



## KEY INFORMATION DOCUMENT

### DISCLAIMER

Eurivex Trade Finance Limited ("ETFL", or "the Company") is required to produce and publish this document by Regulation (EU) 1286/2014 of the European Parliament and the Council on key information documents for packaged retail and insurance-based investment products (the "PRIIPs Regulation"). ETFL is required to follow the Regulation's prescribed methodology in preparing the document, including for the determination of the Summary Risk Indicator and calculation of the Performance Scenarios. ETFL believes that the methodology prescribed by the Regulation for the preparation of the information in this document and, in particular, the Performance Scenarios, is primarily designed for packaged retail investment products rather than shares in a listed company.

The financial instruments of the Company are suitable only for investors that are capable of evaluating the merits and risks of such an investment, who understand the potential risk of capital loss, for whom an investment in the Company constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company, who understand the limitations of the scenarios set out in the Summary Risk Indicator and Performance Scenarios and who have sufficient resources to be able to bear losses (which may equal the whole amount invested) that could result from such an investment in the Company's financial instruments. Past performance is not a guide to future performance.

### PURPOSE

This document provides you with key information about ETFL. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of the Company and to help you compare it with other products.

### Eurivex Trade Finance Limited Recourse Notes (Bonds)

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PRIIP manufacturer (for the purposes of this document only): ETFL  
Competent Authority of the PRIIP Manufacturer in relation to the KID: CySEC

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### WHAT IS THIS PRODUCT?

<p><b>Type</b></p>	<p>The financial instruments of ETFL a company incorporated in Cyprus ("ETFL" or the "Company") are Recourse Notes ("Notes") with internal trade code ETFR. The Notes have been issued by ETFL. The Company has an unlimited life and the maturity date for the Notes is for 5 years. The holding period for the Notes is six months. The return from an investment in the Notes is fixed until maturity of 6 months at 3.0% p.a. or at the price at which the Notes are sold before maturity, and by any returns paid by the Company to the investors in its Notes during the holding period. The Company may, but is under no obligation to, repurchase the Notes before maturity and investors should expect that the primary means of disposing of Notes will be on maturity of the Notes or by Over-the-Counter (OTC) trades via Eurivex Ltd ("Eurivex"), the parent company of ETFL, which is regulated by the Cyprus Securities &amp; Exchange Commission ("CySEC"), number 114/10. The price at which an investor may dispose of Notes through an OTC transaction will depend on the prevailing price, which may, or may not, reflect the prevailing net asset value per Note.</p>
<p><b>Objectives</b></p>	<p>ETFL aims to provide investors access to trade finance investments. Currently, its main focus is on trade finance investments in businesses based in Cyprus, Greece and other EU member countries, but it will soon expand sphere of operations to other countries. The geographies, economic sectors in which ETFL offers trade finance funding continue to evolve as opportunities are identified.</p> <p>ETFL seeks to diversify risk through significant dispersion of investments by geography, economic sector, and size as well as through the diversification of its investment portfolio.</p> <p>Trade finance is offered through invoice discounting of credit invoices of legal entities with notification to trade receivable clients or confidentially. The objective is to earn a higher return for the investor investing in the ETFL Notes compared to zero return when surplus funds are left in a bank current account, and, up to 0.2% per annum return on term deposit of one-year maturity with local banks.</p>

