

## Summary of the Draft on Financial Rehabilitation Measures

Measures	Soft Loan Facility for Businesses	Debt Restructuring through Asset Warehousing with Buy-Back options
<b>Total Credit Line</b>	<b>250 billion baht</b>	<b>100 billion baht</b>
<b>Period</b>	<b>2-year loan withdrawal period from the BOT, maximum 5-year term loan</b>	
<b>Objectives</b>	Provide liquidity for business operations as well as for business recovery	Financial relief for affected businesses with prolonged recovery period
<b>Target Groups</b>	<p><b>(1) Existing borrowers</b> with existing credit line not exceeding 500 million baht as of 28 February 2021 and whose loan statuses are not NPL as of 31 December 2019</p> <p><b>(2) New borrowers</b> with no existing credit line with financial institutions (FIs) as of 28 February 2021</p>	Borrowers with collaterals prior to 28 February 2021 whose loan statuses are not NPL as of 31 December 2019
<b>Conditions</b>	<b>Loan offer</b>	<p><b>Both FIs and borrowers mutually agree</b> to transfer collaterals for debt repayment purpose. Additional conditions include:</p> <ul style="list-style-type: none"> <li>- A borrower has the first rights to repurchase collaterals back within 5 years. The repurchase price should not be higher than the transfer price plus carrying cost (1% per annum of the transfer price) as well as incurred asset maintenance costs and other relevant fees.</li> <li>- A borrower has the first rights to rent the collateral asset. Rents received by FI will be deducted from the repurchase price. No additional maintenance costs shall be incurred if the borrower rents the asset.</li> </ul>
	<p><b>(1) Credit limits per borrower</b></p> <p><b>(1.1) Existing borrower:</b> not exceeding 30% of credit line as of 31 December 2019 or 28 February 2021, whichever is greater, but not exceeding 150 million baht</p> <p><b>(1.2) New borrower:</b> not exceeding 20 million baht</p> <p><b>(2) Interest rate:</b> FIs will provide loan with interest rate not exceed an average of 5% per annum for 5 years, and at 2% in the first 2 years. The government will subsidize interest for the first 6 months.</p>	
	<b>Loan guarantee</b>	
	<p><b>(1) Guarantee period:</b> 10 years</p> <p><b>(2) Compensation rate:</b> not exceeding 40% of loan portfolio</p> <p><b>(3) Fee:</b> average at 1.75% per annum, which the government will compensate in total of 3.5% through government guarantee mechanisms by the Thai Credit Guarantee Corporation (TCG)</p>	

<p><b>Government support</b></p>	<p><b>BOT:</b> liquidity support at 0.01% interest rate for FIs in providing loan.</p> <p><b>Government:</b></p> <ol style="list-style-type: none"> <li>1. MOF: support loan guarantee mechanisms</li> <li>2. MOF, the Ministry of Interior, and the Ministry of Commerce: will reduce fees related to asset transfers to 0.01% and exempt mortgage registration and business collateral registration fees.</li> </ol>	<p><b>BOT:</b> liquidity support at 0.01% to FIs for the value of asset transfers.</p> <p><b>Government:</b> MOF, the Ministry of Interior, and the Ministry of Commerce: reduce or exempt taxes and relevant fees for both the transfers and the repurchase of the assets for original owners.</p>
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