

## TRANSACTION ELIGIBILITY CRITERIA

**“Transaction Eligibility Criteria”**, in relation to the Credit, means that:

- (a) the maximum amount of the principal pledged for drawing will not exceed CZK 50,000,000;
- (b) the maximum amount of principal pledged for drawing will not exceed the highest of the following amounts:
  - (i) twice the annual payroll costs of the Credit applicant (including social security costs and the costs of employees who work for a plant but are on the payroll of suppliers) reported for 2019 or the last available year. If a Credit applicant who is a legal entity was established on or after 1 January 2019, the maximum amount of the credit must not exceed the estimated annual payroll costs of the first two years of its activity;
  - (ii) 25% of the Credit applicant’s total turnover in 2019; or
  - (iii) further to a duly reasoned statement of grounds and a solemn declaration from the Credit applicant on its liquidity needs, the amounts needed to cover the required liquidity for the twelve months from the moment the Credit is granted;
- (c) the Credit will not mature before 1 January 2021;
- (d) in relation to the Credit, the requirements for ascertaining and disclosing the beneficial owner of the Credit applicant, as set forth in Section 4 of Act No 228/2020 on the provision of a state guarantee of the Czech Republic securing the debts of Českomoravská záruční a rozvojová banka, a.s. arising from liability for loan debts in connection with the mitigation of the negative effects caused by the SARS CoV-2 virus.