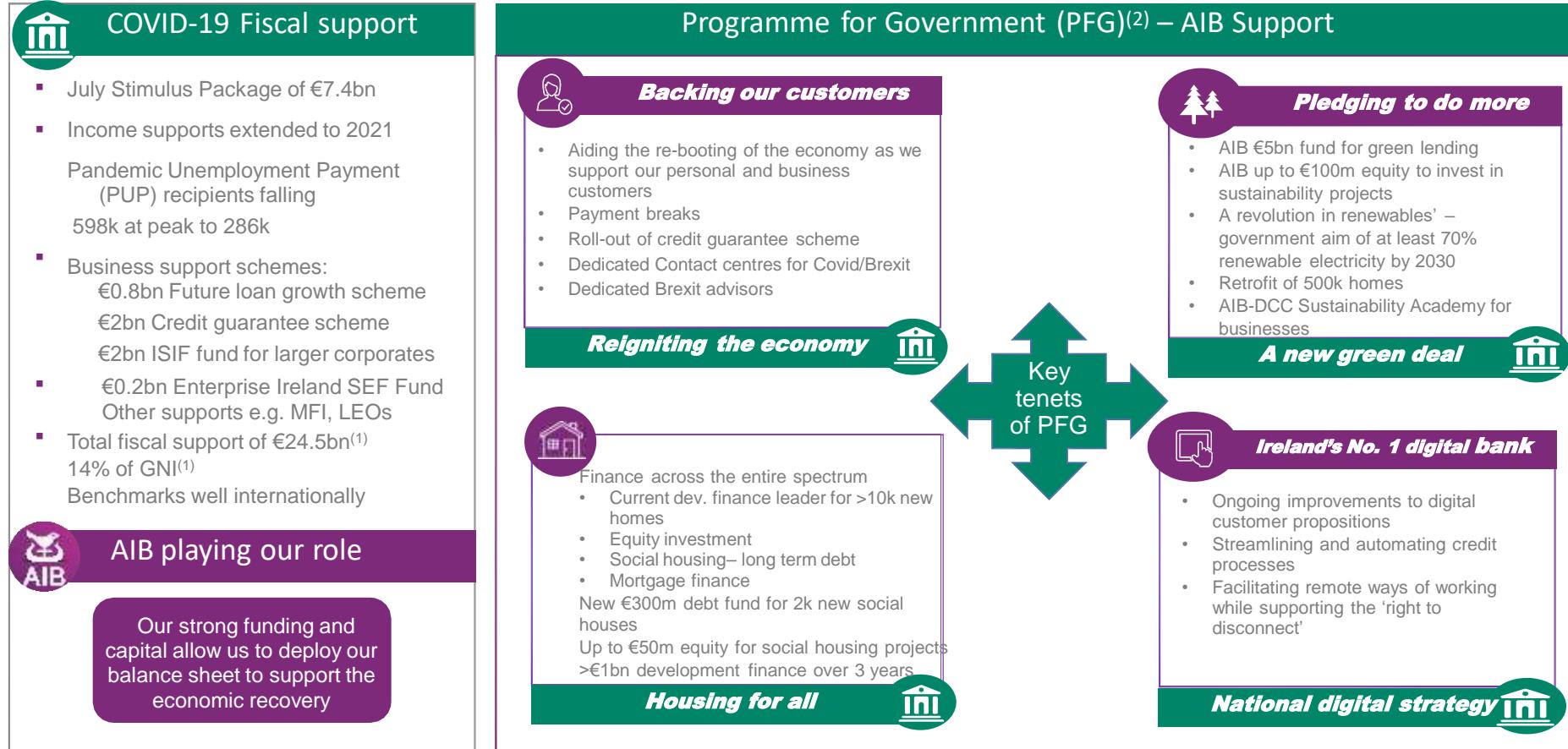
- Supporting cashflow needs
- Postponement of fees
- Enabling Govt. backed schemes
- Implementing payment breaks



1. Payment breaks data as at 24 July 2020

AIB's Role

Well Positioned To Play A Leading Role in Recovery



(1) Source: Department of Finance (DOF) 'July Stimulus' Policy Initiative: Overview of economic support measures ; GNI relates to modified Gross National Income and DOF projection is c. €175 billion for 2020.

