RISK-SHARING MODEL

Risk-Sharing Model is the manner of implementing HBOR's loan programmes **in cooperation with commercial banks, where HBOR and a commercial bank share the risk of collecting repayments of loan funds**. The Model enables the financing of **investment projects and working capital** as follows:

- **Generally, commercial bank finances at least 50% of the total loan amount** (commercial bank's loan) from own funds;

- **HBOR finances up to 50% of the total loan amount** (direct HBOR's loan)

secured by collateral customary in the banking business and having the same ranking in terms of the order of priority of payments.

A loan application is submitted to commercial bank.

Benefits for entrepreneurs

Commercial banks are more willing to finance projects if they do not assume the entire risk

Through the Risk-Sharing Model, financing is implemented under the following loan programmes:

- *Economy*
- *Infrastructure*
- *SMEs*
- *New Production*
- *Start-ups*
- *Youth Entrepreneurship*
- *Female Entrepreneurship*
- *Tourism*
- *Environmental Protection*
- *Inventions*
- *Buildings*
- *Shipping*

- *Pre-Export Finance*
- *Permanent Working Capital*
- *Preparation of Agricultural Production*
- *Preparation of Tourism Season*
- *Financing of Manufacturing*
- *Restructuring*
- *Agriculture and Balanced Development*
- *Financing of EU Private Sector Projects*
- *Financing of EU Rural Development, Fisheries, and Wine Envelope Projects*

All loan specific provisions are regulated through implementation and contract documentation with commercial banks.

List of commercial banks cooperating on the Risk Sharing Model:

1. Addiko Bank d.d., Zagreb
2. Erste & Steiermarkische Bank d.d., Rijeka
3. Hrvatska poštanska banka d.d., Zagreb
4. Kreditna banka Zagreb d.d., Zagreb
5. OTP banka Hrvatska d.d., Zadar
6. Podravska banka d.d., Koprivnica
7. Privredna banka Zagreb d.d., Zagreb
8. Raiffeisenbank Austria d.d., Zagreb
9. Sberbank d.d., Zagreb
10. Slatinska banka d.d., Slatina
11. Splitska banka d.d., Split
12. Zagrebačka banka d.d., Zagreb