

OeKB investment guarantee(G4)

Coverage against political risk

YOUR BENEFITS

- **Coverage of foreign investments** against political risk
- **High cover ratios** of 99-100% (depending on the target country)
- **Attractive conditions** also for smaller projects
- **Coverage of long repayment terms**, up to 25 years possible
- **Longstanding experience** of Bank Austria in cross-border business and excellent contacts with OeKB
- **Comprehensive support** by our specialists

YOUR SITUATION

You are an Austrian company that is planning to buy shares of an existing company abroad or to establish a company abroad or to grant a shareholder loan to your foreign subsidiary. With the OeKB investment guarantee you can protect yourself against **political risk** in the country of investment.

The guarantee is characterized by a high cover ratio of up to 100% of the book value of your investment and can be combined with a guarantee by aval ("Wechselbürgschaft").

WHAT ARE THE REQUIREMENTS FOR AN INVESTMENT GUARANTEE?

A prerequisite for an investment guarantee is proof of a positive effect on the Austrian current account balance.

ELIGIBLE PROJECTS

The G4 investment guarantee is intended for markets where there is political risk, generally non-OECD and non-EU countries.

Minority holdings as well as investments where you have a majority shareholding or 100% ownership can be covered, irrespective of whether you are investing capital or making contributions in kind.

Investments in equity as well as shareholder loans that have to be repaid can be supported.

SCOPE OF GUARANTEE

- Book value of the equity investment (financial contributions or contributions in kind, shareholder loans)
- Increases (e.g. in connection with capital increases) as well as reductions due to decreases in equity interests, loan repayments, write-downs etc. are possible
- Coverage of interest and income is possible. There is no upper or lower limit for the project.

CASE OF LIABILITY, COVERED RISKS

- Complete or partial dispossession as well as complete or partial destruction of the investment or of the investment-like right due to a direct or indirect political reason (e.g. nationalization, expropriation etc.)
- Transfer restrictions on the proceeds from the sale or liquidation of the investment, on income from the investment or on payments of principal and interest from an investment-like transaction.
- Assets of your subsidiary are destroyed, for example due to war or revolution, meaning that the company cannot be run any longer without making a loss.

GURANTEE TERM

Up to a maximum of 25 years, mostly 5 to 10 years.

GURANTEE COSTS

Between 0.2 – 1% p.a. (payable annually in advance), depending on the OECD classification of the target country.

Deductible: 0 or 1%.

WHERE CAN YOU OBTAIN MORE INFORMATION?

For more details, please contact your UniCredit Bank Austria relationship manager or our specialists in Export & Investment Promotion Finance:

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Further Information:

Bank Austria Online Funding Finder

www.foerderfinder.bankaustria.at

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