(2) Source: Programme for Government Our Shared Future, published 15 June 2020

AIB Covid-19 examples of Supports for Business:



Financial Options

Cashflow solutions



Payment Breaks



- Option for Payment break 1 is closed
- Longer term cashflow supports
- Dedicated phone line (0818 300 127)



Working Capital



- Overdraft
- Business Credit Line
- Prompt Pay
- Insurance Premium Financing
- SBCI Funding Schemes



Treasury Solutions



- Trade Finance
- Foreign exchange Risk Management
- Brexit – Trading via UK must have Comprehensive/Transit guarantee



SBCI Loan Schemes delivered through AIB

- Product Specifics

SBCI Loan Schemes – delivered by AIB

Available Schemes - Overall Summary



Product	Purpose	Amount	Term	Rate
Credit Guarantee Scheme (CGS)	Working Capital & Term Debt including refinance of Covid expenses	€10K - €1m SME & Agri	1 year - 5 ½ years	≤ €250k - 2.75% variable > €250k - up to 2.75% variable (Note 1)
Future Growth Loan Scheme (FGLS)	Long Term Investment	€25k-€3m SME & Agri:	7-10 years	Variable + 4.44% <€250k Variable + 3.44% ≥€250k
Brexit Loan/Covid 19 Working Capital Scheme	Working Capital Support	€25k - €1.5m SME	1-3 years	4% Fixed

Notes:

- There is a premium payable to the Department of Business, Enterprise and Innovation as a contribution to the cost of the scheme

Warning: The entire amount you have borrowed will still be outstanding at the end of the interest-only period.

Warning: The cost of your repayments may increase.

New: Covid-19 Credit Guarantee Scheme

Key Features



Who can Apply?	<p>Must be a viable micro SME, Small Mid-Cap including a Primary Producer enterprise and Clubs & Organisations established in Ireland.</p> <p>The borrower must declare to the bank :-</p> <ul style="list-style-type: none">• On 31/12/19 it was a viable business and was not in financial difficulty• Business can return to viability in the future.• Turnover/potential and or profit has been or will be reduced by a minimum of 15% due to the impact of Covid-19.
How can Businesses apply?	<ul style="list-style-type: none">➢ An online application process is available on www.aib.ie where an SBCI Lending schemes enquiry form is available➢ Once the Credit Guarantee scheme is recommended, the Business can complete the request for funding online➢ Alternatively you can contact your Relationship Manager to progress an application
Purpose	Working capital (including liquidity needs) or Investment loans. Refinancing is available for Covid-19 related expenses that were initially funded through short term/temporary facilities such as overdraft.
Facility Amount	<ul style="list-style-type: none">➢ From €10,000 up to a maximum of €1,000,000 per business.➢ The overall amount of COVID 19 CGS finance agreements per participating enterprise is subject to criteria directly linked to the business.
Facility Term	Facility terms from 1 year to a maximum of 5 ½ years, including any requirement to restructure.
Interest Rate	<ul style="list-style-type: none">➢ ≤ €250k - 2.75% variable➢ Greater than €250k – up to 2.75% variable
Security	<ul style="list-style-type: none">➢ Security is not required for amounts up to €250,000.➢ Security may be required for amounts in excess of €250,000.
Other features	<ul style="list-style-type: none">➢ Applications are made directly to the Finance Provider and no eligibility code is required from SBCI.➢ There is a premium payable to the Department of Business, Enterprise and Innovation as a contribution to the cost of the scheme. The fee is based on the category of the business and the duration of the facility.➢ An interest only period or Capital and Interest Moratoria (or combination of both) can be considered for a maximum of 12 month only.

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SBCI Future Growth Loan Scheme

Key Features



Who can Apply?	<ul style="list-style-type: none">• Loans provided under the SBCI Future Growth Loan Scheme are available to:<ul style="list-style-type: none">• eligible SMEs for a long term investment period of 7 to 10 years• eligible Agri businesses for a long term investment period of 7 to 10 years in tangible or intangible assets on agricultural holdings linked to primary agricultural production.
Purpose:	There is specific eligibility criteria for both business and agri customers
Loan Amount:	Loans are available for amounts from €25,000 up to a maximum of €3,000,000.
Loan Term:	Loan terms from 7 years to a maximum of 10 years, including any requirement to restructure.
Interest Rate:	<ul style="list-style-type: none">• The <u>Base Lending Rate</u> plus:<ul style="list-style-type: none">• a maximum fixed margin of 4.44% on loans up to and including €249,999.• a maximum fixed margin of 3.44% on loans of €250,000 and above.
Security:	<ul style="list-style-type: none">• Security is not required for amounts up to €500,000.
Other features:	<ul style="list-style-type: none">• Interest only repayments are available for up to a maximum of two years at the start of the loan term (subject to credit approval).• Repayment structures that have a final bullet repayment are not permitted.

