

Term Sheet COVID-19-Loan

Swiss Federal Emergency Ordinance dated March 26, 2020 with respect to the provision of loans guaranteed by joint security in connection with the Corona pandemic

Purpose	<ul style="list-style-type: none"> – prevent mass dismissals – secure continued payment of wages – prevent liquidity shortages – bridge loan to cover fixed costs
Beneficiaries	Self-employed persons and businesses (sole proprietorships, partnerships and corporations) that are domiciled in Switzerland and whose annual turnover is not higher than CHF 500 million.
Covid-19-Loan	Up to CHF 500,000
Loan Amount	<p><u>Principle</u>: maximum 10% of the applicant's gross turnover generated in 2019.</p> <p>Unless the financial statements 2019 are approved, the assessment is based on the provisional financial statements 2019.</p> <p>If the provisional financial statements 2019 are unavailable, the assessment is based on the financial statements 2018.</p> <p>In case of businesses formed January 1, 2020 or later, the assessment is based on an estimated annual turnover of three times the total net salary amount of one business year, the minimum being CHF 100,000, and the maximum CHF 500,000.</p>
Interest	Currently 0% p.a.
Bank fees	None
Amortization	<p>Within 5 years (60 months)</p> <p>In case of hardship, within 7 years (an extension of 2 years is possible)</p>
Collateral	The COVID-19-Loans are fully guaranteed by the Swiss Confederation via joint security organizations.
Conditions	<p>The applicant</p> <ul style="list-style-type: none"> – was established/incorporated in Switzerland before March 1, 2020; – suffers considerable economic loss due to the COVID-19 pandemic, particularly in terms of turnover; and – is financially sound, i.e. the applicant is not affected by bankruptcy, composition or liquidation proceedings.

Limitations	During the term of the loan, the applicant may not <ul style="list-style-type: none">– pay dividends and contributions in cash (<i>Kapitaleinlagen</i>);– refinance private or shareholders' loans;– re-pay intra group loans; or– transfer the COVID-19 Loan to direct or indirect affiliated group companies abroad.
Documentation	Fill out the application form provided by the Swiss federal government which is available under the following link: https://covid19.easygov.swiss .
Deadline	The signed application form must be filed with the applicant's bank no later than July 31, 2020.
Solvency audit	None. The applicant only needs to confirm that it fulfills the conditions mentioned above.
Bank	Swiss bank with which the applicant already has a business relationship.
Availability	Within a few hours after filing of the signed application form with the bank.

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Contact persons at GHR Rechtsanwälte AG:

Bruno Hunziker, brunohunziker@ghr.ch

Gerhard Roth, gerhardroth@ghr.ch

Ludovic Duarte, ludovicduarte@ghr.ch

Markus Brühlhart, markusbruelhart@ghr.ch

T + 41 (0) 58 356 5050

Zurich: Seidengasse 13, CH-8021 Zürich, Switzerland

Bern Muri: Tavelweg 2, CH-3074 Bern Muri, Switzerland