<b>Target Return</b>	<p>Notes will have a stated, fixed rate of return, which will be the rate of the corresponding investment.</p> <p>The rate of return is 3.0% per annum and is based upon the risk and credit assessment of the trade finance receivables.</p> <p>The Notes will earn a return from the date of issuance of the series, be fully amortizing and be payable at the end of the maturity of the deal.</p> <p>The target return is achieved only after the investor money is invested in a deal.</p>
<b>Full Recourse</b>	<p>In order to reduce the risk of default, ETFL evaluates every prospective client ("Supplier") by asking the client to provide its latest audited financial statements, Management Accounts, Debtors ageing and credit terms offered to its customers.</p> <p>After a careful evaluation, Eurivex Trade Finance Limited will make an offer to the client and set the discount percentage, the Admin and Discounting fees and always make sure that the Supplier has strong financial position and a wide diversification of trade receivables.</p> <p>The agreement stipulates that if any trade receivable of the Supplier does not pay its obligations, ETFL will have full recourse on the Supplier and deduct the unpaid balance from the other receivables of the Supplier.</p>
<b>Full Recourse explained in numbers</b>	<p>To better understand consider this hypothetical example. The client of ETFL, the Supplier has 20 trade receivables for a total trade receivable book of €200,000. The Credit Committee of ETFL makes its evaluation and decides to offer a 80% discounting percentage to the Supplier. This means on every €200,000 invoices issued by the Supplier to its debtors who purchased goods, ETFL will discount a maximum 80% or €160,000 to the Supplier. We are assuming that the Supplier offers 60 days credit to its customers. So the €160,000 is now spread among the 20 clients of the Supplier. Suppose one of the customers defaults or is unable to pay and the overdue balance is €20,000. ETFL deducts this balance from the next invoices that the Supplier presents to ETFL, and in the next round will only offer €140,000 to the Supplier, being €160,000 on new €200,000 invoices presented, less the €20,000 owed.</p>
<b>Are the Notes guaranteed?</b>	<p>The Notes are not guaranteed, but are relatively medium risk, since as explained above, in the event that a debtor defaults, then ETFL would reduce the money from the next round of funding to the Supplier and cover the overdue balance.</p> <p>Even if the Supplier stops working with ETFL, the outstanding amounts due from the debtors will more than cover the overdue balance.</p> <p>If on the other hand a major credit crisis occurs in Cyprus affecting all companies (similar to the Laiki Bank default) then in that case all debtors will most likely not pay and the ability of ETFL to pay back the capital invested and honour its obligations will be negatively affected.</p>
<b>Are the receivables pledged for the benefit of Noteholders?</b>	<p>The Notes are special, limited obligations of Eurivex Trade Finance Limited only and not obligations of any legal entity whose trade receivable has been discounted.</p> <p>While the Notes are unsecured, but the trade receivables of the trade finance facility are pledged to the benefit of the Noteholders who invested in the corresponding trade finance receivable or the proceeds of those corresponding trade finance receivables.</p> <p>An independent Trustee is entrusted with the task to make sure that such a pledge of trade finance receivables is adhered for the benefit of Noteholders.</p>
<b>How is money invested?</b>	<p>The money is invested on a first-come-first-serve basis irrespective of the size of the investment since all investors are treated equally by Eurivex. Investors decide the amount of investment and are locked in the Recourse deals for a period of six months with a fixed return of 3.0% per annum. The investment is only made if there is a corresponding deal available for investment. If no deals are available, the money will sit idle in the investor account, earning no return.</p> <p>After the investment is made, the money is transferred to ETFL (as the Issuer of the Notes) who decide on the allocation of funds to other trade finance deals.</p>
<b>The process and risk of investment</b>	<p>ETFL Credit and Risk Committee grants the credit limit after careful evaluation of the Supplier and its debtor diversification, taking also into account the financial strength, gearing and other financial ratios of the supplier. After the limits are approved, the supplier invoices its clients on credit and assigns the invoices to ETFL for discounting. If one or more of the debtors fail to settle their obligations to ETFL, the uncollected amounts are deducted from the available balance of the supplier pertaining to other debtors. This explains the right of recourse on the supplier. If the supplier does not introduce new invoices, ETFL will collect the outstanding balance from the rest of the debtors and claim the remaining balance from the supplier, including taking legal action if the outstanding is not recovered. If the supplier has become insolvent, in that case ETFL would be treated as a creditor.</p>
<b>Intended retail investor</b>	<p>An investment in the Company is suitable only for investors that are capable of evaluating the merits and risks of such an investment, who understand the potential risk of capital loss, for whom an investment in the Notes constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company's Notes and who have sufficient resources to be able to bear losses (which may equal the whole amount invested) that may result from such an investment. Accordingly, typical investors in the Company are expected to be experienced investors, institutional investors, high net worth investors and other investors who have taken appropriate professional advice and understand the risks involved in investing in the Company's Notes.</p>

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## WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

### Risk Indicator

Lower Risk				Higher Risk		
Usually lower rewards				Usually higher rewards		
1	2	3	4	5	6	7

Lower risk

Higher risk



**The holding period for Notes in the Company is six months. You may not be able to sell Notes in the Company easily or you may have to sell at a price below the price that you paid or below the prevailing net asset value if you decide to exit before maturity.**

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Company is not able to pay you.