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SBCI Brexit Loan/ COVID-19 Working Capital Scheme

Key Features

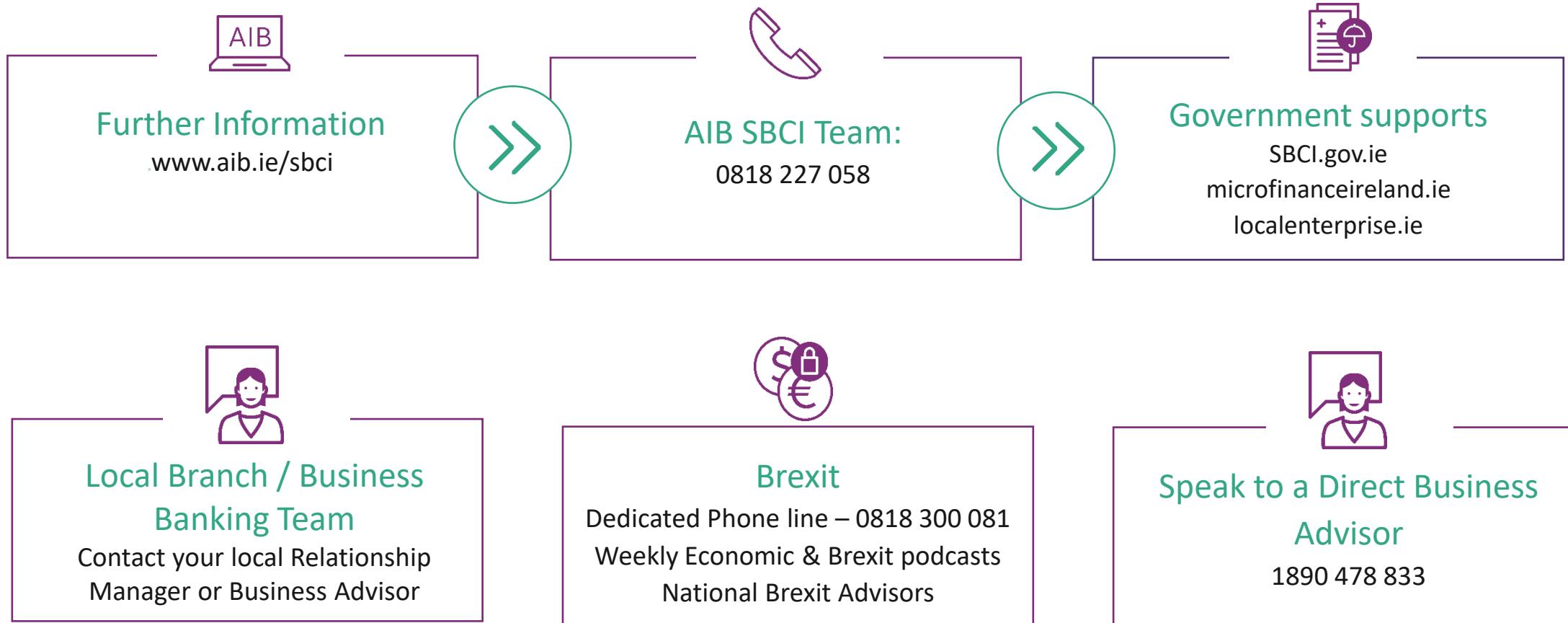


Who can Apply?	<ul style="list-style-type: none">Viable micro, small and medium sized enterprises, SMEs and Small MidCap (that meet the eligibility criteria).Primary agriculture, fishery or aquaculture are NOT eligibleEligibility criteria must satisfy at least <u>one</u> of the Innovation criteria and either <u>one</u> of the Brexit criteria or the Covid-19 criterion
Purpose	<ul style="list-style-type: none">Loans can be used to:<ul style="list-style-type: none">Fund working capital needs, and;Fund innovation, change or adaption of the business to mitigate the impact of Brexit or Covid-19.
Loan Amount	<ul style="list-style-type: none">Loans are available for amounts from €25,000 up to a maximum of €1,500,000 per business (including any previous SBCI Brexit Loans).
Loan Term	<ul style="list-style-type: none">Loan terms from 1 year to a maximum of 3 years, including any requirement to restructure.
Interest Rate	<ul style="list-style-type: none">Maximum interest rate of 4%, fixed for the term of the loan with no breakage costs.
Security	<ul style="list-style-type: none">Security is not required for amounts up to €500,000.
Other features	<ul style="list-style-type: none">An interest only repayment option may be available at the start of a loan, subject to normal lending criteria.

Warning: You may have to pay charges if you repay early, in full or in part, a fixed-rate credit facility.

Warning: The entire amount you have borrowed will still be outstanding at the end of the interest-only period.

Further Information & How to Contact Us



Important Regulatory Information.

Lending criteria, terms and conditions apply. Credit facilities are subject to repayment capacity and financial status and are not available to persons under 18 years of age. Security may be required. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland.

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Fiontar agus Nuálafochta
Department of Business,
Enterprise and Innovation



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