ETFL have classified this product as 5 out of 7, which is a medium to higher risk class. This rates the potential losses from future performance at medium to higher risk level.

Other risks materially relevant to the Notes that are not included in the summary risk indicator include:

- The Company is exposed to the risk that its portfolio fails to perform in line with the Company's objectives if it is inappropriately invested or markets move adversely.
- The Company is exposed to the risks arising from any failure of its systems and controls or of those of its service providers.
- While there are a number of methods by which the Company could seek to manage any discount to net asset value at which the Company's Notes may trade in the secondary market operated by Eurivex Ltd, there is no guarantee that the Company can or will utilise any or all of these methods or, if it does, that it will be successful.

This product does not include any protection from future market performance so you could lose some or all of your investment.

### Performance scenarios

Investment of £10,000				
SCENARIOS			180-days	360-days
<b>Stress scenario</b>	<b>What you might get back after costs</b>		€9,980	€9,980
	Average return annualised		(0)%	(0)%
<b>Unfavourable scenario</b>	<b>What you might get back after costs</b>		€9,980	€9,980
	Average return annualised		(0)%	(0)%
<b>Moderate scenario</b>	<b>What you might get back after costs</b>		€10,125	€10,275
	Average return annualised		(3.0)%	(3.0)%
<b>Favourable scenario</b>	<b>What you might get back after costs</b>		€10,125	€10,275
	Average return annualised		(3.0)%	(3.0)%

This table shows the money you could get back over the next 6 months and 1 year, under different scenarios, assuming that you invest €10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. They are based on total return over 180 and 360 days.

**Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.**

The figures shown include all the costs of the Company itself but do not include all the costs that you may pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

### WHAT HAPPENS IF THE COMPANY IS UNABLE TO PAY OUT?

If the Company were liquidated, you would be entitled to receive a distribution equal to your share of the Company's assets, after payment of all of its creditors. There is no compensation or guarantee scheme in place that applies to the Company and, if you invest in the Company's Notes, you should be prepared to assume the risk that you could lose all of your investment.

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## WHAT ARE THE COSTS?

Ongoing costs exclude costs incurred by the Company's portfolio investments. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the Company itself, for three different holding periods. The figures assume you invest €10,000. The figures are estimates and may change in the future. You should note that these costs are paid by the Company whereas the return that you may receive will depend on the Company's Notes performance. There is no direct link between the Company's Notes and the costs that it pays and the Notes already takes into account the costs borne by the Company.

If you sell your Notes or on maturity if you decide to withdraw your money, you would be liable to pay bank charges. That is likely to be lower than the total consideration. In addition, the cost information below does not reflect any taxes payable by the retail investor.

**Table 1: Costs over time**

The person advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Investment of €10,000			
SCENARIOS	IF YOU CASH IN AFTER 60-days	IF YOU CASH IN AFTER 180-days	IF YOU CASH IN AFTER 360-days
Brokerage fee on entry	0.05% on value invested	0.05% on value invested	0.05% on value invested
Brokerage fee on maturity	0.05% on value invested	0.05% on value invested	0.05% on value invested
Custody fee	€15 flat fee once annually	€15 flat fee once annually	€15 flat fee once annually
Brokerage in OTC market	0.05% on every trade	0.05% on every trade	0.05% on every trade

**Table 2: Composition of costs**

The table below shows:

- the impact each year of the different types of costs on the investment return that you might get;
- the meaning of the different cost categories.

One-off costs	To open account	N/A	When you open an account with Eurivex Ltd, no fees or charges apply.
	Compliance	N/A	You don't pay any costs to Eurivex for conducting its due diligence on you at the time when you open account and transfer funds to Eurivex.
Ongoing costs	Entry & Exit brokerage costs	0.05%	Each time you buy/sell an ETFL Note, you are charged a brokerage fee of 0.05% on the value of Notes.
	Custody fees	Flat fee	An annual custody fee of €15 is applied on every retail client irrespective of size of holding for safe-keeping of the Notes.
Incidental costs	Performance fees	N/A	The Company does not pay a performance fee.
	Marketing fees	N/A	The Company absorbs all the marketing and promotional fees.

## HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

The minimum holding period for the Notes in the Company is six months, with investors being able to sell their investment in the Company's Notes through the Over-the-counter (OTC) market operated by Eurivex. The Company is not obliged to acquire any of the Company's Notes before maturity. You may sell your Notes in the Company on any day which is a dealing day in Cyprus. No fees or penalties are payable to the Company on sale of your investment, but you will be required to pay Brokerage fees on a successful trade.

## PAST PERFORMANCE

There is no past performance analysis to report since the expansion into trade finance investing is a new activity and the Company commenced this line of business after the end of the first quarter of 2019.

## HOW CAN I COMPLAIN?

Complaints may be submitted in writing, orally, by fax or by email at the contact details provided below:

18 Kyriacou Matsi, Victory Tower, 1st floor, Nicosia 1082 Cyprus

(Attn: Complaints Officer)

By telephone: (+357) 22 028830

By Facsimile: (+357) 22 255318

By email: [complaints@eurivex.com](mailto:complaints@eurivex.com)

The complaints handling procedures are available on the web site of Eurivex, <http://eurivex.com/>

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Within 7 business days of the completion of an investigation a written report must be sent to the complainant explaining clearly: The outcome of the investigation; The nature and terms of any offer of settlement which the Company is prepared to make in satisfaction of the complaint; The reasons for declining to offer a settlement; A statement of the fact that the Company will treat the complaint as settled if the complainant does not indicate dissatisfaction within one month of receiving the report; Finally, the Company will inform the complainant that he may refer the complaint with a copy of the final response to the Cyprus Securities and Exchange Commission for further investigation or the Financial Ombudsman of Cyprus.

The details of the Financial Ombudsman of the Republic of Cyprus are:

13 Lord Byron Avenue, 1096 Nicosia Cyprus  
Phone: 22848900 (main number) Facsimile (Fax): 22660584, 22660118  
E-mail: [complaints@financialombudsman.gov.cy](mailto:complaints@financialombudsman.gov.cy)  
Financial Ombudsman: [fin.ombudsman@financialombudsman.gov.cy](mailto:fin.ombudsman@financialombudsman.gov.cy)  
Website: [www.financialombudsman.gov.cy](http://www.financialombudsman.gov.cy)

### OTHER RELEVANT INFORMATION

Further documentation, including the Company's annual and semi-annual reports, regulatory disclosures and disclaimers, is available on the Company's website at <http://www.eurivexfinance.com/>. The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules.

### ADVANTAGES OF THIS PRODUCT

- 1) **Satisfactory return:** Investors earn net return of 3.0% per annum;
- 2) **Credit insured:** The underlying assets are trade receivables with full recourse rights on suppliers. This means that if Cypriot debtor defaults, we claim the money from the suppliers and deduct from their total receivables;
- 3) **Short term duration:** The trade finance deals are 180 days;
- 4) **Low investment amount:** There is no minimum amount to invest;
- 5) **All Investors are equal:** Eurivex treats all investors on a first-come-first-serve basis, treating all investors, big or small equally;
- 6) **Reinvestment:** On maturity of investment, you have the option to renew capital plus your return for another six month period;
- 7) **Interests aligned:** ETFL also invests in the trade finance deals, based on the same terms and conditions as with investors, aligning its interests with investors;
- 8) **No Entry or exit fees:** Opening an account is free of charge with Eurivex and there are no evaluation or due diligence compliance fees. You can withdraw your money on maturity of the deals, no questions asked and without any exit fees except relevant bank charges;
- 9) **Low charges:** Eurivex applies 0.05% transaction charges and €15 flat-fee annual custody fees;
- 10) **Regulated:** Eurivex, operating since 2010, is an EU investment firm, regulated by Cyprus Securities & Exchange Commission (CySEC), number 114/10, operating in line with EU's MiFID II rules.